600 South Fourth Street P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Since 1886

Date: July 13, 2021

To: Stoughton Utilities Committee

From: Jill M. Weiss, P.E.
Stoughton Utilities Director

Amy Jo Gillingham
City of Stoughton Human Resources & Risk Management Director

Subject: Utilities Financial Management Restructuring and Creation of a Utilities Finance Director Position

Attached is a letter from City of Stoughton Human Resources & Risk Management Director Gillingham related to the restructuring of the Stoughton Utilities financial management reporting structure and the creation of a Utilities Finance Director position.

We are requesting that the Stoughton Utilities Committee review and recommend approval of the financial management restructuring to bring financial management operations back to Stoughton Utilities and reporting to the Stoughton Utilities Director, review and recommend approval of the proposed position description for the Utilities Finance Director position, review and recommend approval of the proposed salary details for the Utilities Finance Director position, and to recommend approval of all aspects of the reorganization to the City of Stoughton Personnel Committee and Stoughton Common Council.

Stoughton Wisconsin

City of Stoughton
Department of Human Resources & Risk Management
207 S Forest Street, Stoughton, WI 53589
www.ci.stoughton.wi.us
(608) 646-0272

Amy Jo Gillingham
Director

July 13, 2021

To: Stoughton Utilities Committee

Prior to July 2018, Stoughton Utilities had their own dedicated Finance Manager who reported to the Stoughton Utilities Director. The Utilities Finance Manager focused exclusively on the finances of Stoughton Utilities and the individual Electric, Water, and Wastewater utilities. In 2018, following the vacancy the City of Stoughton Finance Director position, leadership identified potential efficiency gains by restructuring and having all finance employees reporting to a single Finance Director.

The city proposed and received approval to restructure the City and Utilities finance positions into a single City of Stoughton Finance Department, and eliminate the Utilities Finance Manager position. The restructured Finance Department was to be responsible for the financial management of both the City of Stoughton and Stoughton Utilities, and Utilities Finance Manager Jamin Friedl, became the City of Stoughton Director of Finance for the city and utilities.

As part of the finance restructure, a City of Stoughton Assistant Finance Director was hired that would report to the Stoughton Finance Director. At this time, the City of Stoughton Assistant Finance Director incumbent has tendered his resignation. It states in our hiring policy that prior to filling any vacant position, the position be reviewed to ensure the position's scope still best fits our need and the position description remains up to date.

Following the notice of resignation, Director Friedl, Mayor Swadley, Director Weiss and I met to discuss the options available to us with the position opening. Upcoming financial management needs at Stoughton Utilities remain significant and complex, due to large CIP project planning, upcoming regulatory rate reviews and financial forecasting, a transition to a new enterprise resource planning (ERP) software package, and planned employee retirements. After discussion, it was determined that the financial management needs of Stoughton Utilities are significant and complex, and the utility will benefit from reverting to the previous finance structure and to again have their own dedicated financial management position with a strong utility finance background that reports directly to the Utilities Director to support their financial operations.

Prior to the 2018 restructure, the title of the Stoughton Utilities financial management position was Utilities Finance Manager. As part of our current discussions, we have determined that the title should be elevated to appropriately reflect the duties and responsibilities of this position, and to attract candidates that have the proper skill set. It is our opinion that this position is not a manager level position, but is rather at a director level, and we are currently proposing a new Utilities Finance Director position.

The Utilities Finance Director will report directly to the Stoughton Utilities Director. The Utilities Finance Director will be responsible for the financial management of Stoughton Utilities. This position will have one direct report, the Utilities Accountant II, who will handle accounts payable, accounts receivable, customer account management, and other accounting tasks for Stoughton Utilities, as well as the payroll processing for both Stoughton Utilities and the City of Stoughton.

The Finance Director position is not a department head and is not part of the City of Stoughton Leadership Team. The reporting structure and areas of responsibility will be clearly explained to interested candidates.

Included with this memo is a draft revised position description for the recreated Utilities Finance Director position, and a spreadsheet detailing the fiscal impact for 2021. The proposed salary details for the Utilities Finance Director position are as follows:

Utilities Finance Director:

Salary Classification: Grade 21- Exempt

2021 Salary Range: $96,075.20 to $126,880.00

Hourly: $46.19 to $61.00

Current City of Stoughton Director of Finance is compensated at $116,251.20 ($55.89 hourly).

At this time, we are requesting that the Stoughton Utilities Committee review and recommend approval of the financial management restructuring to bring financial management operations back to Stoughton Utilities and reporting to the Stoughton Utilities Director, review and recommend approval of the proposed position description for the Utilities Finance Director position, review and recommend approval of the proposed salary details for the Utilities Finance Director position, and to recommend approval of all aspects of the reorganization to the City of Stoughton Personnel Committee and Stoughton Common Council.

Sincerely,

Amy Jo Gillingham
Director of Human Resources & Risk Management

UTILITIES DEPARTMENT

Utilities Finance Director

City of Stoughton

PAY GRADE: 21 **FLSA:** E

REPORTS TO: Stoughton Utilities Director

SUMMARY OF POSITION:
The purpose of this position is to be accountable for the overall planning, organizing, controlling and directing of the financial activities of the Utility, including coordination of all customer accounting with the Assistant Utilities Director and general accounting functions and information processing, and perform critical accounting and fiscal management functions in accordance with Utility goals and objectives.

DUTIES AND RESPONSIBILITIES:
Core Duties and Responsibilities - The following duties are the primary duties of this position but do not compose an exclusive or all-encompassing list of duties. Other duties may be assigned or required to accomplish the main goals of this position.

- Direct the operation of a central accounting system in a manner consistent with generally accepted accounting principles and practices and in sufficient detail to produce accurate cost, financial and statistical data for both management and statutory requirements.

- Implement and maintain a proper set of internal controls.

- Develop financial systems, policies and procedures to ensure effective fiscal management.

- Develop and maintain optimal investment, borrowing and other funding strategies

- Research grant funding opportunities for utility divisions and customers, prepare grant applications and maintain post-compliance monitoring and reporting.

- Prepare and maintain short, mid and long-term cash flow forecasts.

- Direct the preparation of the annual Utilities budget.

- Manage relationships with financial consultants. Review service fees, negotiate and develop contracts with service providers.

- Prepare for and oversee the annual audit and submit all required regulatory reports.

- Administer the purchase card program.

- Direct treasury management operations, online banking and fraud protection programs.

- Perform electric, water and wastewater retail rate analyses, develop rate structures that allow sufficient revenue recovery and obtain necessary local and regulatory approvals.

- Prepares and interprets financial statements, cost reports, and statements of receipts and expenditures at regular intervals for use by the Utilities Director, Utilities Operations Superintendent, Utilities Committee and Common Council.

- Direct preparation of employee payroll and assist the Human Resources Director with administration of the employee benefits program.

- Participate in required Utility Committee and Common Council meetings. Prepare monthly status reports as well as other scheduled and unscheduled presentations and reports.

- Assist in development and implementation of public education programs to promote a positive Utility environment in the City and service territory.

- Provide support for personnel management functions including recruitment.

- Provides back up for duties of the Assistant Director of Utilities.

Additional Tasks and Responsibilities
While the following tasks are necessary for the work of the unit, they are not an essential part of the purpose of this position and may also be performed by other unit members.

- Assists electric, wastewater and water divisions as required.

- Performs other Stoughton Utilities tasks as required.

QUALIFICATIONS:
The ability to perform the Core Duties and Additional Duties listed above and:

Education/Training/Certifications

- Bachelor's degree in Business Administration, Accounting or financial management. Preference for a Certified Public Accountant. Minimum of

seven years of management or project management related to financial/accounting operations, preferably in the utility environment.

- Significant knowledge of generally accepted financial management and accounting principles and practices, including the ability to independently initiate analysis and solve a variety of accounting and fiscal issues from both long-term and daily operational perspectives.

- Significant knowledge of Governmental Accounting Standards is preferred, but not required.

- Significant knowledge of computer hardware and software used in the Utility environment, including experience with automated accounting, financial and billing systems. Advanced user of Microsoft applications (Word, Excel, Access, and PowerPoint) preferred.

- Familiarity with State and Federal rules and regulations regarding utility systems.

- Proven success and experience in teambuilding and collaboration and experience with effective supervisory/management and human resource principles and techniques.

- Understanding of effective customer service principles and techniques.

- Comprehensive knowledge of electric, wastewater and water systems.

Language Skills

- Requires the ability to perform complex data analysis including the ability to analyze and interpret an extensive variety of technical information and governmental regulations. audit, deduce, assess, conclude and appraise.

- Requires discretion in determining and referencing such to established criteria to define consequences and develop alternatives.

- Ability to define problems collects data, establish facts, and draw conclusions. Good decision-making and problem solving skills.

- Ability to promote teambuilding and maintaining good working relationships within the Utility and other City Departments.

- Ability to develop and maintain good working relationships with contractors, community members, elected officials, and regulatory staff.

- Requires the ability to provide first line supervision. Ability to persuade, convince, and train others. Ability to advise and provide interpretation regarding the application of policies, procedures and standards to specific situations.

- Requires the ability to utilize a wide variety of reference, descriptive, advisory and/or design data and information such as financial statements, billing reports, reports, ledgers, journals, summaries, rate

applications, budgets, manuals/texts, codes, accounting systems, procedures and non-routine correspondence.

- Ability to communicate effectively with the Utilities Director, Utilities Operations Superintendent and all Utility personnel, other City departments, Utilities Committee, auditors, technical support contractors and the public verbally and in written form.

Mathematical Skills

- Ability to add, subtract, multiply, divide, calculate decimals and percentages, and make use of the principles of descriptive statistics.

- Ability to design and produce graphical representations of complex financial and performance data.

Judgement and Situational Reasoning Ability

- Requires the ability to apply principles of influence systems such as supervision, managing, leading, teaching, directing, planning, coordinating and controlling.

- Ability to exercise independent judgment to apply facts and principles for developing approaches and techniques to problem resolution.

- Requires the ability to exercise the judgment, decisiveness and creativity required in situations involving the direction, control and planning of an entire program or multiple programs.

Supervisory Skills

- Ability to assign, supervise and review the work of others.

- Ability to make recommendations regarding the selection, training, discipline, and discharge of employees.

Physical and Mental Abilities Required to Perform Essential Position Functions:

- Requires the ability to operate, maneuver, and/or provide simple but continuous adjustment on equipment, machinery, and tools such as a computer and other office machines, and/or materials used in performing essential functions.

- Requires the ability to coordinate eyes, hands, feet, and limbs in performing coordinated movements such typing.

- Tasks involve the ability to exert light physical effort in sedentary to light work, but which may involve some lifting, carrying, pushing, and pulling of objects weighing five to ten pounds.

- Requires the ability to recognize and identify similarities or differences between characteristics of colors, shapes and sounds associated with job-related objects, materials and tasks.

Environmental Adaptability:

- Ability to work under generally safe and comfortable conditions where exposure to environmental factors may cause discomfort and poses a limited risk of injury.

EQUAL OPPORTUNITY EMPLOYER:

The City of Stoughton is an Equal Opportunity Employer. In compliance with applicable state and federal law, the City will provide reasonable accommodations to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the City.

TOTAL PAYROLL AND BENEFITS COSTS							
	Total Wages	WRS	FICA	Health	Dental	Life	TOTAL
Director of Finance	$ 116,251	$ 7,874	$ 8,865	$ 21,580	$ 1,121	$ 39	$ 155,730
Assistant Director of Finance	$ 89,149	$ 6,038	$ 6,798	$ 21,580	$ 1,121	$ 74	$ 124,761
	$ 205,400	$ 13,912	$ 15,663	$ 43,160	$ 2,242	$ 114	$ 280,490

CITY ALLOCATION							
	Total Wages	WRS	FICA	Health	Dental	Life	TOTAL
Director of Finance	$ 75,563	$ 5,114	$ 5,758	$ 14,027	$ 729	$ 39	$ 101,230
Assistant Director of Finance	$ 31,202	$ 2,116	$ 2,383	$ 7,553	$ 392	$ 74	$ 43,721
	$ 106,765	$ 7,230	$ 8,141	$ 21,580	$ 1,121	$ 114	$ 144,950

UTILITY ALLOCATION							
	Total Wages	WRS	FICA	Health	Dental	Life	TOTAL
Director of Finance	$ 40,688	$ 2,760	$ 3,107	$ 7,553	$ 392	$ -	$ 54,500
Assistant Director of Finance	$ 57,947	$ 3,922	$ 4,415	$ 14,027	$ 729	$ -	$ 81,040
	$ 98,635	$ 6,682	$ 7,522	$ 21,580	$ 1,121	$ -	$ 135,540

BUDGET IMPACT							
	Total Wages	WRS	FICA	Health	Dental	Life	TOTAL
CITY	$ 9,486	$ 644	$ 724	$ -	$ -	$ (74)	$ 10,780
UTILITIES	$ (9,486)	$ (644)	$ (724)	$ -	$ -	$ 74	$ (10,780)
	$ -	$ -	$ -	$ -	$ -	$ -	$ -