



FY2021

# Mat-Su Borough

## Department Budget Proposals



Finance Department

# Finance Department

Budget (Operational)		2018	2019	2020	2021
				8,585,061	9,011,696
Staff	Full-time	51	52	50	51
	On-Call	8	8	4	3
Budget (Capital)		0	0	0	0

## 2020 Big Accomplishments

- ❖ Continue to restructure Finance Department to meet demands under budget constraints-converted A/P position to Appraiser
- ❖ 2020 Distinguished Budget Award & 2019 Certificate of Achievement for Excellence in Financial Accounting
- ❖ First ever submission of the Borough's Citizen Financial Report to the GFOA award program
- ❖ Risk successfully managed the earthquake claim and obtained \$15 million in limits from XL Insurance
- ❖ Worked with Borough IT professionals to develop a new batch process, greatly decreasing manual data entry
- ❖ Budget document redesign, emphasizing a user friendly digital version
- ❖ Standardized annual budget processes with administrative staff, provided training on budget monitoring and budget development
- ❖ Issued Taxable G.O. 2019 Refunding Series Bonds realizing a savings of \$5.2 million to the taxpayers and State of Alaska
- ❖ More efficient processes for payment posting in Collections
- ❖ Added 796 new structures to the tax roll resulting in \$189,974,850 in value added
- ❖ Appraisers completed 5199 additional property inspections resulting in \$161,307,573 in value added to the tax roll
- ❖ Nine appraisers added \$351,282,423 in value or an average of \$39,000,000 of value per appraiser to the tax roll each, this equates to approximately \$546,439 per appraiser in tax revenue
- ❖ Mailed over 73,668 assessment notices and tax bills
- ❖ Receipted \$1M in marijuana sales tax in FY19 and \$436,024 to date in FY20
- ❖ Talkeetna Sewer and Water sales tax totaled \$835,000 in FY19

## Department Major Goals

- ❖ Assessment, billing and collection of property taxes and fees
- ❖ Implement online checkbook & web based sales & excise tax reporting
- ❖ Collect full limits on earthquake insurance claim (up to an additional 15M)
- ❖ Collect additional \$500K in property insurance limits related to cyber-incident & close project
- ❖ Collect maximum benefits from FEMA re: earthquake and fires
- ❖ Complete banking transition
- ❖ Obtain FY19 GFOA Popular Annual Financial Report Award, FY21 GFOA Distinguished Budget Award & 2020 Certificate of Achievement for Excellence in Financial Accounting
- ❖ Transition to new ambulance billing software
- ❖ Develop formal budget monitoring procedures and implement with borough staff
- ❖ Provide additional training to borough staff on budget development, budget monitoring, and personnel cost budgeting
- ❖ Continue conversion to electronic processes-complete mobile assessment application project & implement new Govern Open Forms platform for Assessments & Collections
- ❖ More efficient tax billing process & faster turnaround time for delinquent tax billings
- ❖ Implement grants workflow through HPRM for reporting and expirations
- ❖ Move toward Direct Deposit of 80% of payments & 100% W9 collection
- ❖ Continue to develop procedure manuals for all positions & processes

## Challenges

- ❖ Bridge budget gaps caused by State of Alaska budget cuts
- ❖ Financially managing multiple disasters-fires, floods, and pandemic
- ❖ Market impact on investment income and cash flow
- ❖ Outcome of the current pandemic and how it will affect our departments and revenue
- ❖ Providing timely, web based budget data to Borough citizens
- ❖ Uncertainty surrounding State of Alaska revenues, specifically the School Bond Debt Reimbursement Program
- ❖ Talkeetna area sales tax down from 2018 due to fires, floods, and COVID-19
- ❖ Expected to do more with less. Finance has eliminated positions in an environment of increased workloads and continued borough growth despite decreased budget
- ❖ High turnover due to staff transfers and retirements
- ❖ Outdated inefficient CAMA/Tax Billing & Collection System
- ❖ Adhering to and implementing new regulations, laws and requirements (GASB, Federal, State, SEC, etc.)
- ❖ Potential increase in commercial insurance costs in a hardened market due to amount of worldwide perils and claims

## 2020 Proposed Budget Impacts

- ❖ Uncertainty regarding School Debt Service payment reimbursement from state
- ❖ COVID-19
- ❖ Market impact on Borough investment income
- ❖ Use of current Enterprise system's full capabilities for budget reporting and forecasting
- ❖ Development of Borough Long-Range Financial Plan
- ❖ Increased cost of litigation guarantees
- ❖ Software upgrades for Financial CAMA & Tax Billing Systems
- ❖ Continued review & streamlining of processes

## Upgrade Opportunities

- ❖ System analysis of Govern in preparation of upgrade to Govern open forms
- ❖ System analysis of LOGOS to improve processes
- ❖ Assessments upgrading to mobile data collection and an upgraded CAMA system.
- ❖ Enhancements to Govern to allow more efficient tax billing processes
- ❖ Integrated payment systems for Real Property Taxes in Govern
- ❖ Additional creation of Govern models to improve the assessment process
- ❖ Online filing/payment of Transient Accommodation Tax, Marijuana Tax, Talkeetna Sewer & Water Sales Tax and Tobacco Excise Tax
- ❖ Increased use of Business Analytics for reoccurring weekly and monthly reporting