


MEMORANDUM

Date: July 30, 2008
From: Greg C. Gaskins, Finance KBE 
To: Ruffin Hall, Budget & Evaluation KBE
Subject: Finance FY09 Final Strategic Operating Plan

Finance is pleased to submit its FY09 Final Strategic Operating Plan (SOP). The details relating to Finance's SOP are either attached or may be found in the budget system. Should any elements of our FY09 Final SOP prompt questions, we would be pleased to go into greater detail with you or your staff.

Attachments

cc: Bill Parks
Finance Leadership Team
Finance Budget Committee

FY09

**FINAL
STRATEGIC OPERATING PLAN**

July 30, 2008

FINANCE KEY BUSINESS UNIT

Greg C. Gaskins, KBE

TABLE OF CONTENTS

	<u>Page</u>
I. Executive Summary	
• Introduction	1
• Vision	3
• Mission Statement	4
• Key Issues and Challenges	5
• Organization Chart	8
II. Strategy and Planning	
• Strategic Accomplishments	9
• Links to Corporate Strategy	12
• Strategic Initiatives	13
III. Service Delivery	
• Service Delivery (What we do and who our customers are)	14
• Core Service Areas	15
• Service History and Trends	16
IV. Balanced Scorecard	17
V. Request for Resources	19
VI. Appendices	
• KBU Link to BSC Visual	A1
• Linkage of Finance Work to Council Focus Areas	A2
• Service Level Change Pages	A4
• Measure Validation Forms	A6
• Division Level Strategic Plans	A15

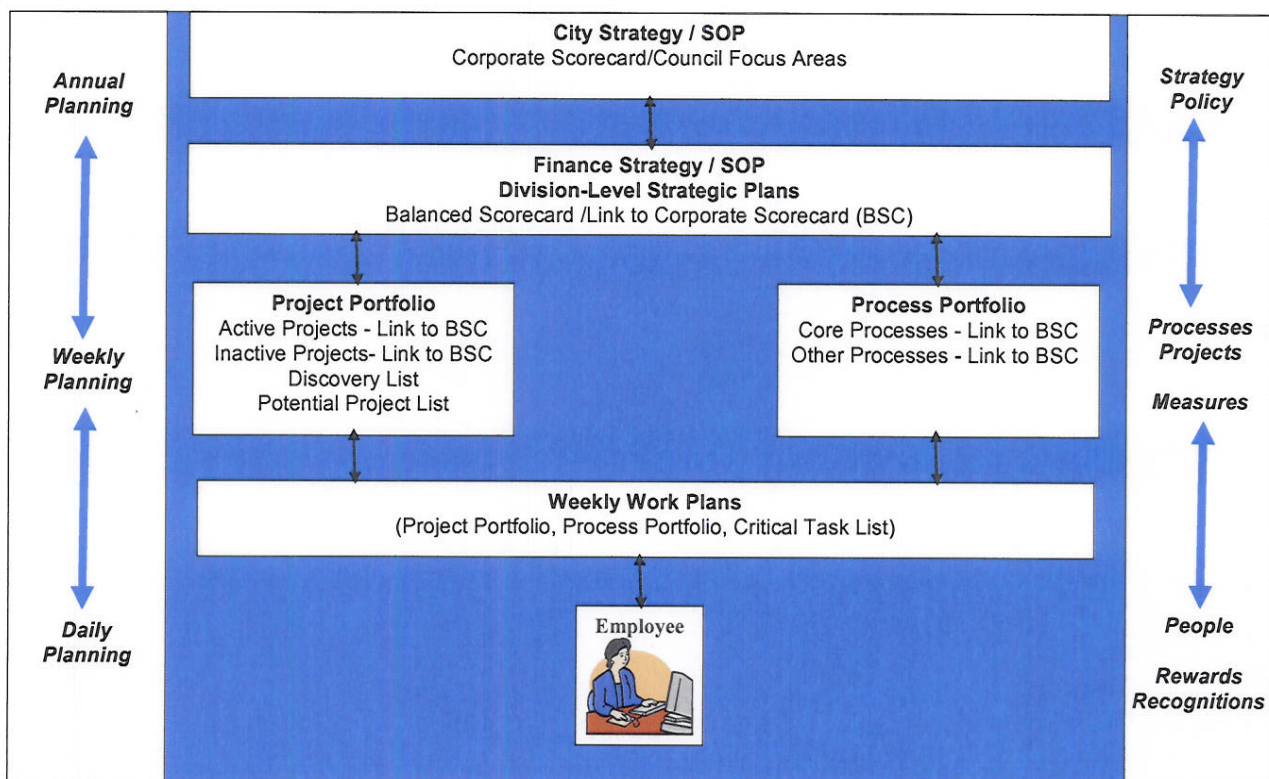
INTRODUCTION

The services delivered by Finance may be classified in one of two separate but related categories:

- **Chief Financial Officer-related.** As the City’s Chief Financial Officer, the Finance Key Business Executive provides ongoing as well as situation-specific policy support to the City Manager and serves as the main point of contact for all finance-related matters including issues related to economic development initiatives. The Finance KBE draws on the skill, knowledge and ability of his staff in providing this comprehensive range of financial services to the City Manager and his key staff.
- **Key Business Executive-related.** The Finance Key Business Executive provides leadership to the Finance Key Business Unit to ensure that all departmental activities and services are in alignment with and in full support of Council and Manager Policies. In delivering these services, Finance is committed to enabling the work of its customers while observing the significant compliance requirements that are prescribed by NC general statutes concerning the care of public moneys and the maintenance of records.

As reflected in the diagram below, **alignment** with corporate objectives continues to be central to Finance’s management strategy. Finance considers strategic planning to be a continuous process that must be effectively linked to implementation in order to be successful. Using the premise that all work can be classified as a project or a process, the alignment and linkage concept is a tool that helps employees understand their role in implementing corporate strategy. From a strategic planning perspective, the alignment and linkage concept helps identify strategic issues and ensures that only processes and projects which align with corporate strategy are selected for implementation. From an implementation perspective, the alignment and linkage concept helps ensure that processes and projects are planned and managed effectively and efficiently.

Alignment and Linkage Diagram:



INTRODUCTION - continued

As in previous years, continuous improvement is a key management strategy that is reflected throughout Finance's SOP. Although strong performance has been delivered and significant achievements have been realized in the past, Finance is committed to continuously looking for ways to move to the next level. Finance's FY09 SOP has been designed to serve as the road map for moving to the next level. While various strategic alignment components are considered in the planning process, Finance focuses on the following areas:

- **Strategy.** Complete alignment involves planning from the top-down and from the bottom-up and it translates to making decisions that ensure the services provided and the products offered enable the work of and meet or exceed the needs of the customer. A key element of complete alignment involves the Finance Leadership Team (LT) meeting semi-annually with the City Manager to discuss his Finance-related objectives and expectations. Complete alignment is further perpetuated by the Finance LT as it meets regularly to track and monitor its progress toward City objectives. In addition, complete alignment includes bottom-up planning meetings with front-line employees who identify opportunities for enhanced service delivery as well as issues that need to be addressed so that these can be properly prioritized and implemented as part of the process management and project management methodology.
- **People.** Finance must have a sufficient number of personnel and they must have the competencies, resources, training and strengths needed for the successful execution of processes and projects. Skills and attitudes must support goals; activities must be prioritized; goals must be realistic and attainable; and roles and responsibilities must be clearly defined. Finance recruitment and retention efforts will reflect the importance of diversity, and the development of a skilled and diverse work-force.
- **Process.** In order to ensure alignment, Finance must have a thoroughly documented inventory of its processes and fully understand the customers' needs as well as the products or services delivered. With respect to its core processes, a systematic process management approach is utilized that captures key metrics for use in process improvement activities.
- **Project.** In order to ensure alignment, Finance must identify, evaluate, prioritize, and pursue projects that provide needed products to customers or improve essential processes. A systematic project management methodology is used to ensure successful project implementations and to facilitate continuous improvement.
- **Rewards and Recognition.** Rewards and incentives must be tied to the achievement of key targets, and PRDs and merit increases must reflect successful achievement of goals.
- **Measures.** In order to improve the quality of service delivery, project and process measures must be a part of daily operations, metrics must be captured and analyzed, and the appropriate actions must be taken. Finance strives to use logical measures that are "SMART": Specific, Measurable, Actionable, Relevant and Timely.

A summary of the budget and positions allocated to Finance for FY09 is provided below.

FUND	FY09 AMOUNT	FY09 POSITIONS
General Fund	\$ 8,955,385	79
Risk Management Fund	\$ 2,715,332	27
Total	\$11,670,717	106

VISION

In looking to the future, Finance sees a City that **must** have:

- A strong, well-balanced and diversified business environment
- A vibrant center city that fosters the growth of its business and residential components
- Strong neighborhoods that attract and retain a diversified population
- Great government, i.e., one that:
 - Is ethical in appearance and in fact
 - Meets needs
 - Solves problems
 - Is forward looking
 - Is efficient
 - Is effective
 - Provides value in the services it delivers to its customers

Although first articulated more than 10 years ago, Finance's vision remains completely valid and applicable today:

“Quality employees providing quality service”

Finance employees are committed to working in direct support of and in complete alignment with the City's corporate objectives. Diversity is a strength that will be leveraged to help us achieve alignment. A major goal of our SOP is to ensure that the actual work done by our employees aligns with the corporate strategy. In doing so, our employees will continue to contribute positively and measurably to the elements listed above.

MISSION STATEMENT

Achievement of the Finance vision is best understood by examining the “what, who, when and why” of the Finance Strategic Planning and Implementation Model. The Finance Strategic Planning and Implementation Model embodies the Finance Mission: “Empower, train and support Finance employees to provide ever-improving services to the public and other employees by listening to the voices of customers, processes and employees.”

WHAT: The Finance Strategic Planning and Implementation Model is a long-term, flexible management strategy that will guide the Finance Key Business Unit to significant improvements in service delivery by focusing on both **processes** and on **projects**.

- When focused on “**process**,” the strategy begins by identifying what we do and who our customers are. The strategy then calls for Finance to interact extensively with new and existing customers to ensure that their needs are being met and to confirm that Finance is enabling their efforts. As part of this process, Finance determines if new products and processes are needed. Processes are evaluated on an ongoing basis to determine if they should be improved or eliminated.
- When focused on “**projects**,” the strategy prompts the initiation of those that support the Finance Strategic Operating Plan. Detailed project plans are developed to ensure successful implementation and to leverage resources. Projects that will provide enhanced products, improve processes, or enable the work of customers and that are in alignment with the Finance Strategic Operating Plan are pursued. As important, those projects that fail the alignment test are not pursued.

WHO: The Finance Strategic Planning and Implementation Model has been designed – and is being implemented - as a management strategy that will provide a roadmap for use by all levels within the Finance organization. Full implementation of the Model will concurrently benefit our external and internal customers by putting into the hands of Finance personnel the tools they need to provide enhanced levels of service delivery.

WHEN: The Finance Strategic Planning and Implementation Model is in place and functioning. As a flexible and dynamic management strategy it will evolve over time in response to changes in the City’s strategy, vision and corporate objectives. At all times, however, the Model will be in complete alignment with and in full support of the City’s corporate vision and mission.

WHY: As pointed out in the “Introduction,” while the delivery of the services provided by Finance has been the subject of frequent reviews over the years, it is strongly believed that a more focused and intensive approach is essential if Finance is to move to the next level. The Finance Strategic Planning and Implementation Model has been developed to provide unity of effort as we strive to enhance the quality of services we provide.

KEY ISSUES AND CHALLENGES

CHALLENGES WITH COMMUNITYWIDE IMPACT. Lead responsibility for the challenges with community-wide impact appropriately rests with the “Chief Financial Officer” role as addressed in the Introduction.

- **Synthetic Tax Increment Financing (TIF) Guidelines.** Finance collaborated with Budget and the City Manager’s Office drafting TIF guidelines. On November 26, 2007, Council adopted the new 3% of Assessed Valuation cap for TIF projects. The new limits also indicate the amount of increment available for specific projects and sets guidelines for evaluating projects. While tax increment financing has been recognized as an important tool for economic development purposes, it is also important to ensure that we follow the adopted guidelines so that the tool is not overused, thereby negatively impacting property tax revenues. Failure to live within guidelines could have a negative influence on our credit strength. It will be a challenge to meet these guidelines when there is great demand to use this tool for so many economic development projects.
- **Completion of Major Financings.** The ongoing process of pursuing and successfully accomplishing major financings in support of the City’s capital program will continue to be an important priority.
- **Support of Economic Development Strategy.** The incorporation of broad-gauged, seasoned financial expertise in support of the economic development strategy will be central to the achievement of the City’s corporate objectives in this major focus area.
- **Customer Data Security Compliance.** Payment Card Industry (PCI) standards are mandatory security requirements that must be met for the City to be able to continue to accept credit cards. Payment Application Data Security Standards (PA-DSS), which was formerly called Payment Application Best Practices (PABP), is an industry security requirement propagated by VISA. All current and future internet credit, debit and charge card transactions must be compliant with PCI security standards and the PA-DSS guidelines. In addition, new State statutes require the security and confidentiality of customer sensitive data from both a user and system perspective, and some systems will need to be upgraded in order to achieve compliance with these requirements.
- **CATS Risk Entity.** We have introduced the concept of a separate trust and risk financing plan for mass transit exposures. This will present some one-time costs for development of the structure. Administration of this separate fund, and its burgeoning risk exposure, will bring work load challenges to our current resources.
- **Charlotte Vehicle Operations Center (CVOC).** CVOC has been very successful and is now overbooked through the next year. This high utilization has brought strong reduction in accident rates, especially in CMPD. It has also brought wear and tear to the facility and the maintenance costs are going to be another major challenge. Additionally, when CVOC was originally designed it included a classroom building with an observation deck, which is now necessary to expand the efficiency of the center. The temporary building on site was intended to be an alternative to the permanent building planned, with a one year service life. After four years it is now in need of significant repairs or replacement. Time and inflation have raised the cost of the permanent building from the original \$450,000 to \$750,000. The Skid Pad, a specially designed surface for special skid/slide training, is deteriorating. Engineering estimates maintenance costs over the next five years to be \$300,000. This is directly related to the nature of the material used in construction and its particular use.
- **Declining Interest Rates.** During FY08, Federal Reserve policy cut interest rates by 3.25%, making it a challenge to grow interest earnings in a declining rate environment. However, the City’s earned interest yield was only off slightly from 4.89% in FY07 to 4.70% in FY08.

KEY ISSUES AND CHALLENGES – continued

- **Bond Insurance Market Meltdown.** As a result of the sub-prime mortgage market collapse, most large bond insurance carriers, including ones used by the City were downgraded by the rating agencies. The result of these downgrades was variable rate Airport bonds being placed in a “liquid facility” when they were not able to be sold on the open market. This event marked the first time in history that City of Charlotte bonds were not able to be marketed and led to higher interest costs for the Airport and the eventual need to restructure the Airport’s variable rate portfolio.
- **State Certified Tax Assessment Error.** Treasury staff discovered in January 2008, that the State of North Carolina had mistakenly over-valued utility owned property in the City by over \$1 billion, impacting the estimated FY09 assessed valuation. This error was caught in advance of setting budget revenues and did not cause a major problem, but required Council action to refund the taxpayer who had paid approximately \$5 million in error.

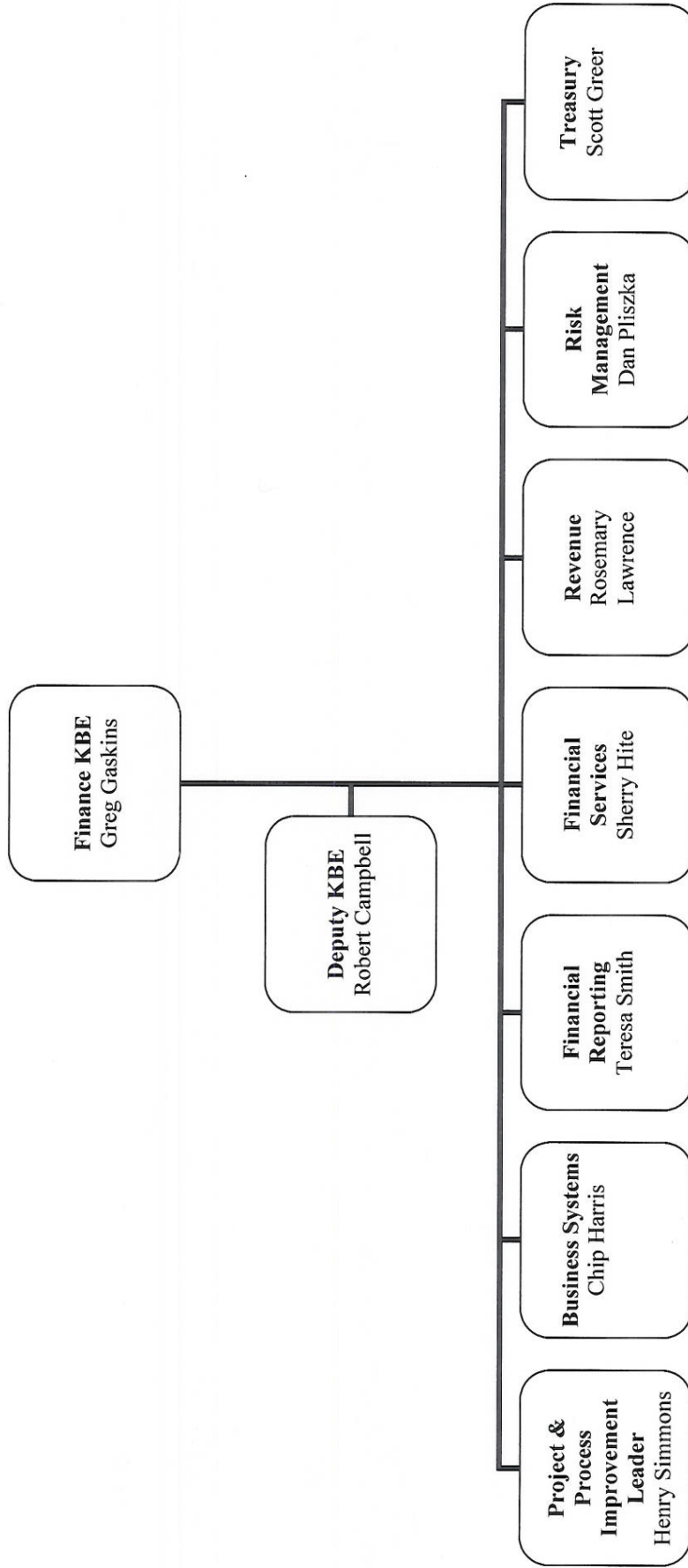
CHALLENGES WITH “INTERNAL/INTRA CITY” IMPACT. Lead responsibility for those challenges that are primarily “internal” and “intra city” in nature appropriately rests with the “Key Business Executive” role as addressed in the “Introduction.” The primary challenges that fall into this category are summarized below:

- **Financial System Strategy.** Finance devoted an extensive amount of time during FY08 working with the Finance Liaison Committee (FLC) on the Financial System Strategy. The FLC utilized the services of Virchow Krause & Company (VK) to conduct the study and the FLC received the final report from VK at the April meeting. The FLC discussed the study recommendations and reached consensus with the VK conclusion that it is not a viable long-term strategy to continue with the existing financial system and that we should take the strategy forward to the Senior Business Team (SBT) for consideration. Now that we have a new Chief Information Officer (CIO), Finance is working with him on this issue. While this did not result in a budget request during the FY09 budget development process, it is certain that additional expenditures will be necessary in the future to continue to enhance the financial system to meet changing business needs. If the City decides to pursue the new strategy, it will lead to several challenges, including: 1) funding for a new financial system and implementation costs given the City’s other important technology initiatives that also need funding, and 2) commitment of resources due to the significant effort involved and the need for City-wide participation.
- **GASB 45 – Other Post Employment Benefits (OPEB).** Governmental Accounting Standards Board Statement 45 will be implemented with the FY08 CAFR and will require budgeting for an actuarial valuation to be completed as of January 1, 2009 and every other year thereafter. Continued evaluation of this program with a commitment to budget funding for the trust to the extent possible will also be necessary as we move forward with OPEB.
- **Employee Benefits Trust (EBT).** The EBT is closely related to the preceding item regarding GASB 45. During the FY08 budget development process, the decision was made to fund the gap between PAYGO and the Actuarially Required Contribution (ARC) for retiree healthcare and to utilize an irrevocable trust for these benefits and possibly other long-term assets. The legislation providing the authority to establish an irrevocable trust and expanded investment authority was enacted on July 23, 2007. The EBT was approved by Council on December 10, 2007. In the coming months, an investment advisor will be selected and a funding and investment plan will need to be approved by Council.
- **Difficulty in Hiring/Retaining Professional Accountants.** Finance foresees a continued difficulty in hiring and retaining qualified staff in general, but most especially professional accountants. Aggressive management action and close collaboration with Human Resources will have to continue to minimize this ongoing problem.

KEY ISSUES AND CHALLENGES – continued

- **Risk Management Loss Fund.** While additional funds were transferred to the Risk Loss fund at the end of FY08, the Fund needs to be regularly funded at a level consistent with actuarial recommendations. The challenge is that the Governmental Accounting Standards Board (GASB) requires public entities to account for liabilities from claims and potential claims. For many years we have been fully funding in a loss reserve trust which restricts those funds for future payment of those liabilities that are termed as the ultimate loss. Over the last several years, the funding was done at less than ultimate loss. While there is not an immediate crisis, continuing to not fund this trust to ultimate loss could eventually result in a cash flow issue and the need to go to the fund balance in order to pay legal liabilities.
- **Internal Control Audit Standards.** The American Institute of Certified Public Accountants (AICPA) issued new auditing standards that affected the City's external audit for FY08. These standards required more detailed documentation be prepared related to the City's "significant cycles." Approximately fifteen processes identified by the external auditors were documented over the course of five months and approved during the interim audit work.
- **MPC Support.** MPC is the tool used to prepare the City's annual budget. Finance continues to provide support and assistance to CATS and B&E through the budget process. Committing the necessary time and resources to this effort and working to meet the differing deadlines is difficult. In addition, the MPC system problems experienced during the FY08 mid-year and FY09 budget process have required resources to be pulled from other projects such as the FICS and Mitchell Humphrey projects. This has the potential to delay the implementation and consequently increase the cost of implementing these systems.
- **Risk Management Services.** Risk Management will continue to have growing challenges in fulfilling customer service needs as each of the City, County and School System grow in service to the community. Again this year, a few of the obvious needs based on community growth are: 1) CATS expansion into light and heavy rail with expanded bus system; now that Light Rail is in operation, risk exposure has expanded dramatically with accompanying risk financing requirements; 2) CMU, CDOT, and E&PM efforts to achieve infrastructure needs; and 3) County and CMS facing similar pressures to keep up with population.
- **Increased Need for Resources.** With the constant pressure for vendor required upgrades to existing systems and the need for new systems, it is nearly impossible to keep up with normal daily work with current resource levels. In addition to the iNOVAH cashing and FICS loan origination/servicing systems, along with the in-progress Mitchell Humphrey A/R system implementation, BSD has reached the saturation point for support. The complex planning and execution demands of new application implementations and upgrades have increased the need for project management skills and dedicated project management resources. It is not viable for internal resources to continue to simultaneously perform operations and support/training while also delivering focused project management responsibilities. Budget restraints do not allow for additional resources that are critically needed to "keep the lights on" and optimize business processes.

**FINANCE DEPARTMENT
ORGANIZATION CHART**



STRATEGIC ACCOMPLISHMENTS

- **OPEB/Employee Benefits Trust.** Finance has collaborated with Budget and HR to respond to GASB No. 45 which requires the City to annually report the cost of “Other Post Employment Benefits” (OPEB) beginning with our FY08 CAFR. Working together, we have completed the initial actuarial valuation, received new investment legislation, established an Employee Benefits Trust, funded the annual required contribution (ARC) for FY08, and developed a funding strategy designed to reduce the future ARC.
- **Finance Liaison Committee / Payment Processing.** In a major collaborative effort, Financial Services worked with the Payment Processing Sub-committee (PPS) of the Finance Liaison Committee (FLC) to address the payment processing issues identified by the FLC, with relation to the processes used for payment of goods and services, and to make recommendations for improvement. The PPS included representatives from Finance, BSS, CDOT, Engineering, Fire, Internal Audit, Police and Neighborhood Development. The FLC identified 78 issues needing to be addressed, such as updating the Accounts Payable Payment Policy (FIN6), and updating the forms used with the process. As a result of this highly collaborative initiative, and the hard work of those involved, all of the 78 issues were resolved this fiscal year.
- **Airport Revenue Bonds.** The Treasury Division completed the sale of Airport Revenue Bonds, including the issuance of \$99,995,000 of fixed rate bonds and \$47,570,000 of variable rate bonds to fund various airport projects such as a parking deck and grading for a third parallel runway. During the process of this issue, the Airport bond rating was upgraded by all three agencies and is currently A1 (Moody’s), A+ (Fitch) and A (S&P).
- **Finance Procedures Manual.** Finance improved its CNet pages to provide an “outward facing” procedure manual for other KBUs to use. The procedures covered many topics and answered questions that Finance is frequently asked, for example, “how do I get access to ImageNow?”, “how do I get reimbursed for mileage?”, “how do I find if an invoice has been paid?”, etc. This has also been a good source for other KBUs when looking for the correct forms to use when processing contracts, travel, etc. Beginning in March 2008, internal cross-reference reports were made available online through CNET. These reports identify which accounts and centers are established on the general ledger, in which funds, and in which combinations for posting. These reports were previously distributed in hard copy to a few departments but are now available to the entire City.
- **Collection Agency RFP.** As collection efforts have improved, the related collection costs have increased above the \$100,000 annual threshold thus leading to the need for an RFP process. The Revenue and Financial Services divisions worked with Procurement Services to develop an RFP for the services of an outside collection agency. The RFP was issued in January 2008, and eleven vendors responded to the request. The evaluation team narrowed this list of potential vendors down and on June 23, 2008, Council approved authority to negotiate a three year contract with Security Collection Agency (SCA). SCA was selected because their capabilities best matched our collection requirements, and they offered a significantly better rate on the collection fee. The previous collection agency charged 24% of the amount collected, and SCA will charge 16%, which will save the City approximately \$76,000 per year based on the average amount collected.
- **AP Process Improvement.** Financial Services has implemented a process improvement to automate the tracking of important process metrics in Accounts Payable (AP). This improvement has reduced the time the AP Supervisor spends each day in accumulating these statistics.
- **TIF Guidelines.** The Treasury Division assisted with the development of the Council approved Synthetic Tax Increment Financing (TIF) Guidelines. These guidelines have a capacity policy limiting the total amount of citywide TIF assistance to 3% of the annual property tax levy.
- **Mitchell Humphrey AR System.** Financial Services worked with the Attorney’s Office and Procurement Services to negotiate a contract with Mitchell Humphrey for a new accounts receivable system. The contract was approved by Council in November 2007.

STRATEGIC ACCOMPLISHMENTS- continued

- **FICS Loan Origination and Servicing.** Financial Services/Accounts Receivable, Financial Reporting, Revenue and Business Systems have collaborated with Neighborhood Development and BSS/IT on the implementation of the FICS Loan Origination and Servicing software. This collaborative effort has been a high priority for FY08 and is a great process improvement for both Neighborhood Development and Finance.
- **Drive Up Pay Station Opening.** A ribbon cutting ceremony coordinated by the Revenue Division was held on July 13, 2007 to mark the official opening of the new drive-up pay stations. The new stations have helped improve communications with customers and have increased the efficiency of the operation.
- **Cashier System.** On September 5, 2007, a contract was signed with System Innovators, Inc. for the purchase of a new cashing system. The Revenue and Business Systems divisions collaborated with other key business units who will use the system to increase the efficiency of revenue collections. New features include an improved method for researching payments and distribution of payments to an unlimited number of accounts. The iNOVAH Cashiering System was successfully implemented to replace the existing Quadrant Receipt Accounting System on March 19, 2008.
- **Subrogation.** The Risk Management Division recaptured approximately \$674,000 by pursuing aggressive subrogation and recovery initiatives. Subrogation is a process used to recover funds where a third party has caused damages to City facilities or injuries to City employees.
- **Charlotte Vehicle Operations Center (CVOC).** During FY08, Risk Management continued to conduct numerous safety inspections and training classes. CVOC staff managed the training of more than 2,800 employees and conducted over 120 CDL tests. Employees are often required to obtain a CDL for certain positions before they can be promoted. The authorization granted to CVOC staff by the State of North Carolina has allowed many City employees to advance their careers and the Key Business Units to meet an important business need. In addition to the training at CVOC, Risk Control staff has trained over 1,400 employees in various safety topics.
- **South Corridor OCIP.** The South Corridor Light Rail construction project has been under an Owner Controlled Insurance Program (OCIP) or “Wrap-Up” developed by Risk Management through the resources of its broker, Marsh USA, Inc. This program consolidated all safety, liability, workers’ compensation insurance and loss control/claims administration under one program. It has been successful in helping to hold down costs on this major project. The OCIP costs remain almost one million dollars below projected costs, even with project extensions and additional premium for increased limits on certain coverages.
- **South Corridor Excess Coverages.** Risk Management placed \$200 million of excess liability coverage for Light Rail Operations effective November 1, 2007, thereby keeping insurance costs to the City (CATS) about \$300,000 below budgeted amounts for Rail Operations, and achieving another significant savings on this project.
- **Driver Authorization Policy.** Risk Management helped reduce one of the biggest exposures to the City through the implementation of the new Driver Authorization Policy. In addition to the activities of the Charlotte Vehicle Operations Center (CVOC), the Risk Control section was intimately involved in a complete re-write of the City’s driver authorization policy. Risk Control met with each of the Key Business Units to address the requirements of the policy and worked with Human Resources to build a policy that will allow the division to assist all Key Businesses in verifying that employees operating city or personal vehicles on official business are duly and properly licensed. Risk Control evaluated over 5,500 driving records during FY08.
- **Enterprise Risk Management.** The Enterprise Risk Management (ERM) risk assessment workshops have been completed for all key business units. The final consolidated ERM report is being prepared and will be completed by December 2008.

STRATEGIC ACCOMPLISHMENTS- continued

- **Field Service Suite Upgrade.** Business Systems Division successfully negotiated agreements with Ventyx related to the upgrade to the existing Field Service Suite (FSS). During the course of the project, the previous vendor (INDUS) was purchased by a private equity firm, then merged with another company (MDSI) to form Ventyx. Based on a change in strategy by the vendor, our existing version of FSS was to be replaced by a more robust product offered by MDSI. While the MDSI product is more robust and proven, it is also more expensive. We successfully negotiated agreements with Ventyx to reduce license and services cost to stay within our existing project budget. The cost differential exceeded \$200,000.
- **UMS System Availability Enhancement.** Since the May 2007 go-live, the BAM project implementation team (Finance, CMU, BSS/IT, and others) has been working to ensure the ongoing availability of the entire UMS system. As part of the upgrade project, software was implemented that allows the system to automatically switch from the primary hardware located at the City's data center on Myers Street to the alternate hardware located at 311 in event of a failure. A "production failover" test was successfully executed by the UMS Technical Team. Redundant hardware at the 311 data center and related Dataguard software delivers mission-critical replication, a huge asset to UMS, the UMS team, and its 300 + users.
- **GFOA Certificate of Achievement.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2006. This was the twenty-second consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The report must satisfy both GAAP and applicable legal requirements. The FY2007 CAFR was presented to Council on December 10, 2007.
- **NC Debt Setoff Program.** The City has participated in the NC Debt Setoff Program since FY04. The Revenue Division added delinquent utility bills to the NC Debt Setoff Program in July 2006. Total collections from all debts submitted to the debt setoff program with the State increased 29% from FY07 to FY08. Total collections in FY07 were \$315,095 and in FY08 were \$407,117. According to the NC Local Government Setoff Debt Clearinghouse, the City of Charlotte led all municipalities in collections with \$384,398 for January – June 2008.
- **Fiscal 2007 Year-End Processing.** Financial Reporting successfully completed the FY07 year-end closing process and posting of FY07 reclassification entries as well as the FY08 opening process. All processing was completed on schedule and in accordance with the project plan.
- **Comprehensive Annual Financial Report (CAFR).** Financial Reporting completed the FY07 CAFR by October 31, 2007, with an unqualified opinion and presented it to City Council on December 10, 2007. In most recent years, this Council presentation has been made during January. Because the statements were completed by October 31, including the external auditor's opinion, the presentation could be made a month earlier. The presentation was well received by the Manager and Council. The external auditor's letter of recommendations included no substantive items.
- **Required Financial Reports.** The Financial Reporting Division completed numerous required reports including the Powell Bill, Escheats, Annual Financial Information Report (State), Report of Deposits and Investments (Cash), Municipal Street Fiscal Data Report (Street), Data Collection, 911 Wireless Report and financial portions of the National Transit Database and related North Carolina Statistics Reports.

LINKS TO CORPORATE STRATEGY

Finance provides its services in alignment with the City's corporate vision, mission and strategy. Provided below is a summary of Finance's services as they relate to the City's four perspectives:

Serve the Customer. The enhancement of service levels continues to be Finance's top priority. The continued implementation of the Finance Strategic Planning and Implementation Model underscores the importance placed on providing the highest possible levels of service to our customers – internal as well as external. The Model, which focuses on improving strategic planning and management related to processes and projects, is serving as Finance's principal management road map. The Model is in alignment with the City's corporate vision, mission and strategy.

Run the Business. Collaboration is the cornerstone of Finance's day-to-day operations. As a support Key Business Unit, working closely with other Key Business Units and the financial community and responding to their requirements are central to how we do business. While some of our services relate strictly to the financial community (e.g., managing the City's \$2.1 billion cash and investment portfolio and \$3.5 billion in outstanding debt) the majority of our efforts involve working closely with and enabling the work of other Key Business Units. Finance maintains and provides financial information for City management including Key Business Executives to use in making decisions concerning the operation of the City. We continue to seek to make optimum use of technology and the process improvements it makes possible in every facet of our operations. In addition, Finance has created a new Finance Liaison Committee to improve communications and expand collaboration opportunities.

Manage Resources. Finance takes very seriously its role in maintaining the City's coveted AAA credit rating. The development of financial policies for Manager and Mayor/Council approval and their subsequent implementation and perpetuation are key elements in maintaining the rating. Through extensive benchmarking initiatives, Finance is able to confirm and verify that the full range of its services is competitively priced and delivered. Finance's role in the investment in infrastructure plays itself out in the complex and detailed process of issuing debt. Close relationships are maintained with the financial community including banks, underwriters, bond counsel and rating agencies; correspondingly, tight and effective liaison is maintained with the Local Government Commission in Raleigh.

Develop Employees. Finance's continued success is based on the quality of its employees. A strong management emphasis is placed on the maintenance of a workplace setting that is conducive to attracting and retaining a skilled and diverse workforce. We believe the key elements of this setting to be strong communications, and ongoing training and recognition for a job well done. Each member of the Finance Leadership Team is expected to be committed personally to these elements and to foster them on a daily basis. Significant effort has been devoted to develop qualified people to replace key positions when they are vacated. In order to align with corporate initiatives for the recruitment and retention of a skilled and diverse workforce, Finance's strategic planning methodology incorporates the following diversity-related components: 1) understanding the diverse skill sets of each of our employees to allow the most effective assignment of resources, and to help identify development opportunities, 2) valuing and leveraging the diversity of our employees to help identify and understand customer needs in the growing and diverse community that we serve, and 3) utilizing teams to yield the maximum benefits possible from the diversity of our workforce.

STRATEGIC INITIATIVES

GENERAL OBSERVATION. Finance is committed to pursuing a policy dedicated to continuous improvement with the objective of enabling and supporting the work of its customers. The following initiatives have been identified as important during discussions with the City Manager and are among Finance's high-priority strategic initiatives:

OTHER POST EMPLOYMENT BENEFITS (OPEB) / EMPLOYEE BENEFITS TRUST. GASB 45 will require the City to report its OPEB cost in the FY08 financial statements. The City's primary OPEB cost is retiree health insurance. An actuarial valuation was completed in April 2007 to determine the City's OPEB liability. The City requested legislation for enhanced investment authority that was approved in July 2007. In December 2007, the Employee Benefits Trust was approved by Council. Next steps include finalization of a funding plan, selection of investment consultant, Council approval of the investment program, and transferring funds to the trust. **Linkage:** Maintain AAA Credit Rating

CHARLOTTE AREA TRANSIT SYSTEM (CATS) PROJECT FUNDING.

Since the South Corridor Light Rail project recently became operational and Council and the MTC have begun to focus on plans for the Northeast Corridor, we must ensure that CATS' financing plan is realistic and achievable. While CATS has experienced lower financing costs as a credit entity of the City, it is not without risk to the City's overall credit rating. As we move forward with the transit plan which will necessarily include the issuance of additional certificates of participation, the City's general credit must be protected. **Linkage:** Maintain AAA Credit Rating

IMPLEMENT ENTERPRISE RISK MANAGEMENT. Enterprise Risk Management will help the City to manage its total cost of risk by using a systematic process for 1) risk identification, 2) risk assessment, 3) risk response, 4) implementing risk response strategies, 5) communicating risk management information, and 6) monitoring risk related activities. ERM is completely aligned with corporate strategy as it will provide valuable input into the City's strategic planning and budgeting processes. Finance has completed the risk assessment meetings with the KBUs and is preparing the final consolidated ERM report. **Linkage:** Deliver Competitive Services

DEVELOP AND IMPLEMENT LOSS METRICS IN ORDER TO COMPARE AND REPORT LOSS PERFORMANCE. In order to enhance the containment of the total cost of risk, Risk Management will be developing new loss metrics during FY09. The metrics will be specific to each KBU and will allow a summary comparison of unlike operations. The metrics will be developed and rolled out by the end of the first quarter of FY09. **Linkage:** Deliver Competitive Services

FINANCIAL SYSTEM STRATEGY. While Finance has made numerous improvements to leverage the existing financial system (GEAC/Infor) to the greatest extent and at the least cost possible, we have been concerned that the City's business processes and other technology initiatives could be impacted by the inherent limitations of the old mainframe financial system. As a result, a subcommittee of the Finance Liaison Committee developed a contract with Virchow Krause & Company for professional services to complete a financial system study. The financial system study resulted in a report that recommends replacing the existing system. Finance will continue to collaborate with the FLC, and will submit the financial system study report to the PMT and TMT as part of the City's technology proposal evaluation process. **Linkage:** Optimize Business Processes

SERVICE DELIVERY: What We Do and Who Our Customers Are

Administration . . .	Accounting . . .	Business Systems . . .	Revenue . . .	Risk Management . . .	Treasury . . .
<p>Serves as the City's Chief Financial Officer</p> <p>Provides policy support to the City Manager</p> <p>Provides leadership to the Finance KBU to ensure that departmental activities and service delivery are in alignment with Council and Manager policies</p> <p>Provides general management and coordination of the Finance KBU</p> <p>Serves as the main point of contact for all finance-related matters and issues</p>	<p>Maintains accounting records</p> <p>Prepares financial statements including the Comprehensive Annual Financial Report</p> <p>Pays invoices</p> <p>Coordinates receivables and their collection</p>	<p>Provides support for the Utility Billing System (UBS) "BANNER Advantage Suite"</p> <p>Provides support for UBS related systems and interfaces</p> <p>Provides support for the GEAC Financial System</p> <p>Provides support for financial related systems and interfaces</p>	<p>Serves as the City's official revenue collections unit in accordance with State statute</p> <p>Mails water, sewer and storm water bills to citizens</p> <p>Collects payments for water, sewer and storm water bills by mail, over-the-counter, drive-up window, drop box and through PC banking</p> <p>Collects revenues for other services</p>	<p>Processes property and casualty claims from external and internal customers</p> <p>Processes Workers' Compensation claims for the City, County and C/M Board of Education</p> <p>Provides risk control consulting to all customers</p> <p>Purchases conventional and excess insurance</p> <p>Assists the City Attorney's office in litigation management</p> <p>Collects monies due to the City for damage done to City property</p>	<p>Manages the investment portfolio including the cash flow requirements</p> <p>Manages the debt program including bond sales, bond referenda, debt payments and applications for the issuance of debt</p> <p>Performs financial and economic analyses including the development of models to forecast revenues and evaluate debt capacity and financing options</p> <p>Provides services to City departments regarding financial issues involving capital projects</p>
<p>Customers are . . .</p> <p>City Manager and his staff</p> <p>Mayor and City Council</p> <p>Citizens with finance-related questions</p> <p>Budget and Evaluation Director and his staff</p> <p>All Finance employees</p> <p>Other City departments</p>	<p>Customers are . . .</p> <p>Citizens</p> <p>Vendors</p> <p>Other City departments</p> <p>City employees</p>	<p>Customers are . . .</p> <p>Other City departments</p> <p>BSS/Procurement Services</p> <p>Budget and Evaluation</p> <p>Other Finance divisions</p>	<p>Customers are . . .</p> <p>Citizens receiving water, sewer and storm water services</p> <p>Citizens and employees purchasing transit passes and animal licenses</p> <p>Other City departments</p>	<p>Customers are . . .</p> <p>City, County, Charlotte-Mecklenburg Board of Education and ten other quasi-governmental entities</p> <p>Citizens wishing to file claims</p>	<p>Customers are . . .</p> <p>Purchasers of City bonds</p> <p>Mayor and City Council</p> <p>City Manager and members of his staff</p> <p>Other City departments</p>

CORE SERVICE AREAS

Accounting. Finance maintains the City's official accounting records, monitors budgets, prepares cost analyses for management, and provides financial information to Key Business Units to assist them with managing their operations. Finance prepares the Comprehensive Annual Financial Report, specialized financial reports, and federal, state and other mandated/required reports. In addition, Finance maintains the City's loan portfolio and processes miscellaneous payments due to the City. Finance also obtains authorization and documentation for payment of the City's liabilities and prepares and distributes over 70,000 vendor payments each year.

Business Systems. Business Systems provides functional, technical and business process support to all Finance divisions as well as to other Key Business Units with particular emphasis on two of the largest applications in the City: the ADVANTAGE System (three-tier), and the GEAC Financial System (mainframe).

Revenue. In accordance with State statute, Finance (Revenue Division) is responsible for the receipt and deposit of all moneys received by the City. The Revenue Division works closely with Internal Audit to ensure that internal controls over cash collections provide for strong security with regards to City moneys. The division works closely with the Accounting Division to ensure that all moneys are given the proper treatment in the City's official accounting records. The Revenue Division also bills and collects approximately 272,960 accounts for Utilities and the City/County Storm Water Services annually. In addition, the division services miscellaneous accounts for Transit, Charlotte Mecklenburg Police Department Neighborhood Development and Business Support Services.

Risk Management. Finance administers the risk financing, risk retention and insurance placement for the City of Charlotte, Mecklenburg County, Charlotte-Mecklenburg Board of Education and other small, public agencies. Additionally, services include: contract indemnification/insurance language review; management of auto liability, general liability and workers' compensation claims; accident investigation; and risk/loss control consultative services to the City, County and Charlotte Mecklenburg Schools (CMS). Finance also manages the Charlotte Vehicle Operations Center (aka "the Defensive Driving Range"), a 16 acre, state-of-the-art, training facility which provides driver training for all departments of the City.

Treasury. Finance provides debt management services for \$3.5 billion in outstanding debt. The five-year capital program will require the issuance of an additional several hundred million dollars in general obligation and revenue bonds. Finance manages an investment portfolio of \$2.1 billion, including the Charlotte Firefighters' Retirement System. Finance also provides financial and economic forecasts and analyses related to annual operating and capital budgeting used in setting the City's annual property tax rate and other various rates, fees and charges.

**FINANCE KBU
TREND DATA & KEY SERVICE INDICATORS**

Key Service Indicator	FY03	FY04	FY05	FY06	FY07	FY08
Vendor Payments- # of Checks Written	70,384	71,647	73,075	70,973	70,158	73,657
Outstanding Debt Managed (in millions)	\$2,252	\$2,302	\$2,743	\$3,114	\$3,290	\$3,480
Cash & Investments Portfolio Managed (in millions) *	\$1,386	\$1,435	\$1,500	\$1,688	\$1,851	\$2,110
Number of Participants in PC Banking + Number of Participants in ACH Expressed as a Percentage of all Utility Customers	13.5%	16.7%	23.8%	28.4%	30.5%	34.8%
Total Authorized Staffing	123	123	103	103	103	106

* This amount includes investments of the Charlotte Firefighters' Retirement System.

Finance FY09 Balanced Scorecard Report

Reporting Period: July 1, 2008 to June 30, 2009

Corporate Objective	KBU Initiative (* indicates Focus Area Initiative)	Measure (\$ indicates incentive pay measure)	Prior Year Actual	Lead or Lag	Performance Data			Comments/Explanation (To be completed at mid-year and year-end reporting.)
					Target	YTD	Status	
C1. Strengthen Neighborhoods C2. Provide Transportation Choices	Implement a variable rate construction period financing program to support the General CIP, which will reduce interest expense for transportation, housing and neighborhood development projects	Cost savings over conventional financing approach	\$3.8 million	Lag	\$1.5 million			
	B1. Enhance Customer Service	\$ Achieve at least 2.5% utilization of e-business services for utility payment	34.8%	Lead	25.0%			
B2. Develop Collaborative Solutions	Provide driver safety training to other KBUs	Percent utilization of the Charlotte Vehicle Operations Center	N/A	Lead	85%			
	R1. Optimize Business Processes	Complete Phase II of the Accounts Payable Process Review project	N/A	Lead	6/30/09			
R2. Maintain AAA Rating	Prepare the City's Comprehensive Annual Financial Report	\$ Prepare financial statements in conformity with generally accepted accounting principles in order to contribute to receiving an unqualified opinion from the external auditors	10/31/07	Lead	10/31/08			
	R3. Deliver Competitive Services	KBE Loss Metrics	N/A	Lag	6/30/09			

* in KBU initiative column indicates Focus Area initiative
\$ indicates incentive pay measure

Finance FY09 Balanced Scorecard Report

Reporting Period: July 1, 2008 to June 30, 2009

Corporate Objective	KBU Initiative (* indicates Focus Area Initiative)	Measure (\$ indicates incentive pay measure)	Prior Year Actual	Lead or Lag	Performance Data		Comments/Explanation <i>(To be completed at mid-year and year-end reporting)</i>
					Target	YTD	
Develop Employees							
E1. Achieve Positive Employee Climate	Every employee in the Finance Department will receive at least one Employee Appreciation Award (EAST)	The percent of employees who receive an EAST award compared to the number of employees within Finance	100%	Lead	100%		
E2. Achieve Positive Employee Climate	Conduct a dental hygiene awareness event	\$ Completion of the dental hygiene awareness event by June 30, 2009	N/A	Lead	6/30/09		
E3. Achieve Positive Employee Climate	Finance Department will conduct one Annual Wellness Works Walk Around.	\$ Completion of the Wellness Works Walk Around by June 30, 2009	Done	Lead	6/30/09		

Status:

1. Use a "+" (plus) sign to indicate all is well.
2. Use a "-" (minus) sign to indicate that the status is not where expected or the current status is in trouble. Provide explanation.
3. Use a "X" to indicate this target will not or is not met. Provide explanation.

* in KBU initiative column indicates Focus Area initiative
\$ indicates incentive pay measure

REQUEST FOR RESOURCES

Approved Budget: The Finance Department received a budget allocation of \$11,670,717 for FY09.

The following items contributed to the increase in Finance's FY09 "Changes to Current Level" request and are categorized below as to whether or not they were approved in the budget process.

Changes to Current Level – Approved

- **\$123,374** for Advantage Software maintenance and support related to the Utility Management System. (center 20300)
- **\$13,980** for ImageNow Upgrades, such as digital signatures, parallel routing, added security on stamps, and more automatic notifications. This amount is \$5,500 less than the total amount requested. (center 20200)

Changes to Current Level – Not Approved

- **\$124,200** for a SQL Resource to assist the Accounting Division since BSS/IT was redeploying previously assigned resources to other tasks. (center 20200)

A summary of the Service Level Changes requested by Finance and how they fared in the budget process is provided below:

Service Level Change – Approved

County Safety Coordinator. This position is necessitated by the change agreed upon by the City and County to replace the former County Safety Coordinator with a City position dedicated to serving the County. The person will work in the Risk Management Division with the City safety staff. The position will be fully funded by Mecklenburg County.

Linkage to BSC: Enhance Customer Service, Develop Collaborative Solutions

Service Level Change – Not Approved

Accounts Receivable Clerk. Code enforcement staff was increased by City Council in July 2005 with no increase in support personnel to handle the billing and collection of the added citations issued. Since 2001 there has been a 300% increase in code enforcement citations. The increased demand for customer service to answer calls and research information for citizens has been absorbed by current staff. Improved reporting has also increased the workload of AR but this has provided information to Neighborhood Development that was previously unavailable to them. In addition to increased code enforcement activity, AR has also taken over invoicing previously done by Engineering. After the new accounts receivable system is implemented there is more added activity expected as Finance "markets" this service to more KBUs. Accounts Receivable has also become the bankruptcy notice depository for the City. These and many other added duties have severely taxed the ability of Accounts Receivable to provide an acceptable level of customer service to both internal and external customers.

Linkage to BSC: Enhance Customer Service, Develop Collaborative Solutions

0101-19999 Finance Consolidated

	Requested FY2009	Approved FY2009	Difference
010 Personal Services Adjustments	(148,264)	(148,264)	-
011 Salary & Wage - Reg.	4,317,732	4,317,732	-
012 Overtime	49,982	49,982	-
013 Salary & Wage - Temp	57,347	57,347	-
014 Salary & Wages-Part-Time	38,287	38,287	-
020 Employee Merit Pay	90,565	85,973	(4,592)
084 Unemploymnt Comp Or Taxes	6,000	6,000	-
085 Social Security Tax	337,701	337,349	(351)
086 Empl Insurance Premium	447,772	425,020	(22,752)
087 Empl Retirement Expns	211,891	211,670	(220)
089 Othr Empl Fringe Bnfts	6,090	6,090	-
097 401K Retirement	132,432	132,294	(138)
Personal Services	5,547,535	5,519,481	(28,054)
102 Unexpendable Approp.			
111 Telecommunications	26,023	26,023	-
112 KBU Telecommunications	39,798	36,570	(3,228)
113 Postage	967,891	963,582	(4,309)
131 Printing & Publishing	49,671	41,328	(8,343)
136 Technology Supplies/Svcs	1,378,924	1,247,977	(130,947)
137 Advertising	1,000	1,000	-
142 Rental Of Land & Bldgs	295,490	278,830	(16,660)
165 KBU Rental Of Land & Bldgs	-	-	-
151 M&R-Equip-Non-Slf-Prop	9,348	9,300	(48)
155 M&R-Communication Eqpt			-
156 M&R-Bldg Renov & Constr		26,978	26,978
161 Travel & Meetings	27,147		(27,147)
163 Empl Reimb Training Exp	5,489	4,989	(500)
164 Training Conf & Meetings	40,683	34,068	(6,615)
176 Temporary Help Fees	5,000	5,000	-
179 Fees - Other	6,000	3,300	(2,700)
191 Dues,Subscr, & Prof Lic	10,326	8,526	(1,800)
196 Subsis			-
199 Othr Misc Contr Svcs	953,372	945,087	(8,285)
271 Office Supplies	36,786	35,056	(1,730)
291 Sm Tools & Expnd Eqpt			-
298 Othr Spec Dept Supply	19,636	17,571	(2,065)
611 Insurance Premiums	742	742	-
615 Workmen`s Compensation	8,300	8,300	-
Operating Expenses	3,881,627	3,694,228	(187,399)
549 Miscellaneous Equip			
Capital Outlay			
960 Departmental Charges	(238,844)	(258,324)	(19,480)
Total Current Year	9,190,318	8,955,385	(234,933)

0101-20000 Finance Administration

	Requested FY2009	Approved FY2009	Difference
011 Salary & Wage - Reg.	463,902	463,902	-
013 Salary & Wage - Temp	-	-	-
020 Employee Merit Pay	13,681	12,941	(740)
084 Unemploymnt Comp Or Taxes	6,000	6,000	-
085 Social Security Tax	36,902	36,846	(57)
086 Empl Insurance Premium	28,340	26,900	(1,440)
087 Empl Retirement Expns	23,154	23,119	(35)
089 Othr Empl Fringe Bnfts	4,800	4,800	-
097 401K Retirement	14,471	14,449	(22)
Personal Services	591,251	588,957	(2,294)
102 Unexpendable Approp.			
111 Telecommunications	3,217	3,217	-
112 KBU Telecommunications	4,005	1,754	(2,251)
113 Postage	322	313	(9)
120 Utilities-Gas	-	-	-
131 Printing & Publishing	3,288	1,485	(1,803)
142 Rental Of Land & Bldgs	34,807	34,807	-
151 M&R-Equip-Non-Slf-Prop	288	240	(48)
161 Travel & Meetings	1,888	1,719	(169)
164 Training Conf & Meetings	7,365	750	(6,615)
191 Dues,Subscr, & Prof Lic	2,068	268	(1,800)
199 Othr Misc Contr Srvcs	8,285	-	(8,285)
271 Office Supplies	1,017	987	(30)
291 Sm Tools & Expnd Eqpt	-	-	-
298 Othr Spec Dept Supply	3,071	1,006	(2,065)
611 Insurance Premiums	742	742	-
615 Workmen's Compensation	8,300	8,300	-
Operating Expenses	78,663	55,588	(23,075)
Total Current Year	669,914	644,546	(25,369)

0101-20100 Finance Treasury

	Requested FY2009	Approved FY2009	Difference
010 Personal Services Adjustments			
011 Salary & Wage - Reg.	550,956	550,956	-
013 Salary & Wage - Temp			
020 Employee Merit Pay	10,059	9,663	(397)
085 Social Security Tax	42,918	42,887	(30)
086 Empl Insurance Premium	39,676	37,660	(2,016)
087 Empl Retirement Expns	26,929	26,910	(19)
089 Othr Empl Fringe Bnfts			-
097 401K Retirement	16,830	16,819	(12)
Personal Services	687,368	684,894	(2,474)
102 Unexpendable Approp.			
111 Telecommunications	1,796	1,796	-
112 KBU Telecommunications	3,529	3,164	(365)
113 Postage	356	356	-
131 Printing & Publishing	2,340	2,340	-
136 Technology Supplies/Svcs	-		-
137 Advertising	-		-
142 Rental Of Land & Bldgs	21,307	21,307	-
165 KBU Rental Of Land & Bldgs	-		-
151 M&R-Equip-Non-Slf-Prop	1,100	1,100	-
161 Travel & Meetings	805	805	-
164 Training Conf & Meetings	1,700	1,700	-
191 Dues,Subscr, & Prof Lic	1,462	1,462	-
199 Othr Misc Contr Svcs	23,680	23,680	-
271 Office Supplies	4,800	3,100	(1,700)
298 Othr Spec Dept Supply			
Operating Expenses	62,875	60,810	(2,065)
Total Current Year	750,243	745,704	(4,539)

0101-20200 Finance Accounting

	Requested FY2009	Approved FY2009	Difference
010 Personal Services Adjustments	(148,264)	(148,264)	-
011 Salary & Wage - Reg.	1,542,630	1,542,630	-
012 Overtime	11,314	11,314	-
013 Salary & Wage - Temp	7,751	7,751	-
020 Employee Merit Pay	29,666	28,219	(1,447)
085 Social Security Tax	120,322	120,212	(111)
086 Empl Insurance Premium	187,044	177,540	(9,504)
087 Empl Retirement Expns	75,496	75,427	(69)
089 Othr Empl Fringe Bnfts	544	544	-
097 401K Retirement	47,185	47,142	(43)
Personal Services	1,873,688	1,862,513	(11,175)
102 Unexpendable Approp.			
111 Telecommunications	9,704	9,704	-
112 KBU Telecommunications	8,900	8,288	(612)
113 Postage	32,400	28,100	(4,300)
131 Printing & Publishing	29,740	23,200	(6,540)
136 Technology Supplies/Svcs	402,095	271,148	(130,947)
137 Advertising	1,000	1,000	-
142 Rental Of Land & Bldgs	129,590	112,930	(16,660)
151 M&R-Equip-Non-Slf-Prop	500	500	-
156 M&R-Bldg Renov & Constr			
161 Travel & Meetings	6,400	6,400	-
163 Empl Reimb Training Exp	1,500	1,000	(500)
164 Training Conf & Meetings	17,880	17,880	-
179 Fees - Other	6,000	3,300	(2,700)
191 Dues,Subscr, & Prof Lic	5,000	5,000	-
199 Othr Misc Contr Svcs	20,800	20,800	-
271 Office Supplies	16,000	16,000	-
298 Othr Spec Dept Supply	8,000	8,000	-
Operating Expenses	695,509	533,250	(162,259)
549 Miscellaneous Equip			
Capital Outlay			
960 Departmental Charges	(181,000)	(200,480)	(19,480)
Total Current Year	2,388,198	2,195,284	(192,914)

0101-20300 Finance Revenue

	Requested FY2009	Approved FY2009	Difference
010 Personal Services Adjustments			
011 Salary & Wage - Reg.	837,406	837,406	-
012 Overtime	38,668	38,668	-
013 Salary & Wage - Temp	49,596	49,596	-
014 Salary & Wages-Part-Time	38,287	38,287	-
020 Employee Merit Pay	19,550	18,493	(1,057)
085 Social Security Tax	65,578	65,497	(81)
086 Empl Insurance Premium	113,360	107,600	(5,760)
087 Empl Retirement Expns	41,147	41,096	(51)
089 Othr Empl Fringe Bnfts	270	270	-
097 401K Retirement	25,717	25,685	(32)
Personal Services	1,229,579	1,222,599	(6,980)
102 Unexpendable Approp.			-
111 Telecommunications	6,226	6,226	-
112 KBU Telecommunications	15,952	15,952	-
113 Postage	934,391	934,391	-
131 Printing & Publishing	12,200	12,200	-
136 Technology Supplies/Svcs	944,087	944,087	-
142 Rental Of Land & Bldgs	82,709	82,709	-
151 M&R-Equip-Non-Slf-Prop	6,630	6,630	-
155 M&R-Communication Eqpt			-
156 M&R-Bldg Renov & Constr			-
161 Travel & Meetings	3,375	3,375	-
163 Empl Reimb Training Exp	3,447	3,447	-
164 Training Conf & Meetings	2,580	2,580	-
176 Temporary Help Fees	5,000	5,000	-
191 Dues,Subscr, & Prof Lic	1,200	1,200	-
199 Othr Misc Contr Svcs	887,419	887,419	-
271 Office Supplies	11,469	11,469	-
298 Othr Spec Dept Supply	7,565	7,565	-
Operating Expenses	2,924,250	2,924,250	-
960 Departmental Charges	(57,844)	(57,844)	-
Total Current Year	4,095,985	4,089,005	(6,980)

0101-20500 Finance Business Systems Division

	Requested FY2009	Approved FY2009	Difference
010 Personal Services Adjustments			
011 Salary & Wage - Reg.	922,838	922,838	-
012 Overtime			
013 Salary & Wage - Temp			
020 Employee Merit Pay	17,609	16,657	(952)
085 Social Security Tax	71,981	71,908	(73)
086 Empl Insurance Premium	79,352	75,320	(4,032)
087 Empl Retirement Expns	45,164	45,119	(46)
089 Othr Empl Fringe Bnfts	477	477	-
097 401K Retirement	28,228	28,199	(29)
Personal Services	1,165,648	1,160,517	(5,131)
102 Unexpendable Approp.			
111 Telecommunications	5,080	5,080	-
112 KBU Telecommunications	7,412	7,412	-
113 Postage	422	422	-
131 Printing & Publishing	2,103	2,103	-
136 Technology Supplies/Svcs	32,742	32,742	-
137 Advertising	-	-	-
142 Rental Of Land & Bldgs	27,077	27,077	-
165 KBU Rental Of Land & Bldgs			-
151 M&R-Equip-Non-Slf-Prop	830	830	-
161 Travel & Meetings	14,679	14,679	-
163 Empl Reimb Training Exp	542	542	-
164 Training Conf & Meetings	11,158	11,158	-
191 Dues,Subscr, & Prof Lic	596	596	-
196 Subsis			-
199 Othr Misc Contr Svcs	13,188	13,188	-
271 Office Supplies	3,500	3,500	-
298 Othr Spec Dept Supply	1,000	1,000	-
Operating Expenses	120,329	120,329	-
Total Current Year	1,285,978	1,280,847	(5,131)

6302-54999 Finance Risk Management

	Requested FY2009	Approved FY2009	Difference
010 Personal Services Adjustments	3,434	68,573	65,139
011 Salary & Wage - Reg.	1,332,087	1,332,087	(0)
012 Overtime	1,617	1,617	-
013 Salary & Wage - Temp			-
020 Employee Merit Pay	28,529	27,016	(1,513)
085 Social Security Tax	104,060	103,945	(116)
086 Empl Insurance Premium	158,704	150,640	(8,064)
087 Empl Retirement Expns	65,293	65,220	(73)
097 401K Retirement	40,808	40,763	(45)
Personal Services	1,734,532	1,789,861	55,329
102 Unexpendable Approp.		8,386	8,386
111 Telecommunications	7,977	7,977	-
112 KBU Telecommunications	12,618	13,418	800
113 Postage	8,550	8,550	-
131 Printing & Publishing	12,500	12,500	-
136 Technology Supplies/Svcs	66,450	64,668	(1,782)
141 Rental Of Equipment			-
142 Rental Of Land & Bldgs			-
165 KBU Rental Of Land & Bldgs	201,510	201,510	-
146 Auto & Othr Allowances	300	300	-
147 Utilities	10,000	10,000	-
151 M&R-Equip-Non-Slf-Prop	3,000	3,000	-
152 M&R-Auto/Equip-Motorzd	3,476	5,476	2,000
153 M&R-Buildings	20,500	20,500	-
154 M&R-Land & Water Areas	16,000	16,000	-
156 M&R-Bldg Renov & Constr	2,208	2,208	-
161 Travel & Meetings	8,900	8,900	-
163 Empl Reimb Training Exp	6,500	6,500	-
164 Training Conf & Meetings	25,000	33,000	8,000
170 Prof & Technical Services	27,000	27,000	-
171 Pro Fee-Acctng&Audtng	7,000	7,000	-
179 Fees - Other	5,600	5,600	-
191 Dues,Subscr, & Prof Lic	5,485	5,485	-
199 Othr Misc Contr Svcs	60,500	59,035	(1,465)
251 Motor Fuels & Lubrcnts	2,450	2,450	-
256 Other Materials/Supplies	4,000	4,000	-
261 Chemicals & Lab Supply			-
271 Office Supplies	27,800	28,300	500
298 Othr Spec Dept Supply	6,400	8,900	2,500
611 Insurance Premiums			-
631 KBU Insurance Premiums			-
615 Workmen`s Compensation	11,250	11,250	-
Operating Expenses	562,974	581,913	18,939
940 Reimbursed Expenses	352,984	365,724	12,740
Grants And Contributions	352,984	365,724	12,740
541 Autos & Self-Prop Eqpt			-
Capital Outlay			-
960 Departmental Charges	(22,166)	(22,166)	-
Total Current Year	2,628,324	2,715,332	87,008



FINANCE STRATEGY

VISION

QUALITY
EMPLOYEES
PROVIDING
QUALITY
SERVICE



CITY COUNCIL FOCUS AREAS

Community Safety • Housing and Neighborhood Development
Environment • Transportation • Economic Development

COMPREHENSIVE CITIZEN SERVICE

CORPORATE OBJECTIVES

SERVE THE CUSTOMER

RUN THE BUSINESS

MANAGE RESOURCES

DEVELOP EMPLOYEES

Strengthen
Neighborhoods

Provide
Transportation
Choices

Promote
Economic
Opportunity

Develop
Collaborative
Solutions

Enhance
Customer
Service

Optimize
Business
Processes

Maintain AAA
Rating

Deliver
Competitive
Services

Expand Tax
Base &
Revenues

Invest in
Infrastructure

Achieve
Positive
Employee
Climate

Recruit &
Retain Skilled,
Diverse
Workforce

Promote
Learning and
Growth

LINKAGE OF FINANCE WORK TO COUNCIL FOCUS AREAS

DIVISION	COMMUNITY SAFETY	HOUSING & NEIGHBORHOOD DEVELOPMENT	ENVIRONMENT	TRANSPORTATION	ECONOMIC DEVELOPMENT
Business Systems	<ul style="list-style-type: none"> ▪ Banner/GEAC Systems, Operations, Support, Projects ▪ Hiper/Banner improvements 	<ul style="list-style-type: none"> ▪ Banner/GEAC Systems, etc. ▪ Delinquency Service Order ▪ Management (CS/SOM) 	<ul style="list-style-type: none"> ▪ Collection of City Revenue via PC Banking ▪ West Service Center-Diversification ▪ Auctions- recycling City resources ▪ Selling bus passes and animal permits ▪ Recycling of all paper products ▪ Participation in the City Clean Air Program 	<ul style="list-style-type: none"> ▪ GEAC System, etc. 	<ul style="list-style-type: none"> ▪ Banner/GEAC Systems, etc. ▪ Customer Service (CS/SOM) ▪ SBO Support
Treasury	<ul style="list-style-type: none"> ▪ Revenue Estimates for General Fund ▪ Investment & Management of City funds ▪ Financing Police & Fire equipment ▪ Development & review of financial policies 	<ul style="list-style-type: none"> ▪ Revenue Estimates for General Fund ▪ Investment & Management of City funds ▪ Financing Neighborhood Infrastructure & Loan programs ▪ Development & review of financial policies 	<ul style="list-style-type: none"> ▪ Financing Storm Water, Water and Sewer, Airport, Transit, Street, Neighborhood ▪ Improvement projects and land purchases ▪ Recycling of all paper products ▪ Participation in the City Clean Air Program 	<ul style="list-style-type: none"> ▪ Revenue Estimates for General Fund & CATS ▪ Investment & Management of City funds ▪ Financing Street, Transit & Airport projects ▪ Development & review of financial policies 	<ul style="list-style-type: none"> ▪ Revenue Estimates for General Fund ▪ Investment & Management of City funds ▪ Financing & Analysis of Economic Development projects ▪ Development & review of financial policies
Revenue	<ul style="list-style-type: none"> ▪ Collection of City Revenue ▪ Billing for Water, Sewer, Storm Water and other City services ▪ West Service Center 	<ul style="list-style-type: none"> ▪ Collection of City Revenue ▪ Billing for Water, Sewer, Storm Water and other City services ▪ West Service Center - Diversification 	<ul style="list-style-type: none"> ▪ Collection of City Revenue via PC Banking ▪ West Service Center-Diversification ▪ Auctions- recycling City resources ▪ Selling bus passes and animal permits ▪ Recycling of all paper products ▪ Participation in the City Clean Air Program 	<ul style="list-style-type: none"> ▪ Collection of City Revenue ▪ Billing for Water, Sewer, Storm Water and other City services ▪ Sell Bus passes ▪ CATS Deposits ▪ Collections - Citations 	<ul style="list-style-type: none"> ▪ Collection of City Revenue ▪ Billing for Water, Sewer, Storm Water and other City services ▪ West Service Center ▪ Cashier Functions – Selling bus passes, animal permits ▪ Auctions – Recycling City resources

LINKAGE OF FINANCE WORK TO COUNCIL FOCUS AREAS

DIVISION	COMMUNITY SAFETY	HOUSING & NEIGHBORHOOD DEVELOPMENT	ENVIRONMENT	TRANSPORTATION	ECONOMIC DEVELOPMENT
Accounting	<ul style="list-style-type: none"> ▪ Maintain Accounting Records ▪ Prepare CAFR ▪ Pay Invoices ▪ Coordinate Receivables ▪ AP Workflow Solution ▪ MPC Budget & Reporting ▪ 1098's ▪ 1099's ▪ State Report ▪ Data Integrity ▪ Debt Setoff 	<ul style="list-style-type: none"> ▪ Maintain Accounting Records ▪ Prepare CAFR ▪ Pay Invoices ▪ Coordinate Receivables ▪ AP Workflow Solution ▪ MPC Budget & Reporting ▪ 1098's ▪ 1099's ▪ State Report ▪ Data Integrity ▪ Debt Setoff 	<ul style="list-style-type: none"> ▪ Maintain Accounting Records ▪ Prepare CAFR ▪ Pay Invoices ▪ Coordinate Receivables ▪ AP Workflow Solution ▪ MPC Budget & Reporting ▪ 1098's ▪ 1099's ▪ State Report ▪ Data Integrity ▪ Debt Setoff ▪ Recycling of all paper products ▪ Participation in the City Clean Air Program 	<ul style="list-style-type: none"> ▪ Maintain Accounting Records ▪ Prepare CAFR ▪ Pay Invoices ▪ Coordinate Receivables ▪ AP Workflow Solution ▪ MPC Budget & Reporting ▪ 1098's ▪ 1099's ▪ State Report ▪ Data Integrity 	<ul style="list-style-type: none"> ▪ Maintain Accounting Records ▪ Prepare CAFR ▪ Pay Invoices ▪ Coordinate Receivables ▪ AP Workflow Solution ▪ MPC Budget & Reporting ▪ 1098's ▪ 1099's ▪ State Report ▪ Data Integrity ▪ Debt Setoff
Risk Management	<ul style="list-style-type: none"> ▪ CVOC ▪ Risk Control; OSHA, Property Safety ▪ Claims Data; ▪ Infrastructure, Water ▪ Equipment Safety & Operating Conditions ▪ A.D.A. 	<ul style="list-style-type: none"> ▪ Storm Water 	<ul style="list-style-type: none"> ▪ Risk Analysis/Loss Control support, Risk Financing for all Environmental Risk Exposures of the City, County and CMS to include: CATS; CMPD; CFD; Storm Water, Water and Sewer, Airport, Street, Neighborhood Improvement projects and land purchases ▪ Recycling of all paper products ▪ Participation in the City Clean Air Program 	<ul style="list-style-type: none"> ▪ Safety ▪ Claims ▪ Facility Planning ▪ OCIP 	<ul style="list-style-type: none"> ▪ Arena Support (OCIP) ▪ Total Cost of Risk; Enterprise Risk Mgmt. Activity

City of Charlotte
Service Level Change Request Form
FY2009



Center	Fund	Project Name
54900	6302	County Safety Coordinator

Line Items	FY08	FY09
010 - Personal Services Adjustments		51,177
085 Social Security Tax		3,915
086 Empl Insurance Premium		6,055
087 Empl Retirement Expns		2,457
097 401K Retirement		1,535
111 Telecommunications		800
136 Technology Supplies/Svcs		300
152 M&R-Auto/Equip-Motorzd		2,000
164 Training Conf & Meetings		8,000
199 Othr Misc Contr Svcs		200
271 Office Supplies		500
298 Othr Spec Dept Supply		2,500
TOTAL	0	79,439

PLEASE NOTE! Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY08&09: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance rates are \$5,455 in FY08 and \$6,055 in FY09.

Tech Related TMT Rec TMT Rank Dept Rank

FTEs? # of FTEs Requested 1 Revenue (\$)

Position Name	Position #	Total FTEs for position
Safety Coordinator	Class 226700	1

Linkage to Strategic Objective

**SLC
Justification**

This is an position necessitated by the change agreed upon by the City and County to replace the former County Safety Coordinator with a City position dedicated to serving the County. The person will work in the Risk Management Division with the City safety staff. The position will be fully funded by Mecklenburg County.

**Impact On
Strategic
Objective**

This position is needed to develop collaborative solutions with Mecklenburg County to reduce the total cost of risk.

FINANCE

**Cost Savings Related to Variable Rate Construction Period Financing Program
Measure Validation**

Corporate Objective: Strengthen neighborhoods, provide transportation choices

KBU Initiatives: C1 and C2 - Implement a variable rate construction period financing program to support the General CIP, which will reduce interest expense for transportation, housing and neighborhood development projects

Measure: Cost savings over conventional financing approach

Units of Measure: Dollars

Frequency of Update: Annual

Measurement Intent: Show interest expense savings for the fiscal year

Measurement Formula: Comparison of actual interest expense of the variable rate construction period financing program to the estimated expense for conventional financing

Data Elements and Sources: Principal amount of the program from documents approved by City Council and the Local Government Commission; actual interest expense of the program from the general ledger; conventional financing interest rate at the first draw of the variable rate construction period financing program from The Bond Buyer, net of estimated interest earnings on the unexpended proceeds

Source For and Approach to Setting Targets: Analysis of estimated data elements

Data Contact: Scott Greer, Treasurer

Target Setting Responsibility:
Finance/Treasury

Accountability for Meeting Target:
Finance/Treasury

Tracking/Reporting Responsibility:
Finance/Treasury

Notes/Assumptions:

FINANCE
E-Business Services
Measure Validation

Corporate Objective: Enhance Customer Service

KBU Initiative: B1 – Collaborate with other KBU's to provide customers with a range of electronic payment options

Measure: Achieve at least 25% utilization of e-business services for utility payment

Units of Measure: Number of participants

Frequency of Update: Monthly

Measurement Intent: Offering electronic payment options will meet the demands of the customers and the objectives of City Council

Measurement Formula: Actual count of customers using electronic bill payment services

Data Elements and Sources: Number of customers who sign up for these services. The Banner Utility management System

Source For and Approach to Setting Targets: Revenue Payment Source Total Report generated from the Banner System

Data Contact: Rosemary Lawrence, Revenue Manager

Target Setting Responsibility:
Finance/ Revenue

Accountability for Meeting Target:
Finance/Revenue

Tracking/Reporting Responsibility:
Finance/Revenue

Notes/Assumptions:

Finance Provide Driver Safety Training for Other KBUs Measure Validation	
Corporate Objective: Develop Collaborative Solutions	
KBU Initiative: B2 – Provide Driver Safety Training for Other KBUs	
Measure and Target: Percent utilization of the Charlotte Vehicle Operations Center (CVOC)	
Units of Measure: Date of Completion	Frequency of Update: Annually
Measurement Intent: To ensure the CVOC is utilized to the greatest extent possible.	
Measurement Formula: The measure is the percent the CVOC is utilized for driver safety training classes.	
Data Elements and Sources: Project tracking reports from Risk Management and CVOC utilization tracking reports.	
Source For and Approach to Setting Targets: Risk Management / CVOC utilization tracking reports	
Data Contact: Dan Pliszka, Risk Manager	
Target Setting Responsibility: Finance/Risk Management	Accountability for Meeting Target: Finance/Risk Management
Notes/Assumptions: Consistent with the City of Charlotte's long standing application of industry leading methodology to its risk management efforts, the Charlotte Vehicle-Operation Center (CVOC) is a state-of-the-art facility, with excellent staff, that contributes strong results in accident reduction. This collaborative effort with all KBU's is intended to enable all operating departments to achieve and sustain safe, cost effective vehicle operation in service to the community.	

FINANCE
Accounts Payable Process Review Phase II
Measure Validation

Corporate Objective: Deliver Competitive Services.

KBU Initiative: R1 – Complete Phase II of the Accounts Payable Process Review Project

Measure: Completion of Phase II of the Project by June 30, 2009

Units of Measure: Date

Frequency of Update: Annually

Measurement Intent: To improve additional phases of the process identified during the fiscal year.

Measurement Formula: Date project is actually completed compared to projected completion date

Data Elements and Sources: Task, resources, dependencies and finish date. Project Plan.

Source For and Approach to Setting Targets: Process Review Team, with assistance from the Finance Liaison Committee and staff in Finance, will identify and recommend improvements during the fiscal year.

Data Contact:

Sherry Hite, Financial Services Manager

Target Setting Responsibility:

Finance/Financial Services Division

Accountability for Meeting Target:

Finance/Financial Services Division

Tracking/Reporting Responsibility:

Finance/Financial Services Division

Notes/Assumptions:

Finance Comprehensive Annual Financial Report Measure Validation	
Corporate Objective: Maintain AAA Rating	
KBU Initiatives: R2 – Prepare the City's Comprehensive Annual Financial Report	
Measure: Prepare financial statements in conformity with generally accepted accounting principles in order to contribute to receiving an unqualified opinion from the external auditors	
Units of Measure: By October 31 st of each year	Frequency of Update: Annually
Measurement Intent: Receipt of an unqualified opinion demonstrates and documents that the processes and procedures in place insured data integrity and therefore enables the fair presentation of financial statements in conformity with generally accepted accounting principles	
Measurement Formula: Actual opinion date compared to projected completion date	
Data Elements and Sources: Tasks; start date; finish date; dependencies; resources. Project plan.	
Source For and Approach to Setting Targets: Audit opinion to be received from the external auditor	
Data Contact: Teresa Smith, Financial Reporting Manager	
Target Setting Responsibility: Director of Finance	Accountability for Meeting Target: Director of Finance
Tracking/Reporting Responsibility: Finance/Accounting	
Notes/Assumptions:	

Finance
KBE Loss Metrics
Measure Validation

Corporate Objective: Deliver Competitive Services

KBU Initiative: R3 - Provide Loss Metrics to All Major KBUs (CATS, CDOT, E&PM, Fire, Police, Solid Waste and Utilities)
Measure: Updates to KBUs of Loss Metrics for their Department

Units of Measure: Date of Completion **Frequency of Update:** Quarterly

Measurement Intent: Departmental loss metrics are essential in order to focus resources on significant loss causing factors. In years past, measuring the total cost of risk on an organization-wide basis was done. However, that measurement was not specific to the actual loss causing operations of each KBU. Going forward, we will develop and implement loss metrics that are specific to each KBU and will allow a summary comparison of unlike operations. Metrics will include:

1. Injuries per 200,000 employee hours are a risk management industry standard which allows comparison of unlike units by normalizing comparisons of injuries over the number of hours worked. The formula for this calculation is: (# of injuries x 200,000) ÷ number of hours worked.
2. Vehicle accidents per 1,000,000 miles driven are a risk management industry standard which allows comparison of unlike business units by normalizing comparison of losses over the number of miles driven. The formula for this calculation is: (# of vehicle accidents x 1,000,000) ÷ number of mile driven.
3. Number of General Liability incidents per million dollars of budget will allow comparison of unlike business units by normalizing comparison of losses over the annual budget. The formula for this calculation is: (# of general liability claims x 1,000,000) ÷ KBU budget not including capital or debt financing.

Measurement Formula: Provide all four quarterly reports to the major KBUs by June 30, 2009.

Data Elements and Sources: Data Elements: number of injuries; number of vehicle accidents; and, number of general liability claims. Number of hours worked; number of miles driven; and, budget. Sources: Risk management information system; payroll; and fleet management/departmental records.

Source For and Approach to Setting Targets: During FY09 we will provide the loss data and rates as described above. Beyond FY09 we will work with senior management and KBU's to set future performance goals.

Data Contact: Dan Pliszka, Manager – Risk Management Division

Target Setting Responsibility:
Finance/Risk Management

Accountability for Meeting Target:
Finance/Risk Management

Tracking/Reporting Responsibility:
Finance/Risk Management

Notes/Assumptions: Consistent with the City of Charlotte's long-standing application of industry-leading methodology to its risk management efforts, the introduction of Enterprise Risk Management has begun. This approach is intended to enable all operating departments to integrate risk assessment and decision making in their strategic planning and budgeting.

Finance All Finance Employees Receive at Least One EAST Award Measure Validation	
Corporate Objective: Achieve Positive Employee Climate	
KBU Initiative: E1 – Every employee in the Finance Department will receive at least one Employee Appreciation Award (EAST)	
Measure: The percent of employees who receive an EAST award compared to the number of employees within Finance	
Units of Measure: Percentage	Frequency of Update: Quarterly
Measurement Intent: Monitor award process to insure all employees receive at least one EAST award during FY09	
Measurement Formula: Percent of employees receiving awards compared to number of employees within Finance	
Data Elements and Sources: The EAST Team project tracking reports	
Source For and Approach to Setting Targets: A departmental team has been chartered, the EAST TEAM, and they prepare a report showing staff who have received an award	
Data Contact: Robert Campbell, Deputy Finance Director	
Target Setting Responsibility: Finance Leadership Team	Accountability for Meeting Target: Finance Leadership Team
Tracking/Reporting Responsibility: Finance Leadership Team	
Notes/Assumptions:	

Finance
Dental Hygiene Awareness Event
Measure Validation

Corporate Objective: Promote Growth and Learning

KBU Initiative: E2 – Finance Department will conduct one Dental Hygiene Awareness Event

Measure: The completion of the Dental Hygiene Awareness Event by June 30, 2009

Units of Measure: Date of Completion

Frequency of Update: Annually

Measurement Intent: To ensure that the Dental Hygiene Awareness Event is complete by June 30, 2009

Measurement Formula: The measure is a completion date

Data Elements and Sources: Project Tracking Reports

Source For and Approach to Setting Targets: The Finance Leadership Team Project Tracking Reports

Data Contact: Robert Campbell, Deputy Finance Director

Target Setting Responsibility:
Finance Leadership Team

Accountability for Meeting Target:
Finance Leadership Team

Tracking/Reporting Responsibility:
Finance Leadership Team

Notes/Assumptions: Finance Leadership Team members will conduct a dental hygiene awareness event to help stress the importance of dental hygiene for overall health. The Dental Hygiene Awareness Event will be documented by photos of the event. For internal purposes, the Finance Department will record the number of employees impacted during the event.

Finance
Annual Wellness Works Walk Around
Measure Validation

Corporate Objective: Promote Growth and Learning

KBU Initiative: E3 – Finance Department will conduct one Annual Wellness Works Walk Around.

Measure: The completion of the Wellness Works Walk Around by June 30, 2009

Units of Measure: Date of Completion

Frequency of Update: Annually

Measurement Intent: To ensure that the Wellness Works Walk Around is complete by June 30, 2009

Measurement Formula: The measure is the completion date

Data Elements and Sources: Project Tracking Reports

Source For and Approach to Setting Targets: The Finance Leadership Team Project Tracking Reports

Data Contact: Robert Campbell, Deputy Finance Director

Target Setting Responsibility:
Finance Leadership Team

Accountability for Meeting Target:
Finance Leadership Team

Tracking/Reporting Responsibility:
Finance Leadership Team

Notes/Assumptions: Finance Leadership Team members will walk around visiting Finance employees, while handing out healthy food items and healthy living literature. The Wellness Works Walk Around will be documented by photos of the event. For internal purposes, the Finance Department will record the number of employees impacted during the event.

DIVISION-LEVEL STRATEGIC PLANS

As part of our continuing effort to improve Finance's SOP, it was determined that a long-range plan needed to be incorporated into our SOP to document and maintain a focus on our future goals. It was also determined that the plans would be developed in the context of "moving to the next level" and "changing our paradigm," and with the ultimate objective of adding the most value to the City organization.

The following pages provide an overview of the detailed division-level strategic plans that have been developed for each of Finance's divisions. These division-level strategic plans were documented using the alignment model in order to ensure their alignment with corporate strategy. The amalgamation of these division-level plans constitutes the long-range strategy for the Finance KBU as a whole.

**Finance Key Business Unit
Business Systems Division Strategic Plan**

	Alignment
<p>Corporate Strategy</p>	<p>Develop Collaborative Solutions Enhance Customer Service Improve Technology Efficiencies Achieve Positive Employee Climate Recruit & Retain a Skilled, Diverse Workforce</p>
<p>Goal</p>	<p>Manage the finance-related systems and interfaces, from both an internal and external perspective, in order to meet or exceed the system-related needs and expectations of the citizen as well as internal business partners at the least possible cost.</p>
<p>Objectives</p>	<ol style="list-style-type: none"> 1. Take aggressive actions to lower the total cost of ownership for the systems that support Finance business processes (financial system, billing systems, cashiering systems, debt management systems, risk management systems, etc.). 2. Collaborate effectively and enhance relationships with other KBUs while leveraging the SBT/SIT and CIO office to eliminate or reduce the number of duplicate finance-related systems that support business processes in other KBUs, and promote the UMS collaborative support model. 3. Continue to enhance Finance-related business processes by leveraging technology to benefit the Finance KBU and striving to extend Finance's role in the control and support of those business processes. 4. Assist the Financial Services and Revenue divisions with the strategy to centralize billing, collection, and deposits with particular emphasis on the enhancement of eBusiness capabilities.

**Finance Key Business Unit
Financial Reporting Division Strategic Plan**

	Alignment
<p>Corporate Strategy</p> <p>Maintain AAA Rating Enhance Customer Service Deliver Competitive Services Develop Collaborative Solutions Optimize Business Processes</p>	
<p>Goal</p> <p>To centrally manage the City's financial accounting and budgetary control activities by enhancing the Financial Reporting Division's strategic value to the City organization and providing effective and efficient services to our customers and internal business partners.</p>	
<p>Objectives</p>	<ol style="list-style-type: none"> 1. Review the Financial Reporting Division's processes and procedures in order to improve effectiveness and efficiency and to ensure that a high-quality product is delivered to customers/internal partners in the timeframe that it is needed. 2. Review the processes and procedures related to the accounting system in order to improve compliance with NC general statutes and to ensure that the system facilitates the preparation of financial statements in accordance with generally accepted accounting principles. 3. Reduce the timeframe for completion of the Comprehensive Annual Financial Report to allow it to be used in the initial phases of the annual budget planning process and to improve the timeliness of CAFR information provided to KBUs for other management decisions. 5. Implement Governmental Accounting Standards Board Statement 45 - Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions (GASB 45 – OPEB) as required for financial reporting for fiscal year 2008. 6. Review the recruitment and retention efforts related to Accountants in order to improve the quality of the applicants and the candidates selected for employment.

**Finance Key Business Unit
Financial Services Division Strategic Plan**

	Alignment
Corporate Strategy	<p>Maintain AAA Rating Enhance Customer Service Deliver Competitive Services Develop Collaborative Solutions Optimize Business Processes Achieve Positive Employee Climate Recruit & Retain a Skilled, Diverse Workforce</p>
Goals	<p>To centrally manage the City's billing and disbursement activities, and to provide effective and efficient services to our customers and internal business partners.</p>
Objectives	<ol style="list-style-type: none"> 1. Improve Finance's billing and collection systems and processes, including the installation of a new accounts receivable system, to be the billing provider of choice for all City departments. 2. Market Finance's new billing system to all KBUs. 3. Review the accounts payable payment processes and procedures to ensure that all policies and procedures align with the City's Balanced Score Card as they relate to customer service, maintaining the City's AAA credit rating and improving technologies. 4. Work with other Finance Divisions to implement alternative service models for billing, collection, and deposits that complies with NC General Statutes, implements process improvements, and incorporates best practices.

**Finance Key Business Unit
Revenue Division Strategic Plan**

	Alignment
Corporate Strategy	<p>Enhance Customer Service Deliver Competitive Services Optimize Business Processes Develop Collaborative Solutions Achieve Positive Employee Climate Recruit & Retain a Skilled, Diverse Workforce</p>
Goal	<p>To centrally manage the billing, collection, and deposit of City revenues; and provide effective and efficient services to our customers and internal business partners.</p>
Objectives	<ol style="list-style-type: none"> 1. Continue to deliver high-quality services on a timely basis in order to meet the expectations of both the customers and internal business partners. 2. Continue to improve internal controls in the Revenue Division and work with Internal Audit to help ensure that other revenue collection locations throughout the City are audited on a regular basis and to improve internal controls. 3. Continue to work with other Finance Divisions to define alternative service models for billing, collection, and deposits and put a comprehensive solution in place that complies with NC General Statutes, implements process improvements, and incorporates best practices. 4. Market improved services to the KBUs to encourage them to utilize Finance's billing, collection, and deposit services.

**Finance Key Business Unit
Risk Management Division Strategic Plan**

	Alignment
<p>Corporate Strategy</p> <p>Safeguard the Environment Develop Collaborative Solutions Enhance Customer Service Optimize Business Processes Deliver Competitive Services Achieve Positive Employee Climate Recruit and Retain Skilled, Diverse Workforce Promote Learning and Growth</p>	
<p>Goal</p>	<p>Manage the Total Cost of Risk through Enterprise Risk Management</p>
<p>Objectives</p>	<ol style="list-style-type: none"> 1. Achieve full implementation of Enterprise Risk Management 2. Managing the risks being generated by the rapid growth of CATS through Light Rail Development, to include risk financing to protect the City from this specialized exposure 3. Deliver timely, high quality service in the context of Enterprise Risk Management that meets or exceeds the expectations of both our customers and internal business partners

**Finance Key Business Unit
Treasury Division Strategic Plan**

	Alignment
Corporate Strategy	<p>Enhance Customer Service Deliver Competitive Services Develop Collaborative Solutions Optimize Business Process</p>
Goal	<p>Provide asset management, financing and debt management, revenue forecasting and project analysis on a citywide basis; and provide effective and efficient services to our customers and internal business partners.</p>
Objectives	<ol style="list-style-type: none"> 1. Achieve above market returns within the limitations of State Statutes 159.30, 147.69 and the Treasury Division's Internal Investment Guidelines which seek to preserve principal and maintain liquidity. 2. Manage all aspects of the long-term debt program in a manner that minimizes the cost of capital and maximizes debt ratings on outstanding issues. 3. Collaborate with City Council, the City Manager, Budget and Evaluation, Mecklenburg County and others in the production and communication of revenue estimates plus evaluation of potential new revenues. 4. Provide research and analysis related to potential problems or projects as well as historical information to internal and external customers on request.