

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 20 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
- As the City's economic and revenue situation improves, ensure all funding requests made by departments are justifiable needs as identified in the Strategic Plan
- Analyze current grant seeking activities and identify ways to improve success in obtaining new grants

Strategic Goal: Organizational Vitality

- Implement an on-line payment solution for City Services that don't currently offer that option
- Continue to 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
- Successfully implement Governmental Accounting Standards Board (GASB) Statement 87 – Leases, which will fundamentally change the way governments assess and account for leases.

- Internally work as one cohesive unit between department divisions – Budget, Accounting and Purchasing –to ensure consistent application of the Finance Department’s rules, policies, procedures, and internal controls and properly address needs as they arise

FY19 Department Accomplishments by City Strategic Goal

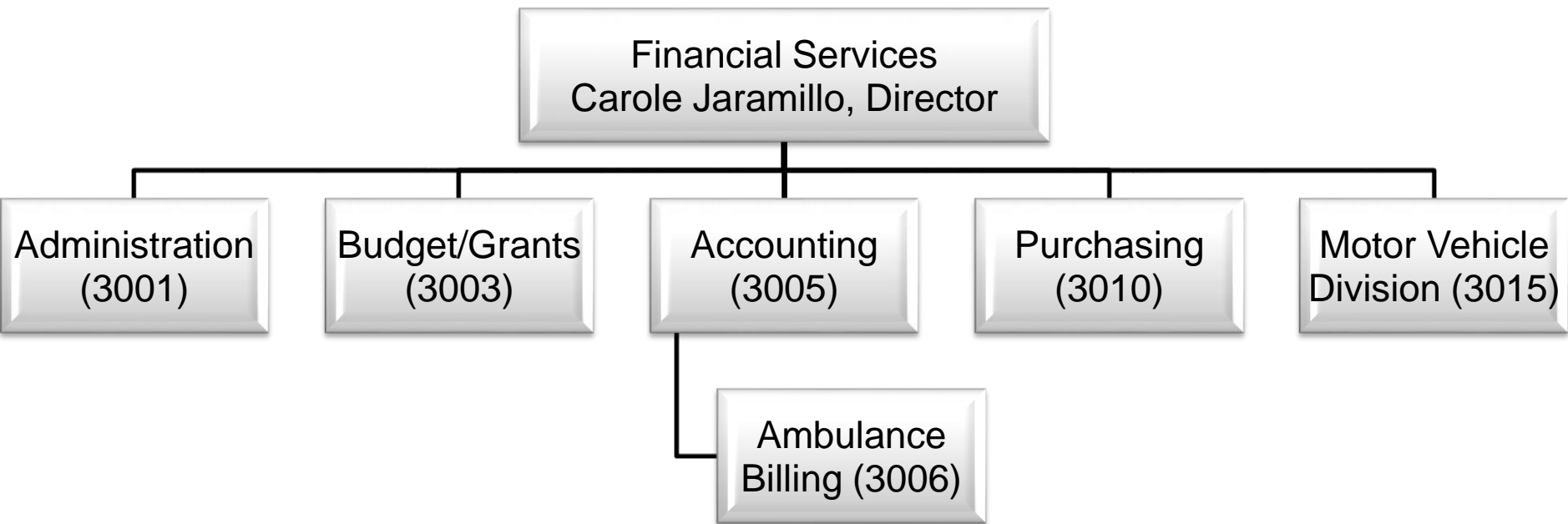
Strategic Goal: Economic Viability

- 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
- Revised and implemented updated procurement processes, including updating the City’s Procurement Code, to assist staff with their purchasing needs while ensuring prudent expenditure of public funds.
- Held City-wide training on fiscal yearend procedures and the procurement process.
- 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 and expenditure variances, creating trustworthy forecasting methods and strong financial trends

Strategic Goal: Organizational Vitality

- Updated and improved the City’s assets and inventory process and completed a second Citywide asset inventory to ensure accuracy in values reported in the financial statements
- Successfully implemented the revised Uncollectable Accounts Receivable and travel and mileage Reimbursements administrative policies
- Successfully implemented processes to comply with new State mandated budget and reporting system the Local Government Budget Management System (LGBMS), including a new quarterly reporting module
- Strengthened internal controls over cash handling by securing the deposit process, and ensuring a third-party verifier is present for all cash counts.
- Updated the City P-Card Policy to assist City staff to properly procure goods as needed and to be in compliance with the recently revised Procurement Code

FINANCIAL SERVICES ORGANIZATIONAL CHART



FINANCIAL SERVICES: Performance Indicators

Goal: ORGANIZATIONAL VITALITY

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.

Performance Measure	Percent of Customers Satisfied with Motor Vehicle Services Provided at the Rio Rancho MVD Location				
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	FY16	FY17	FY18	FY19	FY20 TARGET
	96%	97%	96%	96%	95%

Performance Measure	General Fund Non-Personnel Budget Expended versus Original Budgeted				
Why the Measure is Important	Measures spending efficiency.				
FY Actuals & Target	FY16	FY17	FY18	FY19	FY20 TARGET
	86%	94%	93%	94%	95%

Performance Measure	Error Rate for General Fund Revenue Fiscal Year Forecast				
Why the Measure is Important	Measures the accuracy of the revenue forecast				
FY Actuals & Target	FY16	FY17	FY18	FY19	FY20 TARGET
	2.3%	1.7%	-0.2%	6.2%	+/-5%

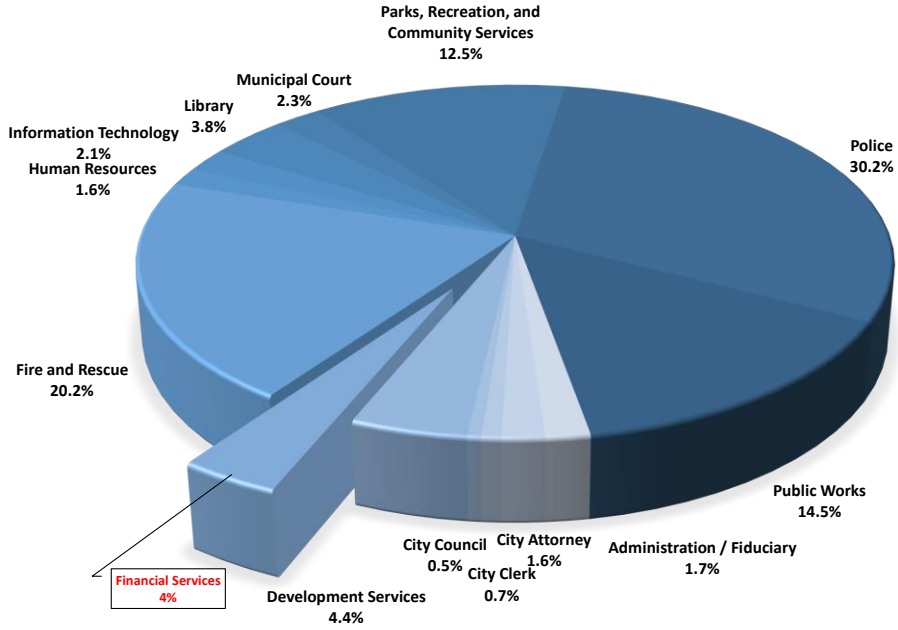
Performance Measure	Receive Unqualified Audit Opinion				
Why the Measure is Important	An unqualified opinion is an independent auditor's judgement that a company's financial records and statements are fairly and appropriately presented, and in according with Generally Accepted Accounting Principles (GAAP).				
FY Actuals & Target	FY16	FY17	FY18	FY19	FY20 TARGET
	The City Received Unqualified Opinions for FY14, FY15, FY16, FY17 and FY18				

Performance Measure	Ambulance Billing Accounts Receivable Collection Rate				
Why the Measure is Important	Gives a quick overview of how well accounts are paid and closed.				
FY Actuals & Target	FY16	FY17	FY18	FY19	FY20 TARGET
	84.5%	84.8%	86.0%	86.0%	84.0%

Performance Measure	Average Number of Weeks to Complete an Invitation for Bid (IFB)				
Why the Measure is Important	To ensure that we are assisting departments in a timely manner to procure goods and services.				
FY Actuals & Target	FY16	FY17	FY18	FY19	FY20 TARGET
	8.4	18.4	9.7	9.5	8.5

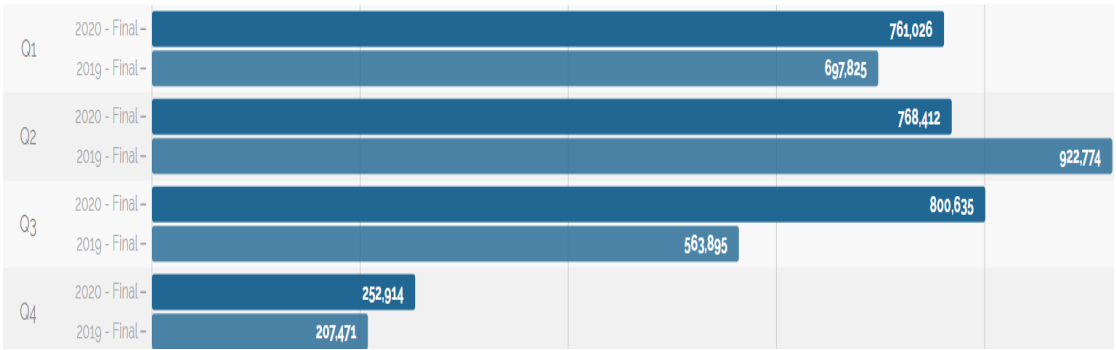
Performance Measure	Average Number of Weeks to Complete a Request for Proposal (RFP)				
Why the Measure is Important	To ensure that we are assisting departments in a timely manner to procure goods and services.				
FY Actuals & Target	FY16	FY17	FY18	FY19	FY20 TARGET
	13.8	18.4	14.8	14.5	15.0

Financial Services
FY20 Budget \$2,221,499



Financial Services Resource Alignment **Total Budget = \$2,582,987**
Programs-Strategic Goals Alignment (1 = Most Aligned; 2 = More Aligned; 3 = Less Aligned; 4 = Least Aligned)

PBB Budget Compare



Funds Summary:			
General Fund	101	\$2,221,499	
	227	\$156,618	
	375	\$204,870	
Total Budget		<u>\$2,582,987</u>	

Programs and Alignment

Department	Program Name	Quartile
Financial Services	Annual External Audit	1
Financial Services	Budget Development, Approval, and Monitoring	1
Financial Services	Capital Budget Development, Approval, and Monitoring	1
Financial Services	Cash and Investment Management	1
Financial Services	Cash Flow Management, Reporting and Monitoring	1
Financial Services	Comprehensive Annual Financial Report (CAFR) Preparation	1
Financial Services	Contract and Agreement Development and Management	1
Financial Services	Financial Planning and Monitoring	1
Financial Services	Infrastructure Capital Improvement Planning	1
Financial Services	Invitations for Bid (IFB) Processing and Management	1
Financial Services	Joint Utility Enterprise Budget Development, Approval, and Monitoring	1
Financial Services	Joint Utility Enterprise Financial Planning and Monitoring	1
Financial Services	Payroll Processing and Reporting	1
Financial Services	Purchase Order Processing and Management	1
Financial Services	Request for Proposals (RFP) Processing and Management	1
Financial Services	Request for Qualifications (RFQ) Solicitation and Management	1
Financial Services	Strategic Planning and Visioning	1
Financial Services	Ambulance Billing	2
Financial Services	Ambulance Billing Payment Application	2
Financial Services	Construction Project Contract Management	2
Financial Services	Consumer Confidence Report (CCR)	2
Financial Services	Debt Administration and Reporting	2
Financial Services	Debt Planning and Management	2
Financial Services	Delinquent Ambulance Billing Collections	2
Financial Services	Financial Reporting	2
Financial Services	Graffiti Removal and Vandalism Control and Repair	2
Financial Services	Grant Application Review and Approval	2
Financial Services	Housing and Urban Development (HUD) Compliance, Financial Reporting, and Activ	2
Financial Services	Impact Fee Collection and Administration	2
Financial Services	Infrastructure Capital Improvement Plan (ICIP) Preparation	2
Financial Services	Internal Control and Policy Development and Implementation	2
Financial Services	Invoicing	2
Financial Services	Portfolio Management	2
Financial Services	Priority Based Budget Development, Implementation, and Reporting	2
Financial Services	Procurement Card (P Card) Management and Compliance	2
Financial Services	Rating Agency and Investor Relations	2
Financial Services	Tax Increment Financing District (TID) and Public Improvement District (PID) Comp	2
Financial Services	Vehicle Identification Number (VIN) Inspection	2
Financial Services	Vendor File Maintenance and Non-Taxable Tax Certificate Issuance	2
Financial Services	Accounts Payable Processing and Maintenance	3
Financial Services	Capital Projects Professional Services Management	3
Financial Services	Cashiering and Payment Receipt Processing	3
Financial Services	Cash Management and Reporting	3
Financial Services	Cellular Phone Support and Integration Services	3
Financial Services	Drivers' License and other Identification Services	3
Financial Services	Franchise Fee Agreements Oversight	3
Financial Services	General Ledger Maintenance	3
Financial Services	Grant Analysis, Monitoring, and Reporting	3
Financial Services	Monthly P-Card and Procurement Code Training	3
Financial Services	Performance Management Development, Tracking and Reporting	3

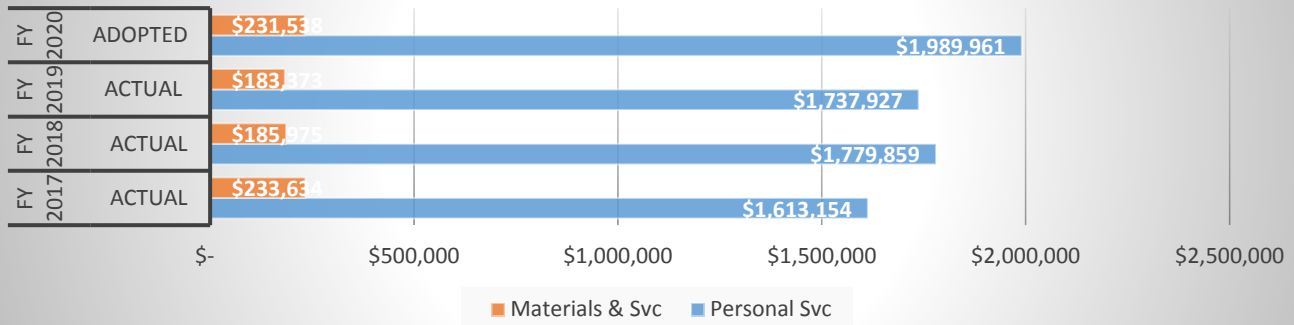
Programs and Alignment

Department	Program Name	Quartile
Financial Services	Special Assessment District Fee Administration	3
Financial Services	Testing Services	3
Financial Services	Title and Registration Services	3
Financial Services	Alarm Billing	4
Financial Services	Bank and Treasury Management	4
Financial Services	Bank Reconciliations	4
Financial Services	Capital Asset Reporting, Tracking, and Accounting	4
Financial Services	Cellular Phone Issuance and Maintenance	4
Financial Services	Debt Schedule Reporting	4
Financial Services	Purchasing System Management	4
Financial Services	Unclaimed Property Filings	4
Financial Services	Vehicle Identification Number Inspections	4

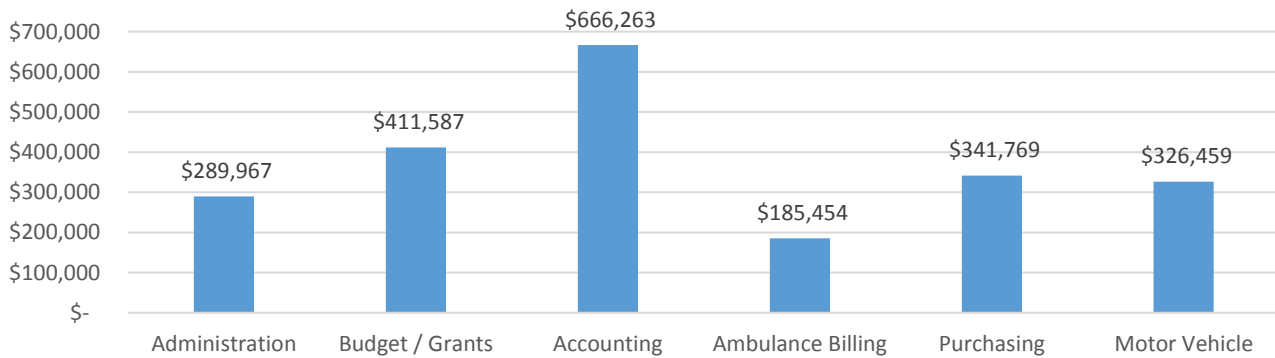
**FINANCIAL SERVICES DEPARTMENT
BUDGET SUMMARY
FISCAL YEAR 2019-2020**

<i>Object of Expenditures</i>	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted
General Fund				
Personal Services	\$ 1,613,154	\$ 1,779,859	\$ 1,737,927	\$ 1,989,961
Material and Services	\$ 233,634	\$ 185,975	\$ 183,373	\$ 231,538
Total	1,846,788	1,965,834	1,921,300	2,221,499
Expenditure by Cost Center				
Cost Center				
Administration	\$ 168,008	\$ 166,046	\$ 168,219	\$ 289,967
Budget / Grants	\$ 402,611	\$ 430,124	\$ 385,502	\$ 411,587
Accounting	\$ 566,623	\$ 661,677	\$ 628,774	\$ 666,263
Ambulance Billing	\$ 164,803	\$ 162,716	\$ 167,324	\$ 185,454
Purchasing	\$ 234,187	\$ 232,930	\$ 268,040	\$ 341,769
Motor Vehicle	\$ 310,556	\$ 312,341	\$ 303,441	\$ 326,459
Total	1,846,788	1,965,834	1,921,300	2,221,499

Department Trend / Financial Services



Expenditures by Cost Center



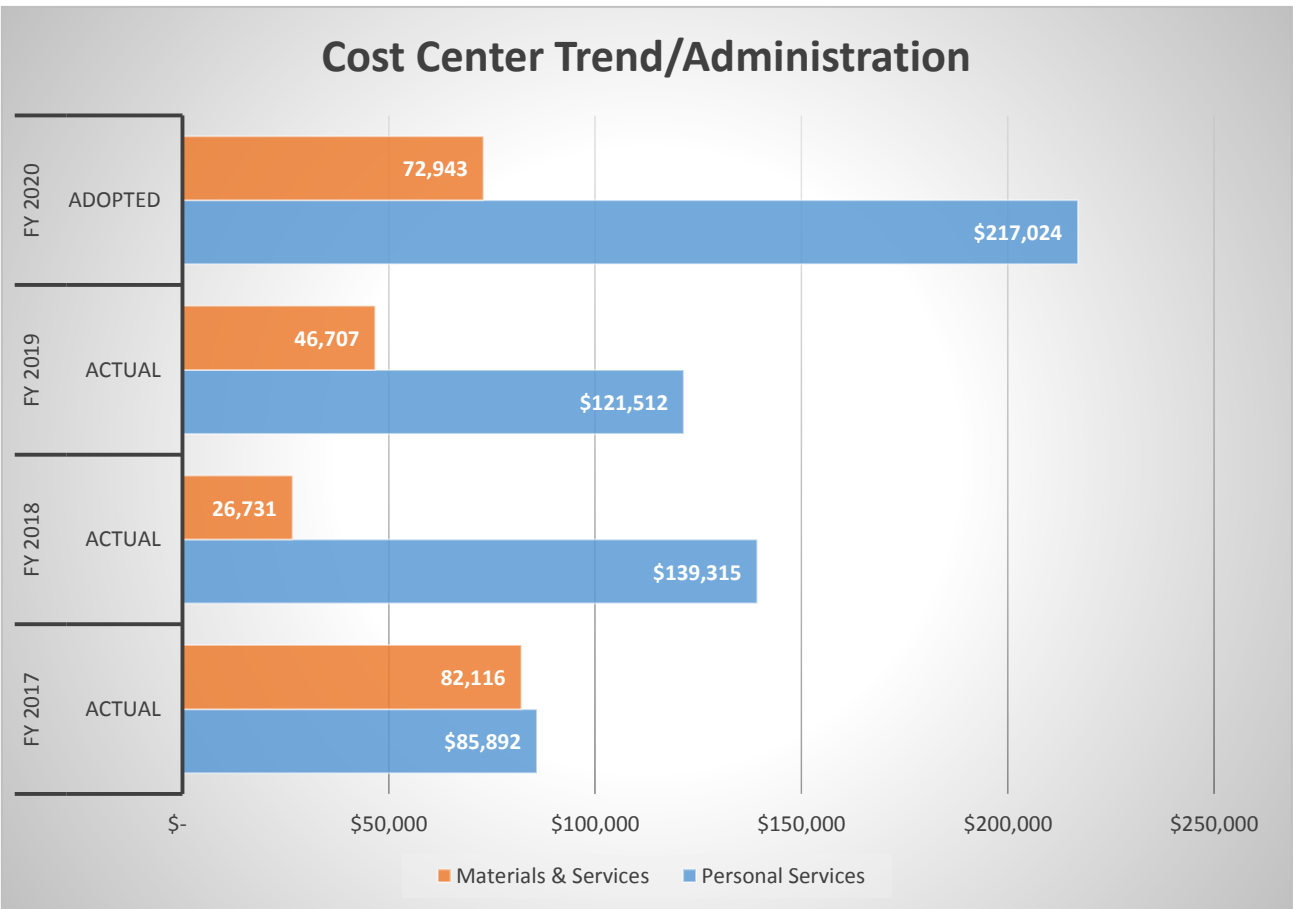
Financial Services / Administration (3001)

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 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	% Change
Personal Services	\$ 85,892	\$ 139,315	\$ 121,512	\$ 217,024	79%
Materials & Services	82,116	26,731	46,707	72,943	56%
Total	\$ 168,008	\$ 166,046	\$ 168,219	\$ 289,967	72%

Positions Approved*	1	1	1	2	100%
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*Full Time Equivalent



Financial Services / Budget / Grants (3003)

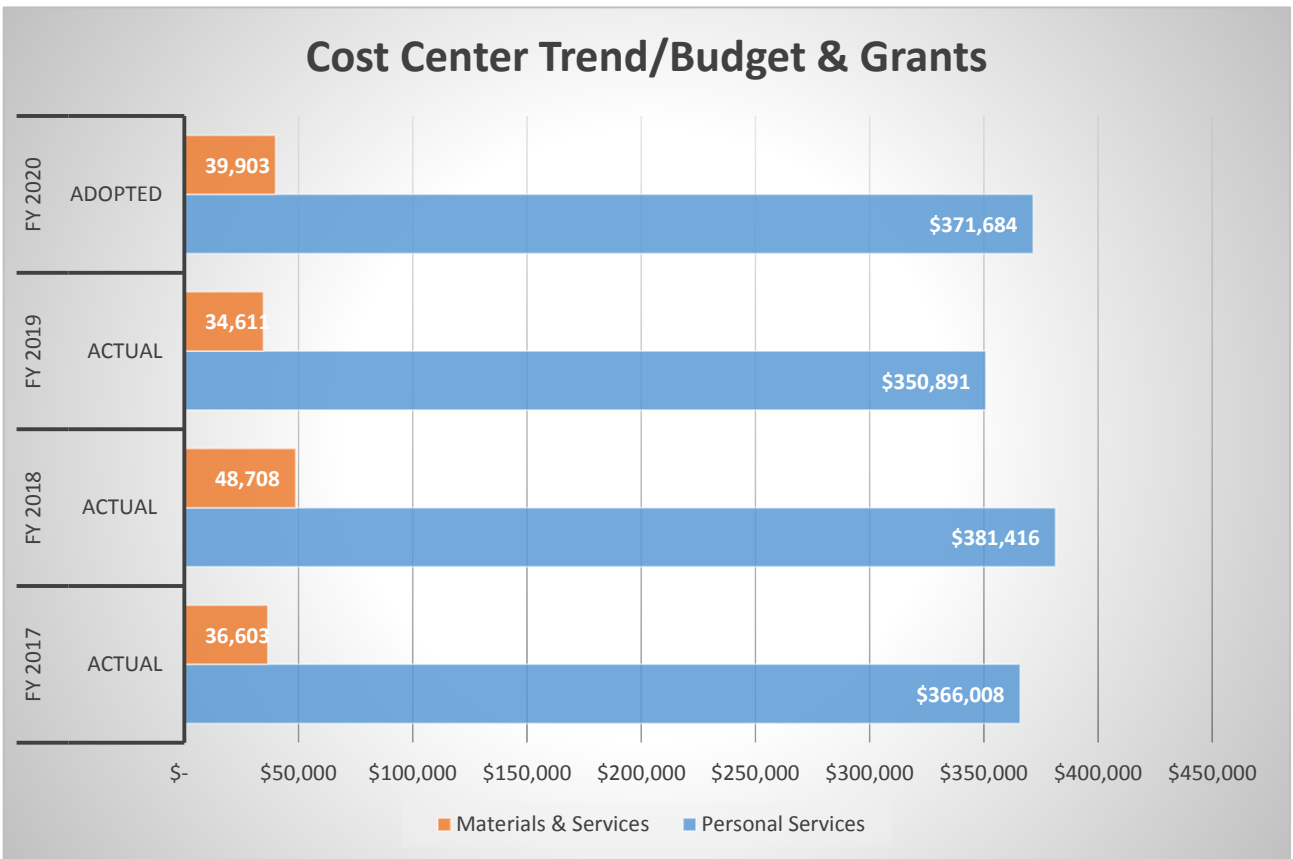
The Budget function, enhances the efficiency of City operations through developing, tracking, and publishing of the annual and midyear budgets and related documents. This function acts to strengthen the stability of City finances by providing ongoing systematic review of revenue and expenditures. The 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 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	% Change
Personal Services	\$ 366,008	\$ 381,416	\$ 350,891	\$ 371,684	6%
Materials & Services	36,603	48,708	34,611	39,903	15%
Total	\$ 402,611	\$ 430,124	\$ 385,502	\$ 411,587	7%

Positions Approved*	5.15	5.4	4.9	4.9	0%
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*Full Time Equivalent



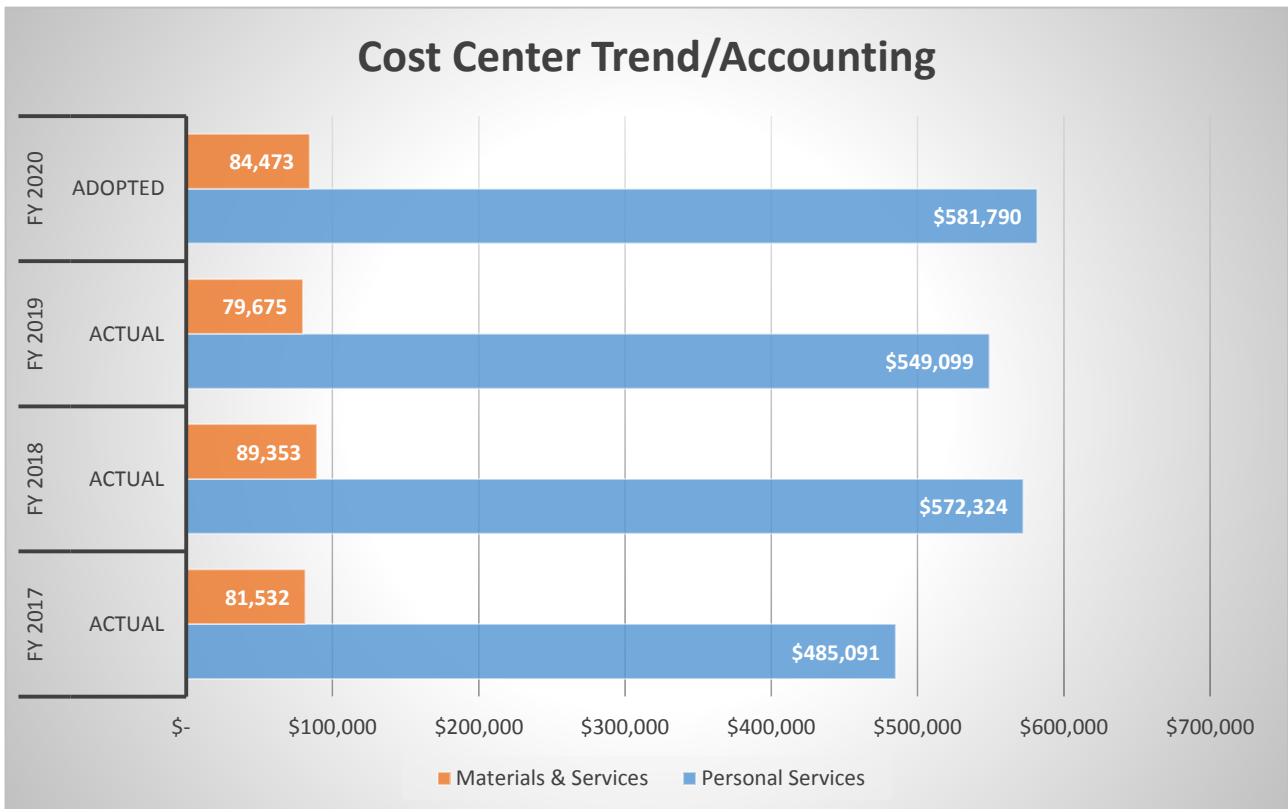
Financial Services / Accounting (3005)

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 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	% Change
Personal Services	\$ 485,091	\$ 572,324	\$ 549,099	\$ 581,790	6%
Materials & Services	81,532	89,353	79,675	84,473	6%
Total	\$ 566,623	\$ 661,677	\$ 628,774	\$ 666,263	6%

Positions Approved*	9.0	9.0	9.0	9.0	0%
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*Full Time Equivalent



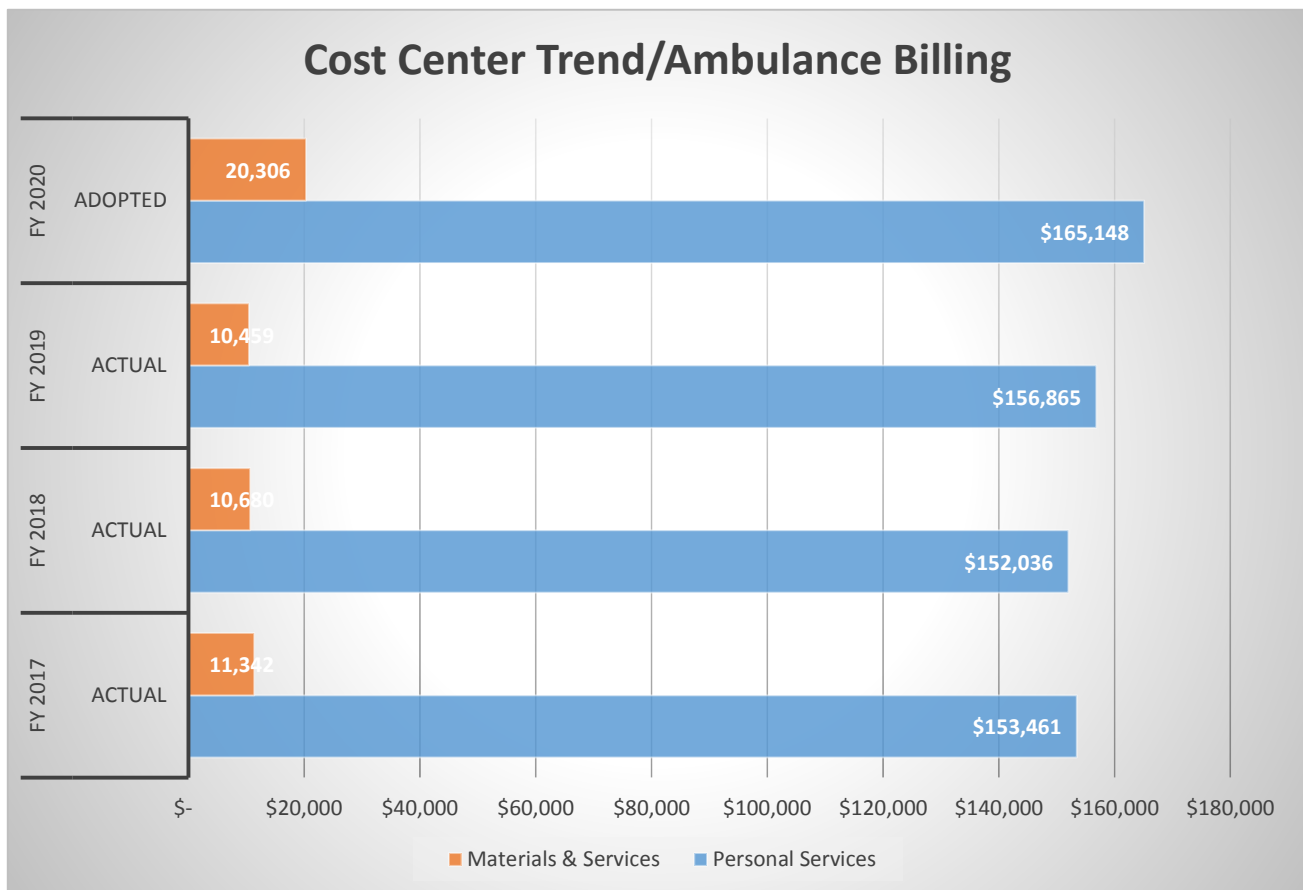
Financial Services / Ambulance Billing (3006)

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 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	% Change
Personal Services	\$ 153,461	\$ 152,036	\$ 156,865	\$ 165,148	5%
Materials & Services	11,342	10,680	10,459	20,306	94%
Total	\$ 164,803	\$ 162,716	\$ 167,324	\$ 185,454	11%

Positions Approved*	3.0	3.0	3.0	3.0	0%
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*Full Time Equivalent



Financial Services / Purchasing (3010)

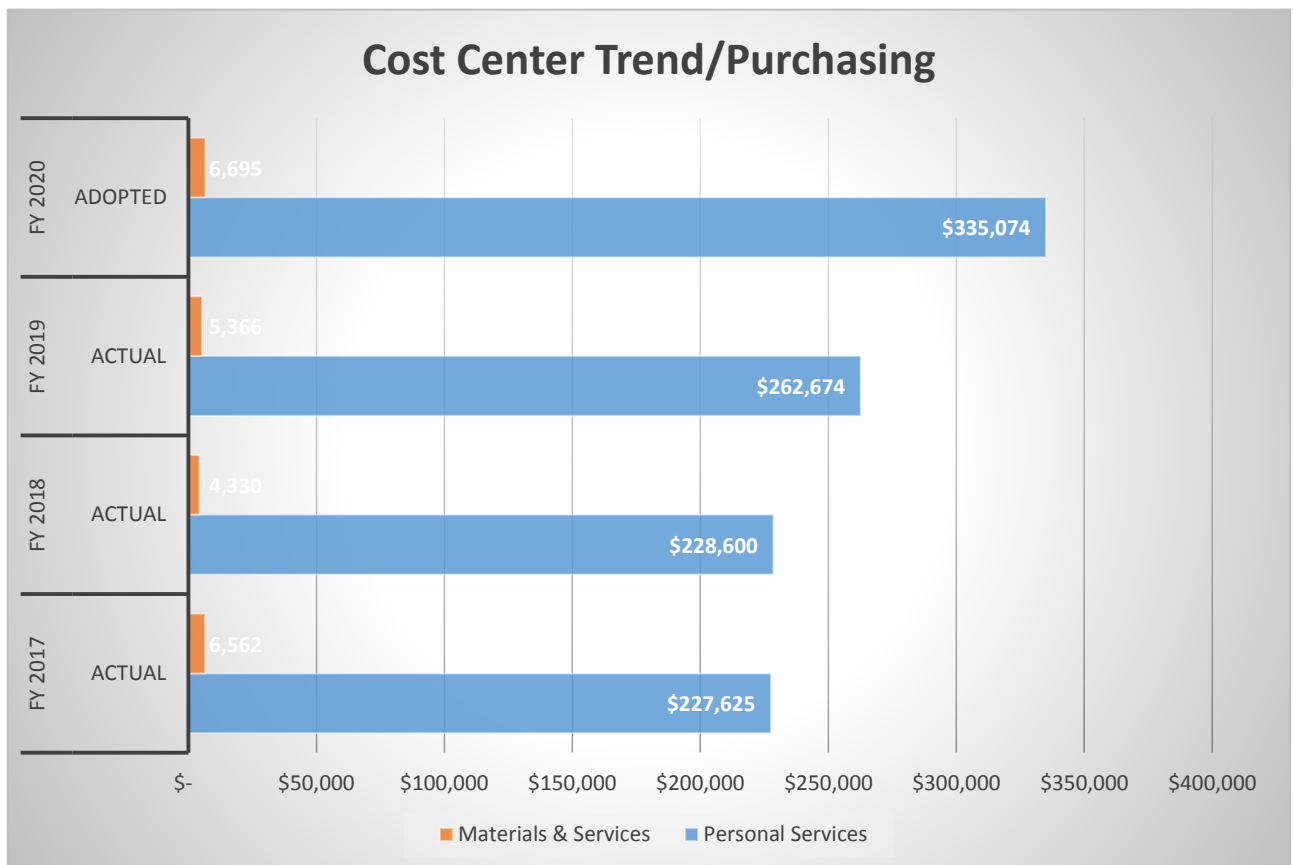
Purchasing, a division of the Financial Services Department, is responsible for the procurement of goods and services in accordance with the City Procurement Code.

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 practices.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	% Change
Personal Services	\$ 227,625	\$ 228,600	\$ 262,674	\$ 335,074	28%
Materials & Services	6,562	4,330	5,366	6,695	25%
Total	\$ 234,187	\$ 232,930	\$ 268,040	\$ 341,769	28%

Positions Approved*	4.0	4.0	5.0	5.0	0%
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*Full Time Equivalent



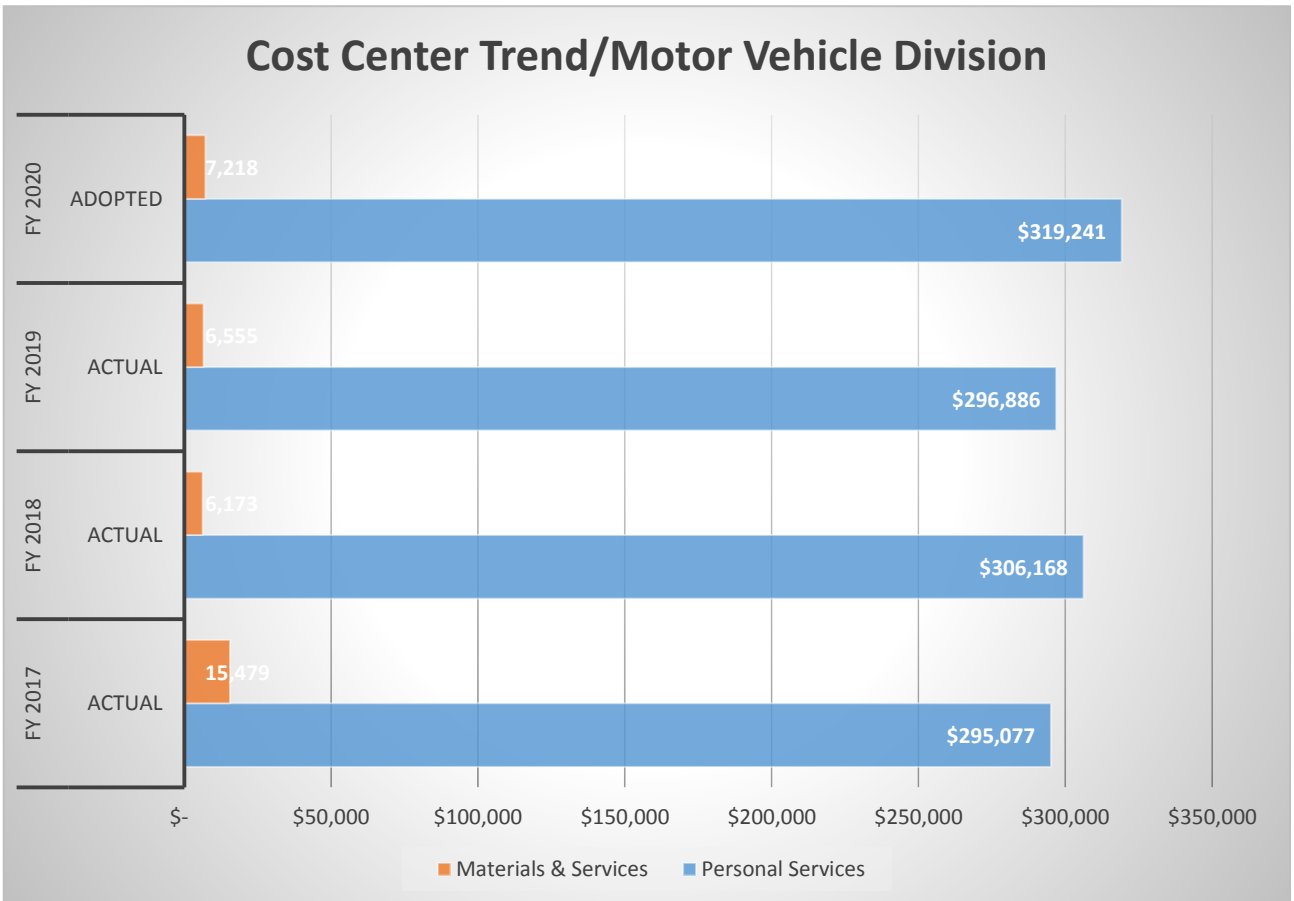
Financial Services /Motor Vehicle Division (3015)

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 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	% Change
Personal Services	\$ 295,077	\$ 306,168	\$ 296,886	\$ 319,241	8%
Materials & Services	15,479	6,173	6,555	7,218	10%
Total	\$ 310,556	\$ 312,341	\$ 303,441	\$ 326,459	8%

Positions Approved*	6	6	6	6	0%
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*Full Time Equivalent



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