

Description

The Director of Finance is charged with overseeing the fiscal needs of the City of Danville. The functions of this Division within the Finance Department include the accounting for and supervision of all encumbrances, expenditures and disbursements to ensure the budget appropriations are not exceeded. This division also provides oversight and review of the preparation of the City's monthly and annual financial Statements. The Director provides administrative oversight to Customer Accounts, Purchasing, Central Services, the Employees Retirement System, Internal Audit, and Real Estate Assessment divisions. In addition, the Director serves as Treasurer of the Danville-Pittsylvania Regional Industrial Facility Authority and also serves as the Finance Director for the Industrial Development Authority and the City's Community Development Entity.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 144,224	\$ 143,733	\$ 149,180	\$ 147,200	\$ (1,980)
Employee Benefits	20,969	21,087	22,990	19,090	(3,900)
Professional Services	2,145	91	-	-	-
Internal Service	3,092	1,749	1,660	2,380	720
Other Operating Exp	11,853	13,206	14,700	15,190	490
Capital Outlay	-	535	-	-	-
Totals	\$ 182,283	\$ 180,401	\$ 188,530	\$ 183,860	\$ (4,670)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SENIOR SECRETARY	1.000	1.000	1.000
DIR OF FINANCE	1.000	1.000	1.000
Total	2.000	2.000	2.000

Description

The Division of Real Estate Assessment is a division of the Finance Department provides mass appraisal services of real property for tax purposes. With offices located on the third floor of the Municipal Building, the Division of Real Estate Assessment is responsible for the discovery, listing and appraisal of all real property in the City; maintaining current ownership and mailing address information; maintaining current parcel maps for GIS system; providing special assessments for land use; defending the City's assessments at Board of Equalization hearings; and the preparation of appraisal reports and testifying in court in defense of assessments, and administers the Veterans Real Estate Tax Relief program for veterans rated as 100% permanently and totally disabled due to a service-connect disability. Additionally the Division of Real Estate Assessment shares in the administration of the Tax Abatement of Rehabilitated Buildings Program; the Residential Subdivision Reimbursement Program; the Property Tax Exemption or Deferral and Reduced Residential Refuse Fee for the elderly or person found to be permanently and totally disabled program.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 262,859	\$ 243,913	\$ 265,540	\$ 260,760	\$ (4,780)
Employee Benefits	38,602	36,033	40,920	32,950	(7,970)
Purchased Services	1,428	1,038	1,570	810	(760)
Internal Service	17,488	18,501	15,860	19,200	3,340
Other Operating Exp	7,505	15,358	10,900	19,540	8,640
Capital Outlay	354	-	-	-	-
Totals	\$ 328,236	\$ 314,843	\$ 334,790	\$ 333,260	\$ (1,530)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
SR REAL ESTATE ASSSSMNT CLRK	1.000	1.000	1.000
REAL ESTATE APPRAISER II	2.000	2.000	2.000
REAL ESTATE APPRAISER III	1.000	1.000	1.000
DIVISN DIR OF REAL ESTATE ASSE	1.000	1.000	1.000
Total	5.000	5.000	5.000

Description

The Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly or Disabled Persons program, administered by the City's Tax Relief Official currently assigned to the Parks, Recreation & Tourism Department's Seniors Division with assistance of the Division of Real Estate Assessment, provides for reduced real estate and mobile home tax payments and reduced refuse fees for qualifying elderly or disabled, low-income property owners.

Through permissive legislation, City Council adopted the property tax relief program in 1974. Originally, the tax relief was limited to real estate only. In 1988, the program was amended to include mobile homes. In 2001, the program was amended to include disabled persons. In 2007, the program was amended to include reduced residential solid waste fee for certain elderly and disabled persons.

Through permissive legislation, On October 6, 2011 the City Council adopted the exemption from taxes on property for qualified disabled veterans rated by the U.S. Department of Veterans Affairs as 100% permanent and totally disabled due to a service-connected disability. All applications are filed and processed in the Division of Real Estate Assessment office.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Other Operating Expenses	\$ 106,684	\$ 125,586	\$ 137,000	\$ 152,000	\$ 15,000
Totals	\$ 106,684	\$ 125,586	\$ 137,000	\$ 152,000	\$ 15,000

Description

The Real Estate Board of Equalization provides property owners an opportunity to appeal their real estate assessment values. State law requires the City to have a Board of Equalization each reassessment year. Currently the City is on even year biennial reassessment cycle.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ -	\$ 910	\$ -	\$ 1,350	\$ 1,350
Employee Benefits	-	62	-	110	110
Purchased Services	-	296	-	350	350
Totals	\$ -	\$ 1,268	\$ -	\$ 1,810	\$ 1,810

Personnel

By law, the Board is composed of not less than three nor more than five members. Board members must be compensated with a wage for each hour spent in training and during Board hearings.

Description

The Independent Auditor activity includes the examination of the accounts and records of the City and related City organizations involved in the handling of City funds in accordance with generally accepted auditing standards. The auditor's contract requires an independent examination by a Certified Public Accountant who provides an opinion regarding conformance of the financial statements to generally accepted principles. The audit is also conducted in accordance with generally accepted auditing standards, governmental auditing standards issued by the Comptroller General of the United States, and requirements of the Auditor of Public Accounts of the Commonwealth of Virginia. As a recipient of federal and state grants, the City's audit is subject to the requirements of the Comptroller General and the Auditor of Public Accounts. Other outside entities, including bond rating agencies and banking institutions, request the City's annual audit report in order to establish the City's credit worthiness.

For many years, Dixon Hughes Goodman LLP served as the City's independent auditor. Beginning with the fiscal year 2014 audit, Brown, Edwards, & Company, LLP was selected to perform this service. It is best practice to issue an RFP for independent audit services every five years. The City will be issuing an RFP, reviewing submissions from respondents, and awarding the next annual audit towards the end of fiscal year 2020.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures					
Purchased Services	\$ 130,505	\$ 127,507	\$ 135,000	\$ 140,000	\$ 5,000
Totals	\$ 130,505	\$ 127,507	\$ 135,000	\$ 140,000	\$ 5,000

Description

The Customer Accounts Division of the Finance Department provides a full range of billing and collection services. The offices are located in the Charles H. Harris Financial Service Center, 311 Memorial Drive. The Division is responsible for properly establishing and maintaining customer utility accounts, ensuring proper and timely billing of accounts and resolving billing and service issues, as well as processing and maintaining records of all billings and payments for utilities, property taxes, other local taxes, licenses and miscellaneous charges.

Customer Accounts is also the point of contact should a citizen need information about account balances and payments with regard to utility and tax accounts.

The Customer Accounts Division budget consists of four functions: administration, customer care, billing, and collections. The administrative division accounts for administrative salaries and benefits, interest on customer deposits, and contractual expenses. The customer care function initiates and terminates service accounts, enrolls customers in the Equal Pay and Bank Draft plans, responds to customer inquiries and assists with information requests. The billing function imports readings from approximately 81,000 AMI electric, water and natural gas meters, and processes monthly billing statements for approximately 48,000 accounts. Bills are printed and mailed in-house daily. The collections function accepts payments from customers, posts all customer payments, issues non-pay disconnect orders for past due utility accounts. It also administers a number of programs, including: Fuel Assistance, Debt Set-Off, Vehicle Registration Withholding, and the collection of delinquent accounts by using other appropriate collection methods, such as court proceedings, distress warrants, tax liens, and third-party collections agencies.

In fiscal year 2020, this division assumed the billing and customer service functions that had previously existed in the Utility Department. As a result, 16 positions were transferred from the Utility Department to the Finance Department. The associated expenses are being covered by recovery revenue from the utility funds, eliminating the budgetary impact to the General Fund,

Expenditures

For fiscal year 2021, the budget for credit card fees on utility payments was increased by \$110,000. The effects of this can be seen in the Other Operating Expense line item.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Revenues:					
Recoveries	14,013	15,446	1,327,670	1,578,440	250,770
Total	\$ 14,013	\$ 15,446	\$ 1,327,670	\$ 1,578,440	\$ 250,770
	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Proposed	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 380,875	\$ 437,453	\$ 985,760	\$ 1,052,230	\$ 66,470
Employee Benefits	56,000	64,808	151,880	131,220	(20,660)
Purchased Services	81,566	69,979	244,830	293,680	48,850
Internal Service	29,183	23,438	31,120	49,330	18,210
Other Operating Exp	168,594	169,040	763,670	886,570	122,900
Capital Outlay	332	-	6,500	3,000	(3,500)
Debt Service	-	-	3,630	15,500	11,870
Totals	\$ 716,550	\$ 764,718	\$ 2,187,390	\$ 2,431,530	\$ 244,140
Net Cost to City	\$ 702,537	\$ 749,272	\$ 859,720	\$ 853,090	\$ (6,630)

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
CASHIER	5.000	5.000	5.000
SENIOR CASHIER	1.000	-	-
COLLECTIONS CLERK II	3.000	4.000	-
SENIOR COLLECTIONS CLERK	2.000	2.000	2.000
CUSTOMER ACCOUNT REPRESENTATIV	-	-	12.000
DELINQUENT COLLECTIONS CORDNTR	1.000	1.000	1.000
DIV DIR OF CUSTOMER ACCOUNTS	1.000	1.000	1.000
CUSTOMER ACCTS MANAGER	1.000	1.000	2.000
CUSTOMER SERVICE REPRESENTATIV	-	8.000	-
UTILITY BILLING CLERK	-	3.000	3.000
UTILITY SPECIAL BILLING CLERK	-	2.000	2.000
SENIOR UTILITY BILLING CLERK	-	1.000	1.000
SR CUS SERVICE/TRAINING REP	-	1.000	1.000
DIVISN DIR OF CUSTOMER SERVICE	-	1.000	-
Total	14.000	30.000	30.000

Description

The Accounting Division of the Finance Department works to provide sound fiscal management, timely and accurate financial reporting, and safeguarding of the City's assets through proper internal controls. This includes oversight of the City's accounting, payroll, fixed assets, accounts payable, grant reporting, and inventory management systems. This division is also responsible for interfaces between the general ledger and the utility and collection software systems. Additional functions and responsibilities include: centralized accounts payable processing, weekly and monthly payroll processing, timely processing and reporting of payroll taxes and other payroll deductions, debt service administration, grant management, cash management, administration of the City's property and liability insurance, and the administration of cash, investment, and payroll operations of the City's Retirement System. The accounting and financial reporting for the Regional Industrial Facility Authority is also a function of this division, as well as the coordination of the related audits with independent auditors.

The Accounting Division prepares Consolidated Annual Financial Reports (CAFRs) for both the City and the Employees' Retirement System and coordinates the audit of these reports with the City's independent auditors. The City submits both CAFRs to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting Award. The City has received this award for thirty-two consecutive years. It is the responsibility of this division to ensure the City's financial reporting continues to receive this prestigious award and to continually seek to improve the City's financial reporting.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 522,954	\$ 534,052	\$ 570,140	\$ 568,090	\$ (2,050)
Employee Benefits	77,749	79,686	83,250	72,660	(10,590)
Purchased Services	11,774	11,721	21,730	22,000	270
Internal Service	12,716	14,491	13,240	16,230	2,990
Other Operating Exp	24,305	18,935	26,060	26,460	400
Capital Outlay	-	327	2,000	2,000	-
Totals	\$ 649,498	\$ 659,212	\$ 716,420	\$ 707,440	\$ (8,980)

Personnel

The City's Internal Auditor, who also provides cash and risk management services, is split 50/50 between the Internal Audit function and Accounting. Also, there is one Accountant allocated approximately 40% to the Employee Retirement System, 30% to RIFA, and 30% to Accounting.

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
ACCOUNT CLERK	2.000	2.000	-
SENIOR ACCOUNT CLERK	1.000	1.000	4.000
PAYROLL TECHNICIAN	1.000	1.000	1.000
ACCOUNTANT III	0.590	1.590	0.590
ACCOUNTANT II	3.000	2.000	2.000
BUSINESS SYSTEMS ACCOUNTANT	1.000	1.000	1.000
ASSISTANT DIRECTOR OF FINANCE	1.000	1.000	1.000
SENIOR INTERNAL AUDITOR	0.500	0.500	0.500
Total	10.090	10.090	10.090

Description

The Purchasing Division of the Finance Department is the center of the centralized purchasing operations for the City of Danville. While following statutory guidelines, this department aims to secure high quality products and services at the best possible cost for all of the departments of the City. Additionally, the Purchasing Division oversees the negotiating of professional contracts, monitoring vendor performance, manages the use of procurement cards, oversees the City's liability insurance programs, and administers surplus property disposal. The Purchasing Division also provides administrative oversight for Central Services, the City's centralized producer of printed materials, utility and tax bill printing. Current annual billing volumes include approximately 650,000 utility bills, 100,000 tax bills, 3,200 business licences, and all related notices. The Central Services staff also provides postal services and management of office supplies for all City

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 241,934	\$ 255,811	\$ 253,760	\$ 257,740	\$ 3,980
Employee Benefits	35,998	38,220	39,110	33,440	(5,670)
Purchased Services	88,637	92,019	78,200	78,200	-
Internal Service	12,497	7,707	3,460	6,820	3,360
Other Operating Exp	6,933	7,633	19,390	18,920	(470)
Capital Outlay	2,150	107	12,200	12,000	(200)
Totals	\$ 388,149	\$ 401,497	\$ 406,120	\$ 407,120	\$ 1,000

Personnel

Position Title	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
PURCHASING CLERK	1.000	1.000	1.000
SENIOR PURCHASING CLERK	1.000	1.000	1.000
BUYER	1.000	1.000	1.000
DIVISION DIR OF PURCHASING	1.000	1.000	1.000
SENIOR PRINTER	1.000	1.000	1.000
PRINT SHOP SUPERVISOR	0.100	0.100	0.100
Total	5.100	5.100	5.100

Description

The Internal Audit function in the Finance Department ensures integrity and reliability of financial reporting and protection against fraud. The Internal Auditor also ensures that a minimum acceptable set of control activities are in place in each of the business units and functions. Internal control procedures are regularly reviewed to identify weaknesses and/or gaps. When necessary, internal control improvements are recommended with the goal of mitigating risk, increasing productivity, and streamlining business processes. Additionally, this function routinely reviews the City's financial policies and procedures manuals, monitor compliance, and establish a process to adopt policies and procedures to changing business requirements.

Staff in this division serve multiple roles and currently also manage the City's cash flow, accounting for investments, as well as risk management. Duties also include managing the City's Insurance Fund, as well as preparing allocations for the City's self-insured workers' compensation expenses.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Personnel Services	\$ 44,130	\$ 48,413	\$ 46,980	\$ 48,740	\$ 1,760
Employee Benefits	6,678	7,299	7,250	6,320	(930)
Internal Service	720	658	420	750	330
Other Operating Exp	1,066	1,180	3,270	3,540	270
Totals	\$ 52,594	\$ 57,550	\$ 57,920	\$ 59,350	\$ 1,430

Personnel

Because the City's Internal Auditor is also currently tasked with cash and risk management for the City, funding for this position is split between Finance: Internal Auditor (50%) and Finance: Accounting (50%).

	FY 2019 FTEs	FY 2020 FTEs	FY 2021 FTEs
Position Title			
SENIOR INTERNAL AUDITOR	0.500	0.500	0.500
Total	0.500	0.500	0.500