

## Financial Services

### **Mission:**

The Financial Services Department mission is to promote the City's overall financial stability through sound financial planning and management. We are committed to the highest standards of accountability, accuracy, timeliness, professionalism, and innovation in providing financial services that not only meet but exceed the expectations of those we serve.

### **Primary Services**

- Perform City's Accounting Functions and Payroll
- Plan, Coordinate, and Monitor City Budget Process and ICIP
- Report City's Financial Condition
- Manage City's Cash and Investments
- Manage Debt Issuance Processes
- Manage Procurement of Goods and Services
- Review and Maintain City Contracts
- Coordinate and Manage Grant Activity
- Perform Billing and Collection Services
- Provide Driver and Motor Vehicle Services

### **FY 19 Department Goals by City Strategic Goal**

#### **Strategic Goal: Economic Viability**

- Collaborate with all departments to gain a better understanding of City functions in order to assist financial planning needs, prioritize services, and allocate funding accordingly
- Ensure adequate reporting methods for describing the City's financial condition to the Governing Body, City Management, bond rating agencies, and Rio Rancho citizens
- Provide proper assessment of the City's long-term debt capacity in relation to projected capital and infrastructure needs
- Plan for long-term sustainability, including a 15% General Fund Ending Fund Balance
- Complete implementation of Priority Based Budgeting which will align the budget by the services and programs of the City and prioritize funding sources and needs as identified in the Strategic Plan

#### **Strategic Goal: Organizational Vitality**

- Implement an on-line payment solution for City Services that don't currently offer that option
- Develop a financial services training series to assist departments in understanding and carrying out the financial aspects of their operations
- Revise and implement updated procurement processes to assist staff with their purchasing needs while ensuring prudent expenditure of public funds
- Analyze current grant seeking activities and identify ways to improve success in obtaining new grants
- Review and update internal controls and related policies to ensure City assets remain safeguarded in accordance with best practices

## **FY18 Department Accomplishments by City Strategic Goal\***

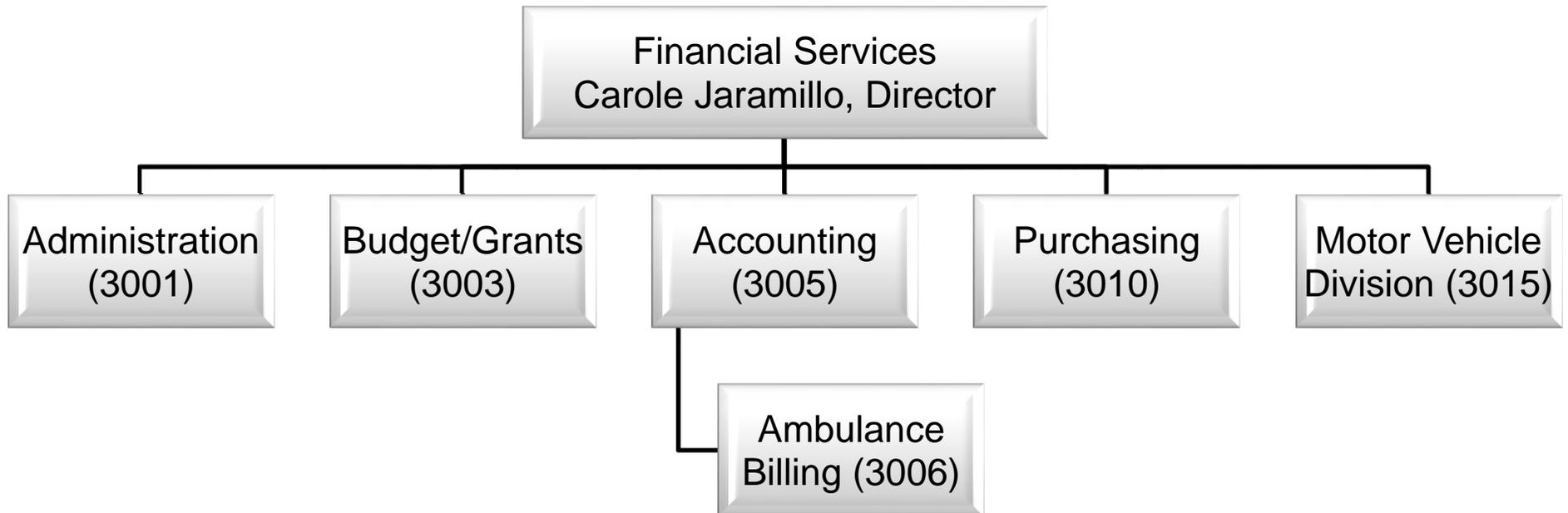
### **Strategic Goal: Economic Viability**

- Achieved internationally recognized Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) and the Distinguished Budget Presentation Award for the public budget documents
- Produce an analysis and report on the City's debt – Benchmarking the City's Debt: A Comparative Analysis
- Submitted all annual and quarterly budget and accounting reports and audits to the State of New Mexico by the required deadlines
- Achieved a trend of positive revenue variances, creating trustworthy forecasting methods and strong financial trends

### **Strategic Goal: Organizational Vitality**

- Implemented Executime advances scheduling software to improve departments ability to manage time and over-time expenses
- Updated and improved the City's assets and inventory process and completed a Citywide asset inventory to ensure accuracy in values reported in the financial statement
- Revised the Uncollectable Accounts Receivable and travel and mileage Reimbursements administrative policies which are now pending approval
- Successfully implements processes to comply with new State mandated budget and reporting system the Local Government Budget Management System (LGBMS)
- Completed implementation of Phase II of Priority Based Budgeting
- Completed assessments of cash handling processes at all points of cash intake Citywide to ensure appropriate controls exists and are being followed

# FINANCIAL SERVICES ORGANIZATIONAL CHART



## FINANCIAL SERVICES: Performance Indicators

### Goal:

Highly motivated and performing City employees delivering programs and services that are relevant and provide value to the public as well as promoting engaged citizens.

<b>Performance Measure</b>	<b>Percent of Customers Satisfied with Motor Vehicle Services Provided at the Rio Rancho MVD Location</b>				
Why the Measure is Important	Improve efficiencies for the public's benefit, as well as to gauge the success of the service.				
FY Actuals & Target	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 TARGET</b>
		96%	97%	96%	95%

<b>Performance Measure</b>	<b>General Fund Non-Personnel Budget Expended versus Original Budgeted</b>				
Why the Measure is Important	Measures spending efficiency.				
FY Actuals & Target	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 TARGET</b>
	95%	86%	94%	93%	95%

<b>Performance Measure</b>	<b>Error Rate for General Fund Revenue Fiscal Year Forecast</b>				
Why the Measure is Important	Measures the accuracy of the revenue forecast				
FY Actuals & Target	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 TARGET</b>
	2.3%	2.3%	1.7%	-0.2%	+/-5%

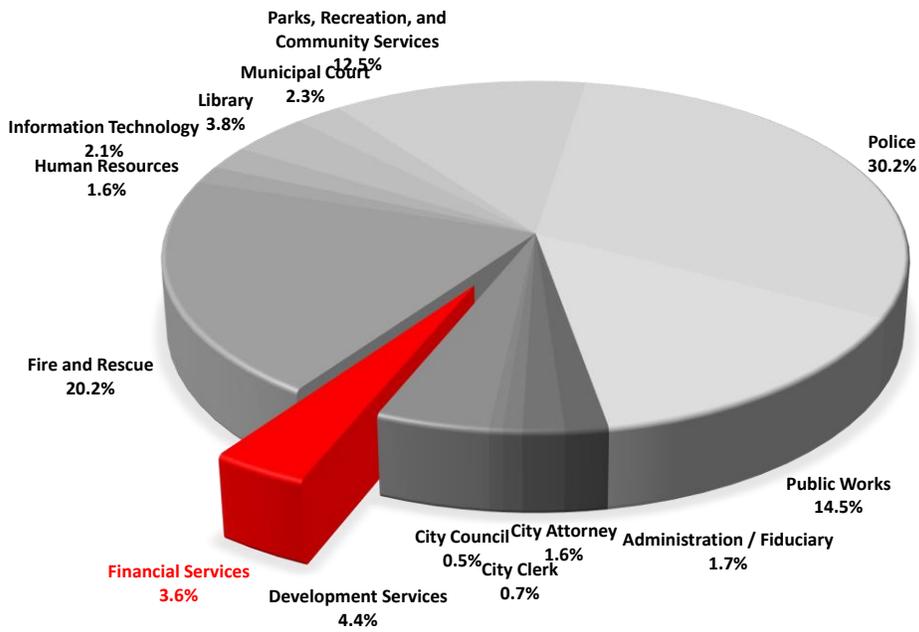
<b>Performance Measure</b>	<b>Receive Unqualified Audit Opinion</b>				
Why the Measure is Important	An unqualified opinion is an independent auditor's judgement that a company's financial records and statements are fairly and appropriately presented, and in according with Generally Accepted Accounting Principles (GAAP).				
FY Actuals & Target	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 TARGET</b>
	The City Received Unqualified Opinions for FY14, FY15, FY16 and FY17				

<b>Performance Measure</b>	<b>Ambulance Billing Accounts Receivable Collection Rate</b>				
Why the Measure is Important	Gives a quick overview of how well accounts are paid and closed.				
FY Actuals & Target	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 TARGET</b>
	86.9%	84.5%	84.8%	86.0%	84.0%

<b>Performance Measure</b>	<b>Average Number of Weeks to Complete an Invitation for Bid (IFB)</b>				
Why the Measure is Important	To ensure that we are assisting departments in a timely manner to procure goods and services.				
FY Actuals & Target	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 TARGET</b>
	8.5	8.4	18.4	9.7	8.5

<b>Performance Measure</b>	<b>Average Number of Weeks to Complete a Request for Bid (RFB)</b>				
Why the Measure is Important	To ensure that we are assisting departments in a timely manner to procure goods and services.				
FY Actuals & Target	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 TARGET</b>
	11.8	13.8	18.4	14.8	15.0

**Financial Services**  
**FY19 Budget \$2,022,683**



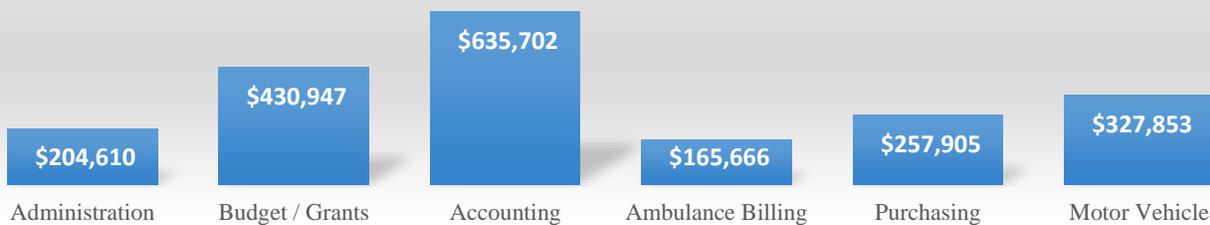
**FINANCIAL SERVICES DEPARTMENT  
BUDGET SUMMARY  
FISCAL YEAR 2018-2019**

<i>Object of Expenditures</i>	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted
<b>General Fund</b>				
Personal Services	\$ 1,519,696	\$ 1,519,696	\$ 1,779,870	\$ <b>1,806,675</b>
Material and Services	152,067	\$ 152,067	\$ 185,975	\$ <b>216,008</b>
Capital Outlay	-	\$ -	\$ -	\$ -
<b>Total</b>	<b>1,671,763</b>	<b>1,671,763</b>	<b>1,965,845</b>	<b>2,022,683</b>
<b>Expenditure by Cost Center</b>				
<b>Cost Center</b>				
Administration	\$ 426,057	\$ 168,008	\$ 166,057	\$ <b>204,610</b>
Budget / Grants	-	\$ 402,611	\$ 430,124	\$ <b>430,947</b>
Accounting	544,499	\$ 566,623	\$ 661,677	\$ <b>635,702</b>
Ambulance Billing	148,303	\$ 164,803	\$ 162,716	\$ <b>165,666</b>
Purchasing	297,786	\$ 234,187	\$ 232,930	\$ <b>257,905</b>
Motor Vehicle	255,118	\$ 310,556	\$ 312,341	\$ <b>327,853</b>
<b>Total</b>	<b>1,671,763</b>	<b>1,846,788</b>	<b>1,965,845</b>	<b>2,022,683</b>

**Department Trend / Financial Services**



**Expenditures by Cost Center**



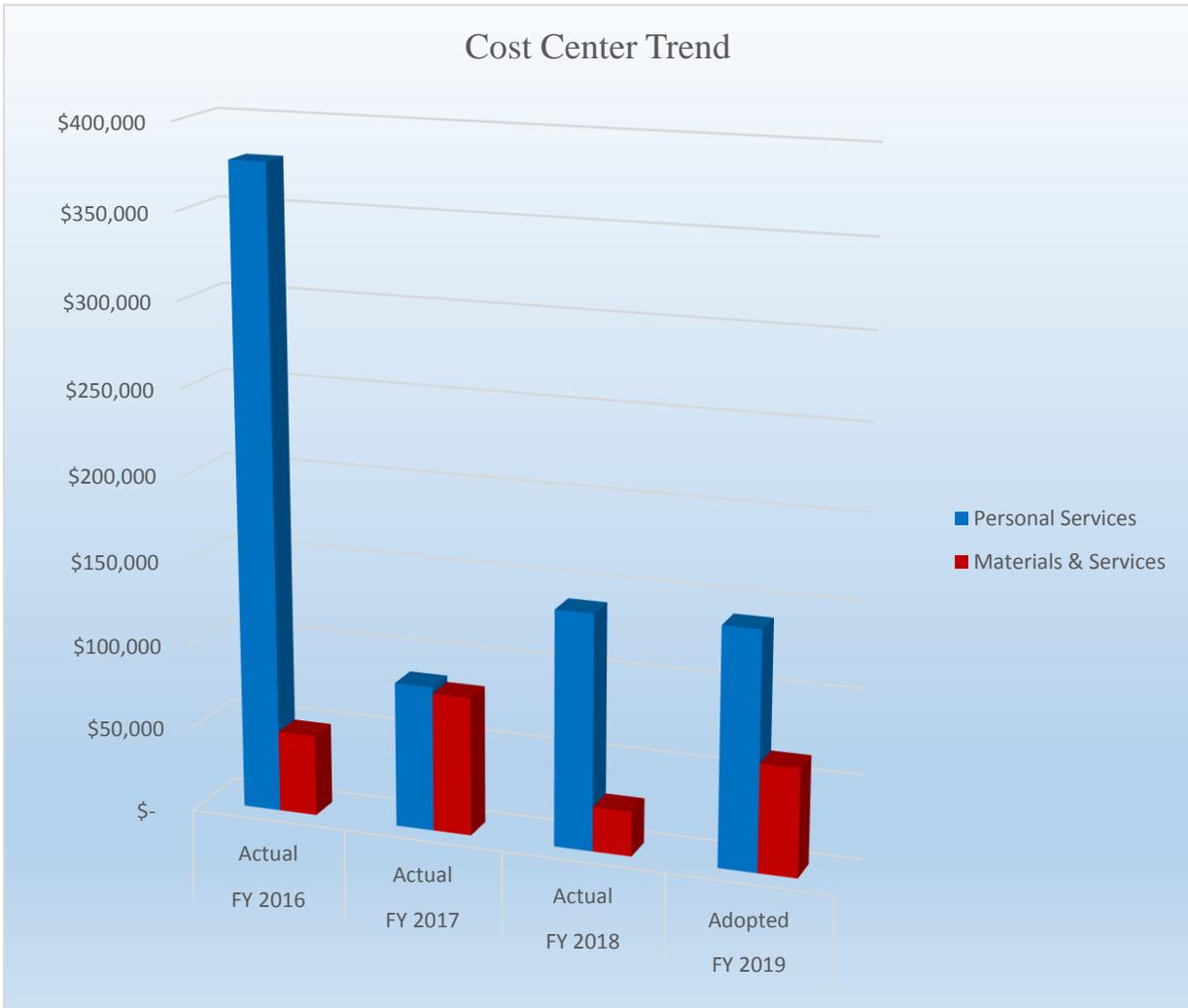
## Financial Services / Administration (3001)

**Financial Services Administration ensures that the City’s financial position is protected and provides information and analysis to policy-makers through adherence to professional standards, prudent investment of city funds, conservative budgeting, regular reporting, monitoring compliance to rules and regulations, providing timely analyses on policy and finance issues, and maintaining internal controls. In addition to the functions above, Administration directs and coordinates departmental activities.**

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	% Change
Personal Services	\$ 377,803	\$ 85,895	\$ 139,315	\$ <b>140,463</b>	1%
Materials & Services	48,254	82,116	26,731	<b>64,147</b>	140%
<b>Total</b>	<b>\$ 426,057</b>	<b>\$ 168,011</b>	<b>\$ 166,046</b>	<b>\$ 204,610</b>	<b>23%</b>

Positions Approved*	4.48	1.48	1	<b>1</b>	0%
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\*Full Time Equivalent



## Financial Services / Budget / Grants (3003)

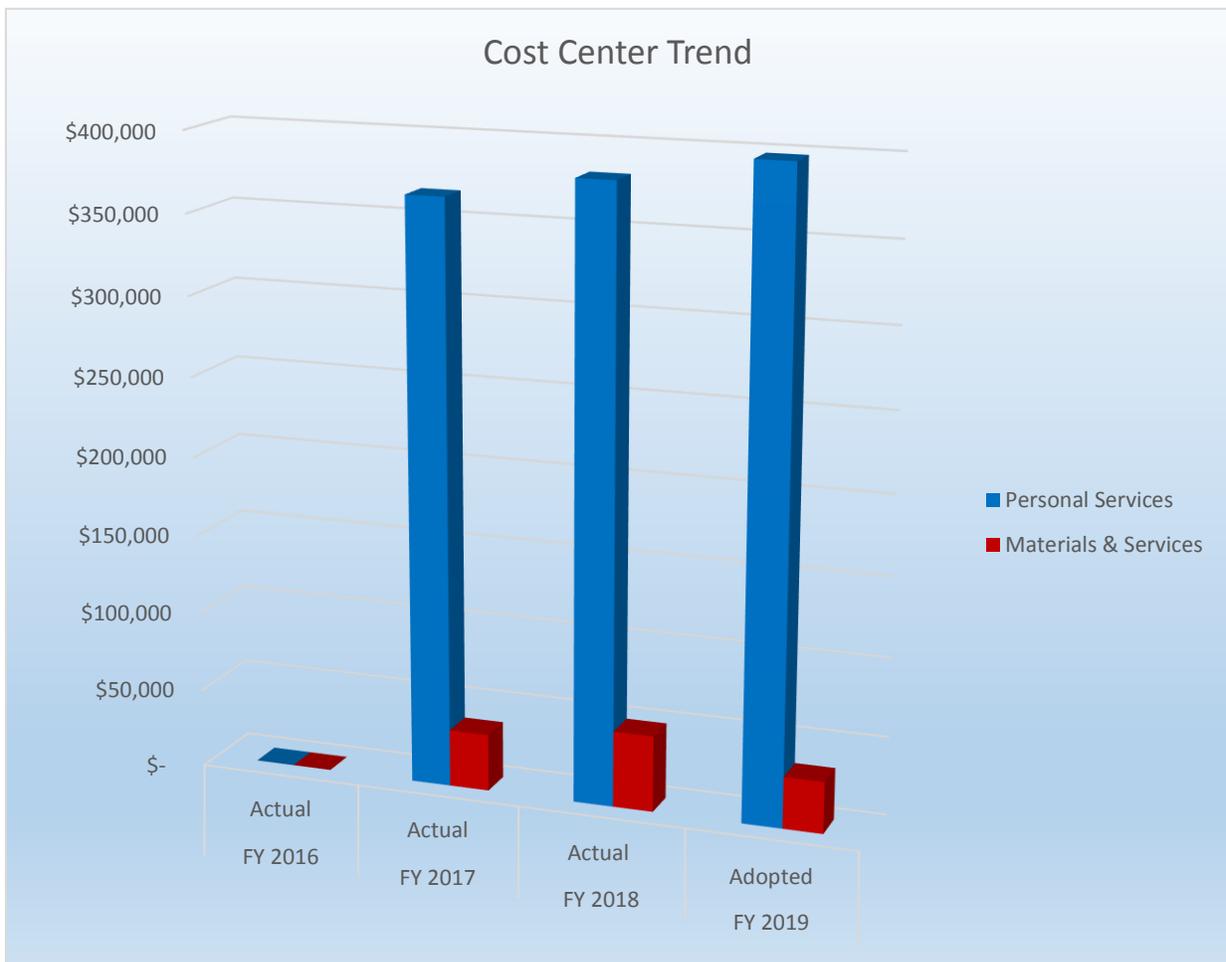
The Budget function, enhances the efficiency of City operations through developing, tracking, and publishing of the annual and midyear budgets and related documents. This function acts to strengthen the stability of City finances by providing ongoing systematic review of revenue and expenditures. The budget function works to improve productivity of City programs by streamlining processes and monitoring and reviewing the development of goals and performance measures.

The Grants function, handles agreements the City and another entity where the entity provides funds to the City in exchange for the performance or delivery of services and goods for the benefit of the community, the City or the State.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	% Change
Personal Services	\$ -	\$ 366,008	\$ 381,416	\$ <b>397,801</b>	4%
Materials & Services	-	36,603	48,708	<b>33,146</b>	-32%
Total	\$ -	\$ 402,611	\$ 430,124	\$ <b>430,947</b>	0%

Positions Approved*	0	5.35	5.15	<b>5.4</b>	5%
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\*Full Time Equivalent



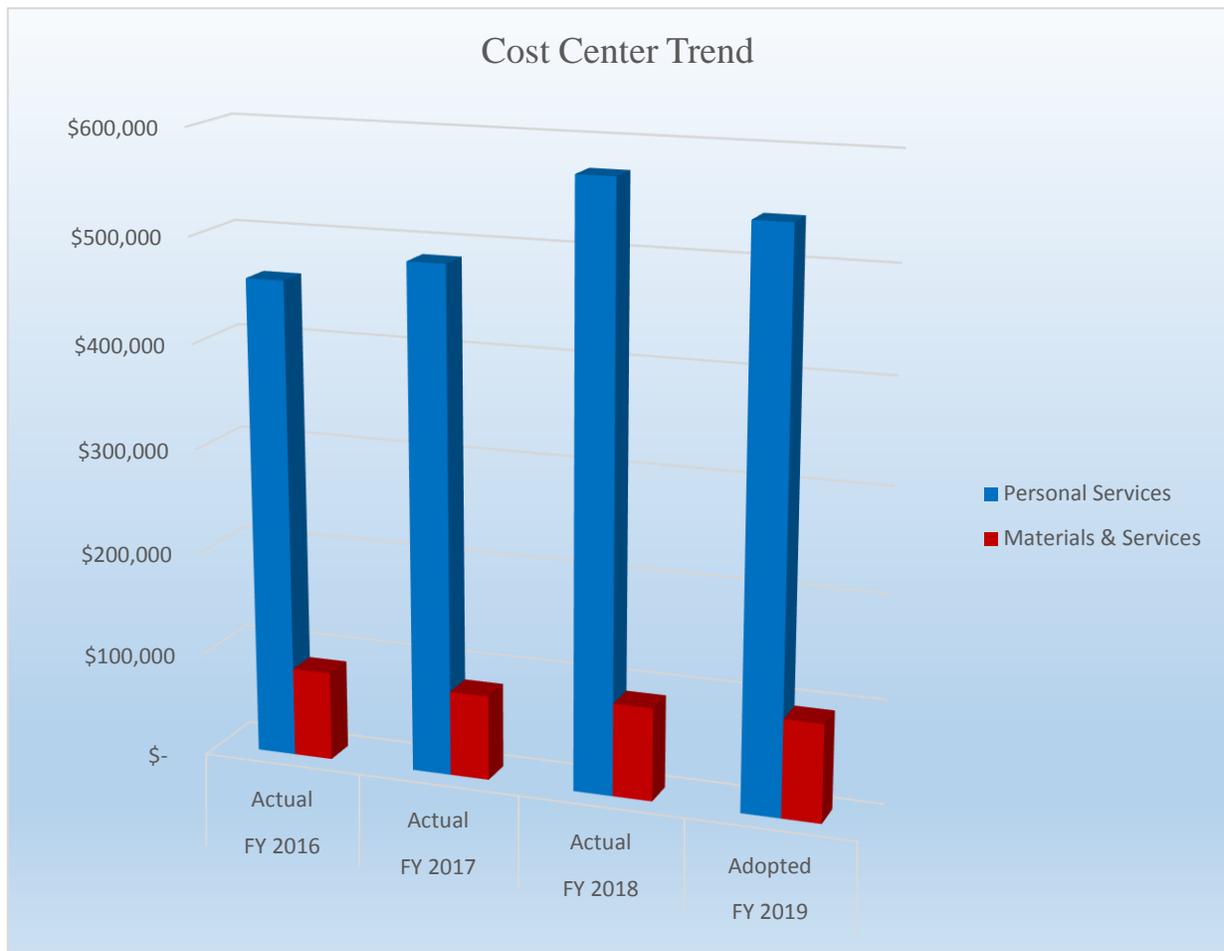
## Financial Services / Accounting (3005)

Accounting, a division of the Financial Services Department, collects tax and fee revenues, distributes and processes invoices for payment; monitors and manages the City's cash flows and accounts for investments; administers bond proceeds and debt service; maintains the City's capital asset inventory; processes and collects all miscellaneous receivable billings; coordinates City-wide administration of federal, state, and local grants; prepares the Comprehensive Annual Financial Report (CAFR) and various other financial reports; and develops and implements accounting policies and procedures.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	<b>FY 2019 Adopted</b>	% Change
Personal Services	\$ 459,190	\$ 485,091	\$ 572,324	<b>\$ 541,500</b>	-5%
Materials & Services	85,309	81,532	89,353	<b>94,202</b>	5%
<b>Total</b>	<b>\$ 544,499</b>	<b>\$ 566,623</b>	<b>\$ 661,677</b>	<b>\$ 635,702</b>	<b>-4%</b>

Positions Approved*	8.0	8.0	9.0	<b>9.0</b>	0%
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\*Full Time Equivalent



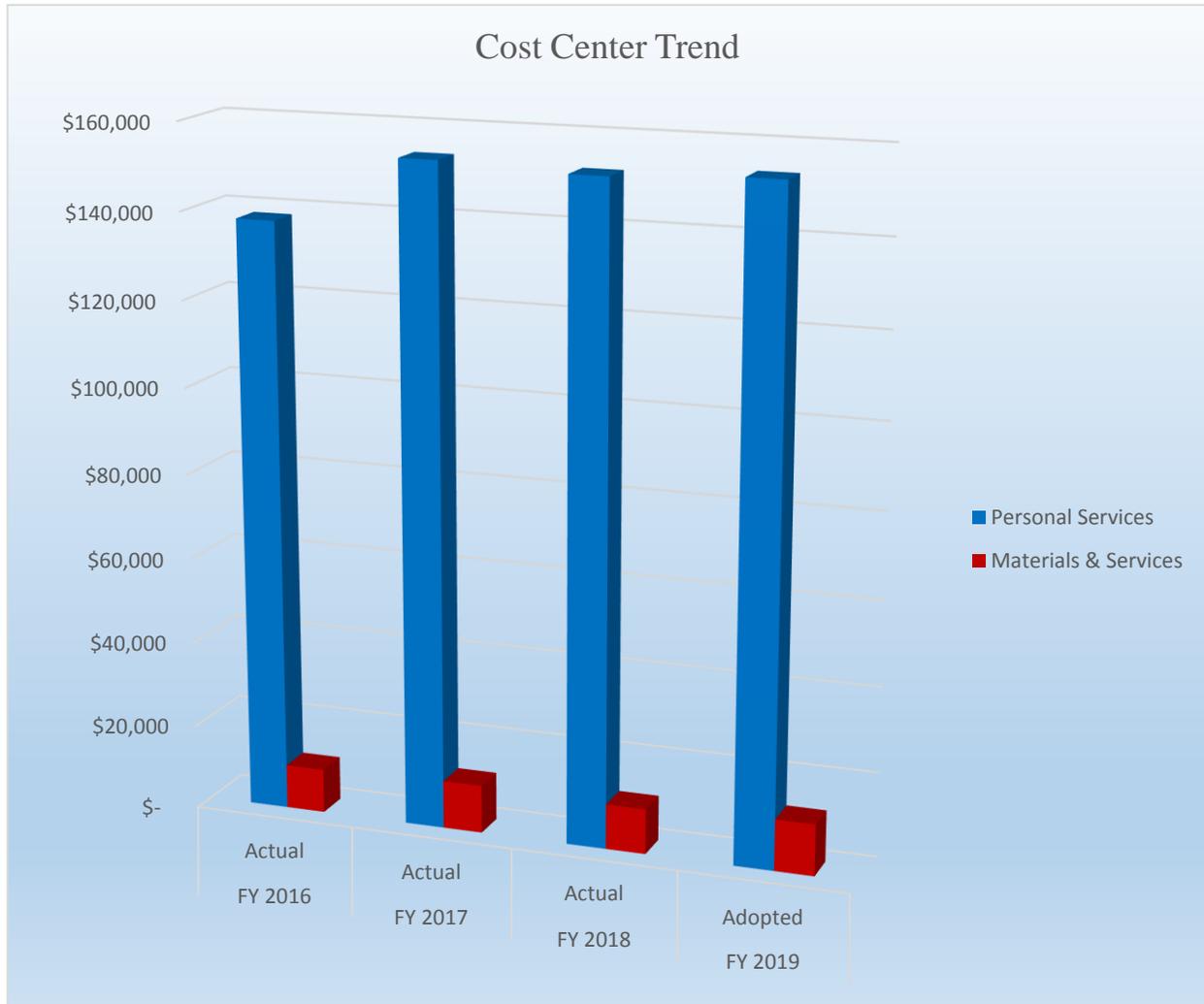
## Financial Services / Ambulance Billing (3006)

The Ambulance billing function is responsible for accurately billing and filing medical claims following ambulance services provided by the Department of Fire and Rescue and Sandoval County. Major tasks include: preparing claims for submission to medical insurance companies, posting of payments made to the City for ambulance claims, and direct customer service functions. Combined, these efforts result in the collection of over \$1.8 million each year.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	<b>FY 2019 Adopted</b>	% Change
Personal Services	\$ 137,927	\$ 153,461	\$ 152,036	<b>\$ 153,466</b>	1%
Materials & Services	10,376	11,342	10,680	<b>12,200</b>	14%
<b>Total</b>	<b>\$ 148,303</b>	<b>\$ 164,803</b>	<b>\$ 162,716</b>	<b>\$ 165,666</b>	<b>2%</b>

Positions Approved*	3.0	3.0	3.0	<b>3.0</b>	0%
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\*Full Time Equivalent



## Financial Services / Purchasing (3010)

Purchasing, a division of the Financial Services Department, is responsible for the procurement of goods and services in accordance with the City Procurement Code.

Contracts, serve to protect the City's interests by reviewing and evaluating the financial, legal and technical terms of all City agreements. Contract administration, working with the user departments, ensures that contractors perform according to contract terms. In addition, standard boilerplate agreements are continuously reviewed and enhanced to reflect the changing needs of the City and current best

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	<b>FY 2019 Adopted</b>	% Change
Personal Services	\$ 294,658	\$ 227,625	\$ 228,600	<b>\$ 252,310</b>	10%
Materials & Services	3,128	6,562	4,330	<b>5,595</b>	29%
<b>Total</b>	<b>\$ 297,786</b>	<b>\$ 234,187</b>	<b>\$ 232,930</b>	<b>\$ 257,905</b>	<b>11%</b>

Positions Approved*	5.3	4.0	4.0	<b>4.0</b>	0%
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\*Full Time Equivalent



## Financial Services /Motor Vehicle Division (3015)

Motor Vehicle Division, a division of the Financial Services Department, is operated under a contract with the New Mexico Motor Vehicle Department. The division provides drivers licenses, motor vehicle registrations, and title transfers to the citizens of Rio Rancho and other surrounding communities.

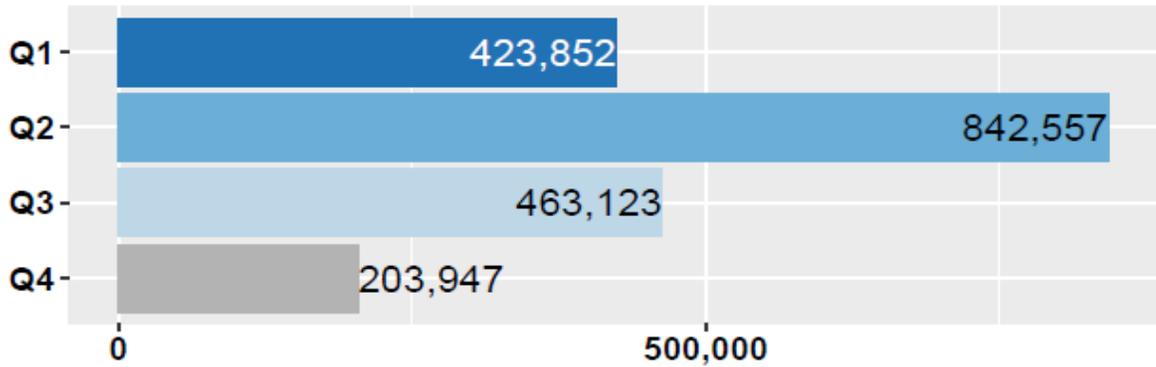
	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	<b>FY 2019 Adopted</b>	% Change
Personal Services	\$ 250,118	\$ 295,077	\$ 306,168	<b>\$ 321,135</b>	5%
Materials & Services	5,000	15,479	6,173	<b>6,718</b>	9%
<b>Total</b>	<b>\$ 255,118</b>	<b>\$ 310,556</b>	<b>\$ 312,341</b>	<b>\$ 327,853</b>	5%

Positions Approved*	6	6	6	<b>6</b>	0%
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\*Full Time Equivalent



**Priority-Based Budgeting: Program Alignment and Costs -  
Financial Services**



\*PBB totals include other funds attached to this department

Program	Quartile
Contract and Agreement Development and Management	1
Invitations for Bid (IFB) Processing and Management	1
Purchase Order Processing and Management	1
Request for Proposals (RFP) Processing and Management	1
Request for Qualifications (RFQ) Solicitation and Management	1
Cash and Investment Management	1
Strategic Planning and Visioning	1
Capital Budget Development, Approval, and Monitoring	1
Cash Flow Management, Reporting and Monitoring	1
Financial Planning and Monitoring	1
Annual External Audit	1
Comprehensive Annual Financial Report (CAFR) Preparation	1
City Vehicle Title Issuance and Transfer	2
Commercial and Non-Commercial Driver's Exams	2
Driver's License Issuance	2
Graduated Driver's License Program	2
Motor Vehicle Registration	2
State Identification Issuance	2
Title Request Management	2
Vehicle Identification Number (VIN) Inspection	2
Vehicle Inventory Control	2
Vehicle Title Issuance and Transfer	2
Vehicle Title Registration	2
Housing and Urban Development (HUD) Compliance, Financial Reporting, and Activity	2
License Reinstatement Processing	2
Ambulance Billing	2
Ambulance Billing Payment Application	2

Program	Quartile
Delinquent Ambulance Billing Collections	2
Construction Project Contract Management	2
Procurement Card (P Card) Management and Compliance	2
Vendor Registry	2
Debt Administration and Reporting	2
Portfolio Management	2
Rating Agency and Investor Relations	2
Priority Based Budget Development, Implementation, and Reporting	2
Financial Reporting	2
Invoicing	2
Road Exams Administration	3
Citation Payment Processing	3
Handicap Placard Requests	3
Monthly P-Card and Procurement Code Training	3
Special Assessment District Fee Administration	3
Performance Management Development, Tracking and Reporting	3
Accounts Payable Processing and Maintenance	3
Cashiering and Payment Receipt Processing	3
General Ledger Maintenance	3
Cash Management and Reporting	3
Medical and Vision Report Issuance	4
Voter Registration	4
Selective Service Registration	4
Cellular Phone Issuance and Maintenance	4
Purchasing System Management	4
Alarm Billing	4
Capital Asset Reporting, Tracking, and Accounting	4
Bank and Treasury Management	4
Bank Reconciliations	4
Debt Schedule Reporting	4
Unclaimed Property Filings	4

\*Quartile ranking shows the contribution to the strategic planning goals

\*\*Additional information in the Priority Based Budget Section

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