

FINANCE DEPARTMENT

STATEMENT OF PURPOSE

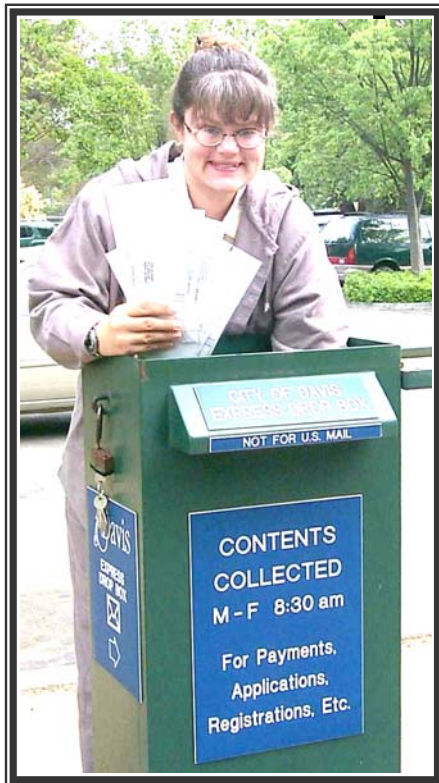
As the "Custodian of Public Funds," manage and safeguard public financial resources. Provide prompt and courteous service to citizens and others having financial dealings with the city. Provide the City Council with thoughtful policy analysis and development of financially sound funding options. Help city departments implement their programs through budget development and management. Report the city's financial activity in a clear and understandable manner.

FINANCE DEPARTMENT

The Finance Department was formerly a division of the Administrative Services Department (ASD). The other divisions within ASD were absorbed in the City Manager's Office.

There are many areas of focus for the Finance department. Some of these include:

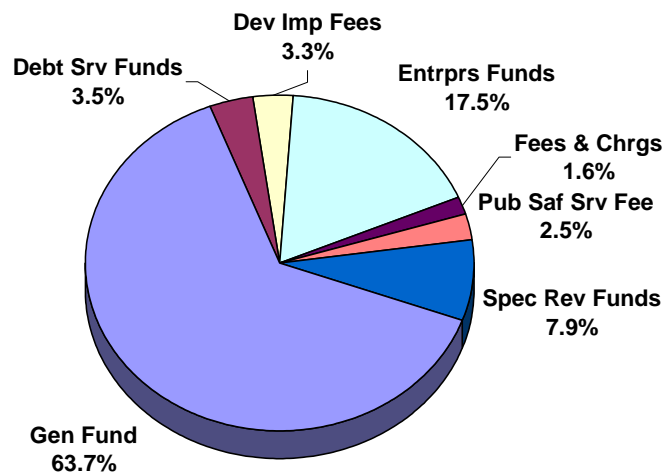
- Accounts Receivable
- Accounts Payable
- Budget & Research
- Business Licenses
- Cash Management & Investments
- Cost Accounting
- Customer Service
- Debt Administration
- Financial Planning
- Financial Reporting & CAFR (Comprehensive Annual Finance Report)
- Liaison to Finance and Economics Commission
- Miscellaneous Payments
- Parking Citations
- Payroll Services
- Utility Billing



Revenues by Fund	Actual	Adjusted	Estimated	Proposed
<u>Source of Funds</u>	<u>2002-03</u>	<u>Budget</u>	<u>2003-04</u>	<u>Budget</u>
General Fund Support	1,009,315	1,267,585	1,137,385	1,284,707
Capital Project Funds	71,137	0	0	0
Debt Service Funds	0	70,000	70,000	70,000
Development Impact Fees	50,341	64,233	63,172	66,235
Enterprise Funds	311,310	318,029	308,851	352,445
Fees & Charges	18,080	17,432	41,132	32,885
Public Safety Srv Fee/Tax	43,888	44,850	43,556	49,704
Special Revenue Funds	115,757	141,402	137,341	159,308
Total Revenues	1,619,828	1,923,531	1,801,437	2,015,284

Expenses by Category	Actual	Adjusted	Estimated	Proposed
<u>Expenditures</u>	<u>2002-03</u>	<u>Budget</u>	<u>2003-04</u>	<u>Budget</u>
Capital Expenditures	0	0	10,062	20,000
Operating Expenditures	523,617	611,364	595,407	583,886
Salaries and Benefits	1,096,211	1,312,167	1,195,968	1,411,398
Total Expenditures	1,619,828	1,923,531	1,801,437	2,015,284

**Source of Funds for
Proposed Budget 2004-05**



Finance Department

Finance

- 1. Fin Accounting
- 2. Fin Reporting
- 3. City Utility Billing
- 4. Business Licenses
- 5. Cash Management
- 6. Budget
- 7. Master Financial Plan
- 8. Major Projects Plan
- 9. Fixed Assets
- 10. Investments
- 11. Debt Management

Major Accomplishments in FY 2003-04

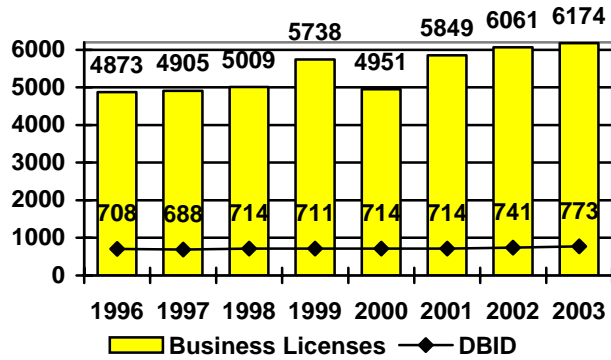
- Implemented new Development Impact Fee Schedule.
- Spun off from ASD department and hired a new Finance Director.
- Realigned staff responsibilities and organization to increase efficiency, effectiveness and service to the community..
- Began beta testing of new on line utility program that will allow customers to view their accounts and pay their bills online.

Plans / Goals for FY 2004-05

- Coordinate citywide budget process so as to ensure that City resources are allocated consistent with City Council priorities while maintaining long-term fiscal health of the City.
- Review, update and maintain General Fund Five-Year Budget Forecast.
- Develop complimentary Five-Year Budget Update for the City Council.
- Review and update internal financial management reports to facilitate and promote effective monitoring of departmental and program budgets.
- Work with the Finance and Budget Commission to enhance community understanding and participation in the budget process.
- Submit published FY 2004-05 Adopted Budget for consideration of awards for excellence to the California Society of Municipal Finance Officers (CSMFO).
- Review and update internal financial management reports to facilitate and promote effective monitoring of departmental and program budgets.
- Publish Consolidated Annual Financial Statements in conformity with GASB 34 requirements and submit for consideration of Award for Excellence to California Society of Municipal Finance Officers (CSMFO).
- Solicit proposals from qualified firms and award new contracts for external audit services.
- Review existing Investment Policy and ensure effective management of City investments and assets.
- Implement new online utility billing program to allow customers to view account information and pay utility bills online.
- Explore feasibility of implementing credit card payment system for utility billing and parking citations.
- Assist in the development of improved information database to track, monitor and report on trends in major revenue categories including Property and Sales Tax.
- Continue to enhance customer service by cross-training staff and providing improved access to information, including development of new Finance department web page.

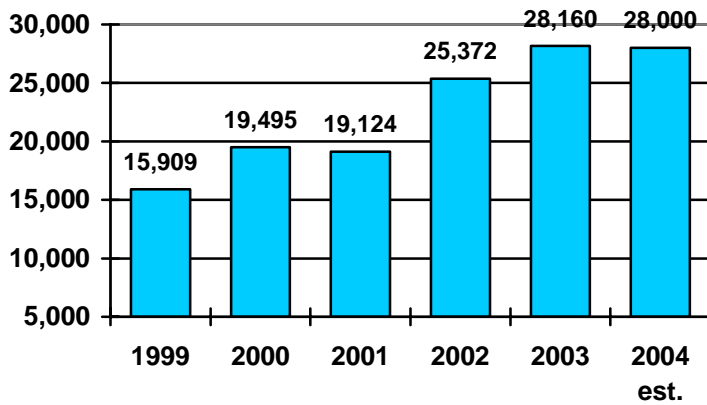
How We Measure Up

BUSINESS LICENSE RENEWALS



Business licenses are renewed annually, while new applications are processed year-round. The city also collects a fee for business located in the Davis Business Improvement District (DBID). DBID revenues are passed onto the Davis Downtown Business Association for Council approved BID uses.

PARKING CITATIONS PROCESSED



Though parking citations are issued by Parking Enforcement Officers in Davis Police Department, it is the Finance Division that collects and processes the citation payments. Collection efforts are coordinated with dispute resolution and the DMV so that holds may be placed on car registrations for severely delinquent accounts.

The city pools all cash funds not held by fiscal agents. Internal control is rigorously maintained to provide accountability and to protect the city's cash assets. Investments are conservatively managed with three primary objectives: 1) safety of principal; 2) liquidity to meet cash flow needs; and 3) maximize investment yield.

Utility accounts will soon be available online. Customers will be able to view history, current information and pay their bills from their home through the City's new system. This enhancement will help improve customer service and access to information.

