DEPARTMENT OF FINANCE FY19 REPORT

ALBEMARLE COUNTY

THE DEPARTMENT OF FINANCE

As Albemarle County continues its long trend of steady growth, the Department of Finance aspires to "grow along" with the community. Through strategic planning, adoption of innovative practices, and a focus on exceptional customer service, the department is building a platform for success.

This report highlights the challenges and successes for the Department of Finance in Fiscal Year 2019, along with goals for the future.

INTRO: FY19 Finance Department REPORT GOALS

The goal of this presentation is to answer three questions for our audience.

1) **What are the Department of Finance's key functions?**

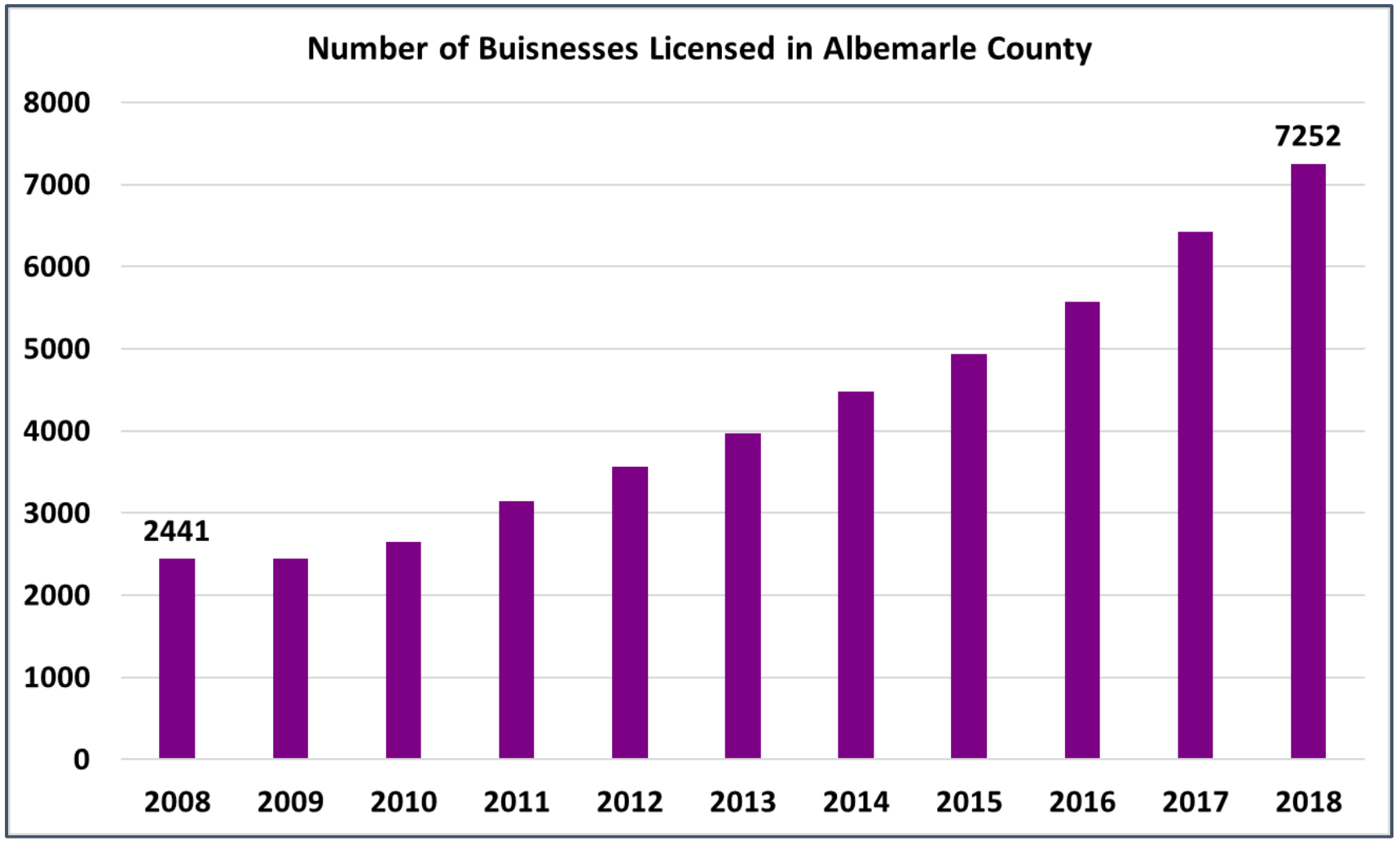
2) **What are our challenges and how are we addressing these through innovation?**

3) **What are our priorities moving forward ?**

INTRO: DEPARTMENT OF FINANCE
FY19 MISSION STATEMENT

“To be responsible for management of the County’s finances guided by the fiscal policies adopted by the Board of Supervisors while promoting excellence, quality, and efficiency of operations by enhancing the ability of our employees to serve our internal and external customers in an outstanding manner.”

INTRO: ALBEMARLE'S GROWTH



*Source: US Census Bureau

DIVISIONS

The Department of Finance covers a broad scope of roles, functions, and responsibilities --- each overseen by one of four major divisions.

Financial Management

Primary functions:
- Procurement
- Payroll
- Accounting
- Debt Management
- Banking

Revenue Administration

Primary functions:
- Tax Assessment
- Collections
- Auditing

Real Estate

Primary functions:
- Annual Reassessment
- Land Use
- New Construction

Administration

Primary functions:
- Leadership
- Staff Development
- Business Processes
- Personnel

FINANCIAL MANAGEMENT: WHAT WE DO

Payroll

- Taxes
- Benefits
- Deductions
- Vendor payments

Accounting

- Accounts payable
- Accounts receivable
- General ledger entries

Purchasing

- Manage procurement processes
- Vendor management
- Solicitations
- Contract awards

Treasury

- Monitor cash flow
- Investments and capital projects
- Administer debt activity
- Reconcile grants

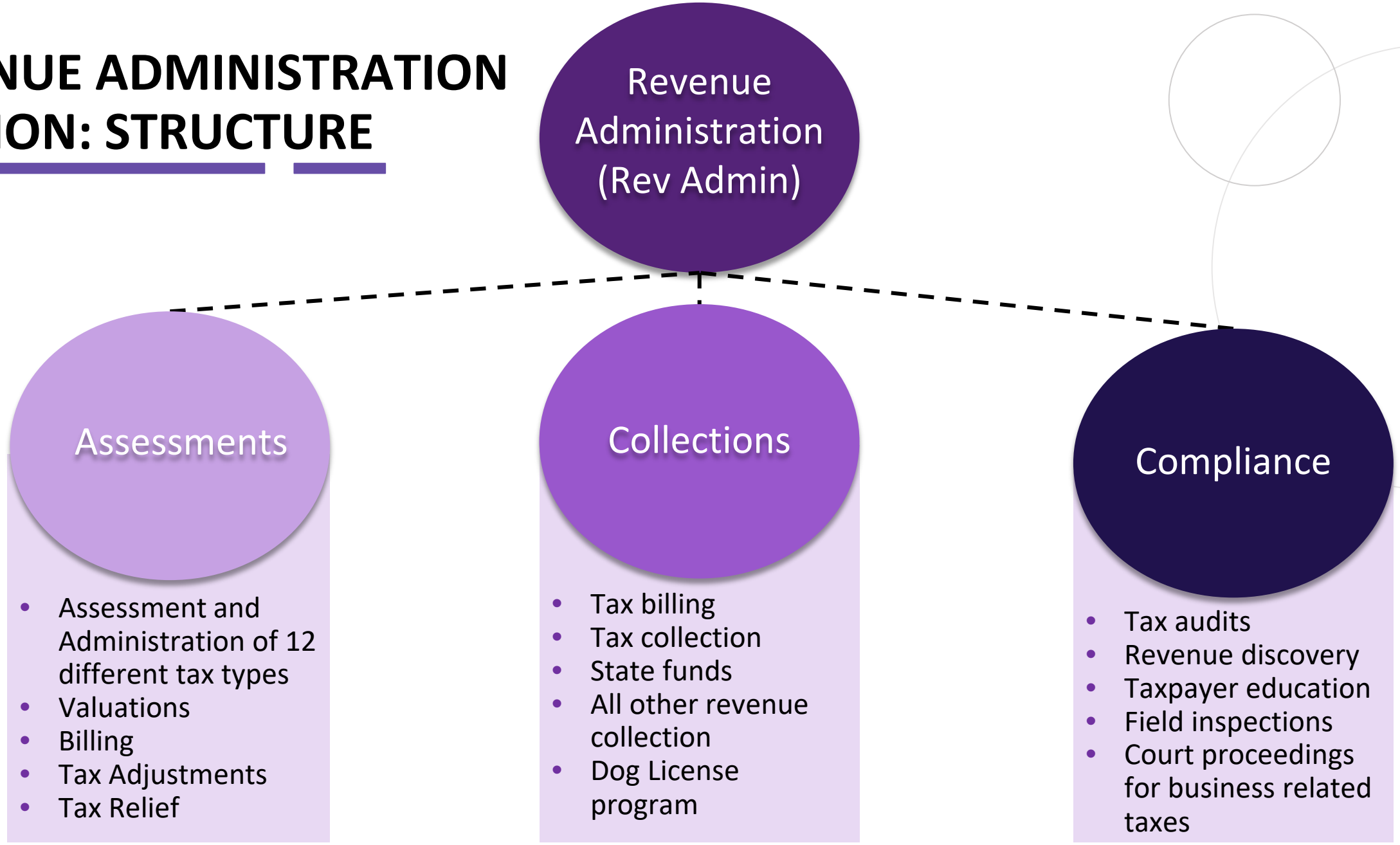
Risk Management

- Oversee County insurance policies
- Advise on risk-related issues
- Continuity of Operations Planning (COOP)

FINANCIAL MANAGEMENT: CHALLENGES AND INNOVATIONS

- Upgrade purchasing system
- Implement Contract Administration Database software
- Realign Payroll practices with newly adopted leave policy and system (Kronos)
- Reengineer the Chart of Accounts to improve forecasting, expenditure tracking and financial reporting
- Align Cash Receipt, Disbursement and Banking systems to create opportunity for automated reconciliations
- Continue cyber-security risk assessment and mitigation planning

REVENUE ADMINISTRATION DIVISION: STRUCTURE



REV ADMIN DIVISION: WHAT WE DO

Personal Property Tax	Business License Tax	Business Tangible Personal Property Tax	Machinery and Tools Tax
Food and Beverage Tax	Transient Occupancy Tax	Public Service Tax	Bank Franchise Tax
Utility Tax	Motor Vehicle Dealership Tax	Short Term Rental Tax	Sales Tax (reconciliation only)

REV ADMIN DIVISION: KEY METRICS

- Compared to other localities with similar structure, Albemarle County's Rev Admin division has a high ratio of citizens to employees.

- This creates challenges for the department's ability to manage workload volume, maintain high levels of customer service and provide professional development opportunities for staff.

Population vs staffing levels in comparable Virginia localities

	Population (US Census estimates)	Rev Admin Staff

*Source: Data collected from respective HR departments within FY19

REV ADMIN DIVISION: KEY METRICS

Regular operations in the Rev Admin Division include:

- 55 daily processes
- 12 weekly processes
- 30 monthly processes
- 15 semi annual or quarterly processes
- 55 annual processes

REV ADMIN DIVISION: KEY METRICS

The following figures represent Rev Admin's FY19 workload, completed by our Staff of 21.

425,000
Total bills generated

655,000
Total payments processed

$403 Million
Total incoming funds processed for FY19

115,000
Active vehicles taxed

3,300
F+B remittances processed

822
Individuals in the RE tax relief program

8,520
Active businesses licenses

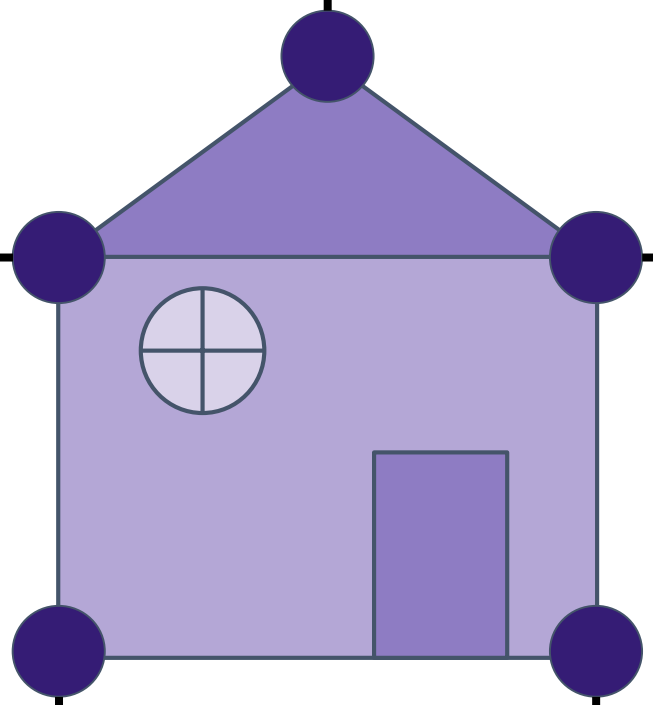
588
New business licenses added

REV ADMIN DIVISION: CHALLENGES AND INNOVATIONS

- Initiation of the homestay compliance initiative
- Externalization of pet licensing duties
- Implementation of HPO customer service measurement tool for tax collection and tax relief
- Revamped business compliance program has continued to raise business license revenue (+ $2 million since 2015)
- Implementation of credit card payments via mail

REAL ESTATE: WHAT WE DO

The primary role of the Real Estate division, also known as the real estate assessor, is to manage duties associated with the assessment of real property in Albemarle County.



Adding newly constructed structures to tax records

Reassessing all real estate annually

Mapping new parcels into GIS

Transferring Real Property Ownership

Administering the land use program

REAL ESTATE: KEY METRICS

Real Estate's Workload has increased dramatically over the last decade.

	2008 values	2019 values	Increase
Employees	**14**	**16**	**14%**
Total reassessments to be done (per year)	**21,080**	**47,081**	**123%**

REAL ESTATE: KEY METRICS

These figures represent highlights of Real Estate's FY19 efforts, completed by our staff of 16.

47,000

Total Parcels in Albemarle

4,500

Parcels in land use program

839

New buildings and additions just this year

2,000+

Building permits processed

710

New parcels added in FY 2019

REAL ESTATE: CHALLENGES AND INNOVATIONS

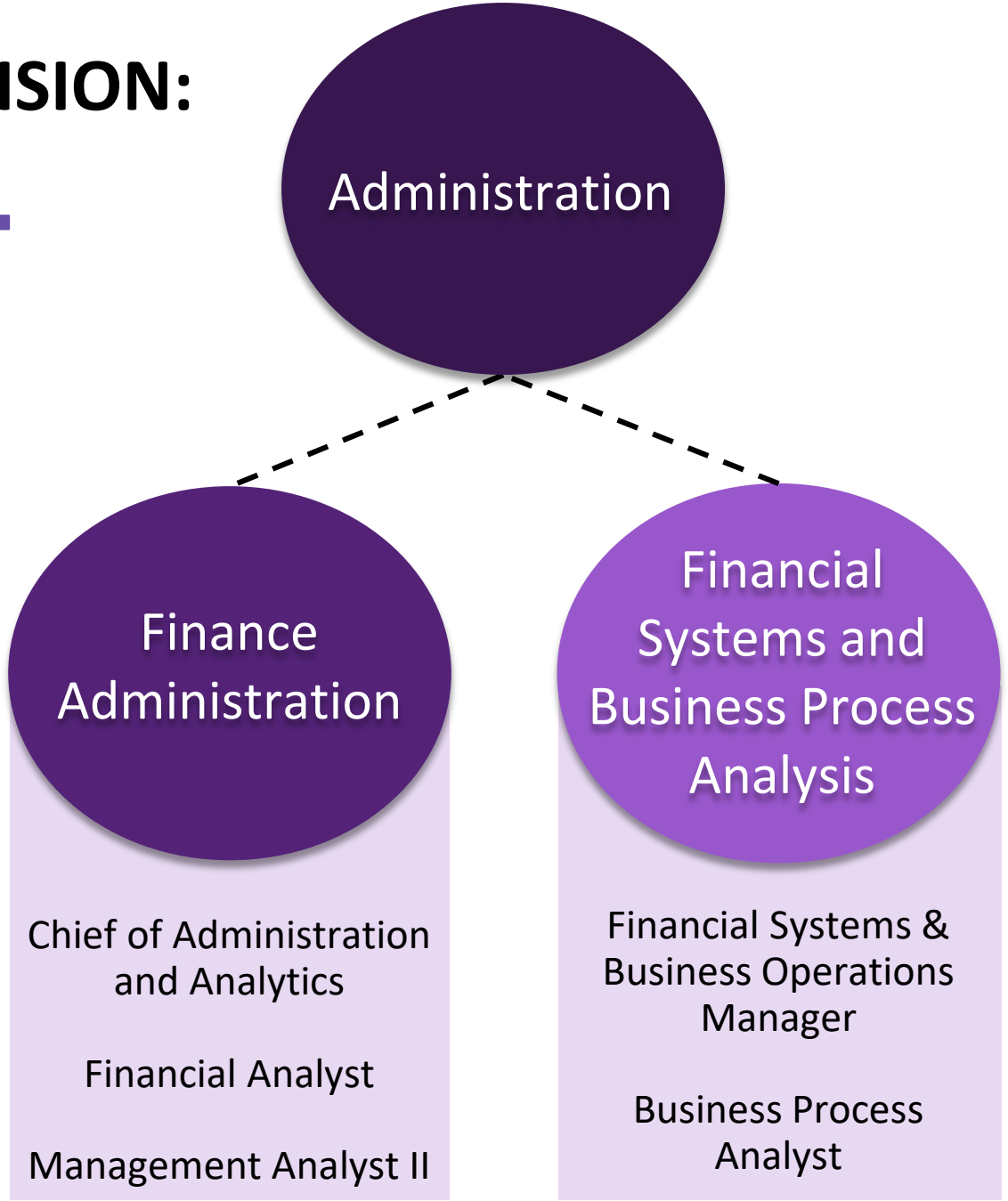
- Real estate is in year 3 of a 5 year plan to establish more efficient procedures and processes for reassessment.

- The Real Estate division has set a goal to improve documentation of their work for purposes of tracking and quality control.

- A newly approved Land Use position will enable Real Estate to monitor parcels more thoroughly than previously possible. This will ensure that due diligence is done in administering the land use tax relief program.

ADMINISTRATION DIVISION: STRUCTURE

The Administration Division is comprised of two areas of focus: Finance Admin and Financial Systems/Business Process Analysis.



ADMINISTRATION DIVISION: WHAT WE DO

Departmental Leadership	Fiscal Agency Administration	Personnel Management	Business Process Analytics
Outside Agency/Fire Rescue Funding	Economic Revenue Forecasting	Debt Issuance and Servicing	Departmental Purchasing
Comprehensive Annual Financial Report	Policy Development and Communication	Invoice Management	Tax Exemption Documentation

ADMINISTRATION DIVISION: KEY METRICS

The Finance Administration Division conducts a broad array of essential support, research, reporting and transactional processes for the department, Albemarle County government and a variety of outside entities.

40+

Outside entities supported

Fiscal agent for

17

independent agencies

$20+ Million

Annual debt service payments

ADMINISTRATION DIVISION: OPERATIONAL CHALLENGES AND IMPROVEMENTS

- Build and develop cohesive leadership team for the department
- Create standard operating procedures and uniform policies for all internal processes Identify areas for improvement and incorporate operational efficiency measures
- Ensure staff development and cross training
- Focus on succession training for the sustainability of the department’s functions

MAJOR DEPARTMENTAL ACCOMPLISHMENTS

- ★ Awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the 24th year in a row

- ★ Received clean audit of Accounts

- ★ Maintained triple AAA Bond Rating status

WHERE WE ARE HEADING

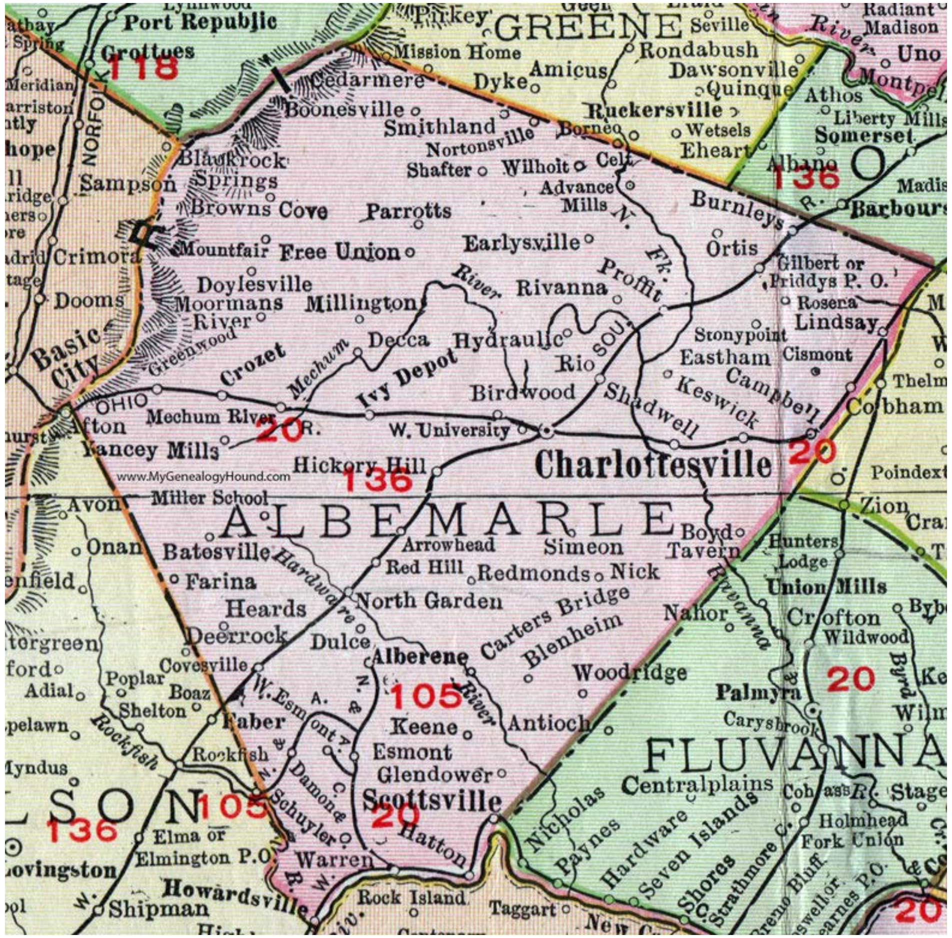
Stewardship:

- Continued focus on maintaining our triple AAA Bond Rating
- Excellence in Accounting, Compliance and Internal Quality Control as evidenced by unqualified, clean audits;
- Achievement of the GFOA award for the past 24 years

WHERE WE ARE HEADING

Focus on Departmental performance:

- Improvements to External and Internal Communications
- Team/Staff Development Initiatives
- Focus on Succession Planning, Cross Training; Certifications
- Development of Performance standards and metrics



SUMMARY

- The Department of Finance has a large workload, spread over an enormous number of unique duties within each of its divisions.
- The Department of Finance successfully achieves its goals and provides excellent customer service to its internal and external customers.
- There are many progressive initiatives in progress or in planning which will aid the department as Albemarle continues to grow into a large, modern county.

Thank you