


## MEMORANDUM

Date: July 31, 2009  
From: Greg C. Gaskins, Finance KBE   
To: Ruffin Hall, Budget & Evaluation KBE  
Subject: Finance FY10-11 Final Strategic Operating Plan

Finance is pleased to submit its FY2010-11 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 FY2010-11 Final SOP prompt questions, we would be please to go into greater detail with you or your staff.

### Attachments

cc: Bill Parks  
Finance Leadership Team  
Finance Budget Committee

**FY10-11**

**FINAL**

**STRATEGIC OPERATING PLAN**

July 31, 2009

**FINANCE KEY BUSINESS UNIT**  
**Greg C. Gaskins, KBE**

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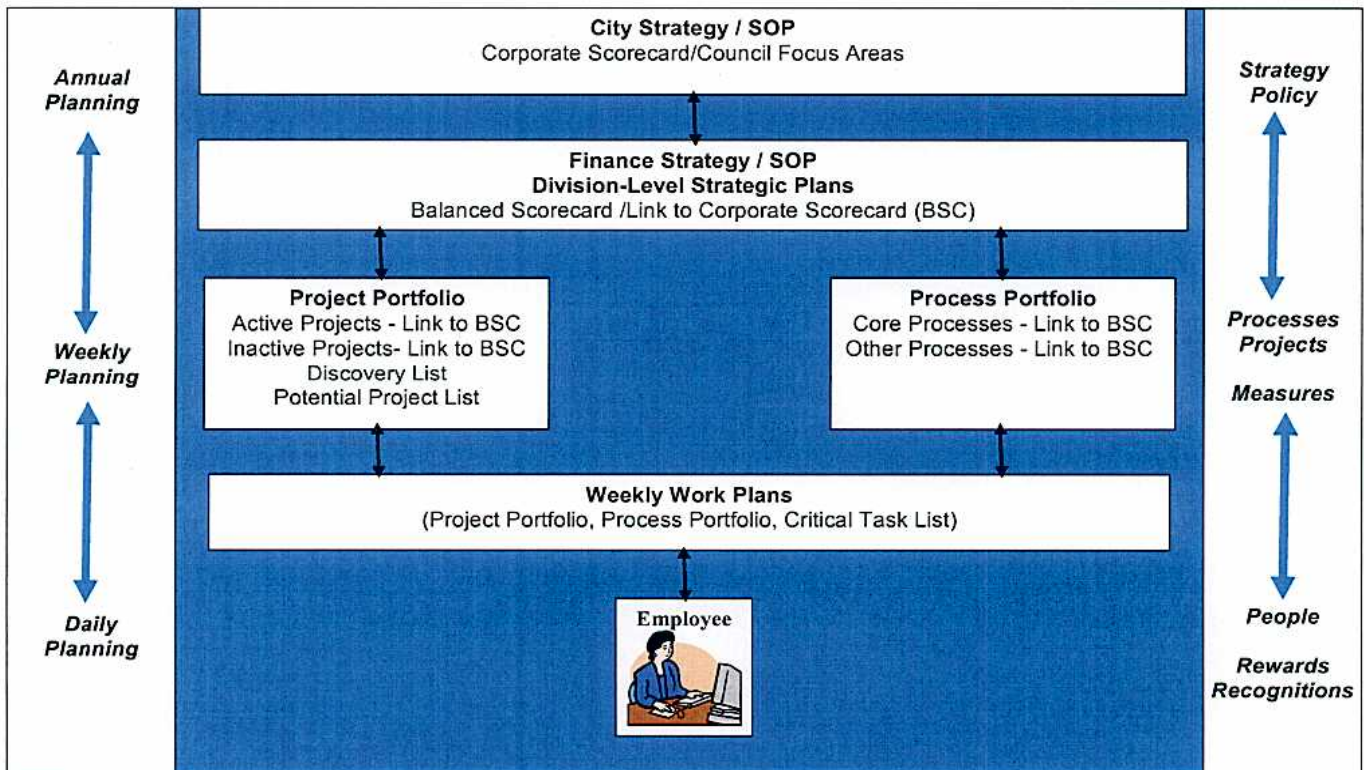
# INTRODUCTION

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 FY10-11 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 FY2010 is provided below:

FUND	FY10 AMOUNT	FY10 POSITIONS
General Fund	\$ 8,756,908	79
Risk Management Fund	\$ 2,831,686	27
Total	\$ 11,588,594	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 or 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.

- **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. Under the current economic situation, the ability of the City to maintain its AAA credit is critical to the continued success of the debt management program.
- **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. Finance has already begun work on legal documents needed to establish this trust and a separate actuarial report for CATS exposures is complete. 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. The temporary building on site is failing and needs to be replaced with a permanent structure. 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 also deteriorating and needs repair.

**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.** The current budget situation including inability to add FTE’s magnifies the challenges in continuing of our efforts to refine the new strategy approved by the Senior Business Team (SBT). Two separate TPET submittals were prepared for the FY10 process; however, the proposals did not receive funding as part of the final budget. The basis for these requests is the recommendation of the Finance Liaison Committee to pursue a new financial system as documented in the April, 2008 Financial System Strategy Study performed by Virchow & Krause. The first focuses on gathering more specifics/details about implementation costs, resource requirements and quantification of efficiency gains we could expect from a new financial system. The second step would be to gather detailed requirements to evaluate new solutions. We will be working to align these efforts with the new technology architecture proposed by the CIO.



## KEY ISSUES AND CHALLENGES - continued

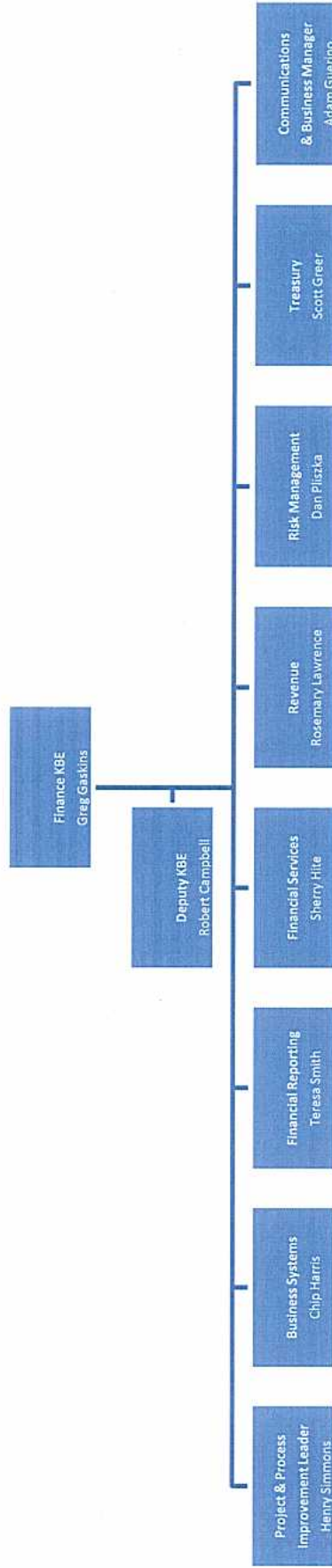
- **Implementation of New Governmental Accounting Standards Board (GASB) Statements.** In recent years, the GASB has more frequently issued standards of governmental accounting and financial reporting and with greater complexity than in previous years. Each new statement requires research and planning in order to implement any necessary changes. Financial Reporting is currently preparing for implementation of three new statements: GASB 51: Accounting and Financial Reporting for Intangible Assets (FY2010); GASB 53: Accounting and Financial Reporting for Derivative Instruments (FY2010); GASB 54: Fund Balance Reporting and Governmental Fund Type Definitions (FY2011). Successful implementation of the standards is required in order to receive an unqualified opinion from the external auditors.
- **Revenue/Business Privilege License Tax.** Under the strain of the current recession, it is imperative the City be able to preserve its revenues in order to avoid painful cuts in services or staff. While sales tax receipts, property tax receipts and investment income are a concern, the primary threat to the City's revenue at this time is the possible repeal at the State level of the Business Privilege License tax. While presented as part of a larger tax reform bill, the direct impact of the tax's repeal would be a \$17 million loss of revenue to the City. With no immediate ability to replace this income, this action would have significant impact on the City's fiscal health.
- **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. Overlapping calendars for mid-year reporting, annual budget development and CAFR preparation often requires resources to be pulled from other projects such as the FICS and Mitchell Humphrey implementation projects. This has the potential to delay the implementation and consequently increase the cost of implementing these systems. While we have worked collaboratively with Budget to improve the MPC budget development process, support issues still persist that impact BSD resources.
- **Medicare Set Aside and Mandatory Insurer Reporting.** Under new Federal law, effective July 1, 2009 all liability (including self-insurers), no fault, and workers' compensation entities are required to report all Medicare beneficiaries for whom they have ongoing responsibility (regardless of determination of liability). Penalties for non-compliance of up to \$1,000 per day per Medicare beneficiary are possible. The law requires the establishment, collection and reporting of data for 131 data fields. As part of Risk Management's RiskMaster software, the division will purchase a module that will assist with the tracking of the claims that are required to be inquired and reported. Division staff has determined compliance will require 26 person weeks of work for liability claims, and further resources for Workers' Compensation. This new mandate may require additional staffing and will increase litigation and the costs of loss.
- **Risk Management Loss Fund.** While additional funds were transferred to the Risk Loss fund at the end of FY08, the Risk Management Loss Fund needs to be regularly funded at a level consistent with actuarial recommendations. Actuarial recommendations were not met in the last several years and this resulted in a downward trend in fund balance.
- **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.



## KEY ISSUES AND CHALLENGES - continued

- **Additional Staff and Resources.** “Keeping the Lights On” efforts for existing systems while also performing necessary upgrades to maintain vendor support leaves less and less resource time for other needed projects. In addition, 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. As needs evolve and continually change and our ability to add staff does not, we will be forced to evaluate our old daily, weekly and monthly duties and re-prioritize the new duties and services demanded of us by our internal and external customers.
- **Financial Services Staffing.** Limited resources within Financial Services keep the division in a reactive mode and prevent us from being more proactive. There is a feeling of always putting out fires and that time to think about things ahead, in the short-term or the long-term, are a luxury we cannot afford. The Operations Manager and both supervisors are a working manager and supervisors, very much involved in day-to-day operations. Taking them away from these duties puts an added burden on them when time is needed for planning ahead and strategic thinking.
- **Remittance Processing/ BancTec System.** The current software is DOS based and outdated. This system is used to process City service payments received by mail and is therefore an essential service. A RFP was recently released to determine whether this service can be outsourced to the private sector. It is anticipated that outsourcing may result in modest cost savings and improved redundancy. However, a final determination on whether to outsource remittance processing will not be made until after the bids have been received and evaluated.
- **Additional Revenue Collection Resources.** There is a need for increased resources to collect delinquent Water, Sewer and Storm Water accounts. The division requested the addition of a Revenue Collections Agent as a service level change. The total cost of the salary and benefits is \$51,294. The City utilized a private collection agency which collected \$966,597 in 2008. The City paid 24% of this amount for the service. We believe it is more cost effective to use an internal collector to pursue the collection of accounts prior to assigning them to an outside collection agency.
- **Departmental Journal Entries.** The amount of Departmental Transfer Invoices (DTIs) has increased significantly in recent years. This is currently a potential project for the Finance Liaison Committee to address, including the possibility of utilizing functions within ImageNow. However, until the project is completed, Financial Reporting will have to continue to post all DTIs to the general ledger as submitted. This task encompasses a significant part of one employee’s time, leaving little time for other tasks.
- **Difficulty in Hiring/Retaining Professional Accountants.** Finance continues to experience difficulty in hiring and retaining qualified professional accountants. Aggressive management action and close collaboration with Human Resources will have to continue to minimize this ongoing problem.
- **Annual External Audit.** Financial Reporting issued a RFP for auditing services for the FY2009 financial statements, which will be prepared during FY2010. The contract was awarded to Cherry, Bekaert, & Holland, LLP at an initial year cost that is \$16,000 lower than the previous year’s contract. When a new audit firm is engaged, there are always challenges during the first year of the audit as the new firm learns about the City and our processes. In addition, departmental cooperation with both Finance staff and the external auditors is necessary in order to successfully complete the audit in a timely manner.

# FINANCE DEPARTMENT ORGANIZATION CHART





## STRATEGIC ACCOMPLISHMENTS

- **Comprehensive Annual Financial Report.** Financial Reporting completed the FY08 Comprehensive Annual Financial Report by October 31, 2008, with an unqualified opinion and presented it to City Council on December 1, 2008, which is 10 days earlier than the previous year. 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 City Manager and Council. The external auditor's letter of recommendations included no substantive items.
- **Financial System Strategy.** The Financial System Strategy Study prepared by Virchow & Krause cited that keeping the existing GEAC financial system was not a viable long term strategy. Following presentation of this study to the Finance Liaison Committee, a FLC subcommittee was formed to expand the City-specific business case concepts, including 1) Additional information on other local government experiences; 2) Further illustrate more compelling reasons for change; 3) Recap of efforts in 1998 in pursuit of SAP solution; 4) Risks associated with current vendor and software market; and 5) Recognition that ROI will not be based on reduced costs or FTEs. The report was updated with this information and was well received by the FLC. The FLC in turn recommended that the strategy report be presented to the Senior Business Team for further action/consideration. The sub-committee presented the report at the SBT meeting on October 3, 2008, and the SBT approved the strategy at the meeting.
- **Loss Metrics.** The Risk Management Division completed a significant target on Finance's FY09 balanced scorecard by developing loss metrics for major KBUs. The loss metrics provide comparison of previous years' to current year's performance. Losses are being reported quarterly as a rate of loss to facilitate comparison among the major KBUs. Standard measures from the risk management and safety industry are being used, which are: injuries per 200,000 employee hours and vehicle crashes per 1,000,000 miles driven.
- **UMS Service Suite 8.** The new UMS Service Suite 8 successfully went live as planned on August 2, 2008. This project expands the field automation of an additional 20 customer-facing Utilities service orders, and also provides live updates of work in progress to CSR's at Utilities and 311. Extensive readiness activities were successfully completed; including final user training/workshops, acceptance testing, technical conversion/migration practice runs, and a myriad of logistical preparation. UMS resources and Utilities IT staff provided on-site support between the hours of 7:00 AM and 1:00 AM to ensure success. An unprecedented number of service orders were processed in the first week, approximately 500 orders completed and closed on a given day. Previous productivity levels indicated that a good day had been 300 orders. Overall, the go-live went very smoothly and was well accepted by the users. Many field technicians expressed newfound pride in their ability to use the technology to accomplish more work more effectively. 311 also expressed a positive response to the improvement in customer service as a result.
- **Collection Services.** The Revenue Division completed the transition to a new collection agency, Security Collection Agency (SCA) of Edenton, NC on February 11, 2009. Collections include past due accounts to the City, primarily water, sewer, storm water bills and miscellaneous invoices for other City of Charlotte services. The contract was signed December 17, 2008 for a budgeted amount of \$250,000 annually. Finance collaborated with BSSIT to automate the transfer of accounts information. 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 upon the average amount collected.



## STRATEGIC ACCOMPLISHMENTS (continued)

- **Year-End Invoice Processing.** Finance successfully completed the FY08 year-end closing process and posting of FY08 reclassification entries, as well as the FY09 opening process. All processing was completed on schedule and in accordance with the project plan. Accounts Payable processed a record 5,794 invoices in the four business days following June 30, 2008 so that FY08 expenses could be accurately reflected in the correct year. Another 1,000 unpaid invoices were accrued. This was one of the smoothest closings in recent years
- **Damage to City Property.** The Risk Management Division held a meeting with representatives of the Charlotte-Mecklenburg Police Department (CMPD) and Landscape Management in order to analyze a way to capture information regarding the parties responsible for damages to City property in the right-of-way and medians. The meeting yielded a simple technological solution to capturing this information through the latest vehicle accident reporting tools being implemented by the CMPD. In the future, CMPD will be able to notify the Risk Management Division automatically and electronically regarding damages to City property. Risk Management will then pursue recovery for the damages.
- **Water/Sewer Revenue Bonds.** The City of Charlotte continued its normal schedule of issuing debt for the Water Sewer Capital program. Total Commercial Paper (CP) issued in FY09 was \$81.7 million. Staff completed a CP takeout of \$305 million and a new money tranche of \$44.7 million in August, 2008. The new money tranche permitted the City to delay the issue of new CP while the CP takeout was used to convert old CP to long term fixed rate debt. In April, 2009 the City re-established the Water/Sewer CP Program with \$110 million in new liquidity. Additional capital funding and management of swap exposure will be pursued in FY10.
- **Utilities Tier Changes.** Utilities received Council approval to increase water and sewer rates and implement tier changes effective July 2008. This required an extensive redesign of the bill to ensure that all required information was present and easy to understand. Revenue and Business System Division staff worked with Utilities, Storm Water and the bill print vendor KUBRA to complete the redesign.
- **Switch from County to City Printers.** Following the move of both City and County mainframe processing to the State Data Center, the County informed the Business Systems Division of its intent to discontinue use of the mainframe printers on the 3<sup>rd</sup> floor of the CMGC. BSD worked diligently with Financial Reporting and multiple KBUs to significantly reduce printed reports by providing online report views. The division also worked collaboratively with BSS/IT to migrate remaining print jobs to IKON, smaller, less expensive printers dedicated for check printing, and purchase order printing directly in Procurement. The project also provided printer redundancy at CMGC and at the 311 data center.
- **Percentage of Completion Process.** Members of the Accounts Payable staff met with representatives from Engineering, CDOT, Aviation, CATS and Utilities and improved the contract percentage-of-completion process that greatly affects the accurate accrual of contract payments at year end. This collaborative effort made the process more efficient for KBUs, as well as, AP and improved the accuracy of liabilities recorded on the City's books at June 30.
- **Collaboration on Contract Review.** The Risk Management Division's Insurance Management section assists all Key Businesses and its County and Schools customers in developing and reviewing various contracts for goods and services. During FY09, the Insurance Manager consulted on the insurance and indemnification provisions for nearly 400 contracts.



## STRATEGIC ACCOMPLISHMENTS (continued)

- **Credit Balance Refund Report.** A collaboration of the Financial Services, Revenue and Business Systems Divisions, along with the Utilities Department, improved the Credit Balance Refund Report used by Accounts Payable. The Credit Balance Refund Report is used to refund overpayments to utility customers or send funds to the State when customers cannot be located. The original process was cumbersome and at one point a backlog in excess of 11,000 inactive accounts existed. A team of Finance employees worked together to research accounts and identify correct addresses for the customer. Staff also analyzed the process and implemented a more streamlined method to prevent future backlogs. The improved report has reduced the number of refunds that must be individually entered for builders and developers.
- **Funds Recovery.** Accounts Receivable worked with the State of North Carolina and Mecklenburg County to recover monies owed the City back to 2005. Mecklenburg County Vocational Rehab had been billed for CATS passes that they in turn sold to their clients. After problems were discovered by Mecklenburg County, AR provided information and documentation that allowed the State to catch up and make themselves whole with the City. As a result, a much improved process has made billing and collecting easier for the City, County and State.
- **Charlotte Vehicle Operations Center.** The success of the Charlotte Vehicle Operations Center (CVOC) has saved the City over \$3.4 million since 2003. Prior to CVOC's opening, the City's fleet was experiencing a continual upward trend in vehicle accidents culminating in 1045 vehicle accidents – a rate of 22.85 vehicle accidents per million miles traveled – during fiscal year 2004. Since the opening of CVOC, there has been a significant reduction in fleet vehicle losses. The most recent data from 2009 shows a decline to 908 accidents for a rate of 19.1 accidents per million miles driven. By comparing the reduction in the number of claims to the average cost per claim, total costs avoided have amounted to \$3.4 million; and this figure does not include the savings achieved by avoiding the need to repair damaged vehicles.
- **Bill Presentment.** Finance partnered with KUBRA, bill print provider for the City Services bills to offer the ability for customers to view their bill and pay them online effective January 31, 2009. Prior to this bill presentment implementation, 56,149 customers were already paying their City Services bills online through their banks' websites. Now, all customers can simply go to their banks' websites and sign up for bill presentment. By signing up, the customer agrees for the City to discontinue mailing the paper bills, which is estimated to save the City 10 cents per bill
- **H1N1 Preparedness.** Risk Management has taken a lead role in the City of Charlotte's response to the H1N1 influenza and pandemic preparedness efforts for the protection of the City's employees and continuity of critical city-provided services. Prior to the current influenza concerns, Risk Management staff began serving on the business continuity team, sponsored by the Senior Business Team, and a pandemic preparedness team. Both teams are working to review the city's current plans and to develop a guide for KBUs to follow when developing their individual plans. Risk Management is also working closely with Human Resources and the Mecklenburg County Health Department to monitor the current influenza concerns. Risk Management participates in conference calls with the Health Department and is attending multiple meetings with health and safety officials. Additional efforts have included communication with representatives from the Governor's Office and Department of Insurance.



## STRATEGIC ACCOMPLISHMENTS (continued)

- **PERI Benchmarking Seminar.** The Finance Director was the keynote speaker at the Public Entity Risk Institute benchmarking seminar, which was held at the CMGC. Various entities throughout the Southeast attended, including other finance directors, risk managers, insurance pool managers and risk consultants. The major theme was to develop benchmarks in the public sector and to explore performance improvement through benchmarks. Finance presented the City's Balanced Scorecard and its linkage to the Strategic Operating Plan
- **Collaboration to Reduce Risk.** The Risk Management Division prepared loss analysis reports for many Key Businesses. Of particular note was an analysis conducted for the Charlotte-Mecklenburg Police Department (CMPD). Over the past several years CMPD has made tremendous strides to reduce vehicle accidents. However, on-the-job injuries that result in workers' compensation claims continued to be a major loss area for them. While it is unfortunate that due to the nature of the business, injuries are a part of operating a police department. However, the analysis found that there was a trend of injuries being sustained in training exercises. The Risk Control section was able to work with the CMPD in order to address training injuries. As a result of the information provided, CMPD has adjusted the in-service training program and put procedures in place to track officers with repeat injuries to make sure they are receiving proper training to avoid recurring injuries.
- **Long Term Investment Program.** Treasury staff worked through the process of implementing the long term investment program including developing an investment strategy document, negotiating contracts with NEPC and Regions Bank and obtaining City Council approval.
- **Collaboration on Wellness Payments.** Financial Services and Financial Reporting worked with HR Payroll to develop a process for handling the new Wellness payments to employees that began in January in conjunction with the new Wellness Program implemented by Human Resources. These payments to employees will affect the information provided to Finance that accurately records payroll activity on the General Ledger. Collaboration was important since all three areas were impacted in some way.
- **Subrogation.** The Risk Management Division recaptured approximately \$770,000 by pursuing aggressive subrogation and recovery initiatives. This represents a 14% increase in recovered funds from FY08. Subrogation is a process used to recover funds where a third party has caused damages to City facilities or injuries to City employees.
- **Cash Flow Model.** The Investment/Cash Management Team in the Treasury Division developed a cash flow model to better predict the inflows and outflows of funds for the City which improves our ability to manage our investments and has helped the City maintain a high level of liquidity during the financial meltdown. This model was presented to the Finance Liaison Committee in November, 2008.
- **Teamwork Training.** The Finance Extended Leadership Team participated in a pilot training class on the subject of Teamwork. The key topics discussed during the training session were: 1) How Teamwork aligns with the Finance Strategic Planning and Implementation Model, 2) Components of Finance Teamwork, and 3) Tools and Techniques that support Teamwork. Finance received essential feedback from the attendees that was utilized in revising the training and used in further sessions with front line employees.
- **Debt Setoff Collections.** City of Charlotte collections from the NC Debt Setoff Program continue to increase. Collections for FY 2009 were \$618,474. This is a 52% increase from the FY 2008 collections of \$407,118. Charlotte leads all municipalities in North Carolina in collections as of June 23, 2009.



## STRATEGIC ACCOMPLISHMENTS (continued)

- **Year-End Processing.** The Business Systems Division successfully completed year-end processing for the financial system. A well mapped year end project plan helped tremendously to keep our teams well coordinated. Also it is important to note the record breaking run times on the State mainframe, which were three times faster than the times on the old City/County mainframe. Other time and resource savings came from the State XNET system which allows all mainframe reports to be viewed, downloaded into Excel or printed. This allowed Control a head start on balancing as well as significant reduction in report pages printed.
- **Chart of Accounts.** During August, Financial Reporting, along with Finance's Project and Process Improvement Leader and BSS/IT, completed a project to make a searchable Chart of Accounts available to the City. The Chart of Accounts can be found on the Finance page within CNET. There are many search options which can be used. In addition, there is fund description information and links to Cross Reference Reports. The new site was presented to the FLC at the August meeting and was well received.
- **Collaboration with Mecklenburg County.** Accounts Receivable and Business Systems worked with the Mecklenburg County Tax Office after the County converted to a new computer system. Finance is now receiving weekly files from the County and processing them without any re-keying of data. Information that had previously been provided by the County on property tax collections was no longer available and new reports had to be formatted and sent to Finance for the accurate recording of these payments. The end result was an improved process which saves AR time each month reconciling and recording property tax collections. Although there are some issues still to be worked out, the elimination of manual data entry was a great process improvement for City Finance.
- **Mitchell Humphrey.** Financial Services completed its work on customizations to the Mitchell Humphrey FMS II Accounts Receivable System. Mitchell Humphrey is in the process of programming these customizations, which are expected to be complete by the end of August 2009. Completing this work involved not only Financial Services, but Business Systems Division and Financial Reporting as well
- **ImageNow.** The upgrade to ImageNow 6 went live April 6, 2009. There were a few technical glitches that were quickly addressed, and the upgrade has been well received by the 1,100 users across the City. A tremendous amount of work was done by the Finance Business Systems and Financial Services divisions prior to go-live and after go-live, including answering questions and handling issues for individual users. Among the most notable improvements included better approval stamp security and improved tracking information to determine the efficiency of Accounts Payable and the KBUs.



## 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 \$2.3 billion cash and investment portfolio and \$3.7 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:

**LONG-TERM INVESTMENT PROGRAM.** The Long-Term Investment Program (LTIP) will allow long-term capital reserves of the City to be invested for diversification and for higher rates of return over the long term. Finance has set forth a strategy where staff will review the actions of the investment consultant and pursue a diversified portfolio strategy that limits risk and achieves higher returns. In order to accomplish this staff must monitor the returns of the fund managers and make reasonable changes as necessary. Recently, contracts were signed with NEPC, LLC as the City's investment consultant and with Regions Trust as the City's custodian on the LTIP. Working with NEPC, a policy statement was written which includes investment goals, risk tolerance, a detailed asset allocation strategy, and performance evaluation criteria. **Linkage:** Maintain AAA Credit Rating; Optimize Business Processes

**FINANCIAL SYSTEM STRATEGY.** The Virchow-Krause (VK) financial system study recommended a new financial system to better meet business requirements. The Finance Liaison Committee agreed to move the VK recommendation forward for presentation to the Senior Business Team (SBT) and Senior Technical Team (STT). The FLC recommendation included using consultants as a next step to gain better understanding of cost and resource requirements, and potential solutions. The Senior Business Team (SBT) approved the FLC recommendation and in January the CIO convened a meeting with KBEs from Finance, Budget, HR, and BSS to present his new strategy for moving forward. Finance will continue to collaborate with the CIO, SBT, STT and FLC and has submitted a technology request through the technology proposal evaluation process. A key determination to be made is how to protect core business systems quickly, and given the current economic conditions, cheaply. **Linkage:** Optimize Business Processes

**CHARLOTTE AREA TRANSIT SYSTEM (CATS) FINANCIAL MODEL.** Current revenues are not adequate to fund both operations and the 2030 Transit Corridor System Plan. Finance has recommended a strategy to dedicate revenues to the debt model in order to stabilize the long term capital plan and also create an operating reserve fund in light of revenue volatility. Furthermore, current market conditions make the issuance of COPs more difficult and expensive. The issuance of revenue bonds should be a long term goal recognizing the need for legislative action. Finally, the City should review the implications of funding the regional transit system on the overall City credit and consider options that decouple CATS from the City's credit. **Linkage:** Maintain AAA Credit Rating

**FOCUS ON RISK.** Minimizing the cost of risk and the cost of accidental loss within the City organization, the Risk Management Division will be implementing a risk control and mitigation program called Focus on Risk. This program will build upon previous plans that have been in place with additional emphasis on both activity and performance related goals that will help each KBU to become more efficient while reducing loss costs. The program will emphasize the following: 1) Risk Identification and Assessment, 2) Loss Analyses, 3) Risk Management Incentive Targets, and, 4) Regular Communication of Loss Metrics and Lessons Learned. **Linkage:** Deliver Competitive Services

## **STRATEGIC INITIATIVES (continued)**

**ESTABLISH CATS RISK TRUST.** Since the mid-1980's, the City of Charlotte has operated a sophisticated self-insured loss funding mechanism that has helped reduce the costs of paying for fortuitous property, casualty and workers' compensation losses. Because of the increasing complexity and multiple sources of funding in CATS, it is now prudent to prepare for the eventuality of a "stand-alone" CATS Risk Loss Fund. This fund will reduce the amount of risk transferred to CATS from City loss exposures and at the same time will reduce the amount of risk transferred from the CATS operations to City exposures. Implementation of a CATS Risk Loss Fund will be a multi-year effort culminating in two separate and autonomously funded risk loss trusts. **Linkage:** Deliver Competitive Services

**RISK MANAGEMENT INCENTIVE TARGETS.** As suggested by the City Manager in our strategic planning meeting, the Risk Management Division will develop a City-wide incentive target program that will cascade to each key business for inclusion in their specific strategic operating plans. A benefit of this new program will involve the entire organization in the prevention and reduction in the cost of risk. Specific goals will be established for Workers' Compensation, General and Auto Liability claims and cost related thereto. **Linkage:** Deliver Competitive Services



## 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><b>Customers are . . .</b></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><b>Customers are . . .</b></p> <p>Citizens</p> <p>Vendors</p> <p>Other City departments</p> <p>City employees</p>	<p><b>Customers are . . .</b></p> <p>Other City departments</p> <p>BSS/Procurement Services</p> <p>Budget and Evaluation</p> <p>Other Finance divisions</p>	<p><b>Customers are . . .</b></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><b>Customers are . . .</b></p> <p>City, County, Charlotte-Mecklenburg Board of Education and ten other quasi-governmental entities</p> <p>Citizens wishing to file claims</p>	<p><b>Customers are . . .</b></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 73,000 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 272,239 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 \$3.7 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 \$2.3 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**

<b>Key Service Indicator</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
<b>Vendor Payments- # of Checks Written</b>	71,647	73,075	70,973	70,158	73,657	73,761
<b>Vendor Payments - # of Invoices Paid</b>	130,678	129,283	147,945	143,563	142,648	142,957
<b>Outstanding Debt Managed (in millions)</b>	\$2,302	\$2,743	\$3,114	\$3,290	\$3,480	\$3,705
<b>Cash &amp; Investments Portfolio Managed (in millions) *</b>	\$1,435	\$1,500	\$1,688	\$1,851	\$2,454	\$2,286
<b>Number of Participants in PC Banking + Number of Participants in ACH Expressed as a Percentage of all Utility Customers</b>	16.7%	23.8%	28.4%	30.5%	34.8%	38.1%
<b>Debt Setoff Collections**</b>	N/A	\$42,602	\$140,983	\$313,594	\$407,118	\$618,474
<b>Total Authorized Staffing</b>	123	103	103	103	106	106

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

\*\*City of Charlotte began program participation in FY05. Data for 2009 through June 23.



# Finance FY10 Balanced Scorecard Report

Reporting Period: July 1, 2009 to June 30, 2010

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		Lag	\$1.5 million			
	B1. Enhance Customer Service	\$ Achieve at least 25% utilization of e-business services for utility payment		Lead	25.0%			
R1. 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	10/31/08	Lead	10/31/09			
R2. Deliver Competitive Services	KBE Loss Metrics	Provide quarterly updates to KBUs of Loss Metrics for their Department		Lag	6/30/10			
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	The Finance Department will conduct one Wellness Education Program	\$ The completion of the Wellness Program by June 30, 2010						

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

# Finance FY10 Balanced Scorecard Report

Reporting Period: July 1, 2009 to June 30, 2010

Corporate Objective	KBU Initiative (* indicates Focus Area Initiative)	Measure (S 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	Status	
E3. Achieve Positive Employee Climate	Finance Department will conduct one Annual Wellness Works Walk Around.	S Completion of the Wellness Works Walk Around by June 30, 2010	Done	Lead	6/30/10			

**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  
S indicates incentive pay measure



## REQUEST FOR RESOURCES

**Base Budget:** Finance requests a budget allocation of **\$11,588,594** for FY10.

### Changes to Current Level – Not Approved

- **\$216,403** for an increase in postage as determined by the US Postal Service and an increase in the volume of utility monthly billings for the Revenue Division budget. (center 20300)
- **\$84,404** for increases in maintenance and support to the Revenue Division budget. (center 20300)
- **\$8,687** for an increase in postage as determined by the US Postal Service for the Accounting Division budget. (center 20200)
- **\$18,613** for maintenance and support services related to GEAC, ImageNow and FICS for the Accounting Division budget. (center 20200)
- **\$15,999** for the need to continue use of a temp agency for the Revenue Division budget by. (center 20300)

### Service Level Changes – Approved

1. **MPC Upgrade.** MPC is the financial reporting and budgeting tool for the City of Charlotte. MPC must be maintained in order to provide budget and finance information to all KBUs across the City. This would provide an upgrade to the existing MPC financial reporting and budgeting tool in order to maintain a vendor supportable version. This upgrade involves a major version change and will require vendor assistance. The approval is for one-time funding and will not increase the department's base budget. *Linkage to BSC: Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes*

### Service Level Changes – Not Approved

1. **Standard and Poor's Ratings Direct.** In order to generate higher returns with low risk, the City invests in commercial paper and government agency notes. This investment strategy provides additional revenue to the city, primarily funding the capital program. Without utilizing various investment options that require additional research and a strategic investing approach, the City would receive substantially less revenue by simply putting the money in short term treasury bonds which currently carry 0% interest. Events over the last year have highlighted the investment risks that even highly rated securities might have and therefore we have to do additional due diligence before making investment decisions. There are investments that we could have made based on rating alone that would have proved worthless or lost substantial value. The City obtained rights to use this service in June 2008. S&P Ratings direct (or a similar program which would cost more) is now essential to our investment strategy. *Linkage to BSC: Maintain AAA Rating, Invest in Infrastructure*

## REQUEST FOR RESOURCES- continued

2. **ImageNow Upgrade.** Implementation of the ImageNow Upgrade encompasses developing collaborative solutions, enhancing customer service and optimizing business processes. Improvements will be made that were requested by the Payment Processing Sub-committee of the Finance Liaison Committee (collaborative solutions). Enhanced workflow functionality will increase our ability to pay invoices more timely and reduce the time it takes to process invoices (enhance customer service and optimize business processes). These time savings will allow all KBUs to process invoices more efficiently, which allows them to perform other duties. Citywide, this will more than offset the cost of the upgrade. *Linkage to BSC: Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes*
3. **Financial System Strategy – Phase II.** The Finance Liaison Committee has been working together with VK to come up with a plan for a new financial system that will meet the various needs of KBUs across the City. Financial Management encompasses all activities that the City utilizes to receive revenues including billing, collection and deposits, the procurement of goods and services, cash flow planning, the investment of funds, the issuance of debt, maintaining capital budgets, managing the cost of enterprise risk and reporting the results of all of its financial operations. All of these activities must comply with North Carolina General Statutes, Federal Laws and the Governmental Accounting Standards Board (GASB). *Linkage to BSC: Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes*
4. **Financial System Strategy – Phase III.** This would be the second of two next steps following the April 2008 Financial System Strategy Study. Phase III would gather detailed requirements for a new financial system. *Linkage to BSC: Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes*
5. **Accounts Receivable Clerk.** City Council increased Code Enforcement staff in July 2005 thus increasing the number of citations issued each year. No corresponding increase was made in the Finance staff that supports the billing and collecting of these citations. This increase alone has significantly strained resources in the already strained Accounts Receivable section. In FY09, a new Accounts Receivable System will be installed that will enhance our ability to bill citizens and customers for these and other services provided by City departments, some that are currently being billed by the KBU with little-to-no collection follow-up. *Linkage to BSC: Enhance Customer Service, Develop Collaborative Solutions and Optimize Business Processes*
6. **Revenue Collection Agent.** The position of Revenue Collection Agent is needed to pursue collection of past due accounts for City Services before the account is referred to an outside collection agency. The City paid a collection agency \$226,871 in FY08. The agency's collection rate is 24% of the amount actually collected. Currently Revenue's three agents telephone, write letters and meet with citizens in person to pursue collection. Currently, the agents pursue collection on accounts with a balance of \$500 or more. We think that the addition of another agent, the staff will be able to pursue collection at the \$250 level or more. This means that the account with balances less than \$250 will go to the collection agency thereby reducing collection expense. *Enhance Customer Service, Optimize Business Processes*



19999 - Finance Consolidated	FY2010		
	Requested	Approved	Difference
010 Personal Services Adjustments		(146,595)	(146,595)
011 Salary & Wage - Reg.	4,453,027	4,453,027	-
012 Overtime	51,915	49,982	(1,933)
013 Salary & Wage - Temp	30,759	30,759	-
014 Salary & Wages-Part-Time	39,210	38,287	(923)
020 Employee Merit Pay	53,832	8,601	(45,231)
083 Retiree Insurance Premium		291,660	291,660
085 Social Security Tax	345,241	341,780	(3,461)
086 Empl Insurance Premium	458,990	442,084	(16,906)
087 Empl Retirement Expns	216,622	214,450	(2,172)
089 Othr Empl Fringe Bnfts	6,090	6,090	-
097 401K Retirement	135,389	134,032	(1,357)
103 Budgetary Rsrv - Per Svcs			-
<b>Personal Services</b>	<b>5,791,075</b>	<b>5,864,157</b>	<b>73,082</b>
104 Budgetary Rsrv - Oper			-
111 Telecommunications	25,175	24,167	(1,008)
112 KBU Telecommunications	28,542	26,681	(1,861)
113 Postage	1,188,612	963,582	(225,030)
131 Printing & Publishing	47,691	41,328	(6,363)
136 Technology Supplies/Svcs	1,079,991	971,477	(108,514)
137 Advertising	500	500	-
142 Rental Of Land & Bldgs	262,937	259,702	(3,235)
165 KBU Rental Of Land & Bldgs	1,080		(1,080)
151 M&R-Equip-Non-Slf-Prop	7,305	7,410	105
161 Travel & Meetings	26,363	21,929	(4,434)
163 Empl Reimb Training Exp	21,642	4,989	(16,653)
164 Training Conf & Meetings	38,709	30,088	(8,621)
176 Temporary Help Fees	20,999	5,000	(15,999)
179 Fees - Other	3,300	3,300	-
191 Dues,Subscr, & Prof Lic	11,606	7,380	(4,226)
193 Budget Reduction		(91,971)	(91,971)
199 Othr Misc Contr Svcs	822,754	801,023	(21,731)
271 Office Supplies	35,107	34,056	(1,051)
298 Othr Spec Dept Supply	14,254	14,255	1
611 Insurance Premiums	42	42	-
615 Workers Compensation	6,658	6,658	-
<b>Operating Expenses</b>	<b>3,643,267</b>	<b>3,131,595</b>	<b>(511,672)</b>
960 Departmental Charges	(244,422)	(238,844)	5,578
<b>Total Current Year</b>	<b>9,189,920</b>	<b>8,756,908</b>	<b>(433,012)</b>



20000 - Administration	FY2010		
	Requested	Approved	Difference
011 Salary & Wage - Reg.	485,568	485,568	-
020 Employee Merit Pay	7,690	531	(7,159)
083 Retiree Insurance Premium		291,660	291,660
085 Social Security Tax	38,101	37,554	(547)
086 Empl Insurance Premium	29,050	27,980	(1,070)
087 Empl Retirement Expns	23,907	23,563	(344)
089 Othr Empl Fringe Bnfts	4,800	4,800	-
097 401K Retirement	14,942	14,727	(215)
103 Budgetary Rsrv - Per Svcs			-
<b>Personal Services</b>	<b>604,058</b>	<b>886,383</b>	<b>282,325</b>
102 Unexpendable Approp.			-
111 Telecommunications	1,244	1,189	(55)
112 KBU Telecommunications	2,713	1,754	(959)
113 Postage	239	313	74
131 Printing & Publishing	2,839	1,485	(1,354)
142 Rental Of Land & Bldgs	34,904	34,474	(430)
151 M&R-Equip-Non-Slf-Prop	135	240	105
161 Travel & Meetings	3,558	1,719	(1,839)
164 Training Conf & Meetings	7,911	750	(7,161)
191 Dues,Subscr, & Prof Lic	1,845	268	(1,577)
199 Othr Misc Contr Svcs	8,187		(8,187)
271 Office Supplies	962	987	25
298 Othr Spec Dept Supply	1,005	1,006	1
611 Insurance Premiums	42	42	-
615 Workers Compensation	6,658	6,658	-
<b>Operating Expenses</b>	<b>72,242</b>	<b>50,884</b>	<b>(21,358)</b>
<b>Total Current Year</b>	<b>676,300</b>	<b>937,267</b>	<b>260,967</b>



20100 - Treasury	FY2010		
	Requested	Approved	Difference
011 Salary & Wage - Reg.	529,840	529,840	-
020 Employee Merit Pay	6,547	1,236	(5,311)
085 Social Security Tax	41,034	40,627	(407)
086 Empl Insurance Premium	40,670	39,172	(1,498)
087 Empl Retirement Expns	25,747	25,492	(255)
097 401K Retirement	16,092	15,932	(160)
103 Budgetary Rsrv - Per Svcs			-
<b>Personal Services</b>	<b>659,930</b>	<b>652,300</b>	<b>(7,630)</b>
111 Telecommunications	2,102	2,008	(94)
112 KBU Telecommunications	3,595	3,164	(431)
113 Postage	370	356	(14)
131 Printing & Publishing	2,400	2,340	(60)
142 Rental Of Land & Bldgs	18,055	17,833	(222)
165 KBU Rental Of Land & Bldgs	1,080		(1,080)
151 M&R-Equip-Non-Slf-Prop	1,100	1,100	-
161 Travel & Meetings	3,400	805	(2,595)
163 Empl Reimb Training Exp	3,500		(3,500)
164 Training Conf & Meetings	2,700	1,700	(1,000)
191 Dues,Subscr, & Prof Lic	4,111	1,462	(2,649)
199 Othr Misc Contr Svcs	37,224	23,680	(13,544)
271 Office Supplies	4,000	3,100	(900)
<b>Operating Expenses</b>	<b>83,637</b>	<b>57,548</b>	<b>(26,089)</b>
<b>Total Current Year</b>	<b>743,567</b>	<b>709,848</b>	<b>(33,719)</b>



20200 - Accounting	FY2010		
	Requested	Approved	Difference
010 Personal Services Adjustments		(146,595)	(146,595)
011 Salary & Wage - Reg.	1,597,016	1,597,016	-
012 Overtime	11,314	11,314	-
013 Salary & Wage - Temp	7,751	7,751	-
020 Employee Merit Pay	18,569	3,680	(14,889)
085 Social Security Tax	123,634	122,495	(1,139)
086 Empl Insurance Premium	191,730	184,668	(7,062)
087 Empl Retirement Expns	77,574	76,859	(715)
089 Othr Empl Fringe Bnfts	544	544	(0)
097 401K Retirement	48,484	48,037	(447)
103 Budgetary Rsrv - Per Svcs			-
<b>Personal Services</b>	<b>2,076,616</b>	<b>1,905,769</b>	<b>(170,847)</b>
111 Telecommunications	10,609	10,190	(419)
112 KBU Telecommunications	8,759	8,288	(471)
113 Postage	36,787	28,100	(8,687)
131 Printing & Publishing	26,035	23,200	(2,835)
136 Technology Supplies/Svcs	289,761	265,648	(24,113)
137 Advertising	500	500	-
142 Rental Of Land & Bldgs	112,826	111,434	(1,392)
151 M&R-Equip-Non-Slf-Prop	500	500	-
161 Travel & Meetings	2,400	2,400	-
163 Empl Reimb Training Exp	1,000	1,000	-
164 Training Conf & Meetings	13,900	13,900	-
179 Fees - Other	3,300	3,300	-
191 Dues,Subscr, & Prof Lic	5,000	5,000	-
193 Budget Reduction		(91,971)	(91,971)
199 Othr Misc Contr Svcs	14,800	14,800	-
271 Office Supplies	16,000	16,000	-
298 Othr Spec Dept Supply	8,000	8,000	-
<b>Operating Expenses</b>	<b>550,177</b>	<b>420,289</b>	<b>(129,888)</b>
960 Departmental Charges	(173,897)	(181,000)	(7,103)
<b>Total Current Year</b>	<b>2,452,896</b>	<b>2,145,058</b>	<b>(307,838)</b>



20300 - Revenue	FY2010		
	Requested	Approved	Difference
011 Salary & Wage - Reg.	876,405	876,405	-
012 Overtime	40,601	38,668	(1,933)
013 Salary & Wage - Temp	23,008	23,008	-
014 Salary & Wages-Part-Time	39,210	38,287	(923)
020 Employee Merit Pay	9,644		(9,644)
085 Social Security Tax	67,803	67,066	(737)
086 Empl Insurance Premium	116,200	111,920	(4,280)
087 Empl Retirement Expns	42,543	42,080	(463)
089 Othr Empl Fringe Bnfts	270	270	-
097 401K Retirement	26,590	26,300	(290)
103 Budgetary Rsrv - Per Svcs			-
<b>Personal Services</b>	<b>1,242,274</b>	<b>1,224,004</b>	<b>(18,270)</b>
104 Budgetary Rsrv - Oper			
111 Telecommunications	6,358	6,104	(254)
112 KBU Telecommunications	6,063	6,063	-
113 Postage	1,150,794	934,391	(216,403)
131 Printing & Publishing	14,314	12,200	(2,114)
136 Technology Supplies/Svcs	756,488	672,087	(84,401)
142 Rental Of Land & Bldgs	72,736	71,846	(890)
151 M&R-Equip-Non-Slf-Prop	4,740	4,740	-
161 Travel & Meetings	2,326	2,326	-
163 Empl Reimb Training Exp	16,600	3,447	(13,153)
164 Training Conf & Meetings	3,040	2,580	(460)
176 Temporary Help Fees	20,999	5,000	(15,999)
191 Dues,Subscr, & Prof Lic	650	650	-
199 Othr Misc Contr Svcs	749,356	749,356	-
271 Office Supplies	11,645	11,469	(176)
298 Othr Spec Dept Supply	4,249	4,249	-
<b>Operating Expenses</b>	<b>2,820,357</b>	<b>2,486,507</b>	<b>(333,850)</b>
960 Departmental Charges	(70,525)	(57,844)	12,681
<b>Total Current Year</b>	<b>3,992,106</b>	<b>3,652,667</b>	<b>(339,439)</b>

20500 - Business Systems	FY2010		
	Requested	Approved	Difference
011 Salary & Wage - Reg.	964,199	964,199	-
020 Employee Merit Pay	11,383	3,154	(8,229)
085 Social Security Tax	74,669	74,039	(630)
086 Empl Insurance Premium	81,340	78,344	(2,996)
087 Empl Retirement Expns	46,851	46,456	(395)
089 Othr Empl Fringe Bnfts	477	477	-
097 401K Retirement	29,282	29,035	(247)
103 Budgetary Rsrv - Per Svcs			-
<b>Personal Services</b>	<b>1,208,201</b>	<b>1,195,704</b>	<b>(12,497)</b>
111 Telecommunications	4,862	4,676	(186)
112 KBU Telecommunications	7,412	7,412	-
113 Postage	422	422	-
131 Printing & Publishing	2,103	2,103	-
136 Technology Supplies/Svcs	33,742	33,742	-
142 Rental Of Land & Bldgs	24,416	24,115	(301)
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	-
199 Othr Misc Contr Svcs	13,188	13,188	-
271 Office Supplies	2,500	2,500	-
298 Othr Spec Dept Supply	1,000	1,000	-
<b>Operating Expenses</b>	<b>116,854</b>	<b>116,367</b>	<b>(487)</b>
<b>Total Current Year</b>	<b>1,325,055</b>	<b>1,312,071</b>	<b>(12,984)</b>



Risk Management Consolidated	FY2010		
	Requested	Approved	Difference
010 Personal Services Adjustments	6,918	6,918	-
011 Salary & Wage - Reg.	1,487,560	1,487,560	-
020 Employee Merit Pay	14,787	495	(14,292)
083 Retiree Insurance Premium		11,192	11,192
085 Social Security Tax	114,930	113,836	(1,094)
086 Empl Insurance Premium	168,490	151,092	(17,398)
087 Empl Retirement Expns	72,113	71,427	(686)
097 401K Retirement	45,070	44,642	(428)
103 Budgetary Rsrv - Per Svcs			-
<b>Personal Services</b>	<b>1,909,868</b>	<b>1,887,161</b>	<b>(22,707)</b>
102 Unexpendable Approp.		44,231	44,231
104 Budgetary Rsrv - Oper			-
111 Telecommunications	9,131	8,772	(359)
112 KBU Telecommunications	11,000	11,000	-
113 Postage	8,540	8,540	-
131 Printing & Publishing	12,500	12,500	-
136 Technology Supplies/Svcs	54,000	54,000	-
165 KBU Rental Of Land & Bldgs	201,021	201,021	-
146 Auto & Othr Allowances	400	400	-
147 Utilities	21,400	21,400	-
151 M&R-Equip-Non-Slf-Prop	3,000	3,000	-
152 M&R-Auto/Equip-Motorzd	7,000	7,000	-
153 M&R-Buildings	56,010	56,010	-
154 M&R-Land & Water Areas	15,500	15,500	-
156 M&R-Bldg Renov & Constr	2,572	2,572	-
161 Travel & Meetings	5,400	5,400	-
163 Empl Reimb Training Exp	2,000	2,000	-
164 Training Conf & Meetings	27,800	27,800	-
170 Prof & Technical Services	25,000	25,000	-
171 Pro Fee-Acctng&Audtng	8,400	8,400	-
179 Fees - Other	800	800	-
191 Dues,Subscr, & Prof Lic	5,000	5,000	-
199 Othr Misc Contr Svcs	55,900	55,900	-
251 Motor Fuels & Lubrcnts	2,400	2,400	-
256 Other Materials/Supplies	4,000	4,000	-
271 Office Supplies	28,500	28,500	-
298 Othr Spec Dept Supply	6,900	6,900	-
615 Workers Compensation	8,812	8,812	-
<b>Operating Expenses</b>	<b>582,986</b>	<b>626,858</b>	<b>43,872</b>
940 Reimbursed Expenses	384,010	339,779	(44,231)
<b>Grants And Contributions</b>	<b>384,010</b>	<b>339,779</b>	<b>(44,231)</b>
960 Departmental Charges	(22,112)	(22,112)	-
<b>Total Current Year</b>	<b>2,854,752</b>	<b>2,831,686</b>	<b>(23,066)</b>





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

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





**City of Charlotte  
Service Level Change Request Form  
FY2010 & FY2011**

Center	Fund	Project Name	Dept Rank
20500 - Business Systems	0101	MPC System Upgrade	5

Line Items	FY10	FY11
136 Technology Supplies/Svcs	50,000	
<b>TOTAL</b>	<b>50,000</b>	<b>0</b>

**PLEASE NOTE!** Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY10 and FY11: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance (086) rates are \$5,810 in FY10 and \$6,333 in FY11.

Technology Related ?	<input type="checkbox"/> Yes
TPET Status ?	<input type="checkbox"/>
TPET Funded ?	<input type="checkbox"/>

# of FTEs Requested	<input type="text"/>	Revenue (\$)	<input type="text"/>	Revenue Source	<input type="text"/>
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Position Name	Position #	Total FTEs for position

**Linkage to Strategic Objective**

(List Corporate Objective(s) and explain how this SLC Supports that Objective)

Run the Business (Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes)

**Impact On Strategic Objective**

MPC is the financial reporting and budgeting tool for the City of Charlotte. MPC must be maintained in order to provide budget and finance information to all KBUs across the City.

**SLC Justification**

This would provide an upgrade to the existing MPC financial reporting and budgeting tool in order to maintain a vendor supportable version. This upgrade involves a major version change and will require vendor assistance.



**City of Charlotte  
Service Level Change Request Form  
FY2010 & FY2011**

Center	Fund	Project Name	Dept Rank
20100 - Treasury	0101	Standard & Poor's Ratings Direct	1

Line Items	FY10	FY11
199 Othr Misc Contr Srvcs	9,800	10,094
<b>TOTAL</b>	<b>9,800</b>	<b>10,094</b>

**PLEASE NOTE!** Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY10 and FY11: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance (086) rates are \$5,810 in FY10 and \$6,333 in FY11.

Technology Related ?	<input type="checkbox"/> No
TPET Status ?	<input type="checkbox"/>
TPET Funded ?	<input type="checkbox"/>

# of FTEs Requested	<input type="text"/>	Revenue (\$)	<input type="text"/>	Revenue Source	<input type="text"/>
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Position Name	Position #	Total FTEs for position

**Linkage to Strategic Objective**

(List Corporate Objective(s) and explain how this SLC Supports that Objective)

Manage Resources (Maintain AAA Rating, Invest in Infrastructure)

**Impact On Strategic Objective**

In order to generate higher returns with low risk, the City invests in commercial paper and government agency notes. This investment strategy provides additional revenue to the city, primarily funding the capital program. Without utilizing various investment options that require additional research and a strategic investing approach, the City would receive substantially less revenue by simply putting the money in short term treasury bonds which currently carry 0% interest. Events over the last year have highlighted the investment risks that even highly rated securities might have and therefore we have to do additional due diligence before making investment decisions. There are investments that we could have made based on rating alone that would have proved worthless or lost substantial value. The City obtained rights to use this service in June 2008. S&P Ratings direct (or a similar program which would cost more) is now essential to our investment strategy.

**SLC Justification**

S&P Ratings Direct provides online access to current, detailed ratings information and credit research on a broad range of commercial paper and structured finance issues. With changes in the financial markets, access to this information is necessary for investing the City's \$1.4 billion investment portfolio. Denial of this request would result in substantial reduction in interest earnings across the board in all city funds. For FY2009, we used excess funds at the end of FY2008. That money will not be available in FY2010 and must be funded through the normal budget process.





**City of Charlotte  
Service Level Change Request Form  
FY2010 & FY2011**

Center	Fund	Project Name	Dept Rank
20200 - Accounting	0101	ImageNow Upgrade	2

Line Items	FY10	FY11
136 Technology Supplies/Svcs	15,000	
<b>TOTAL</b>	<b>15,000</b>	<b>0</b>

**PLEASE NOTE!** Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY10 and FY11: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance (086) rates are \$5,810 in FY10 and \$6,333 in FY11.

Technology Related ?  Yes  
 TPET Status ?   
 TPET Funded ?

# of FTEs Requested  Revenue (\$)  Revenue Source

Position Name	Position #	Total FTEs for position

**Linkage to Strategic Objective**

(List Corporate Objective(s) and explain how this SLC Supports that Objective)

Run the Business (Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes)

**Impact On Strategic Objective**

Implementation of the ImageNow Upgrade encompasses developing collaborative solutions, enhancing customer service and optimizing business processes. Improvements will be made that were requested by the Payment Processing Sub-committee of the Finance Liaison Committee (collaborative solutions). Enhanced workflow functionality will increase our ability to pay invoices more timely and reduce the time it takes to process invoices (enhance customer service and optimize business processes). These time savings will allow all KBUs to process invoices more efficiently, which allows them to perform other duties. Citywide, this will more than offset the cost of the upgrade.

**SLC Justification**

There are several areas of improvement in the functionality of the system. One new function will provide time savings because of fund/account/center validation on the front end when invoices are being approved. That will mean that Accounts Payable will not have to return invoices to KBUs when invalid coding is used. Invalid coding can delay payment by several days. Faster turnaround allows the City to pay invoices more timely and prevent late payments. More Search capabilities for invoices will allow KBUs to retrieve more information in ImageNow without having to go to Geac for things such as invoice amount and invoice date when no other information is available for searching. Also KBU set-ups can be simplified by the use of Super Queues. The time saving elements of the upgrade that will be realized citywide will more than pay for the cost of the upgrade.



**City of Charlotte  
Service Level Change Request Form  
FY2010 & FY2011**

Center	Fund	Project Name	Dept Rank
20500 - Business Systems	0101	Finance System Strategy - Phase II	3

Line Items	FY10	FY11
136 Technology Supplies/Svcs	38,500	
<b>TOTAL</b>	<b>38,500</b>	<b>0</b>

**PLEASE NOTE!** Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY10 and FY11: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance (086) rates are \$5,810 in FY10 and \$6,333 in FY11.

Technology Related ?  Yes  
 TPET Status ?   
 TPET Funded ?

# of FTEs Requested  Revenue (\$)  Revenue Source

Position Name	Position #	Total FTEs for position

**Linkage to Strategic Objective**

(List Corporate Objective(s) and explain how this SLC Supports that Objective)

Run the Business (Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes)

**Impact On Strategic Objective**

The Finance Liaison Committee has been working together with VK to come up with a plan for a new financial system that will meet the various needs of KBUs across the City. Financial Management encompasses all activities that the City utilizes to receive revenues including billing, collection and deposits, the procurement of goods and services, cash flow planning, the investment of funds, the issuance of debt, maintaining capital budgets, managing the cost of enterprise risk and reporting the results of all of its financial operations. All of these activities must comply with North Carolina General Statutes, Federal Laws and the Governmental Accounting Standards Board (GASB).

**SLC Justification**

This would be the follow up to the April 2008 Financial System Strategy Study. The Senior Business Team (SBT) was pleased with the VK Financial System Study and approved the strategy recommended by the Finance Liaison Committee (FLC) for moving forward with Phase II. Phase II would include obtaining additional detailed information as to the expected costs, resource requirements and potential efficiency gains to be realized from a new financial system.





**City of Charlotte  
Service Level Change Request Form  
FY2010 & FY2011**

Center	Fund	Project Name	Dept Rank
20500 - Business Systems	0101	Financial System Strategy - Phase III	4

Line Items	FY10	FY11
136 Technology Supplies/Svcs	115,000	
<b>TOTAL</b>	<b>115,000</b>	<b>0</b>

**PLEASE NOTE!** Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY10 and FY11: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance (086) rates are \$5,810 in FY10 and \$6,333 in FY11.

Technology Related ?  Yes  
 TPET Status ?   
 TPET Funded ?

# of FTEs Requested  Revenue (\$)  Revenue Source

Position Name	Position #	Total FTEs for position

**Linkage to Strategic Objective**

(List Corporate Objective(s) and explain how this SLC Supports that Objective)

Run the Business (Develop Collaborative Solutions, Enhance Customer Service and Optimize Business Processes)

**Impact On Strategic Objective**

The Finance Liaison Committee has been working together with VK to come up with a plan for a new financial system that will meet the various needs of KBUs across the City. Financial Management encompasses all activities that the City utilizes to receive revenues including billing, collection and deposits, the procurement of goods and services, cash flow planning, the investment of funds, the issuance of debt, maintaining capital budgets, managing the cost of enterprise risk and reporting the results of all of its financial operations. All of these activities must comply with North Carolina General Statutes, Federal Laws and the Governmental Accounting Standards Board (GASB).

**SLC Justification**

This would be the second of two next steps following the April 2008 Financial System Strategy Study. Phase III would gather detailed requirements for a new financial system.



**City of Charlotte  
Service Level Change Request Form  
FY2010 & FY2011**

Center	Fund	Project Name	Dept Rank
20200 - Accounting	0101	Accounts Receivable Clerk	5

Line Items	FY10	FY11
011 Salary & Wage - Reg.	35,667	
085 Social Security Tax	2,729	
086 Empl Insurance Premium	5,810	
087 Empl Retirement Expns	1,712	
097 401K Retirement	1,070	
271 Office Supplies	500	
544 Office Equipment	2,000	
<b>TOTAL</b>	<b>49,488</b>	<b>0</b>

**PLEASE NOTE!** Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY10 and FY11: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance (086) rates are \$5,810 in FY10 and \$6,333 in FY11.

Technology Related ?  No  
 TPET Status ?   
 TPET Funded ?

# of FTEs Requested  Revenue (\$)  Revenue Source

Position Name	Position #	Total FTEs for position
Accounting Clerk II	10600	1

**Linkage to Strategic Objective**

(List Corporate Objective(s) and explain how this SLC Supports that Objective)

Run the Business (Enhance Customer Service, Develop Collaborative Solutions, Optimize Business Processes)

**Impact On Strategic Objective**

This SLC supports these strategic objectives by increasing our ability to invoice citizens in a timely manner for services provided by the City, also improving our ability to collect from citizens. Finance, working collaboratively with other KBUs, would be able to improve processes in all areas affected. The impact of this added position would be immediately felt since invoicing backlogs could be addressed and more collection efforts could be started. The ability to expand our services to departments that need it would improve processing efficiency, thus increasing our ability to actually collect for these services.

**SLC Justification**

City Council increased Code Enforcement staff in July 2005 thus increasing the number of citations issued each year. No corresponding increase was made in the Finance staff that supports the billing and collecting of these citations. This increase alone has significantly strained resources in the already strained Accounts Receivable section. In FY09, a new Accounts Receivable System will be installed that will enhance our ability to bill citizens and customers for these and other services provided by City departments, some that are currently being billed by the KBU with little-to-no collection follow-up.





**City of Charlotte  
Service Level Change Request Form  
FY2010 & FY2011**

Center	Fund	Project Name	Dept Rank
20300 - Revenue	0101	Revenue Collection Agent	7

Line Items	FY10	FY11
011 Salary & Wage - Reg.	39,397	40,579
089 Othr Empl Fringe Bnfts	3,014	3,104
087 Empl Retirement Expns	1,891	1,948
097 401K Retirement	1,182	1,217
086 Empl Insurance Premium	5,810	6,333
<b>TOTAL</b>	<b>51,294</b>	<b>53,181</b>

**PLEASE NOTE!** Please select line items from the drop-down menu in each line item cell. Use the following benefits rates for FY10 and FY11: Social Security (089) = 7.65%, Retirement (087) = 4.8%, 401k (097) = 3%. The projected health insurance (086) rates are \$5,810 in FY10 and \$6,333 in FY11.

Technology Related ?  No  
 TPET Status ?   
 TPET Funded ?

# of FTEs Requested  Revenue (\$)  Revenue Source

Position Name	Position #	Total FTEs for position
Revenue Collection Agent	220800	1

**Linkage to Strategic Objective**

(List Corporate Objective(s) and explain how this SLC Supports that Objective)

Run the Business (Enhance Customer Service, Optimize Business Processes)

**Impact On Strategic Objective**

The addition of a Revenue Collection Agent will optimize business processes by allowing Finance the opportunity to pursue collections of accounts with a balance of \$250 or more. This will help reduce the cost that the City pays an outside collection agency.

**SLC Justification**

The position of Revenue Collection Agent is needed to pursue collection of past due accounts for City Services before the account is referred to an outside collection agency. The City paid a collection agency \$226,871 in FY08. The agency's collection rate is 24% of the amount actually collected. Currently Revenue's three agents telephone, write letters and meet with citizens in person to pursue collection. Currently, the agents pursue collection on accounts with a balance of \$500 or more. We think that the addition of another agent, the staff will be able to pursue collection at the \$250 level or more. This means that the account with balances less than \$250 will go to the collection agency thereby reducing collection expense.

**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**  
**Comprehensive Annual Financial Report**  
**Measure Validation**

**Corporate Objective:** Maintain AAA Rating

**KBU Initiatives:** R1 – 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<sup>st</sup> 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**

<b>Corporate Objective:</b> Deliver Competitive Services	
<b>KBU Initiative:</b> R2 – KBE Loss Metrics	
<b>Measure:</b> Provide quarterly updates to KBUs of Loss Metrics for their Department	
<b>Units of Measure:</b> Date of Completion	<b>Frequency of Update:</b> Quarterly
<p><b>Measurement Intent:</b> 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:</p> <ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ol>	
<b>Measurement Formula:</b> Provide all four quarterly reports to the major KBUs by June 30, 2009.	
<b>Data Elements and Sources:</b> 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.	
<b>Source For and Approach to Setting Targets:</b> During FY10 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.	
<b>Data Contact:</b> Dan Pliszka, Manager – Risk Management Division	
<b>Target Setting Responsibility:</b> Finance/Risk Management	<b>Accountability for Meeting Target:</b> Finance/Risk Management
<b>Tracking/Reporting Responsibility:</b> Finance/Risk Management	
<b>Notes/Assumptions:</b> 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 FY10

**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**  
**Wellness Education Awareness Event**  
**Measure Validation**

**Corporate Objective:** Promote Growth and Learning

**KBU Initiative:** E2 – Finance Department will conduct one Wellness Education Program

**Measure:** The completion of the Wellness Education Program by June 30, 2010

<b>Units of Measure:</b> Date of Completion	<b>Frequency of Update:</b> Annually
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**Measurement Intent:** To ensure that the Wellness Education Program is complete by June 30, 2010

**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 wellness education program to help stress the importance of overall health and wellness. The Wellness Education Program 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, 2010

**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, 2010

**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**

	<b>Alignment</b>
<p><b>Corporate Strategy</b></p> <p>Develop Collaborative Solutions Enhance Customer Service Improve Technology Efficiencies Achieve Positive Employee Climate Recruit &amp; Retain a Skilled, Diverse Workforce</p>	
<p><b>Goal</b></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><b>Objectives</b></p> <ol style="list-style-type: none"> <li>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.). We must ensure that we have a system to meet the base financial management needs since the stability of the company that owns GEAC is questionable. We are working to develop a methodology to identify a system that meets these base needs in a price efficient manner.</li> <li>2. Collaborate effectively and enhance relationships with other KBUs while leveraging the SBT/STT 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.</li> <li>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.</li> <li>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.</li> <li>5. Promote and leverage diversity to accomplish other division objectives in alignment with corporate strategy.</li> </ol>	



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

	<b>Alignment</b>
<b>Corporate Strategy</b>	<p>Maintain AAA Rating            Enhance Customer Service            Deliver Competitive Services            Develop Collaborative Solutions            Optimize Business Processes</p>
<b>Goal</b>	<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>
<b>Objectives</b>	<ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>4. Implement new Governmental Accounting Standards Board Statements as required for financial reporting.</li> <li>5. Assist Business Systems Division in the identification of a replacement system that meets the base needs of the financial management business function.</li> <li>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</li> </ol>

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

	<b>Alignment</b>
<p><b>Corporate Strategy</b></p>	<p>Maintain AAA Rating Enhance Customer Service Deliver Competitive Services Develop Collaborative Solutions Optimize Business Processes Achieve Positive Employee Climate Recruit &amp; Retain a Skilled, Diverse Workforce</p>
<p><b>Goals</b></p>	<p>To centrally manage the City's disbursement and billing activities and to provide effective and efficient services to our customers and internal business partners by listening to the voices of the customers, the employees and the process.</p>
<p><b>Objectives</b></p>	<ol style="list-style-type: none"> <li>1. Improve Finance's billing and collection systems and processes, which include the installation of a new accounts receivable system, to be the billing provider of choice for all City KBUs.</li> <li>2. Market Finance's new billing system to all KBUs in order to optimize business processes, develop collaborative solutions, enhance customer service and improve collection of monies owed to the City.</li> <li>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 rating, optimizing business processes, and developing collaborative solutions.</li> <li>4. Assist Business Systems Division in the identification of a replacement system that meets the base needs of the financial management business function.</li> <li>5. Work with other Finance Divisions and KBUs to implement alternative service models for billing, collection, and deposits that comply with NC General Statutes, implement process improvements, and incorporate best practices.</li> </ol>



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

	<b>Alignment</b>
<b>Corporate Strategy</b>	<p>Enhance Customer Service            Deliver Competitive Services            Optimize Business Processes            Develop Collaborative Solutions            Achieve Positive Employee Climate            Recruit &amp; Retain a Skilled, Diverse Workforce</p>
<b>Goal</b>	<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>
<b>Objectives</b>	<ol style="list-style-type: none"> <li>1. Improve Finance's payment processing of City Services bills, which includes the potential outsourcing of mail remittance processing payments.</li> <li>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.</li> <li>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.</li> <li>4. Continue marketing the iNovah Cashiering System to KBUs and the electronic billing and payment options to internal and external customers.</li> </ol>

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

	Alignment
<b>Corporate Strategy</b>	<p>Safeguard the Environment            Develop Collaborative Solutions            Enhance Customer Service            Optimize Business Processes            Deliver competitive Services            Achieve Positive Employee Climate            Recruit and Retain Skilled Workforce            Promote Learning and Growth</p>
<b>Goal</b>	<p>Manage the Total Cost of Risk through a comprehensive program to become known as <i>Focus on Risk</i>.</p>
<b>Objectives</b>	<ol style="list-style-type: none"> <li>1. Achieve full implementation of Focus on Risk within all major City Key Businesses and within other customer's businesses as directed.</li> <li>2. Deliver timely, high quality service in the context of Focus on Risk that meets or exceeds the expectations of both our customers and internal business partners.</li> <li>3. Review, revise and update all self-insured trust documents to ensure compliance with current operations, laws and standards and at the same time, establish a Charlotte Area Transit System (CATS) specific risk trust.</li> <li>4. Implement Medicare Set Aside (MSA) provisions for Worker' Compensation, Property and Casualty claims administration.</li> </ol>



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

	Alignment
<p><b>Corporate Strategy</b></p> <ul style="list-style-type: none"> <li>Enhance Customer Service</li> <li>Deliver Competitive Services</li> <li>Develop Collaborative Solutions</li> <li>Improve Technology Efficiencies</li> </ul>	
<p><b>Goal</b></p>	<p>Provide asset management, financing and debt management, and revenue forecasting and project analysis on a citywide basis; and provide effective and efficient services to our customers and internal business partners.</p>
	<p>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.</p>
	<p>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.</p>
	<p>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.</p>
	<p>4. Provide research and analysis related to potential problems or projects as well as historical information to internal and external customers on request.</p>
	<p>5. Oversee the Long Term Investment Program within the policy guidelines set forth in the investment strategy document and State Statute and achieve long-term returns that support the long-term liabilities that are funded through this program.</p>