



Quest for Excellence

2011 Finance Division Annual Report

The Quest for Excellence is a journey, not a destination.

Quest : a journey towards a goal

Excellence : a quality which surpasses ordinary standards



2011 Finance Division Annual Report

A QUEST FOR EXCELLENCE a.k.a. QUALITY IMPROVEMENT

- In the late 1980s and early 1990s, **Corporate America** was focused on quality improvement. This mantra proclaimed companies that survive are those that offer the highest quality service at the best value. The corporate mission included a strategic framework for quality improvement and challenged managers and employees to embrace this philosophy. Many of us remember the quality improvement initiatives.
- Fast-forward to 2011 and the world of **Municipal Government**. With shrinking revenues and rising costs, we are all confronted with the dilemma of providing more with less. The Finance Division embraced the philosophy of quality improvement for our business operations, financial systems and customer service interactions. We challenged ourselves to initiate positive changes in the workplace. This annual report highlights our accomplishments and is your passport on our *Quest for Excellence*.



2011 Finance Division Annual Report

DIVISION-WIDE ACCOMPLISHMENTS

In looking back on our journey, we recognize service awards for our outstanding Finance Division team:

Florence Bentke	15 years
Angela Hahn	15 years
Rhonda Kuehn	15 years
Julian Weisler, II	10 years
Jeana Bellinger	5 years
Stacy Hardy	5 years
Wanda Whitener	5 years



FINANCE DEPARTMENT

2011 Finance Division Annual Report

FINANCE DEPARTMENT

Under the co-leadership of Stacy Hardy, Accounting Manager, and Debbie Gaffey, Budget Officer, this department continues to streamline accounting systems, improve efficiency in financial operations, and provide comparative benchmarking.

Budget Analyst

Brandon (B.J.) Plumb joined our staff in May of 2011 as the Budget Analyst. He is a 2010 graduate of Texas A&M University where he earned a bachelor's degree in Accounting. B.J. assists with researching various budget issues, helps with developing forecasts, updates the 5 year capital plans and assists with preparation of the quarterly financial reports.



2011 Finance Division Annual Report

Certificate of Achievement for Excellence in Financial Reporting

For the third consecutive year, the City received this award from the Government Finance Officer's Association (GFOA) for our annual report for the period ending September 30, 2010. The City last received this award in 1996 and was not bestowed this honor until 2009. We received it again in the two subsequent years. This is premier goal for the Finance Division and is a noteworthy accomplishment.

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brenham
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

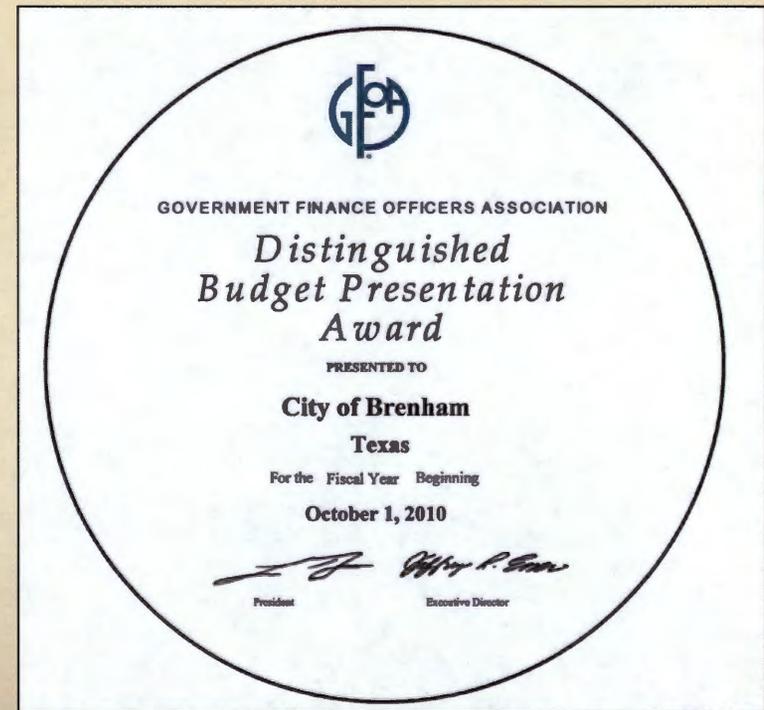
Jeffrey P. Enow

Executive Director

2011 Finance Division Annual Report

Distinguished Budget Presentation Award

For the second consecutive year, the City received this award from the Government Finance Officer's Association (GFOA) for our fiscal year budget beginning October 1, 2010. Prior to our recognition last year, the City had not received this award since 1996. Debbie Gaffey worked diligently to prepare a budget document which complied with the stringent guidelines and her attention to detail and pursuit of excellence has been recognized.



2011 Finance Division Annual Report

Accounting accomplishments are presented below:

Accounting

- Organized a Chart of Accounts Review Committee comprised of over 20 members of City departments. The objective was to review, update and consolidate the City's general ledger chart of accounts to increase the understanding of items that make-up each account group so that the coding of expenditures (invoices) can be consistent among departments. Published the revised Chart of Accounts in April 2011.
- PayPal Business Account ~ With assistance from the IT Department, created an electronic payment account with PayPal for Main Street Brenham events and Animal Shelter donations.

The PayPal logo is displayed in its characteristic blue, italicized font with a trademark symbol. It is positioned in the bottom right corner of the slide, partially overlapping the text of the second bullet point.

PayPal™

2011 Finance Division Annual Report

Accounting (continued)

- Paperless A.P. Processing - Set up electronic mailboxes for Accounting and Central Warehouse to enable City departments to scan and e-mail purchasing documents and receiving reports. This facilitates the exchange of documentation and allows the department to maintain a copy for their files.
- New Purchase Authorization (P.A.) Forms – combined two outdated purchasing forms into the new P.A. form to streamline the purchasing process at the department level and clearly identify the steps to be taken to follow purchasing guidelines.

2011 Finance Division Annual Report

Budgeting and Performance Measurement accomplishments are noted below:

Budgeting

- Developed a General Fund Capital Plan presentation. This information was reviewed during the budget kick-off meetings to disclose revenue and expenditure trends in the General Fund. The impact of the recent recession and the economic forecast for future budget years was presented in an easy-to-understand format.
- Initiated a bi-weekly “Think Tank” group. The meetings are held to discuss and analyze department operations, staffing, revenue streams and potential cost reduction strategies. Some topics included impact fees, recycled energy, and cloud computing.

2011 Finance Division Annual Report

Performance Measurement

- Prepared the FY11-12 annual budget which encompasses the “Vision, Strategic Objectives, and Strategies” document as approved by Council in July 2011. Departmental goals and objectives are aligned with specific strategies. The budget also included performance measures for the prior two years and the current year budget.
- While continuing to prepare quarterly financial performance reports which included a detailed analysis of budget to actual comparison, added capital project expenditures for each fund, and monitored progress on the AMR meter infrastructure project for the utility funds.
- Initiated comparative benchmarking which allows the City to assess its processes and functions in comparison to best practices of other cities.



OFFICE OF THE CITY SECRETARY

2011 Finance Division Annual Report

OFFICE OF THE CITY SECRETARY

With the professional guidance of Jeana Bellinger, our City Secretary, this office continued ordinance development while organizing and implementing the City's redistricting requirements, Senate Bill 100, and staffing reassignments. The City Secretary's Office also coordinated the January 2012 Special Election to fill a vacated, at-large, council seat.



2011 Finance Division Annual Report

Accomplishments for the Office of the City Secretary are presented below:

Administrative/Legislative Services

- **Ordinance Development:** A total of 26 ordinances were reviewed and taken to Council for approval during the year. The most notable ones being: Ambulance Services; Smoking Paraphernalia & Products (K2); and Sexually Oriented Businesses.
- **Resolutions:** A total of 27 resolutions were reviewed and taken to Council for approval during 2011. The most notable being Senate Bill 100, which required a change in the City's uniform election date and councilmember terms.
- Based on the results from the 2010 Federal Census, the City Secretary's Office coordinated redistricting of the four City wards.
- The City Secretary's Office also responded to 389 requests for public information (an increase of 26.3% over the prior year), issued 63 alcohol permits/licenses and 109 vendor/solicitor permits in 2011.

2011 Finance Division Annual Report

Staff Development and Recruitment

- Jeana Bellinger maintained her Texas Registered Municipal Clerk certification, which requires an additional 80 hours of professional development course work every five years.
- Angela Hahn joined the City Secretary's Office as Records Coordinator. She has the responsibility of handling all requests for information under the Public Information Act, provides support to City departments in complying with the City's Records Management Program and provides training on open meetings, public information, and records retention.
- Recruited Jennifer Salsgiver as our new Deputy City Secretary. Jennifer graduated from the University of Texas at Tyler in August 2011 with a Master's Degree in Public Administration. Her academic coursework and prior work experience are a great compliment to the City Secretary's Office.





MAIN STREET BRENHAM

2011 Finance Division Annual Report

MAIN STREET BRENHAM

Our Main Street Manager, Jennifer Eckermann, experienced a phenomenal year with the completion of several downtown capital projects and successful committee events.



2011 Finance Division Annual Report

Main Street Brenham accomplishments are noted below:

Capital Projects

- After 10 years of planning, the dedication and grand opening of Toubin Park was held on November 8, 2011. This project, showcasing a historic underground cistern, created a downtown attraction that brings interesting local history to light. Completion of Toubin Park was possible due to generous contributions from the Toubin family, Hot Nights, Cool Tunes Concert Series concession sales, private donations, and funding from the BCDC and the City of Brenham.
- Belle's Alley is a downtown park dedicated to the City of Brenham Fire Department Dalmatian mascot. Memorial and honorary brick pavers line the walkway which serves as an entrance off Main Street to Toubin Park.



2011 Finance Division Annual Report

Committee Events

- Published the Burning of Brenham, a novel written by Sharon Brass, documenting the historical significance of the underground cistern at Toubin Park. All proceeds from book sales are donated to Main Street Brenham for downtown improvements.
- Hosted Hot Nights, Cool Tunes Summer Concert Series with an estimated attendance of more than 14,000 over the five-night event. Dedicated volunteers helped raise more than \$10,000 for downtown improvements, and when coupled with the prior year's success, totaled over \$19,000 donated for the completion of Toubin Park.



2011 Finance Division Annual Report

Downtown Revitalization

- The Texas Historical Commission and the National Trust for Historic Preservation again recognized Brenham as one of 55 National Main Street cities from Texas. Brenham has held this designation for 12 consecutive years.
- Through the Incentive Grant Fund, contributed more than \$4,500 towards façade improvements and signage. The application process ensures improvements contribute to the overall design standards of the downtown area.
- The City Council approved a contract with MESA Design Associates to develop a Master Plan for Downtown Brenham. This was the final step in a two year long process of gathering support and funding for a planning tool that will set a course for the historic core of this community well into the future.





MUNICIPAL COURT

2011 Finance Division Annual Report

MUNICIPAL COURT

Under the supervision of Rhonda Kuehn, Court Administrator, the Municipal Court continued on the path to excellence in education and customer service.



2011 Finance Division Annual Report

Accomplishments for the Municipal Court are presented below:

Staff Development and Recruitment

- Rhonda Kuehn, Court Administrator, was again recognized by the Texas Municipal Courts Education Center for her contributions as one of their exceptional faculty who provide continuing judicial education to municipal judges, court support personnel and city prosecutors.
- She was also elected Vice President of the Texas Court Clerks Association (TCCA) and will represent TCCA as a member of the Texas Municipal League Board. This organization also bestowed the “Excellence Award” to Rhonda which is the highest honor awarded by the association. This award recognizes exemplary performance of an individual in the court profession who consistently demonstrates professionalism and the pursuit of excellence.



2011 Finance Division Annual Report

Staff Development and Recruitment (continued)

- All three Municipal Court Clerks, Diane Juarez, Norma Rodriguez, and Wanda Whitener have maintained their Level II Court Clerk Certification through the Texas Municipal Courts Education Center and the Texas Court Clerks Association.
- To improve customer service, we made some staffing modifications. A full time 40-hour per week court clerk position was split into two 24-hour per week positions. Their work week overlaps on Wednesday, providing the ability to have five staff members on our busiest work day.
- Paula Shields joined our team as the Municipal Court Clerk Assistant in October 2011. Her previous experience included over 20 years at NCCI, Inc. a national workers compensation rating bureau.

2011 Finance Division Annual Report

Court Collections

- In May 2011, Council approved Ordinance O-11-005 amending the Code of Ordinances to include section 2-12.4 Municipal Court - Collection Services Contracts and Fees . This amendment allows the City of Brenham to contract with a third party collections firm. This ordinance is required by statute and allows the Court to assess a 30% fee in addition to the amount an individual owes on each Court case. A Court case can only be sent to a collections firm once it becomes 60 days past due.
- Council approved a contract with Perdue, Fielder, Collins & Mott, LLP to pursue collections/closure of past due Court cases over 60 days old. Based on the December 2011 collections report, over \$133,300 has been collected thus far.



PURCHASING SERVICES

2011 Finance Division Annual Report

PURCHASING SERVICES

As a new department in the Finance Division, and along with our new Purchasing Manager, Adam Griffin, we have significantly enhanced the efficiency and automation of this function, and have greatly improved customer service.



Finance Division 2011 Annual Report

Accomplishments in Purchasing Services are noted below:

“Best Business Practice” for Central Warehouse

- We identified and implemented a “Best Business Practice” and moved the Central Warehouse to Purchasing Services from the Maintenance Department. This re-alignment provided for centralized inventory control under one management umbrella and allowed us to streamline the re-ordering process, paperwork flow, monthly closing cycle and consolidation of inventory items.

Staff Development and Recruitment

- In March 2011, Adam Griffin was promoted to Purchasing Manager with responsibility for the Purchasing functions of the City.
- Kyle Branham was promoted in April 2011 to Inventory and Warehouse Supervisor with the primary responsibility of safeguarding the City’s inventory at the Central Warehouse, and maintaining the automated inventory system.



Finance Division 2011 Annual Report

Staff Development and Recruitment (continued)

- To provide extra coverage at Central Warehouse, we included in our budget a part-time Co-Op student from Brenham ISD. Ryan Goerlitz joined our team in the Fall of 2011. He is a junior at BISD and works in the afternoon. Ryan has been a great addition to the Purchasing team.
- One of Ryan's responsibilities is to fill inter-departmental inventory requisitions and deliver the items to City departments. This has eliminated the need to have various department employees travel to Central Warehouse to pick-up supplies.

2011 Finance Division Annual Report

Central Warehouse Improvements

- The Central Warehouse had become a repository for obsolete inventory and idle assets. The first priority was to organize the warehouse and dispose of these items. (See the section on GovDeals to discuss this process).
- New color coded bins were purchased for inventory display eliminating cardboard boxes. Now the product levels can easily be seen. Additional shelving units were purchased and inventory was consolidated.
- Repairs were made to overhead doors, lighting systems and the front office was renovated to enhance customer service.

2011 Finance Division Annual Report

Automated Inventory System

- A new Point of Sale system was implemented known as the WASP system.
- The complete inventory, valued at over \$1.8 million with 1,284 items, has been barcoded and minimum/maximum levels have been established.
- As inventory is checked out from the Central Warehouse, the WASP system generates an “invoice” which the department signs acknowledging the receipt of items and the project coding.
- This has eliminated the hand written check-out sheets and manual compilation of inventory disbursements at the end of each month. We have also been able to streamline the accounts payable processing.

2011 Finance Division Annual Report

Automated Inventory System (continued)

- The WASP system gives us a real-time perpetual inventory count and inventory value. It also allows us to print reports for item movement, inventory purchases, capital project tracking, and vendor specific data.
- Purchase orders and receiving reports are generated from the WASP system. Each month, the Accounting department helps to reconcile the general ledger activity to the WASP system.
- The process for charging expenditures to each department has also been streamlined. A summary entry is posted to the general ledger and if detail is desired, we can print a report from the WASP system.

2011 Finance Division Annual Report

Internet Auction Site



- The GovDeals online auction program was approved by Council during 2011. Surplus or obsolete assets, inventory or other items are sold via the internet utilizing this program. We upload photos and relevant information which is then viewed and bid on by approved bidders.
- Working with various City departments, Purchasing Services coordinated 50 auction lots with over \$76,000 in net proceeds.





IS OUR JOURNEY OVER?

2011 Finance Division Annual Report

Does our Quest for Excellence end here?

Although 2011 is over, the Finance Division is continuing their Quest for Excellence. The outstanding management team and division staff hold themselves to the highest standards. They strive for excellence in customer service, professionalism, and transparency in government. I am privileged to lead this team, and I take personal pride in their phenomenal achievements for 2011.

It is with the utmost respect and appreciation for all those involved, that I submit the 2011 Finance Division Annual Report. We value Council's support and encouragement and we pledge to continue to serve the Citizens of Brenham with overall excellence in performance.

Carolyn D. Miller, CPA
Chief Financial Officer

