

## DEPARTMENTAL BUDGET INFORMATION FINANCE DEPARTMENT (23)

### MISSION

The Finance Department is responsible for maintaining the City's financial solvency, and providing finance-based services to City departments.

### DESCRIPTION

The Finance Department's principal responsibilities focus upon safeguarding the City's financial position by maximizing revenues, controlling expenditures, managing risk exposure, monitoring debt parameters and reporting financial information.

The Finance Department is comprised of various divisions. The **Administrative** Division sets and maintains policies and procedures to be used throughout the Department. The **Assessments, Treasury and Income Tax** Divisions are responsible for property valuation and for collecting property taxes, income taxes and utility users taxes owed to the City. The **Accounts** Division is responsible for maintaining accounting controls, the pre-audit of expenditures, and processing all payments including payrolls. The **Purchasing** Division is responsible for the processing of City purchase orders and contracts. The **Risk Management** unit protects the assets and earning power of the City from loss or destruction, administers various safety programs and is responsible for maintaining the self-insurance Risk Management Fund. The **Debt and Disbursements** unit is responsible for financing the City's capital needs and those of quasi-public agencies, administration of the City's deferred compensation plan, and for investing all City funds, excluding Pension funds. The **Pension** Division is responsible for the

administration of the employee pension and retirement systems.

### MAJOR INITIATIVES FOR FY 2009-10

The Purchasing Division will improve customer satisfaction by reducing the cost of processing orders for City goods and services while retaining/improving the value received. The Assessments Division will streamline and modernize personal property valuation, filing and record maintenance, and migrate all property files to next generation of Equalizer Assessment and Tax software. The Treasury Division will continue collection efforts of delinquent taxpayers, and cross reference City deductions on State returns with actual filings of city returns. The Accounts Division will complete the remaining 20% of employees onto the front-end time capture system known as Workbrain, continue the transition to the Oracle payroll system and, continue to reorganize the General Accounting Division to improve accounting and financial reporting including timely completion of audits.

### PLANNING FOR THE FUTURE FOR FY 2010-11, FY 2011-12 and BEYOND

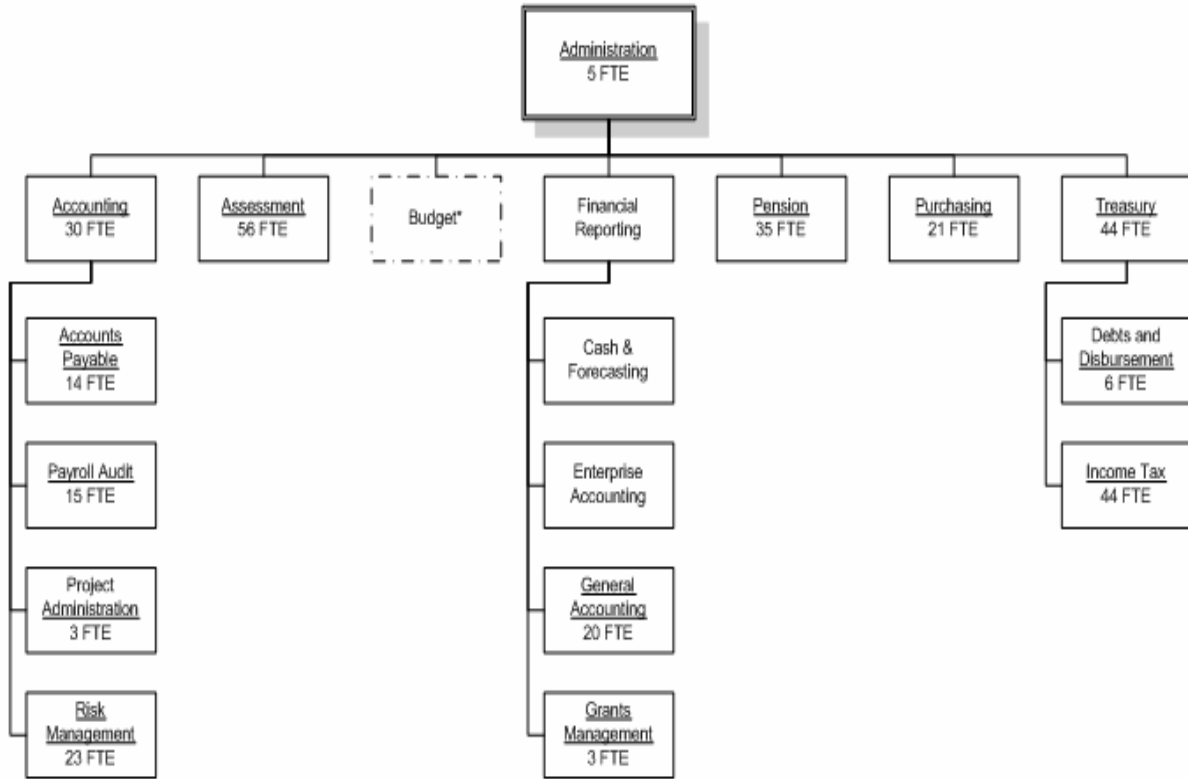
The Finance Department will continue to improve financial reporting through integration of the various accounts receivable systems into the city's DRMS system, and software upgrades to include budget vs. actual reporting. The Assessments Division will enhance Internet services with building data, photographs and sketches. The Treasury Division plans to improve the City's ability to bill and collect its account receivables. The Income Tax Division will continue specialized compliance with the Internal Revenue Service and administer electronic tax filing.

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The Pension Division will advance the implementation of the new Defined Contribution Plan for its members. The Purchasing Division will increase utilization of electronic procurement tools to more effectively reach the vendor community, and

increase participation in cooperative purchasing agreements such as U.S. Communities and Michigan Inter - Governmental Trade Network.

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\*Budget is shown as a separate department

**PERFORMANCE MEASURES AND TARGETS**

<b>Type of Performance Measure:</b> List of Measures	<b>2008-09 Projection</b>	<b>2009-10 Target</b>	<b>2010-11 Target</b>
<b>Outputs: Units of Activity directed toward Goals</b>			
Number of required contracts that lapse	N/A	N/A	26
Number of city Wide contracts implemented	N/A	N/A	10
Delinquent taxes collected	N/A	N/A	\$5.0M
NEZ parcels updated	N/A	N/A	\$1.3M
Transition personal property to e file	N/A	N/A	\$0.6M
2010/11 CAFR completed on time	N/A	N/A	12/31/10
2010/11 single audit completed on time	N/A	N/A	3/31/11
Reduction in risk management	N/A	N/A	\$5.0M
Reduction in outside services to complete Annual Audits	N/A	N/A	\$1.0M

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**EXPENDITURES**

	2008-09 Actual Expense	2009-10 Redbook	2010-11 Mayor's Budget Rec	Variance	Variance Percent
Salary & Wages	\$ 15,992,917	\$ 16,456,500	\$ 15,211,141	\$ (1,245,359)	-8%
Employee Benefits	10,020,269	11,399,713	11,723,521	323,808	3%
Prof/Contractual	8,332,505	7,985,805	10,662,174	2,676,369	34%
Operating Supplies	232,646	455,068	277,237	(177,831)	-39%
Operating Services	3,154,811	4,223,898	4,117,113	(106,785)	-3%
Capital Equipment	77,113	161,980	31,000	(130,980)	-81%
Fixed Charges	264,269	1,039,783	1,006,783	(33,000)	-3%
Other Expenses	1,303,795	340,030	926,986	586,956	173%
<b>TOTAL</b>	<b>\$ 39,378,325</b>	<b>\$ 42,062,777</b>	<b>\$ 43,955,955</b>	<b>\$ 1,893,178</b>	<b>5%</b>
<b>POSITIONS</b>	<b>316</b>	<b>344</b>	<b>319</b>	<b>(25)</b>	<b>-7%</b>

**REVENUES**

	2008-09 Actual Revenue	2009-10 Redbook	2010-11 Mayor's Budget Rec	Variance	Variance Percent
Fines/Forfeits	32,853	33,220	33,220	-	0%
Revenues	21,426	-	-	-	0%
Sales & Charges	8,003,893	8,887,347	8,025,123	(862,224)	-10%
Sales of Assets	296	-	-	-	0%
Contribution/Transfer	3,541,844	-	-	-	0%
Miscellaneous	2,901,008	1,653,392	1,653,392	-	0%
<b>TOTAL</b>	<b>\$ 14,501,320</b>	<b>\$ 10,573,959</b>	<b>\$ 9,711,735</b>	<b>\$ (862,224)</b>	<b>-8%</b>