



Item: City of Great Falls Financial Policies and Procedures – Amend & Adopt
From: Greg Doyon, City Manager
Initiated By: Commissioner Jolley
Presented By: Coleen Balzarini, Fiscal Services Director
Action Requested: Amending City of Great Falls Financial Policies and Procedures

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission amend the City of Great Falls Financial Policies and Procedures to reflect a level of detailed reporting of vendor payment transactions provided to the City Commission at \$1,000 and above.”

Or

“I move that the City Commission amend the City of Great Falls Financial Policies and Procedures setting the level of detailed reporting of vendor payment transactions provided to the City Commission at \$5,000 and above; and incorporating on-line posting of a Check Register by Fund for the same time period as the dates reflected on the report presented to the City Commission at each Commission Meeting.”

Or

“I move that the City Commission amend the City of Great Falls Financial Policies and Procedures to reflect continuation of the current practice of providing detailed reporting of vendor payment transactions provided to the City Commission at \$5,000 and above.”

2. Mayor calls for a second, discussion, inquiries from the public, and calls the vote.

Background:

Since 2004, Fiscal Services has provided a report to the City Commission at each meeting, reflecting all vendor payment transactions that are \$5,000 or greater. At this level, detailed information regarding Vendor name, dollar amount, purpose of the payment, and the Fund responsible for the payment is provided for 88% of all transactions occurring since the prior

Commission Meeting. Previous to 2004 the level of reporting was at \$500 or \$1,000 depending upon the desire of the various Commissions in office at the time. Approval by the City Commission of the Expenditure Report through the Contract's List is a ratification action since payment has already occurred.

Citizen Participation: The current Commission has expressed a desire to provide transaction reporting in greater detail than is currently provided by the \$5,000 report.

Workload Impacts: Currently, the amount of staff time required to compile the \$5,000 report is approximately 3 hours per report. There are two reports compiled each month for presentation to the City Commission for approval. Approximately 88% of all transactions are listed on the \$5,000 report. If the reporting threshold is lowered to \$1,000, it is anticipated that the preparation time for each report will require 8 hours per report and will capture approximately 92% of all transactions.

Fiscal Impact: The cost of the additional reporting is approximately \$1,800 per year or 120 additional hours of Fiscal Services direct staff time per year. There is also additional review time required from the various departments prior to release for Commission action to verify that the transcribed data fairly reflects the description of the transaction.

Alternatives: Another alternative is to continue preparing the \$5,000 report and also post a "Check Register by Fund" on-line that encompasses all checks issued from Fiscal Services during the reporting period. This allows citizens the opportunity to review all transactions and the opportunity to direct questions regarding any such transaction to the appropriate staff during working hours. The Check Register by Fund for the reporting period of January 6 to January 13, 2010, is 76 pages in length. The report is generated by the accounting system and therefore requires much less processing time while providing full reporting of all transactions.

Attachments: Sample of the Check Register by Fund pages 1 – 10 (General Fund only)