# 2021 Finance Budget - Discussion Document

## *Introduction*

The Finance department strives to provide quality support services to the leadership and all departments of the City. The department is committed to being good stewards of the City’s financial resources.

Finance works with and for all departments to add value to citywide operations through these general initiatives:

* Provide financial management services for the City and its departments
* Manage day to day accounting of the City’s transactions
* Assist in the preparation of the City’s annual budget

## *PBB Inventory & Costing Estimate*

|  |  |  |
| --- | --- | --- |
| Program | hrs/yr | % |
| Accounts Payable | 1,120 | 18% |
| Accounts Receivable | 150 | 2% |
| Payroll | 360 | 6% |
| Cash and Investment Management | 580 | 9% |
| Debt Management | 220 | 4% |
| Financial Reporting | 260 | 4% |
| Capital Project/Fixed Asset Management | 280 | 5% |
| General Ledger Accounting | 2,920 | 46% |
| Annual Budget/Long-Range Financial Planning | 350 | 6% |
| Total |  6,240  | 100% |

Based on 3 FTE

|  |  |
| --- | --- |
|  | The following includes some of the activities within each program element noted in the PBB estimate table above:**Accounts Payable:** Pays bills incurred for City and Liquor Store purchases of products and services.**Accounts Receivable:** Manages billing and collection of services provided to residents and businesses.**Payroll:** Process payroll for all City and Liquor Store employees.**Cash and Investment Management:** Manages the collection of revenues and investment of idle funds.**Debt Management:** Assist in the issuance of bonds or other indebtedness of the City. Make timely debt service payments.**Financial Reporting:** Prepare monthly, periodic and annual financial and budget reports.**Capital Project/Fixed Asset Management:** Coordinate payments for capital projects and record all corresponding assets.**General Ledger Accounting:** Provides for the fiscal management and processing of all accounting transactions for all funds of the City and Liquor Stores.**Annual Budget/Long-Range Financial Planning:** Assists in the preparation of the City’s Annual budget and Tax levy and creation of long-range financial planning. |
|  |  |

## *Discussion for 2021 Changes and COVID related items*

|  |  |
| --- | --- |
|  | 1. Finance Clerk retirement in early 2022 – during the remainder of 2020 and during 2021 the Finance Department will look for opportunities to work on improving processes and efficiencies, which will flow into reviewing and revising position descriptions.
2. Remote Work – All finance staff are now set up to work remotely. The department has been functioning with staff performing our job duties while working remotely – with time scheduled at City Hall on a weekly basis.
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## *Detailed Breakout Budgets*

| 101-41510-50331 Detailed Training/Travel Budget | Amount |
| --- | --- |
|  MCFOA Annual Conference and quarterly meetings - 1 | $1,100 |
|  MNGFOA Annual Conference - 2 | $450 |
| AEM Annual Seminar - 2 | $400 |
| BS&A Annual User Group meeting - 2 | $2,400 |
| Other Training – 3  | $500 |
| **TOTAL** | **$4,850** |

| 101-41510 -50433 Detailed Dues and Subscriptions | Amount |
| --- | --- |
| MCFOA - 1 | $45 |
| MNGFOA – 3  | $150 |
| AICPA - 1 | $285 |
| MN Society of CPAs – 1 | $310 |
| International Inst of Municipal Clerks - 1 | $170 |
| **TOTAL** | **$960** |