

LEADING BY EXAMPLE

SUCCESS STORIES OF INNOVATION, GROWTH AND
ENGAGEMENT, AND ETHICAL FORTITUDE

ACHIEVING
EXCELLENCE
Together 2019

IGFOA ANNUAL CONFERENCE • SEPTEMBER 8–10, 2019

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Agenda

- Nikki Larson: Ethical Fortitude in the Finance Office
- Bill McCarty: Looking Beyond the Finance Office - Driving Change and Innovation in Other Departments
- Tricia Dubiel: Succession Planning
- Katie Ludwig: Financial Foundations for Thriving Communities
- Kevin Wachtel: Modernizing an Outdated Finance Office



Ethical Fortitude in the Finance Office

Nikki Larson, CPA, CPFO, SPHR

Finance Director

Village of Glencoe

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Ethical Guidelines

- IGFOA Bylaws Require Code of Ethics for Government Finance Officers Association of United States and Canada
 - Integrity and Honesty
 - Producing Results for my Community
 - Treating People Fairly
 - Diversity and Inclusion
 - Reliability and Consistency



You're always one
decision away from a
totally different life.

Mark Batterson

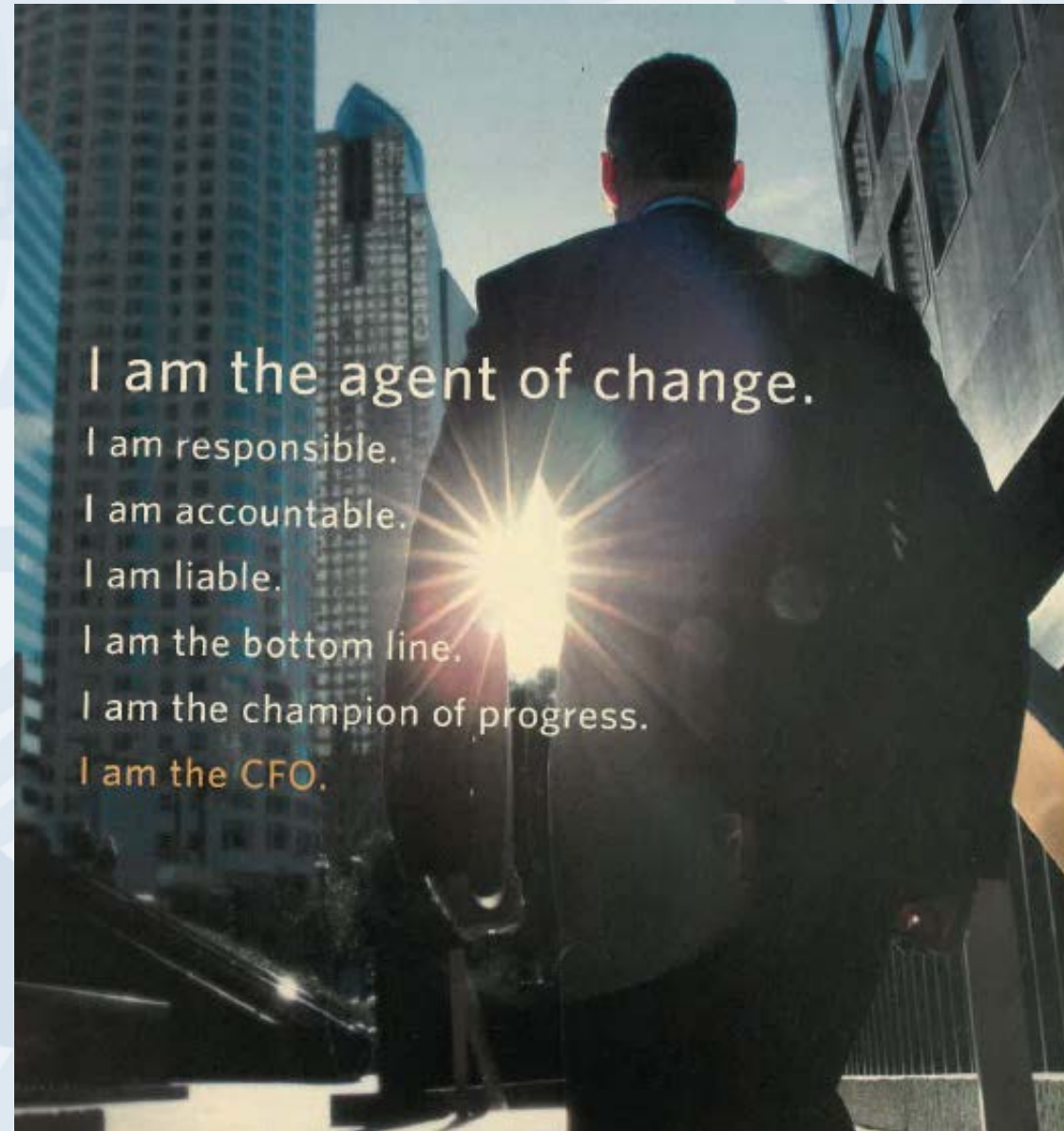
Role of Finance Officer

(65 ILCS 5/3.1-35-55) (from Ch. 24, par. 3.1-35-55)

Sec. 3.1-35-55. Treasurer; personal use of funds. The municipal treasurer shall keep all money belonging to the municipality and in the treasurer's custody separate and distinct from the treasurer's own money and **shall not use, either directly or indirectly, the municipality's money or warrants for the personal use and benefit of the treasurer or of any other person.** Any violation of this provision shall subject the treasurer to immediate removal from office by the corporate authorities, who may declare the treasurer's office vacant.

(Source: P.A. 87-1119.)

You are the bottom line!



Case #1 - Elected Officials Behaving Badly

- Emergency Meeting held to close parking garage
- Open Meetings Act Requirements –
“Notice of an emergency meeting shall be given as soon as practicable, but in any event prior to the holding of such meeting, to any news medium which has filed an annual request for notice...” (5 ILCS 120/2.02)
- Valet Parking Agreement in excess of purchasing policy



Source: www.abcvalet.com

Case Study #2 - Dishonesty in the Finance Office

- Finance Department manages payroll, human resources, risk management
- Existing fraternization policy with notice requirement
- Rumor of relationship with payroll clerk, who also processes work comp claims, FMLA, & privy to disciplinary information
- When approached, only one employee is truthful



Roses are red, violets are blue.
If you're in love, please don't sue.



Source: The Namely Blog


Case Study #3-The Trouble with Vendors

- Ongoing disability case, potential for benefits under Public Employee Disability Benefits Act
- Request for second opinion
- Existing vendor relationship with trustees
 - Fishing expedition
 - Sporting events
- Pulled from agenda, no discussion

Case Study #4 - Hole in None

- Annual charitable golf outing for personal cause
- Mayor uses Village staff for marketing, promotion
- Checks payable to charity
- Village underwrites event expenses in excess of budget





Keep your face always
toward the sunshine – and
shadows will fall behind you.

Walt Whitman

“ quote fancy

Looking Beyond the Finance Office - Driving Change and Innovation in Other Departments

Bill McCarty

Director, Office of Budget and Management

City of Springfield



It's your turn!



Succession Planning

Tricia Dubiel

Superintendent of Business & Finance

Bolingbrook Park District

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Why Succession Planning?



Keep Wheels Turning

- Financial Strategies, Challenges & Long Range Plans
- Debt Structure and Strategic Plan
- Continuity of Operations
- Employee Morale



Identify & Develop Future Leaders

Employee Engagement & Growth

- Learn New Skills
- Advance Career & Earning Power
- Increase Value to Team
- Increase Commitment to Organization

Professional Satisfaction?

Focus on The Who

- Social Connections Central To Sense of Purpose & Well Being



To Be Happier at Work, Invest More in Your Relationships by Rob Cross, Harvard Business Review

Financial Foundations for Thriving Communities

Katie Ludwig

Senior Manager, Research and Consulting

GFOA



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MAINTAINING A STRONG FINANCIAL FOUNDATION IS A PERENNIAL CONCERN

7 of 10

Top member concerns relate to it

PROGRESS HAS BEEN MADE

90% have a rainy day reserve

75% have a debt policy

55% forecast at least 3 to 5 years

THIS PROBLEM HASN'T BEEN SOLVED THOUGH



Pensions



Intergovernmental Uncertainty



Aging Infrastructure

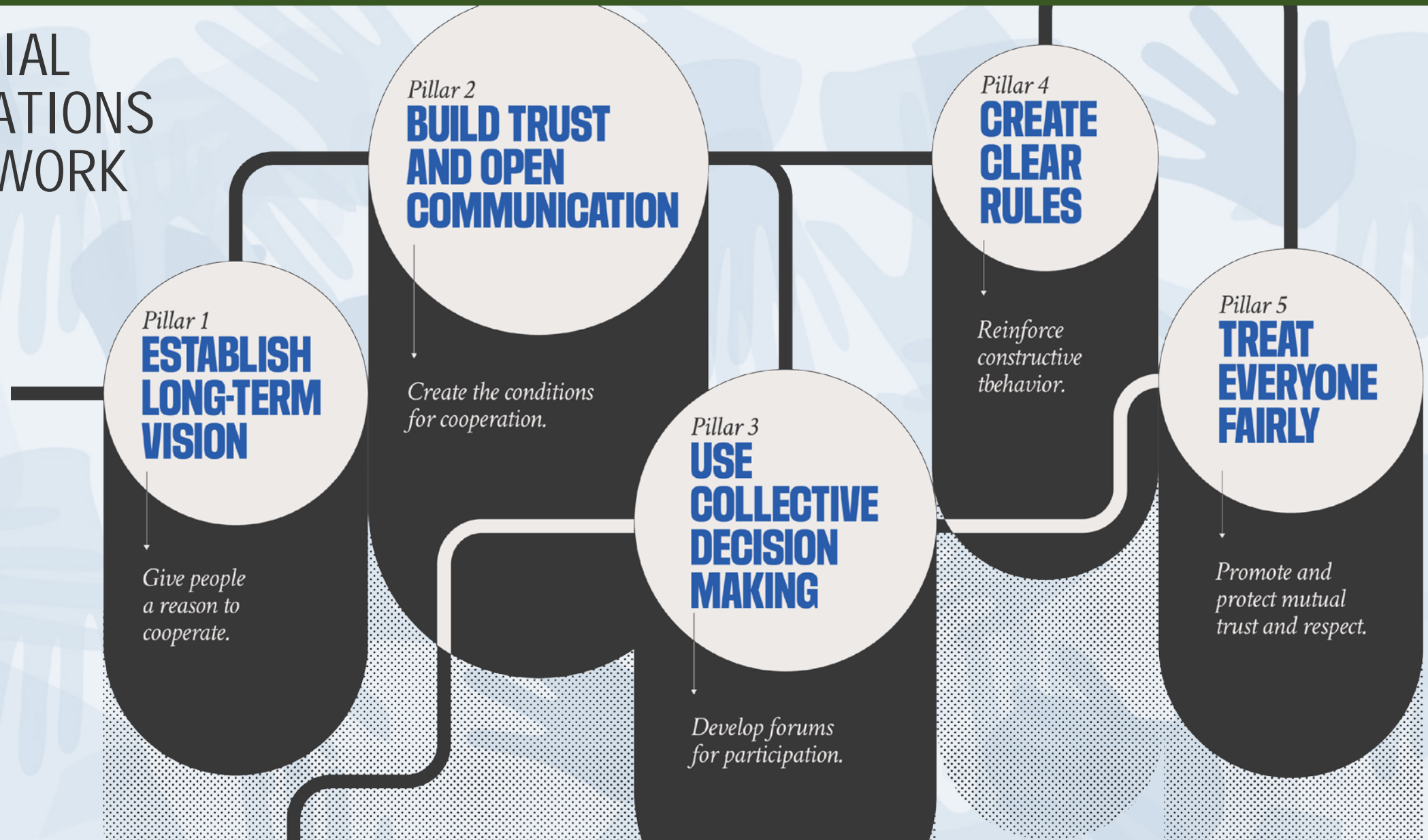








FINANCIAL FOUNDATIONS FRAMEWORK





Pillar 1

**ESTABLISH
LONG-TERM
VISION**



*Give people
a reason to
cooperate.*

SAN BERNARDINO COUNTY

- Largest County in USA
- Very diverse geographies
- Diverse stakeholders



AN UNSUSTAINABLE PATH

In 2009, \$80M deficit rolled into next year (10% of total budget), even while salary and benefit increase approved



COUNTY VISION & STRATEGIC PLAN

- Where does the County and the community want be in 20 years?
 - Highlights everyone's shared interest
 - Defines why County should be financially sustainable
- Led to shared vision for water resources across agencies



Pillar 2
**BUILD TRUST
AND OPEN
COMMUNICATION**

*Create the
conditions for
cooperation.*

BUILDING TRUST WITH THE COUNTY SHERIFF



WE'VE GOT YOUR BACK

- Departments pad budgets to manage risk
- Across all departments this really adds up
- So, provide support for the unexpected

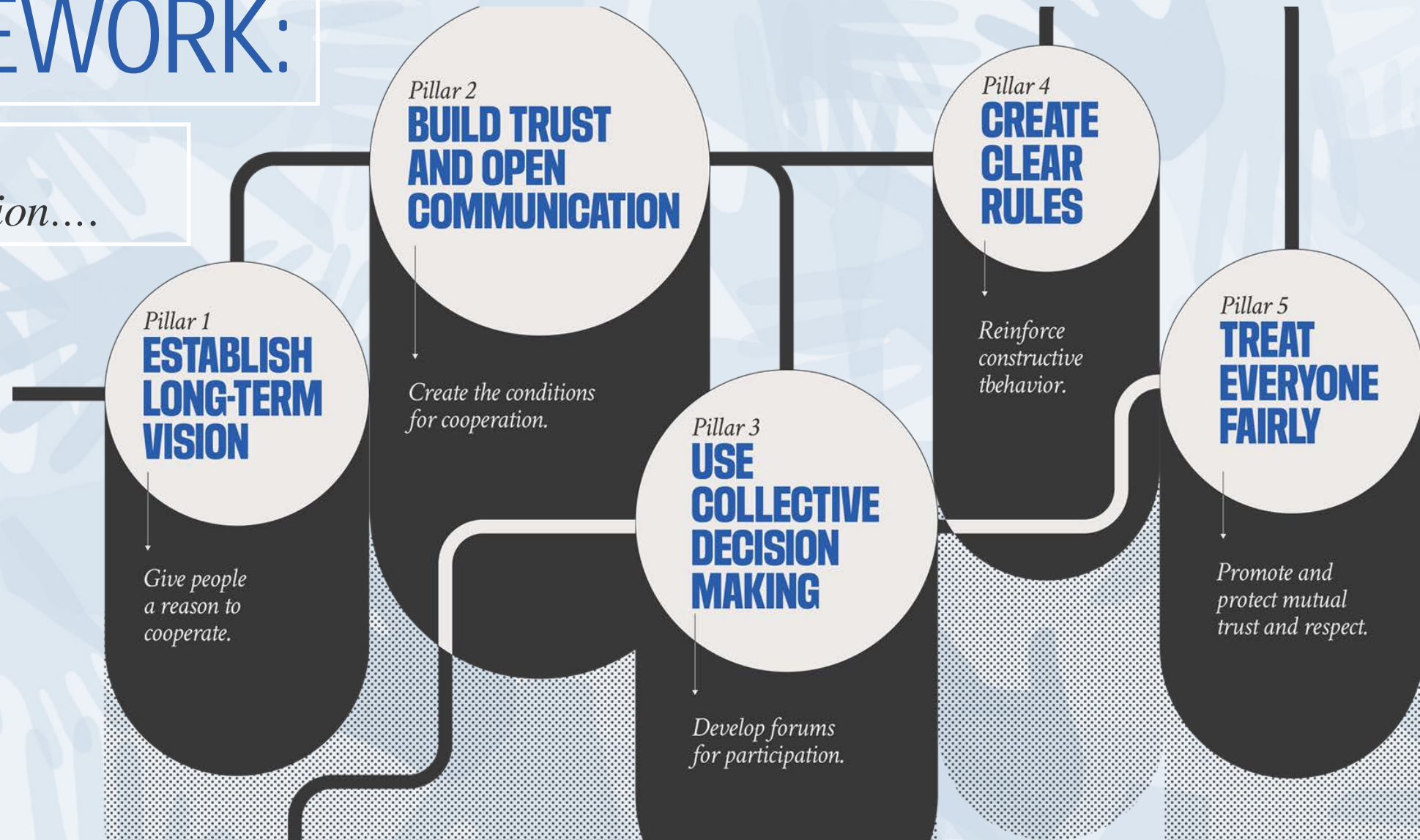


THE FRAMEWORK:

Not so much a revolution....

...as an evolution...

...codified!





WHY?

- Ensure a thriving community
- Be more resilient
- Become a leader in public finance

WHAT'S NEXT?

- Visit gfoa.org/financialfoundations
- Read the book
- Implement the Framework!



Modernizing an outdated finance office

Kevin Wachtel

Finance Director

Village of Villa Park

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The challenge: No expectation to innovate



- Significant budget challenges
- Dated technology
- Highly unionized clerical environment
- Afraid of making/admitting mistakes

Process, process, process

- Two full time employees to process accounts payable
- Centralized AP invoices
- Invoice processing? Typewriters abound!
- Electronic Purchase Orders workflow?!
- Monthly report processing
- Monthly bank transfers (how many bank accounts do we have?)
- Cash Clearing accounts – all managed manually



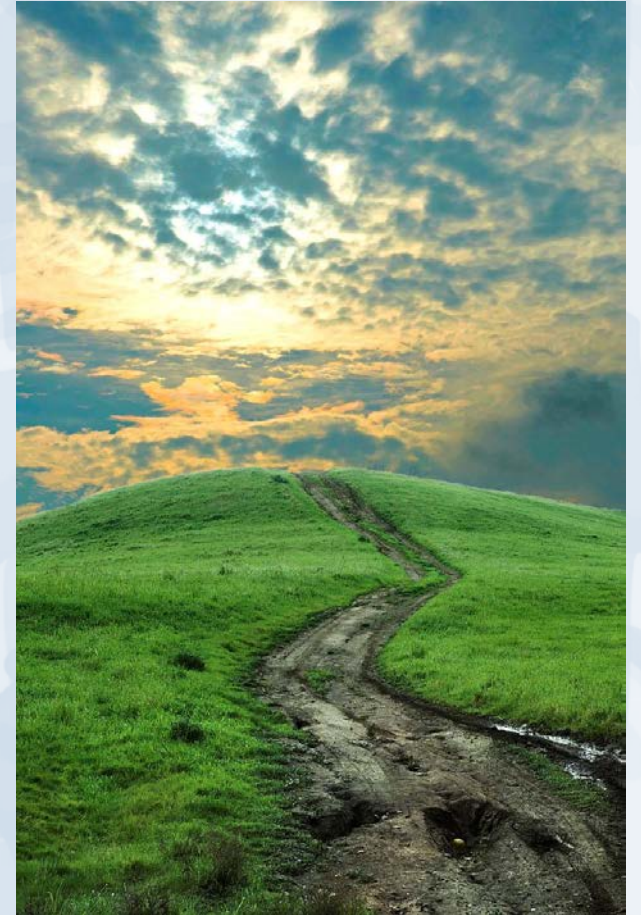
Opportunities



- Attended software user conference
- Our software can do that for monthly reports?!
 - And for AP invoice entry?!
- How many times have you needed that photocopy of the invoice? Close to zero.
- Processing, not adding value

Implementing change – set a clear path

- Gain support from Village Manager
- Explain that changes are coming
 - in process and daily tasks and responsibilities
- Lay out the vision
- Set expectations for using technology
 - Use your email
 - No more shared passwords
 - Scan documents
 - How about a shared network drive?
- Give credit and authority where due
- Change their work perspective from tasks to “how do I add value”



Some of our results

- Some slow, some quick
- Department reporting structure streamlined and reorganized
- Staff attrition – changes sped retirement decisions
- We are down 2 full time employees, and more efficient than ever
- Purchase orders, online workflow, encumbrances, oh my!
- Monthly report processing – 2 days to 2 hours

Lessons learned

- Don't change for the sake of change, but don't be afraid to make your mark
- Get the lay of the land, then act decisively and swiftly
- Start with easy / popular wins – add to your credibility as a change leader
- Communicate your clear vision – your team needs to know where you are leading them!
- Set attitude and work expectations
 - How do you add value?
- Mistakes are a learning opportunity!
 - Fallacy of sunk costs
- Listen, Learn, Achieve!



Please let us know what you think of this session format!