

Project profile: City of Winder Finance Department

Policies and procedures are not just about what to do and how to do it. Policies and Procedures are about producing results that matter.

Winder, Georgia is a rapidly growing municipality (40% growth in 20 years) employing approximately 300 people through a combination of permanent employees, public private partnerships, and contractors serving almost 20,000 residents and nearly 50,000 utility customers across three counties with combined operating and capital budgets of almost \$100 million in Fiscal Year 2023.

Mandi Cody joined Winder as City Administrator in June of 2020. Ms. Bembry joined Winder in February of 2021 for the limited purpose of developing the Fiscal Year 2022 budget. The two discovered operational practices within the Finance Department that were negatively impacting the City's operations, financial condition, and ability to plan for the future. That budget processes revealed:

- A lack of processes and procedures that efficiently, effectively, and timely served internal and external accounting requirements and customer needs.
- Departmental differences in the administration of common financial task – both within the Department and across the organization.
- Missing or inadequate financial policies to guide business practices, sometimes resulting in repeated audit findings.
- Consequential accounting and financial decisions being made and implemented by unauthorized individuals.
- A lack of comprehensive and meaningful financial reporting for management and elected officials.
- Inadequate or missing financial policies to guide elected officials in their decision making.
- Historical practices of accounting and budgeting that were jeopardizing the City's financial strength; and that if left unaddressed, would cripple the City's ability to provide critical utility infrastructure and jeopardize its ability to meet ongoing obligations.
- Inadequate leadership, staffing, skills, and training within the department itself.

Working together, now with Ms. Bembry's role expanded to contract CFO, the two leaders successfully implemented policies, processes, procedures, and training within the Finance Department and across the organization that now successfully serve internal and external customer needs and implement accounting practices to provide timely, comprehensive, and meaningful financial reports to City management and elected officials. New processes and procedures have been implemented in almost all functions including accounts payable, accounts receivable, payroll, grants, capital projects, and budgeting; and all departments across the City now implement singular processes on shared timelines.

The Department has been reorganized and positions restructured to require appropriate skills and training for the expected task. Performance measures and accountability structures have been implemented. Internal controls have been established to ensure decision making and implementation at appropriate levels.

Delinquent and inaccurately performed accounting task have been corrected and brought up to date, providing management and elected officials the information necessary to understand the City's financial condition and its urgent need to take budgetary actions and implement policies necessary to ensuring its long-term ability to provide critical infrastructure, meet ongoing obligations, and deliver critical services.

As a result, Winder:

- Engaged in its first strategic planning retreat resulting in performance-based budgets being adopted for Fiscal Years 2022, 2023, and 2024.
- Adopted and implemented its first five year capital improvement plan with identified revenue and funding streams.
- Adopted financial policies to ensure that services provided to customers were supported by rate recovery fees rather than being subsidized by taxpayers; and, adopted rate structures to implement this policy.
- Properly allocated cost across the organization.
- Created new departments and services without dependency on the mileage rate.
- Moved sanitation cost from the General Fund to a self supporting Enterprise Fund.
- Adopted a policy to end the \$250,000 annual General Fund transfer to subsidize golf course operations and implemented practices that generated a \$1 Million profit from the course in just two years, (almost) repaying the General Fund its subsidies.
- Adopted a policy of eliminating General Fund dependency on water utility transfers to safeguard the water fund's ability to provide essential drinking water supplies and took actions that eliminated an average annual transfer of \$4 Million by 2023.
- Increased the General Fund's reserve from .6 months in 2021 to its present 3.4 months.
- Identified debt obligations and restricted and unrestricted reserves in each fund.

More about Winder's performance based budgeting processes and success can be learned from Ms. Bembry and Ms. Cody's article published in the April 2024 edition of PM (Public Magazine) of the International City County Manager's Association (ICMA) which can be found at <https://icma.org/articles/pm-magazine/outcome-based-budgeting>.

For project references, please contact (former) Mayor David Maynard at davidm.pop@outlook.com or 404-317-9898 or (former) Councilmember Shannon Hammond at shannonchammond@gmail.com or 770-307-7568.