



Ramsey County Board Workshop:

Outgoing Comments From The Chief Financial Officer

Ramsey County Finance Department

February 4, 2020

Start time: 9:45 am (estimated)

220 Courthouse, Large Conference Room

Agenda

1. Introductory Comments Ryan O'Connor, County Manager
2. Presentation Observations and Recommendations
Lee Mehrkens, Chief Financial Officer
3. Board Questions and Comments

**Outgoing Comments
From The Chief Financial Officer**

**Ramsey County Board Workshop
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Workshop Goals

- Chief Financial Officer (CFO) to provide comments, observations and recommendations.
- Discuss CFO transition items.
- Affirm Board and CFO goals for developing and maintaining strong working relationships.
- Allow opportunity for Board questions and discussion.

Ramsey County Has Developed a Strong Financial Foundation

- Clearly established Vision, Mission, Goals and Values.
 - Financial accountability goal
- One of only two counties in Minnesota with a biennial budget process.
 - Mirrors state biennial budget process
- AAA bond rating and three awards from Governmental Finance Officers Association.

10 Years of Finance Department Evolution

- Modernized and rebranded Office of Budgeting and Accounting (B&A) into a fully-formed Finance Department.
- Added new functions – Procurement, Enterprise Resource Planning and a financial systems capability team, Enterprise Risk Management, and a centralized collections unit.
- More diverse department. Emphasis on talent development.
- Adopted 10 years of budgets totaling \$6.5 Billion.
- Provided capital financing for construction and renovation of county buildings, libraries, recycling center, green line and Union Depot.

10 Years (con't)

- Designed new space and co-located all Finance Department operations at Metro Square.
- Created Finance Fellows Program, an entry level accounting program in partnership with Metro State University.
- Expanded Controllers into each service team and are implementing recommendations of the Accounting Capabilities Assessment Report.
- Created irrevocable Other Post Employment Benefits (OPEB) Trust.
- Generating more rigorous, real-time Financial Status Reports.

Finance Initiatives Now Underway (2020)

- Upgrading Hyperion budget application into a cloud based module – will make budget preparation and documents much easier to produce.
- Implementing a new, fully electronic business expense reimbursement module to eliminate paper claims processing.
- Finance Department and Controllers will prepare a Financial Resiliency Report that evaluates county revenues and expenditures that may be susceptible to an economic downturn.

Finance Topics That Need Further Discussion

- Tax rates, levy increases and per capital spending
 - Need to compare with ability-to-pay metrics.
 - Opportunity for more deliberate discussion by Joint Property Tax Advisory Commission.
 - Importance of prioritization and reallocations in future budgets and RBAs.
- Need expanded capital financing sources for major projects
 - Time and financing creativity will help
 - Implications for use of General Fund balance and need for increased debt service levy.

CFO Recommendations to Board

1. Give your new CFO time to learn the organization and our financial needs
2. Don't become complacent about AAA bond ratings.
3. Advance talent attraction, retention and promotion initiatives (with training and development)
4. Longer-term: move our ERP Financial Systems to a cloud-based, software-as-a-service (SaaS) platform.
5. Consider moving two insurance contracting FTEs from County Attorney's Office and place under the Enterprise Risk Manager.

Discussion?

Questions?

**Thank you for allowing me to be your CFO,
colleague, and employee of **The Big Red R** over
the past 10 years!**

- Lee Mehrkens