

Financial Services Financial Services



Pictured above (left to right), front row: Customer Account Clerk/Cashier Stacie Stone, Treasurer Diane Giddens, Utility Billing Clerk Tim Raich; back row: Water Meter Reader Melanie Coats, Chief Financial Officer Gary Simpson, Accounts Payable Clerk Vicky Smith, Staff Accountant Mary Schlicht, and Water Meter Reader Lacey Tasson.



FINANCIAL SERVICES

ANNUAL REPORT

FISCAL YEAR 2011

Mission Statement: Through teamwork, Financial Services is committed to achieving excellence in the accounting of all financial transactions, and in providing knowledgeable and courteous customer service to residents, businesses, visitors, City departments, and other governmental agencies.

In accordance with Section 2-80 of the City Code, listed below is a summary of activities for Financial Services for the 2010-11 fiscal year:

Department Description

The Financial Services Department provides administrative support to the City of Marquette government and is comprised of three divisions: Finance, Treasury, and Utility Billing.

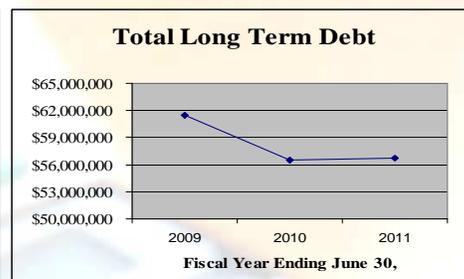
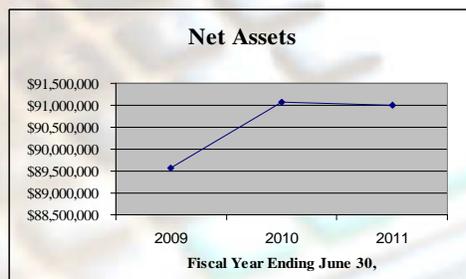
Some of the core functions of the department are preparation of the comprehensive annual financial report (CAFR), accounting for the City's various funds and grants, accounts payables, preparation and monitoring of the budget, cash management and debt management, tax billing and disbursements, billing of utility services, notification of parking ticket violations, collection of the City's revenue, administration of the Police and Fire Retirement System, and providing accounting services for the Peter White Public Library.

Services

Finance – Accounts Payable, Accounts Receivable, Central Office Supplies, Bid Administration, General Accounting, Fixed Asset Accounting, Budget Administration, Financial Reporting, Cash Management, and Debt Management.

<u>Finance Program Statistics:</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>
# of Accounts Payable checks issued:	5,475	5,414	5,345
\$ of Accounts Payable checks issued:	\$ 34,586,110	\$ 34,451,623	\$ 32,091,902
# of Accounts Receivable invoices issued:	2,293	2,102	1,635
\$ of Accounts Receivable billings	\$ 1,403,148	\$ 1,293,338	\$ 1,692,843
# of Bids and RFP's administered:	30	30	53
# of Fixed Asset records maintained:	1,021	1,078	1,118*
\$ of Fixed Asset records maintained:	\$ 168,402,943	\$ 176,701,025	\$ 180,826,025*
# of Funds maintained:	30	31	38
\$ of Net Assets maintained:	\$ 89,565,271	\$ 91,065,645	\$ 91,000,000*
\$ of Long Term Debt maintained:	\$ 61,443,741	\$ 56,505,866	\$ 56,727,435

* - estimate



Treasury – Summer and Winter Property Tax Collection and Administration, Special Assessment Billing and Collection, Parking Ticket and Civil Infraction Notification and Collection, and Police & Fire Retirement System Administration.

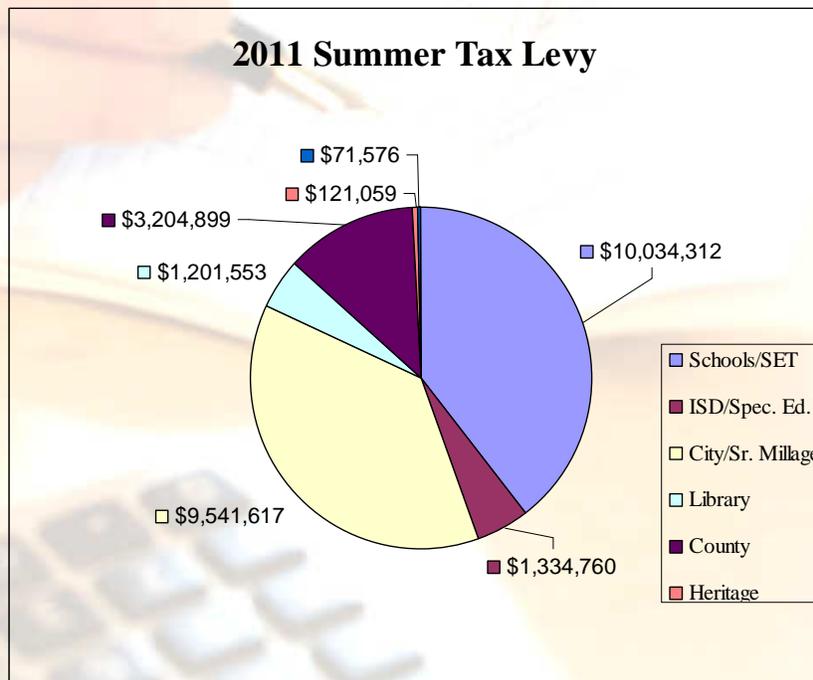
Treasury Program Statistics:

	6/30/2009	6/30/2010	6/30/2011
\$ Total Cash Receipts:	\$ 46,860,259	\$ 49,489,420	\$ 50,601,467
\$ Parking Ticket payments received:	\$ 164,981	\$ 267,497	\$ 147,688
# of Property Tax parcels billed:	6,791	6,987	7,654
% of Tax Billings collected:	95%	95%	95%
# of Landfill Permits (Commercial/Residential)	45	51	61
\$ of Landfill Permits (Commercial/Residential)	\$ 2,925	\$ 3,315	\$ 3,140

Because the City bills and collects taxes on behalf of other governmental units, it is important to note that the City does not keep all of the taxes that are billed out. When a taxpayer receives the Summer tax bill, for instance, the City's portion is actually only a little over one-third. The rest is distributed to the other taxing jurisdictions that the City bills for. The following chart and graph illustrates this:

2011 Summer Tax Levy

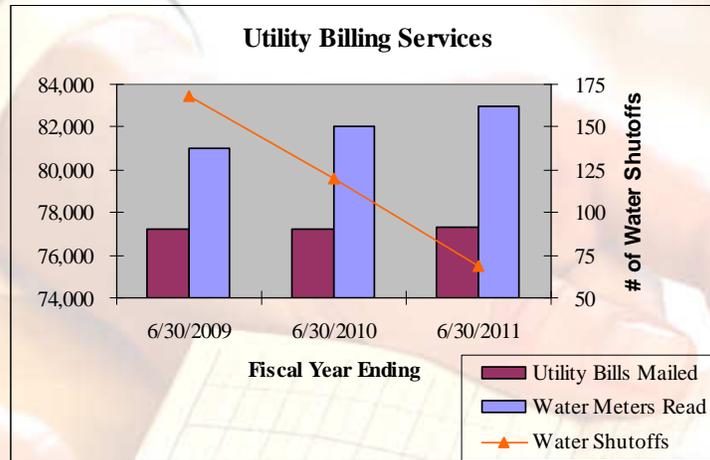
Schools/SET	\$ 10,034,312	39.34%
ISD/Spec. Ed.	\$ 1,334,760	5.23%
City/Sr. Millage	\$ 9,541,617	37.40%
Library	\$ 1,201,553	4.71%
County	\$ 3,204,899	12.56%
Heritage Authority	\$ 121,059	0.47%
DDA	\$ 71,576	0.28%
	<u>\$ 25,509,776</u>	<u>100.00%</u>



Utility Billing – Monthly Meter Reading and Billing of all water/sewer, stormwater, refuse collection, and landfill bond fee accounts.

<u>Utility Billing Program Statistics:</u>	Fiscal Year Ending		
	6/30/2009	6/30/2010	6/30/2011
# of Utility Bills mailed:	77,200	77,252	77,281
# of Water Meters read:	81,000	82,000	83,000
# of Water Shutoffs	168	120 [^]	69

[^] - implemented door hanger shut off notice fee



Accomplishments in Fiscal Year 2010-11

The focus of the Financial Services Department is to provide excellent service to both its internal and external customers. Internal customers are the City departments who rely on the Financial Services Department for financial information including the Mayor, City Commission, and others charged with developing, adopting, and monitoring the City Budget. External customers are the taxpayers, users of the utility system, potential business owners, and others.

The Financial Services Department is continually reviewing processes and procedures in order to provide accurate and timely financial information as well as excellent service to all of its customers.

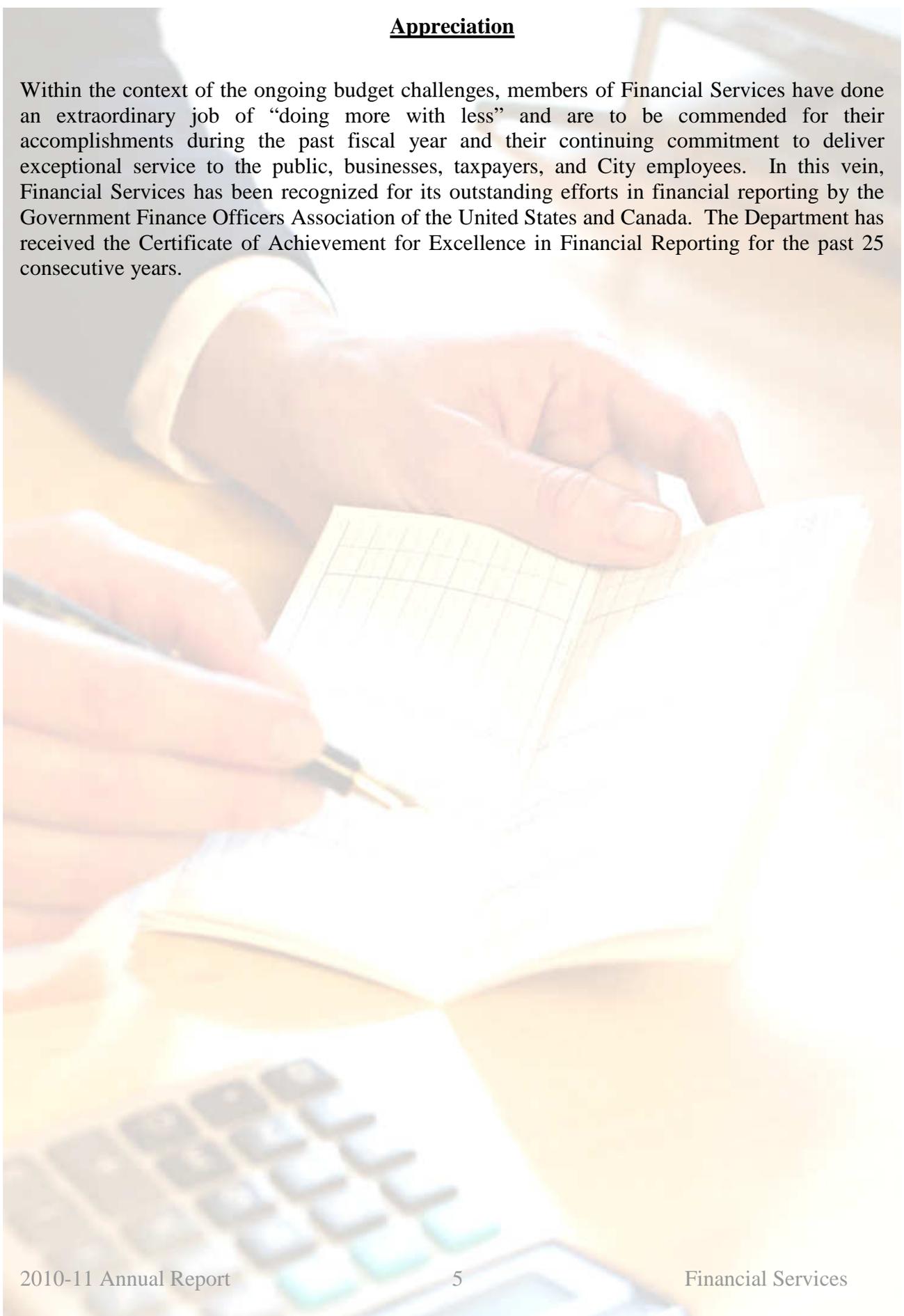
Some of the more significant accomplishments of the Financial Services Department in fiscal year 2010-2011 include:

- **City Gift Fund:** Partnered with the Marquette Community Foundation to offer a mechanism in which monetary gifts for certain projects and bequests could be made.
- **New Residential Landfill Permit:** Residential customers were approved for direct use of the landfill for the first time in over 30 years in May 2011.
- **Founders Landing Brownfield Tax Capture:** Brownfield tax increment financing capture has increased as private developers begin improving Founders Landing with build-outs of additional condos and the construction of a hotel.

- Special Events Policy: Worked in partnership with the Community Services Department to develop a policy to assist in the budgeting process. This new policy sets guidelines and a process in which certain Special Events held throughout the year qualify for support from the City's operating budget.
- Project Financing: Closed on four bond issues during the fiscal year. Two Brownfield Bonds which will be repaid from TIF revenues – Recovery Zone Facility Bond in the amount of \$445,000 and Capital Improvement Bond in the amount of \$995,000. A State Revolving Fund loan for Sewer projects in the amount of \$770,000 and a Drinking Water Revolving Fund loan for Water projects in the amount of \$965,000.
- Community Financial Statement: Produced a financial report to assist the “average” citizen to understand the City's financial condition for the 2011 Open House. This financial report will also be used to help comply with the Governor's “dashboard” requirements in order to receive more State Shared Revenues.
- Internal Financial Reporting: Created a financial report for each department that is distributed along with the Check Register's for each City Commission Meeting. A new and more comprehensive report was developed for use during the fiscal year 2011-12 as well.
- Use of Current Technology:
 - ✓ The entire City Budget is now being published electronically.
 - ✓ The entire Comprehensive Annual Financial Report is now being electronically published in-house.
 - ✓ Via a partnership with the Michigan Municipal League, Requests for Proposals and other such bid items are now made available via a nation-wide clearing house.

Ongoing Projects:

- Financial Management Software Replacement. Required features are being drawn up and discussed for inclusion in a Request for Proposal.
- Parking Ticket Software Replacement. Municipal software is being researched as a replacement of the current software primarily designed for colleges and universities.
- Over the Counter (OTC) Debit/Credit Card Acceptance. Treasurer seminars are addressing solutions to the dilemma of municipalities accepting OTC credit card payments as more and more customers prefer using their debit/credit cards instead of cash or check.
- Electronic Tax Payments. Receiving payments electronically from mortgage companies, financial institutions, and other tax servicing companies is in the near future. Automated payment of taxes for taxpayers is also being researched.

A person wearing a dark suit jacket and a light-colored shirt is sitting at a desk. They are holding a pen in their right hand and writing in a small, open notebook with a grid pattern. The notebook is resting on a desk. In the foreground, a portion of a calculator is visible, showing several buttons. The background is slightly blurred, showing a window with light coming through. The overall scene is brightly lit, suggesting an office environment.

Appreciation

Within the context of the ongoing budget challenges, members of Financial Services have done an extraordinary job of “doing more with less” and are to be commended for their accomplishments during the past fiscal year and their continuing commitment to deliver exceptional service to the public, businesses, taxpayers, and City employees. In this vein, Financial Services has been recognized for its outstanding efforts in financial reporting by the Government Finance Officers Association of the United States and Canada. The Department has received the Certificate of Achievement for Excellence in Financial Reporting for the past 25 consecutive years.