

FINANCE

Nathan Bell, Finance Director

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Department Overview

The Finance Department provides professional oversight and consultation to City programs and services regarding financial, accounting, and budgetary practices. The Department's focus is to ensure compliance with all relevant financial and budgetary regulations, including Oregon Budget Law and State statutes governing financial information.

In addition to financial services, the operations of the Municipal Court are under the authority of the Finance Director. Municipal Court strives to maintain public confidence in the ability of the legal judicial system to uphold the rule of law, fairly and impartially resolve legal contests in a timely manner, and to compel compliance with the laws that protect the safety and quality of life in the community.

	FY19 Actuals	FY20 Actuals	FY21 Amended	FY22 Proposed
5 PERSONNEL SERVICES	2,038,856	2,078,430	2,254,164	2,327,525
6 MATERIALS & SERVICES	1,068,094	1,003,414	1,316,854	1,375,001
7 CAPITAL OUTLAY	-	92,192	10,000	-
Grand Total	\$ 3,106,950	\$ 3,174,037	\$ 3,581,018	\$ 3,702,526

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

Budget Summary – FY2022

Staffing

The Finance Department is made up of 19.04 FTE, a decrease of 0.7 FTE over the prior year and due to the General Fund reduction efforts initiated in FY21 and explained in Service Level Changes below. This reduction is not reflected in the tables that follow as it was incorporated into the FY21 Budget and is not reflected in the FY21 Amended budget.

The Finance Department is split into two divisions, Municipal Court with eight FTE and the Finance Division with 11.04 FTE.

Department Funding

The resources necessary to support the department are either tax supported (subsidized) or internal service charges levied against the City's enterprise and special revenue funds for services provided. The exception to this is the \$1.8 M in revenue generated through the Municipal Court and resulting from the cooperative effort of our Police Department, the City's Prosecutor's Office, and the Municipal Court. Additionally, the embedded analyst position is funded directly by the Street, Sewer, and Drainage Funds and an accountant position is funded directly by the Regional Sewer Fund.

Service Level Changes

As part of General Fund budget reduction efforts in FY21, the Finance department eliminated a position in the Accounts Payable program. In order to absorb this reduction, the Procurement program was restructured and the Associated Program Manager position responsible for procurement was downgraded to a Finance Analyst position that supports Accounting, Budget, and Procurement. To accommodate the reduction in Procurement program staffing, Finance staff have partnered with the City Attorney's Office to evaluate and streamline the procurement process.

Accomplishments FY2021

- **Certificate of Achievement for Excellence in Financial Reporting** – The Government Finance Officers Association awarded the City the Certificate of Achievement for Excellence in Financial Reporting for its FY19 Comprehensive Annual Financial Report. This is the thirty-ninth consecutive year that the City has achieved this prestigious award.
- **Procurement Process Improvements** – Staff have completed the first phase of a project to simplify the procurement process. Through a partnership with the City Attorney’s Office, the Finance Department has been evaluating the City’s procurement process and identifying areas for simplification. This will be an ongoing effort that will span many years as there are still many opportunities for additional improvements.
- **Municipal Court Virtual Court Dockets** – Court staff were able to implement and continue court operations and limit exposure risks to the community and City staff by creating new virtual court dockets for criminal cases. The new docket types allowed defendants and attorneys to appear by video and phone in virtual hearings, allowing the Springfield Municipal Court to continue providing timely access to justice within our community while still complying with State Covid restrictions. These virtual dockets will be continued post-pandemic as an additional way for the Court to provide access to justice for individuals with logistical barriers, inclement weather situations, or other unforeseen emergencies that limit physical access to the Springfield Municipal Court.
- **Upgraded Video Arraignment Equipment in Courtroom Two** – The City replaced the outdated and non-functioning video arraignment system in courtroom two with new technology to match the primary courtroom equipment. This upgrade allows the Court to be more efficient by running both courtrooms simultaneously when trials or other lengthy hearings are scheduled as well as providing a backup to courtroom one in the event of a technology failure.

Initiatives FY2022

- **Budget and Accounting Process Improvements** – Continue streamlining and simplifying the City’s budget and accounting systems to provide more meaningful information to managers in the most cost effective way.
- **Court Online Updates** – The Court is continuing to work on providing more significant online information with easier access for the public. Court staff is working with Tyler Technologies to enhance the online citation options as well as looking to expand access to online records and docket search to the public.
- **Reorganize and Streamline Budget Document** – Finance staff will begin an initiative to evaluate the usefulness of information currently provided with the aim of streamlining the document as well as reorganizing the structure to better align with best practices in budget documents. The goal is to create an award winning document that is more accessible to the general public and still provides the right amount of information and detail that is conducive to the decision making progress.
- **Procurement Process Improvements** – Continue streamlining and simplifying the City’s procurement process by evaluating software solutions to increase the level of automation, along with continued partnership with the City Attorney’s Office to review administrative regulations.

Three Year Considerations FY2023-FY2025

- **Mental Health Impact on the Courts** – Individuals who are caught up in the justice system and struggling with mental illness generally require more time and assistance, which results in greater costs to the City. In this time of limited resources, we will need to get creative to prevent individuals from being left without options and cycling through the system repeatedly. The role the Springfield Municipal Court will play in this process will be a topic of discussion in the upcoming years.
- **Court Security/Safety** – The City Council has made Court security/safety a high priority. While this was planned as a FY21 initiative, technology upgrades to the two courtrooms in response to the Covid pandemic have allowed for virtual court dockets, resulting in limited in-person appearances. This delayed the initiative as well as changed our consideration of what security measures the City might implement. In the coming years, staff will be looking at courtroom security/safety options that meet the Court's goal of protecting all individuals within the court while minimizing the impact on the Court's budget.
- **Performance Measures and Benchmarks** – With efforts underway in the City Manager's Office to pursue a community branding and visioning initiative that will eventually lead to a strategic plan, Finance staff will use the strategic plan as a foundation to develop performance measures and benchmarks, which allow us to demonstrate that we are maximizing the use of City resources in the delivery of services.
- **Long Range Financial Modeling** – Improve upon the City's long range financial modeling to better identify longer range trends and produce more accurate forecasts. Improving the accuracy of our forecasts will aide City management in maximizing the use of the City's limited resources so as to continue delivering the level of service our citizens have come to expect.
- **PeopleSoft Upgrade** – The City's Oracle financial reporting software has been in use since 1998 and should be scheduled for a software version upgrade. Done as an in-house project, it will require significant Finance and IT staff resources to complete, diverting staff resources from other needed initiatives and projects.
- **Legislation Impacting Court Operations** – New legislation and upcoming changes to the criminal justice system may change the ways courts operate and the practices they use to provide justice and ensure compliance. There is a continuing shift in the criminal justice system away from monetary penalties and more focus on providing substance abuse treatment, mental health resources, and community restoration options. Changes may increase operational costs while reducing the traditional revenues courts have previously seen. In the upcoming years, the Court will be monitoring and adapting to these changes.
- **Franchising and Licensing** – Currently, resources do not exist to allow for consistent audit/financial reviews of utility license holders. With the shift of this program into the Finance Department staff will evaluate the benefit of conducting more regular reviews and how to resource such an effort.

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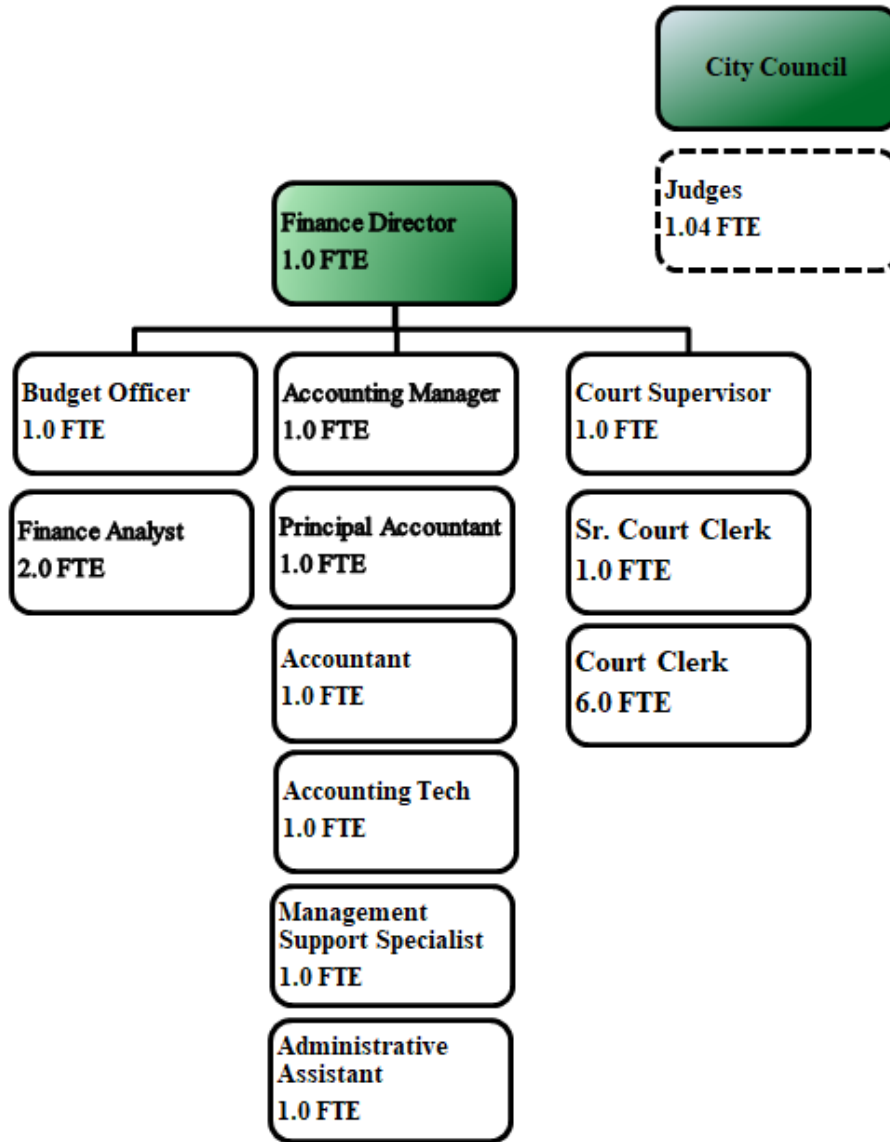
Financial Summary by Fund

	FY19 Actuals	FY20 Actuals	FY21 Amended	FY22 Proposed
100 General Fund	2,238,366	2,267,870	2,348,379	2,396,951
201 Street Fund	-	-	39,659	55,075
204 Special Revenue Fund	-	21,714	-	-
210 Community Development Fund	19,894	21,807	22,278	24,590
236 Police Local Option Levy Fund	620,689	551,338	667,541	687,452
419 Development Assessment Capital	41,210	-	-	-
611 Sanitary Sewer Operations Fund	14,833	16,296	42,277	53,109
612 Regional Wastewater Fund	134,734	151,966	169,100	181,869
617 Storm Drainage Operations Fund	14,672	16,296	42,278	53,110
629 Regional Fiber Consortium Fund	-	100,257	205,449	211,150
713 Vehicle & Equipment Fund	4,132	3,634	10,000	-
719 SDC Administration Fund	18,419	22,857	34,056	39,222
Grand Total	3,106,950	3,174,037	3,581,018	3,702,526

Financial Summary by Program

	FY19 Actuals	FY20 Actuals	FY21 Amended	FY22 Proposed
1012 City Prosecutor	-	140	-	-
1029 Licensing and Franchising	244	7,573	376	376
1030 Building Plan Review	-	50	-	-
1033 Electrical Inspections	-	159	-	-
1044 Stormwater Fiscal Management and Customer Services	14,672	16,296	17,366	26,279
1056 Regional Wastewater Administration	130,469	151,966	169,100	181,869
1059 Wastewater Fiscal Management and Customer Services	14,833	16,296	17,366	26,279
1200 Municipal Court Services	-	694,401	1,582,019	1,623,859
7000 Department Administration	26,411	2,125	-	-
7030 Accounts Payable	245,588	266,194	204,671	226,195
7031 Annual Audit, CAFR and Internal Reporting	321,066	381,590	380,035	408,278
7032 Budget Development, Forecasting & Analysis	452,687	368,957	487,755	522,440
7033 Procurement and Contracts	141,260	142,784	163,640	98,558
7034 Treasury Management	66,280	62,794	79,334	80,960
7035 Municipal Court Administration	219,127	340,145	263,907	296,283
7036 Case Management	950,429	397,813	-	-
7037 Court Accounts Receivables	356,493	119,467	-	-
7038 General Services & Customer Support	167,179	103,487	-	-
7053 Talent Acquisition	212	-	-	-
7150 Fiber Consortium	-	98,165	205,449	211,150
9000 Non-Program	-	3,634	10,000	-
Grand Total	\$ 3,106,950	\$ 3,174,037	\$ 3,581,018	\$ 3,702,526

Organizational Structure



Note: Municipal Court Judges report to the City Council and do not appear on any departmental organization chart, although the positions are funded through Finance.

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Summary of Full-Time Equivalent by Position

	FY19 FTE	FY20 FTE	FY21 FTE	FY22 FTE
Accountant	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00
Accounting Technician	2.00	2.00	1.00	1.00
Administrative Assistant	0.70	0.70	1.00	1.00
Associate Program Manager	1.00	1.00	1.00	1.00
Budget Officer	1.00	1.00	1.00	1.00
Court Clerk	6.00	6.00	6.00	6.00
Court Supervisor	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00
Finance Management Analyst	--	--	1.00	1.00
Judge	0.70	0.70	0.70	0.70
Judge Pro-Tem	0.34	0.34	0.34	0.34
Management Analyst	1.00	1.00	1.00	1.00
Management Support Specialist	2.00	2.00	2.00	2.00
Grand Total	18.74	18.74	19.04	19.04

Summary of Full-Time Equivalent by Fund

	FY19 FTE	FY20 FTE	FY21 FTE	FY22 FTE
100 General Fund	14.79	15.09	14.39	14.39
201 Street Fund	0.00	0.00	0.40	0.40
210 Community Development Fund	0.22	0.22	0.22	0.22
236 Police Local Option Levy Fund	2.23	2.23	2.23	2.23
611 Sanitary Sewer Operations Fund	0.10	0.10	0.35	0.35
612 Regional Wastewater Fund	0.88	0.88	0.88	0.88
617 Storm Drainage Operations Fund	0.10	0.10	0.35	0.35
719 SDC Administration Fund	0.13	0.13	0.23	0.23
419 Development Assessment Capital	0.30	0.00	0.00	0.00
Grand Total	18.74	18.74	19.04	19.04

Summary of Full-Time Equivalent by Program

	FY19 FTE	FY2 FTE	FY21 FTE	FY22 FTE
1044 Stormwater Fiscal Management and Customer Servi	0.10	0.10	0.10	0.10
1056 Regional Wastewater Administration	0.88	0.88	0.88	0.88
1059 Wastewater Fiscal Management and Customer Servi	0.10	0.10	0.10	0.10
1200 Municipal Court Services	0.00	7.83	7.83	7.63
7030 Accounts Payable	2.38	2.44	1.71	1.95
7031 Annual Audit, CAFR and Internal Reporting	2.89	2.74	2.77	2.77
7032 Budget Development, Forecasting & Analysis	2.22	2.29	3.29	3.37
7033 Procurement and Contracts	0.98	0.99	0.99	0.67
7034 Treasury Management	0.11	0.12	0.12	0.12
7035 Municipal Court Administration	0.91	1.26	1.26	1.46
7036 Case Management	4.23	0.00	0.00	0.00
7037 Court Accounts Receivables	2.10	0.00	0.00	0.00
7038 General Services & Customer Support	1.85	0.00	0.00	0.00
Grand Total	18.74	18.74	19.04	19.04