



Financial Services Director	James Nash
Risk Manager	Stephen Cooperrider



Department at a Glance

Funding Level Summary	2003/04 Actual	2004/05 Actual	Estimated 2005/06 Budget	2005/06 Budget	2006/07 Budget	% of Change
Accounting/ Risk Management	\$971,208	\$996,744	\$1,020,830	\$1,036,630	\$1,067,330	3.0%
Total Department	\$971,208	\$ 996,744	\$1,020,830	\$1,036,630	\$1,067,330	3.0%

Personal Services	\$912,133	\$938,072	\$961,700	\$975,650	\$1,005,180	3.0%
Supplies	18,120	13,700	16,000	17,100	16,400	-4.1
Other Services/Charges	40,955	44,972	43,130	43,880	45,750	4.3
Total Department	\$971,208	\$996,744	\$1,020,830	\$1,036,630	\$1,067,330	3.0%

Personnel Summary	2003/04		2004/05		2005/06		2006/07	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Accounting/Risk Management	11	0	10.5	0	10.5	0	10.5	0
Total Department	11	0	10.5	0	10.5	0	10.5	0



Mission and Service Statements

Mission Statement

The mission of the Accounting Department is to achieve excellence in the accounting of all financial transactions, and provide support to City departments with financial, budgetary and procurement issues. The mission of Risk Management is to acquire appropriate insurance coverage for the City and to evaluate City facilities, activities, procedures, and policies to limit risks.

Service Statement

The Accounting Division is responsible for the books of original entry for the assets, liabilities, equities, revenues and expenditures of the City. Payroll, retiree payments, accounts payable, escrow deposits, fixed asset details, grant records, and accounts receivable are accounted for under the direction of the Financial Services Director. All funds are monitored for accuracy and proper accounting methods. An annual audited financial report, required by State statute, is produced and expanded into the *Comprehensive Annual Financial Report*.

Monthly financial reports are provided to all departments. These reports provide actual expenditures for the previous fiscal year and current expenditures to date as compared to budgeted amounts for the current year. Any questions regarding these reports are handled through the Accounting Division.

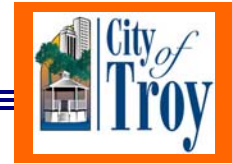
The processing of payroll for all City employees is an important function of Accounting. All time sheet information is entered and income tax withholding payments related to payroll are processed in a timely manner. In addition to the regular bi-weekly payroll for current employees, monthly checks are prepared for the City's retirees.

Accounting processes all accounts payable checks on a weekly or monthly basis, depending on the vendor. Account numbers assigned by the requesting department are verified for accuracy before checks are issued. The address book for accounts payable vendors is maintained within the department. Fixed assets and depreciable asset records are maintained by Accounting. Listings are provided to departments on a yearly basis for the purpose of taking a physical inventory of assets assigned to them.

The Risk Management Division is responsible for administering the City's insurance programs that include: casualty and property, workers' compensation, employee medical, dental, life and disability insurance, and the employee safety program. Premiums for employee health insurance are reconciled and processed monthly.

Did You Know ...?

- The City of Troy was given a loss control award from the Michigan Municipal League Workers' Compensation Fund for the greatest reduction in loss experience modification factor for a community with a premium above \$100,000 for policy year 2005/06.



Performance Objectives

- Complete implementation of Retiree Medical Benefits Fund (Objective 6)
- Categorize and prepare existing physical documents for transfer to optical imaging (Objective 1, 6)
- Analyze and evaluate potential replacements for the J.D. Edwards financial management system (Objective 1, 3, 9)

	Performance Indicators	2004/05 Actual	2005/06 Projected	2005/06 Budget	2006/07 Budget
Output	Direct-deposit Payroll Checks Issued Annually	23,851	23,800	23,500	23,000
	General Fund Invoices Issued Annually	1,651	1,800	2,000	1,800
	Insurance Certificates Approved	357	323	350	350
	Processed Accounting for General Accounts Payable Checks	14,157	14,000	14,000	14,000
	Direct-deposit Retiree Checks Issued Annually	3,348	3,400	3,100	3,400
	Surety Bonds Approved	18	18	25	25
Efficiency	GFOA Certificate of Achievement for Excellence Awards	8	9	9	10
	Administration of Federal Grant Expenditures	\$2,798,572	\$1,000,000	\$1,186,320	\$1,000,000
	Workers' Comp Claims Per 100 Employees	9	9	9	8
	Liability Claims Processed	139	129	150	140
	Safety Training Programs Conducted	10	18	18	18
	Hospitalization Insurance Change Transactions	292	270	270	270



Organizational Chart



Staff Summary	Approved 2004/05	Approved 2005/06	Recommended 2006/07
Financial Services Director	1	1	1
Account Clerk I	1.5	1.5	1.5
Account Clerk II	1	1	1
Accountant	5	5	5
Insurance/Safety Coordinator	1	1	1
Risk Manager	1	1	1
Total Department	10.5	10.5	10.5



Summary of Budget Changes

Significant Notes – 2006/07 Budget Compared to 2005/06 Budget

Personal Services increased by \$29,530 or 3.03% due to wage and step increases.

Most other accounts were basically unchanged with the exception of Computer Services – Internal, which rose \$1,870 or 6.83% based upon actual costs incurred.

8-Year Operating Budget History

