

# 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, Monitor City Budget Process and ICIP
- Report City's Financial Condition
- Manage City's Cash and Investments
- Manage Debt Issuance Process
- 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 17 Department Goals by City Strategic Goal

### *Strategic Goal: Fiscal Health*

- 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
- Implement Priority Based Budgeting to align the budget by the services and programs of the City and prioritize funding sources and needs as identified in the Strategic Plan.
- Perform an assessment of grant policies and compliance with uniform grant guidance

### *Strategic Goal: Government Services*

- Implement an on-line payment option for Alarm customer billing
  - Introduce Executime software in payroll in order to give departments improved and timely scheduling tools and time management capabilities.
  - Implement credit card payment option for Motor Vehicle Office convenience fees
  - Continue to educate departments in order to better prepare them to make budget conscious purchases to align with the amended procurement code.
  - Research options for a solicitation maintenance software to assist staff and improve procurement process

## FY16 Department Accomplishments by City Strategic Goal

### *Strategic Goal: Fiscal Health*

- Achieved nationally recognized Government Finance Officers Association (GFOA) awards for Comprehensive Annual Financial Report (CAFR) and Distinguished Budget Presentation Award
- Updated the City's Procurement Code to reflect best practices and improve efficiency of the purchasing function
- Created a comprehensive Revenue Book to document legal authority, history, and restrictions on use for each revenue source of the General Fund
- 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
- Successfully implemented Tapestry Phase One software conversion of Driver Services

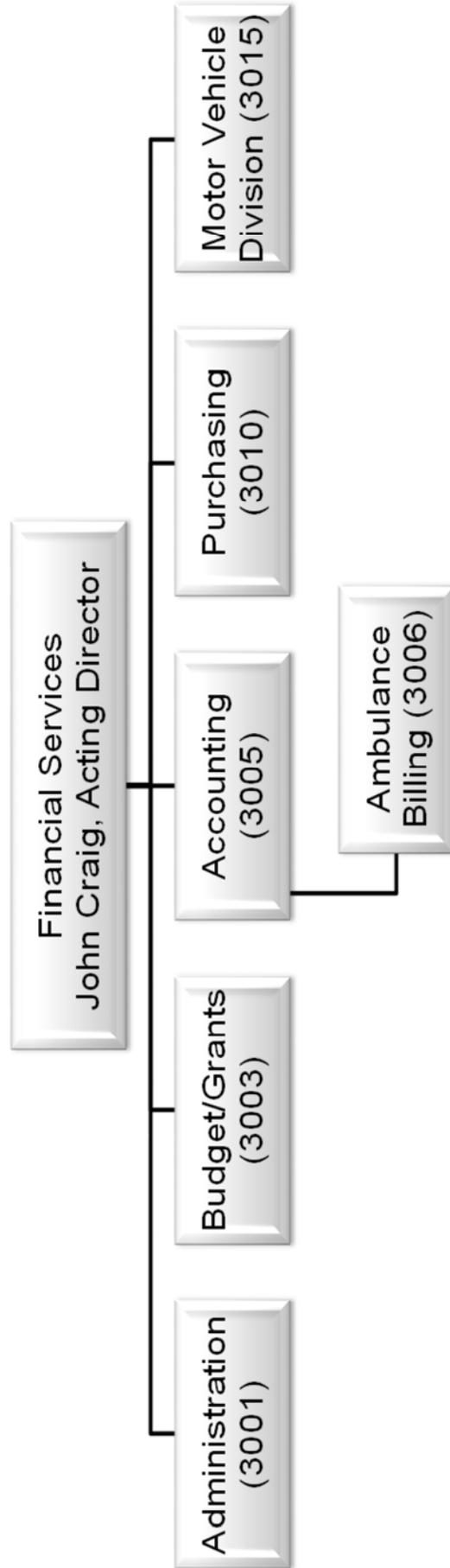
### *Strategic Goal: Government Services*

- Implemented Phase I of the new State Motor Vehicle computer system



# General Fund

## City of Rio Rancho Department Budget Structure



Fiscal  
Year  
2017



General Fund

**FINANCIAL SERVICES**  
Performance Indicators

| Indicator | 2014   | 2015   | 2016   | 2017   |
|-----------|--------|--------|--------|--------|
|           | Actual | Actual | Target | Target |

**Service: Perform the City's Accounting Functions**

|  |      |      |      |      |
|--|------|------|------|------|
| Receive unqualified audit opinion                          | Yes  | Yes  | Yes  | Yes  |
| Reduce the number of audit findings                        | 2    | 1    | 0    | 0    |
| Average # of days to close month-end in financial system   | 10   | 10   | 10   | 10   |
| Achieve a vendor payment rate of 80% prior to invoice date | 100% | 100% | 100% | 100% |

**Service: Plan, Coordinate, Monitor City Budget Process**

|   |              |            |              |              |
|---|--------------|------------|--------------|--------------|
| Net Change in Fund Balance  | \$ 1,289,042 | \$ 968,011 | \$ 1,000,000 | \$ 1,000,000 |
| General Fund operational budget percentage expended versus budget | 95%          | 95%        | 95%          | 95%          |
| General Fund ending fund balance as % of expenditures             | 16.1%        | 20.2%      | 15%          | 15%          |
| Error rate for General Fund revenue fiscal year forecast          | -1.0%        | 2.3%       | (+/- 5%)     | (+/- 5%)     |

**Service: Debt Issuance and Management**

|   |        |        |        |        |
|---|--------|--------|--------|--------|
| Maintain General Obligation Bond Rating | AA2/AA | AA2/AA | AA2/AA | AA2/AA |
|---|--------|--------|--------|--------|

**Service: Manage Procurement of Goods and**

|  |      |      |      |      |
|--|------|------|------|------|
| # of procurement training hours provided to user departments   | 33.0 | 30.0 | 30.0 | 30.0 |
| Median lead time to complete low bid competitive solicitations (IFBs) for construction projects (in weeks from date of request submitted)  | 7.1  | 8.5  | 8.0  | 8.0  |
| Median lead time to complete qualifications based competitive solicitations (RFPs) for services (in weeks from date of request submitted)  | 16.7 | 11.8 | 13.0 | 13.0 |
| Average process time for POs (in days)   | 1.7  | 1.7  | 5.0  | 5.0  |
| Number of formal competitive solicitations (RFPs/IFBs) cancelled due to litigation, receiving no acceptable bids, or overturned by protest | 4.0  | 5.0  | 0.0  | 0.0  |

**Service: Perform Ambulance Billing and**

|   |     |     |     |     |
|---|-----|-----|-----|-----|
| Percentage of collection (amount billed over amount paid within FY) | 68% | 68% | 68% | 68% |
|---|-----|-----|-----|-----|

**Goal: GOVERNMENT SERVICES**

Deliver quality services to meet community needs, assuring that the City is sufficiently

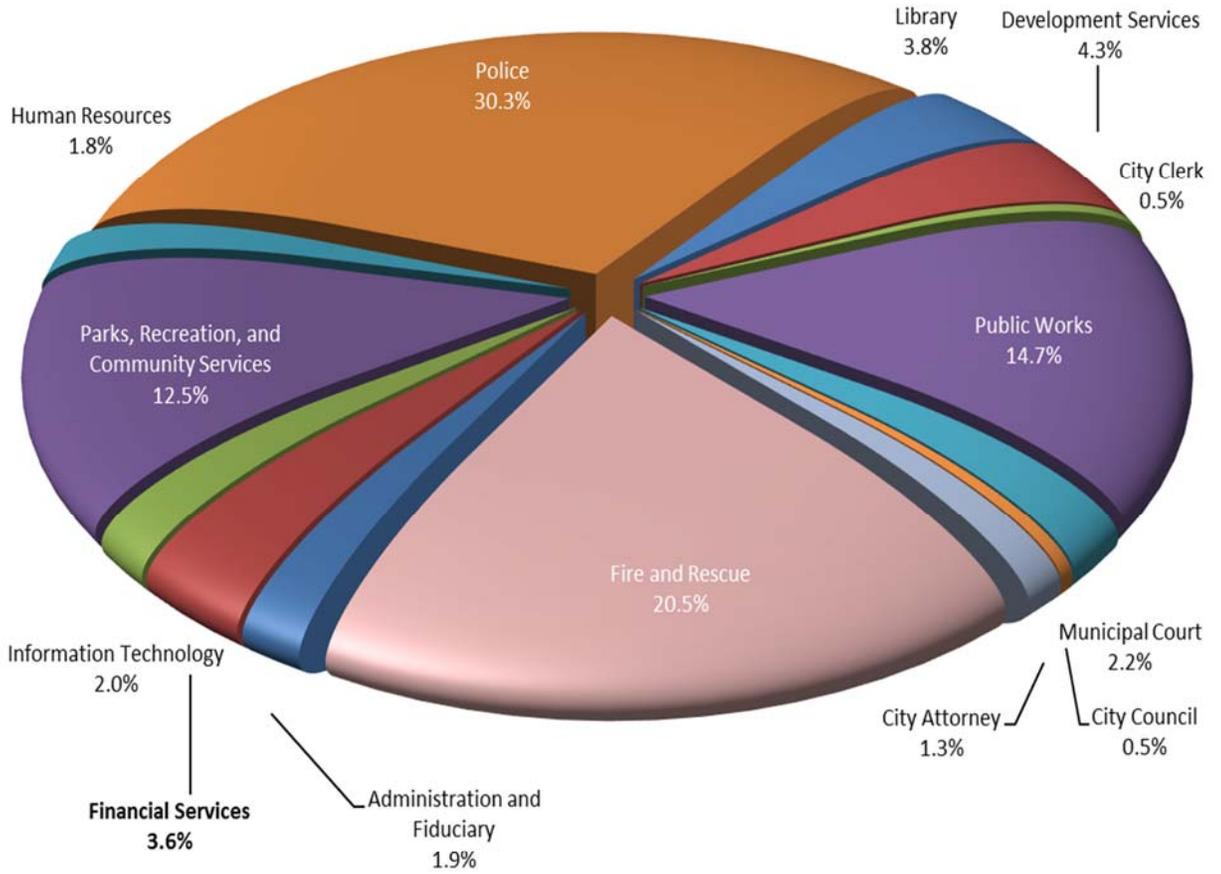
**Service: Provide Motor Vehicle Registration and**

|  |     |     |     |     |
|--|-----|-----|-----|-----|
| Customer satisfaction  | 97% | 78% | 97% | 97% |
| Performance measures for MVD are evaluated quarterly with peak seasons and staffing taken into consideration. Performance is evaluated via an electronic Customer Satisfaction Survey. |     |     |     |     |

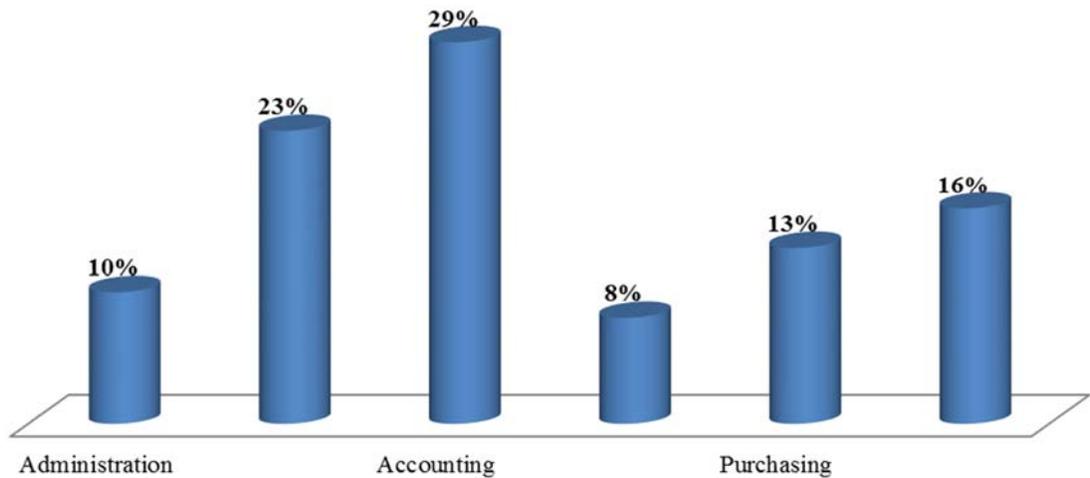
Fiscal  
Year  
2017

# Financial Services

## Total Budget \$1,974,888



Percentage by Cost Center



General Fund

Fiscal  
Year  
2017

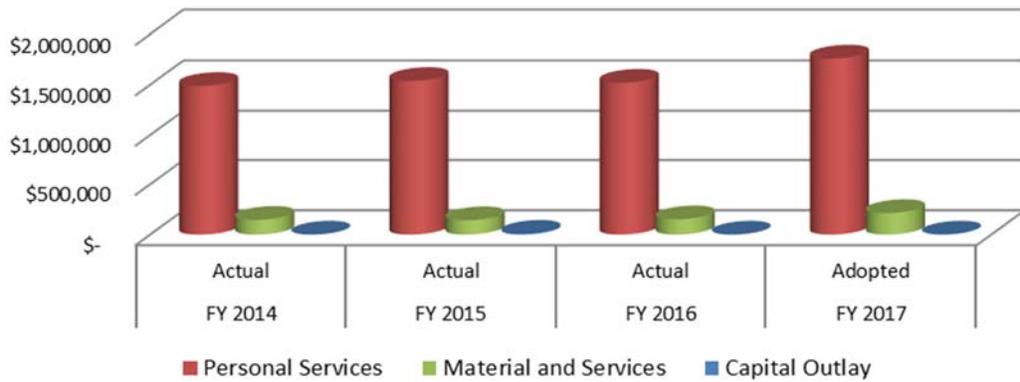


General Fund

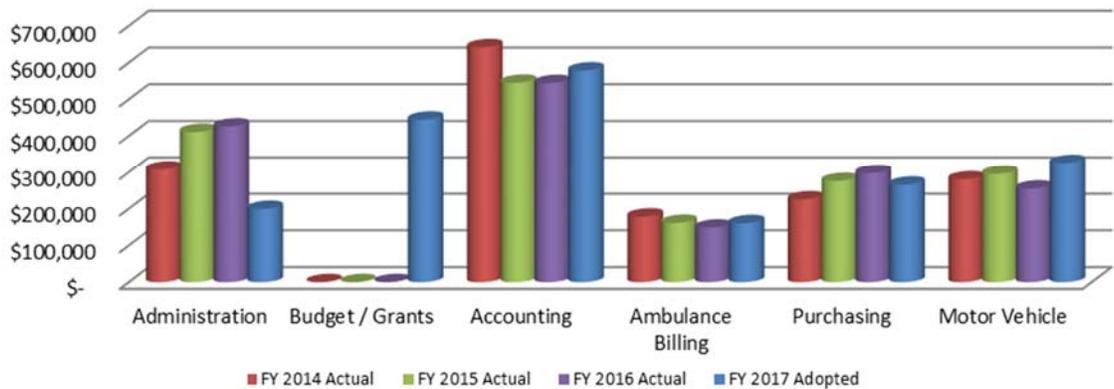
**FINANCIAL SERVICES DEPARTMENT  
BUDGET SUMMARY  
FISCAL YEAR 2016-2017**

| <i>Object of Expenditures</i>     | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Adopted |
|-----------------------------------|-------------------|-------------------|-------------------|--------------------|
| <b>General Fund</b>               |                   |                   |                   |                    |
| Personal Services                 | \$ 1,487,703      | \$ 1,537,746      | \$ 1,519,696      | \$ 1,760,938       |
| Material and Services             | 146,809           | 142,908           | 152,067           | 213,950            |
| Capital Outlay                    | -                 | 8,410             | -                 | -                  |
| <b>Total</b>                      | <b>1,634,512</b>  | <b>1,689,064</b>  | <b>1,671,763</b>  | <b>1,974,888</b>   |
| <b>Expenditure by Cost Center</b> |                   |                   |                   |                    |
| <b>Cost Center</b>                |                   |                   |                   |                    |
| Administration                    | \$ 307,996        | \$ 411,226        | \$ 426,057        | \$ 199,442         |
| Budget / Grants                   | -                 | -                 | -                 | 444,640            |
| Accounting                        | 641,885           | 545,199           | 544,499           | 578,581            |
| Ambulance Billing                 | 178,541           | 161,320           | 148,303           | 160,646            |
| Purchasing                        | 225,560           | 275,814           | 297,786           | 265,788            |
| Motor Vehicle                     | 280,530           | 295,505           | 255,118           | 325,791            |
| <b>Total</b>                      | <b>1,634,512</b>  | <b>1,689,064</b>  | <b>1,671,763</b>  | <b>1,974,888</b>   |

**By Type of Expenditures**



**Expenditures by Cost Center**



Fiscal  
Year  
2017

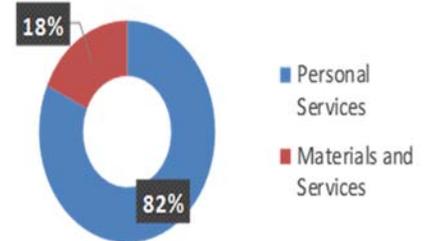
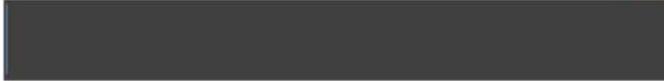
# Financial Services / Administration (3001)

**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.



Percentage of General Fund

0.4%



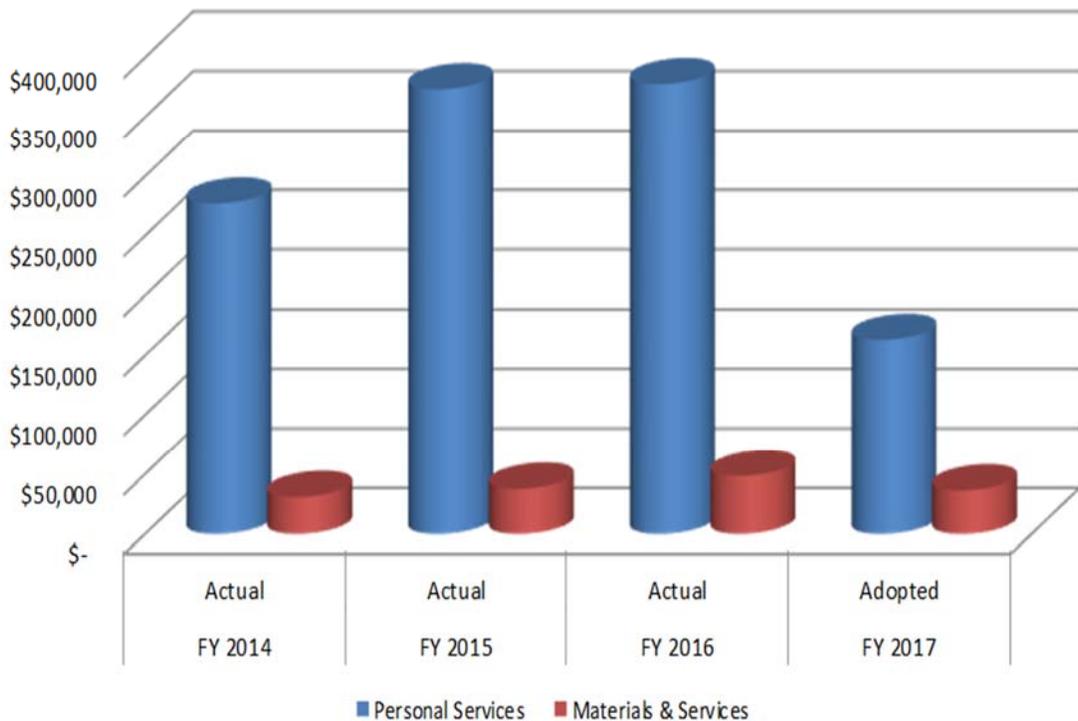
## Fiscal Year 2017 Budget

|                        |                   |
|------------------------|-------------------|
| Personal Services      | \$ 163,094        |
| Materials and Services | 36,348            |
| <b>Total</b>           | <b>\$ 199,442</b> |

## Expenditures

|                            | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Adopted | %<br>Change |
|----------------------------|-------------------|-------------------|-------------------|--------------------|-------------|
| Personal Services          | \$ 277,131        | \$ 373,436        | \$ 377,803        | \$ 163,094         | -57%        |
| Materials & Services       | 30,865            | 37,790            | 48,254            | 36,348             | -25%        |
| <b>Total</b>               | <b>\$ 307,996</b> | <b>\$ 411,226</b> | <b>\$ 426,057</b> | <b>\$ 199,442</b>  | <b>-53%</b> |
| <b>Positions Approved*</b> | <b>4.48</b>       | <b>4.48</b>       | <b>4.48</b>       | <b>1.48</b>        | <b>-67%</b> |

\*Full Time Equivalence



General Fund

Fiscal  
Year  
2017



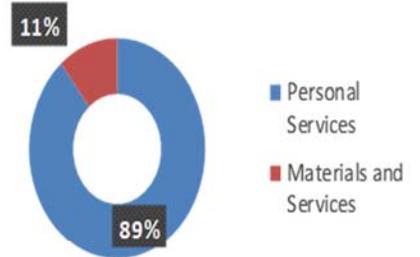
# Financial Services / Budget/Grants (3003)

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.

Percentage of General Fund

1%

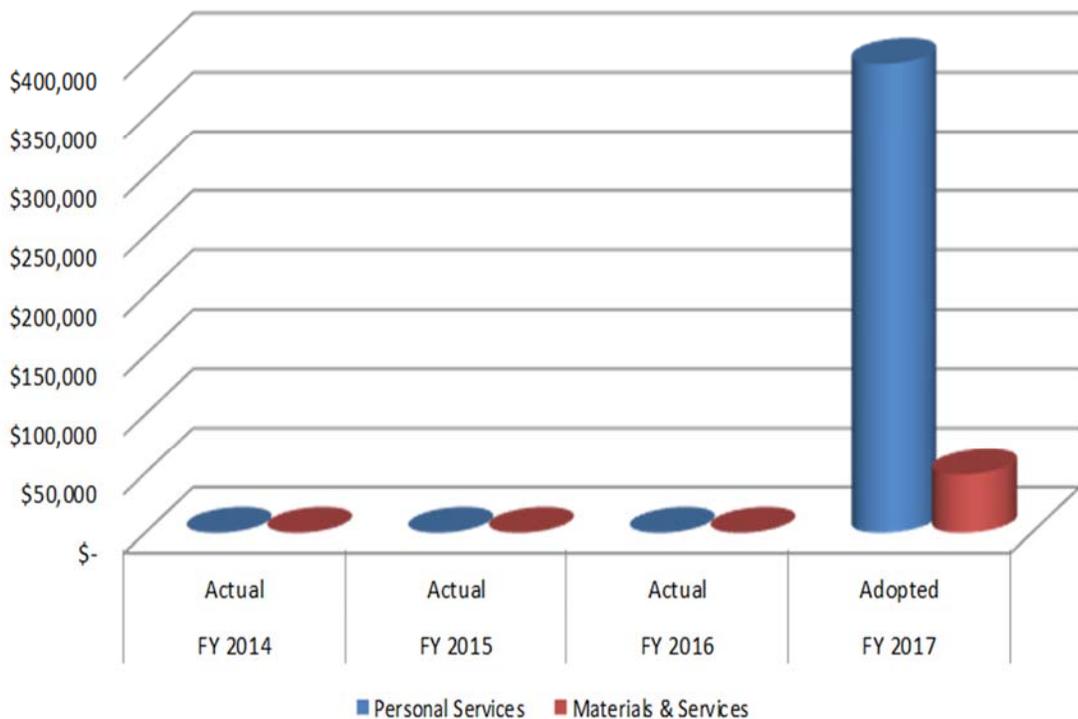


## Fiscal Year 2017 Budget

|                        |                   |
|------------------------|-------------------|
| Personal Services      | \$ 395,718        |
| Materials and Services | 48,922            |
| <b>Total</b>           | <b>\$ 444,640</b> |

### Expenditures

|                            | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Adopted | %<br>Change |
|----------------------------|-------------------|-------------------|-------------------|--------------------|-------------|
| Personal Services          | \$ -              | \$ -              | \$ -              | \$ 395,718         | 100%        |
| Materials & Services       | -                 | -                 | -                 | 48,922             | 100%        |
| <b>Total</b>               | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ 444,640</b>  | <b>100%</b> |
| <b>Positions Approved*</b> | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>5.35</b>        | <b>100%</b> |



General Fund

Fiscal  
Year  
2017

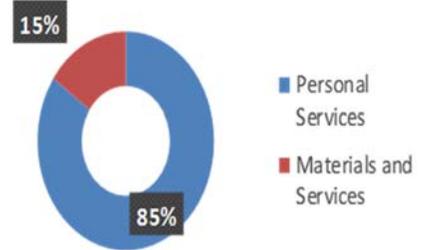
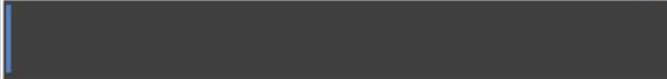
# Financial Services / Accounting (3005)

**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.



Percentage of General Fund

1%

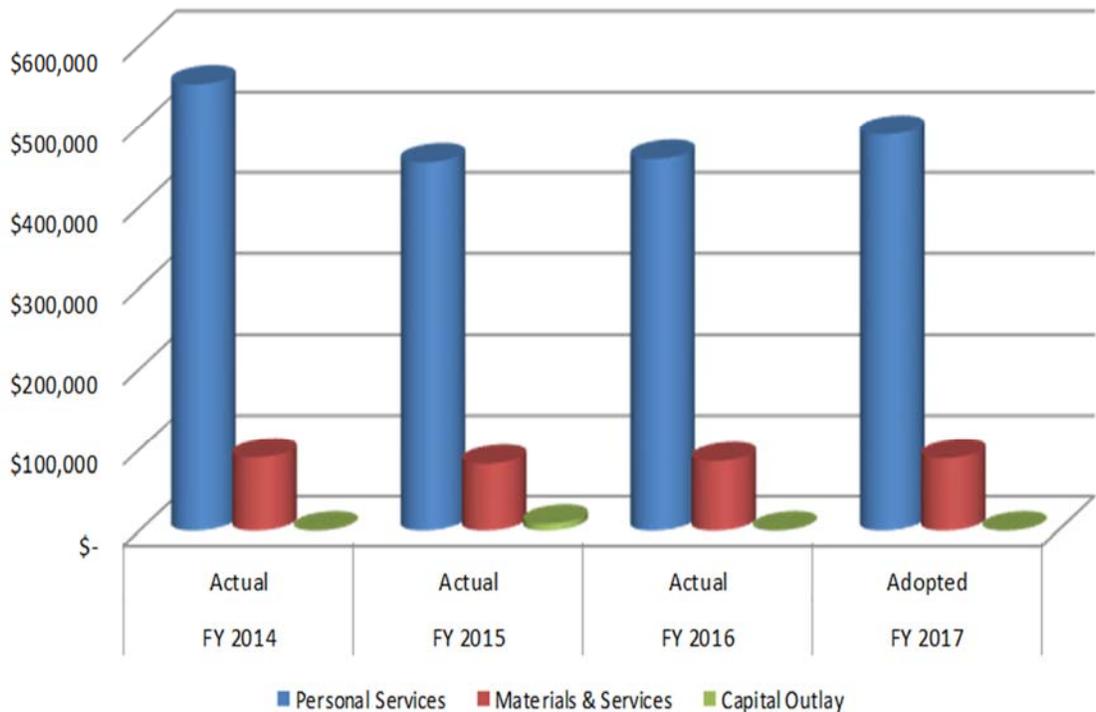


## Fiscal Year 2017 Budget

|                        |                   |
|------------------------|-------------------|
| Personal Services      | \$ 489,621        |
| Materials and Services | 88,960            |
| <b>Total</b>           | <b>\$ 578,581</b> |

### Expenditures

|                            | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Adopted | %<br>Change |
|----------------------------|-------------------|-------------------|-------------------|--------------------|-------------|
| Personal Services          | \$ 551,905        | \$ 454,705        | \$ 459,190        | \$ 489,621         | 7%          |
| Materials & Services       | 89,980            | 82,084            | 85,309            | 88,960             | 4%          |
| Capital Outlay             | -                 | 8,410             | -                 | -                  | 0%          |
| <b>Total</b>               | <b>\$ 641,885</b> | <b>\$ 545,199</b> | <b>\$ 544,499</b> | <b>\$ 578,581</b>  | <b>6%</b>   |
| <b>Positions Approved*</b> | <b>9</b>          | <b>8</b>          | <b>8</b>          | <b>8</b>           | <b>0%</b>   |



General Fund

Fiscal  
Year  
2017

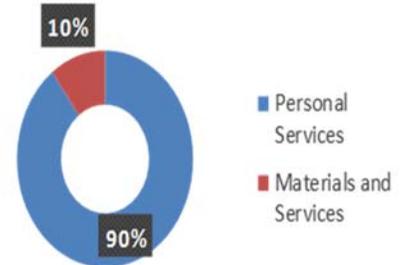
# Financial Services / Ambulance Billing (3006)

The Ambulance billing function is fully 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 \$1.5 million each year.



Percentage of General Fund

0%



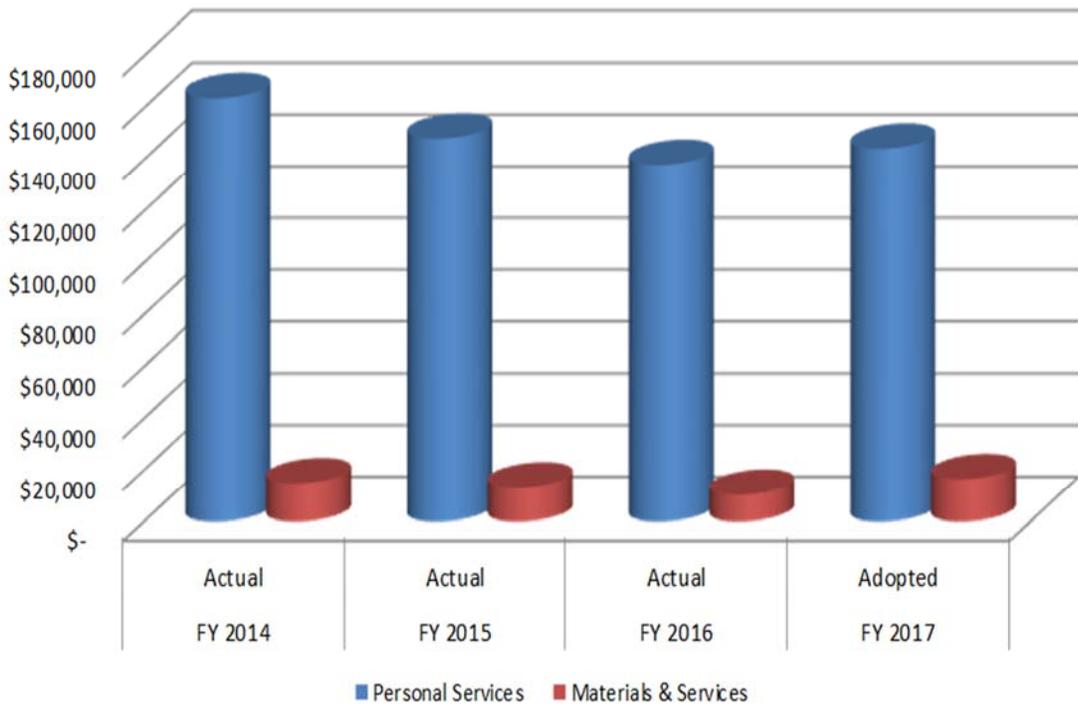
## Fiscal Year 2017 Budget

|                        |                   |
|------------------------|-------------------|
| Personal Services      | \$ 144,216        |
| Materials and Services | 16,430            |
| <b>Total</b>           | <b>\$ 160,646</b> |

## Expenditures

|                            | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Adopted | %<br>Change |
|----------------------------|-------------------|-------------------|-------------------|--------------------|-------------|
| Personal Services          | \$ 163,704        | \$ 148,129        | \$ 137,927        | \$ 144,216         | 5%          |
| Materials & Services       | 14,837            | 13,191            | 10,376            | 16,430             | 58%         |
| <b>Total</b>               | <b>\$ 178,541</b> | <b>\$ 161,320</b> | <b>\$ 148,303</b> | <b>\$ 160,646</b>  | <b>8%</b>   |
| <b>Positions Approved*</b> | <b>4</b>          | <b>3</b>          | <b>3</b>          | <b>3</b>           | <b>0%</b>   |

\*Full Time Equivalence



General Fund

Fiscal  
Year  
2017

# Financial Services / Purchasing (3010)

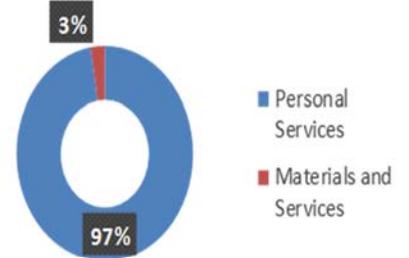
**Purchasing**, a division of the Financial Services Department, is responsible for the procurement of goods and services in accordance with the City Procurement Code.

**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.



Percentage of General Fund

1%



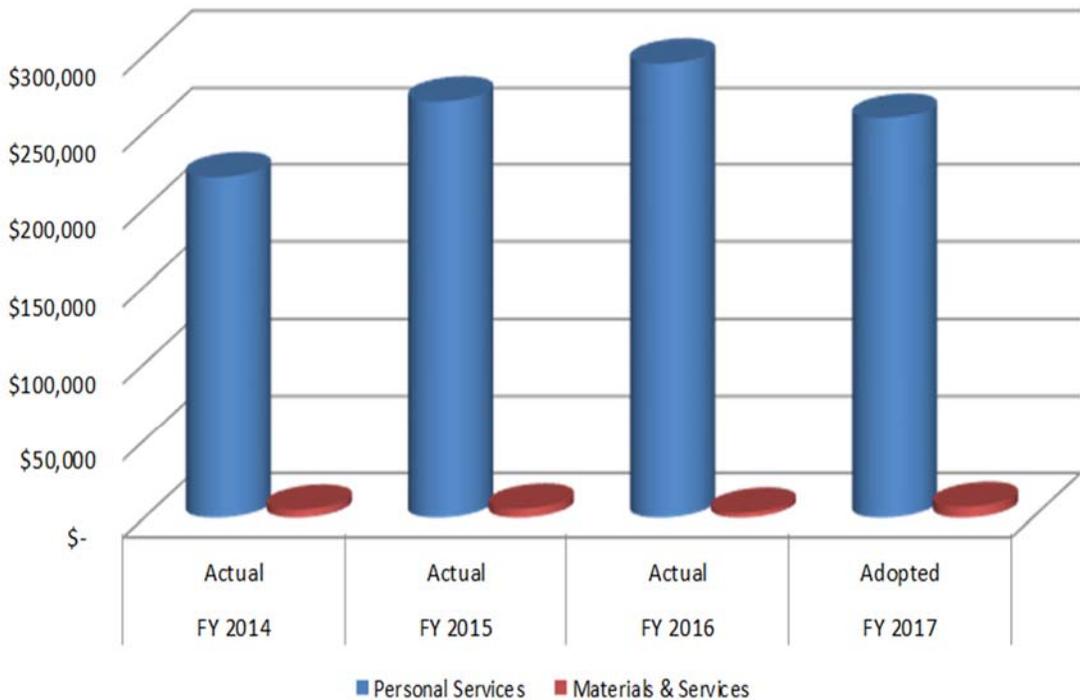
## Fiscal Year 2017 Budget

|                        |                   |
|------------------------|-------------------|
| Personal Services      | \$ 258,948        |
| Materials and Services | 6,840             |
| <b>Total</b>           | <b>\$ 265,788</b> |

## Expenditures

|                            | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Adopted | %<br>Change |
|----------------------------|-------------------|-------------------|-------------------|--------------------|-------------|
| Personal Services          | \$ 220,474        | \$ 270,100        | \$ 294,658        | \$ 258,948         | -12%        |
| Materials & Services       | 5,086             | 5,714             | 3,128             | 6,840              | 119%        |
| <b>Total</b>               | <b>\$ 225,560</b> | <b>\$ 275,814</b> | <b>\$ 297,786</b> | <b>\$ 265,788</b>  | <b>-11%</b> |
| <b>Positions Approved*</b> | <b>4</b>          | <b>5</b>          | <b>5.33</b>       | <b>4</b>           | <b>-25%</b> |

\*Full Time Equivalence



General Fund

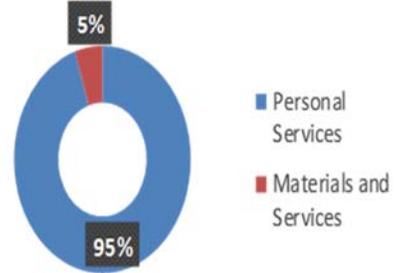
Fiscal  
Year  
2017

# 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.

Percentage of General Fund

1%



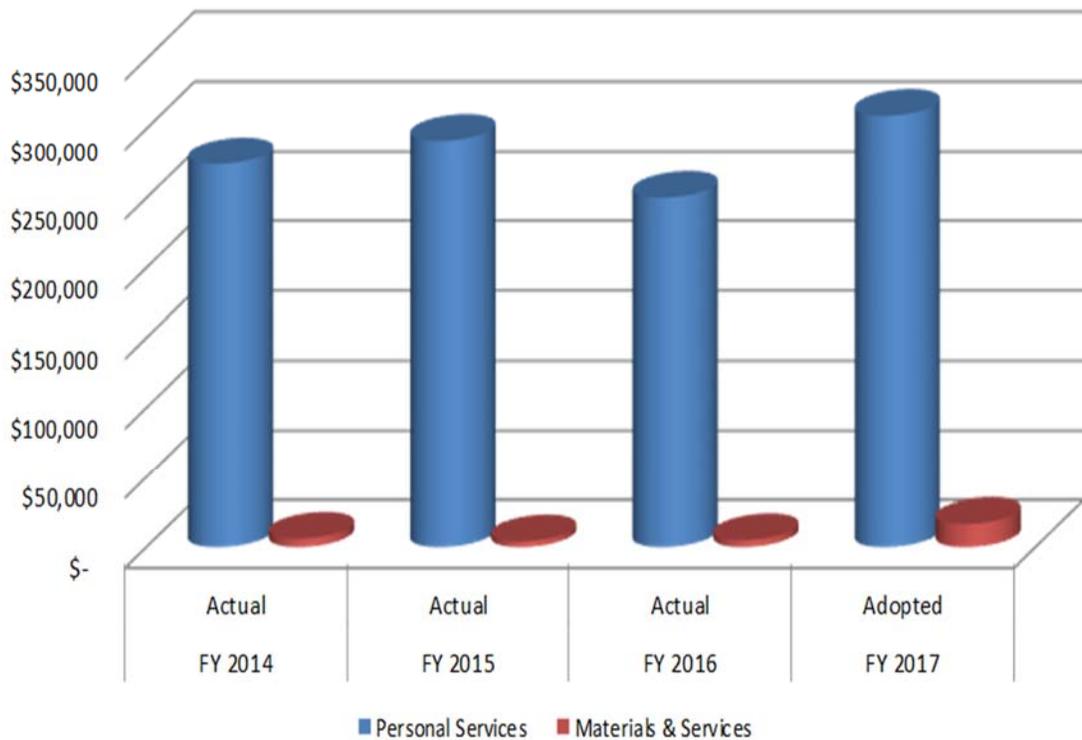
## Fiscal Year 2017 Budget

|                        |                   |
|------------------------|-------------------|
| Personal Services      | \$ 309,341        |
| Materials and Services | 16,450            |
| <b>Total</b>           | <b>\$ 325,791</b> |

## Expenditures

|                            | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Adopted | %<br>Change |
|----------------------------|-------------------|-------------------|-------------------|--------------------|-------------|
| Personal Services          | \$ 274,489        | \$ 291,376        | \$ 250,118        | \$ 309,341         | 24%         |
| Materials & Services       | 6,041             | 4,129             | 5,000             | 16,450             | 229%        |
| <b>Total</b>               | <b>\$ 280,530</b> | <b>\$ 295,505</b> | <b>\$ 255,118</b> | <b>\$ 325,791</b>  | <b>28%</b>  |
| <b>Positions Approved*</b> | <b>6</b>          | <b>6</b>          | <b>6</b>          | <b>6</b>           | <b>0%</b>   |

\*Full Time Equivalence



General Fund