

FINANCE DEPARTMENT

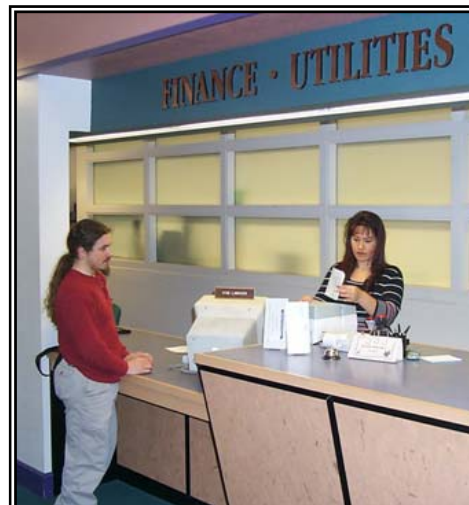
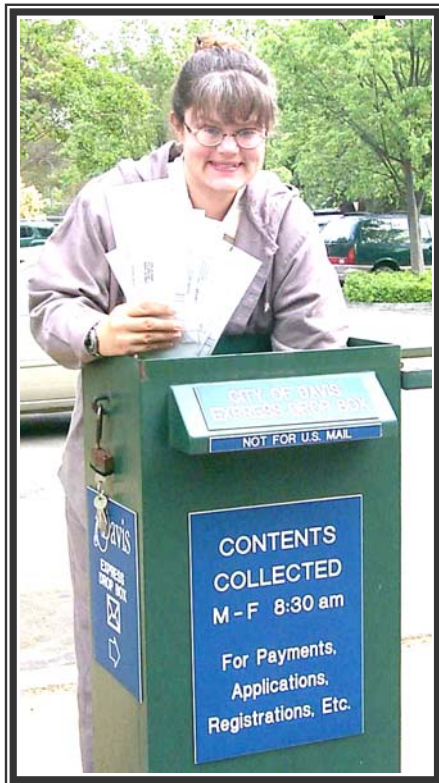
STATEMENT OF PURPOSE

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

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

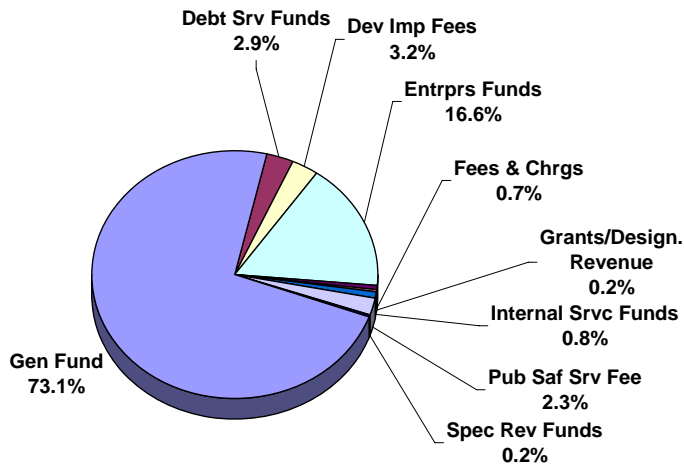
- Accounts Receivable
- Accounts Payable
- Budget & Research
- Business Licenses
- Cash Management & Investments
- Cost Accounting
- Customer Service
- Debt Administration
- Financial Planning
- Financial Reporting & CAFR (Comprehensive Annual Finance Report)
- Liaison to Finance and Budget Commission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



Revenues by Fund				
<u>Source of Funds</u>	<u>Actual 2003-04</u>	<u>Actual 2004-05</u>	<u>Budget 2005-06</u>	<u>Budget 2006-07</u>
General Fund Support	1,109,321	1,286,222	1,407,656	1,764,937
Capital Project Funds	0	0	0	0
Debt Service Funds	70,000	56,846	70,000	70,000
Development Impact Fees	42,883	47,155	78,554	76,719
Enterprise Funds	299,656	340,688	356,677	400,385
Fees & Charges	9,448	29,188	26,965	16,290
Grants/Designated Revenue	29,716	7,073	1,875	4,654
Internal Service Funds	0	0	0	20,000
Public Safety Srv Fee/Tax	42,259	48,046	50,301	56,464
Special Revenue Funds	118,041	151,847	160,443	5,373
Total Revenues	1,721,324	1,967,065	2,152,471	2,414,822

Expenses by Category				
<u>Expenditures</u>	<u>Actual 2003-04</u>	<u>Actual 2004-05</u>	<u>Budget 2005-06</u>	<u>Budget 2006-07</u>
Capital Expenditures	10,062	19,049	0	20,000
Operating Expenditures	502,410	568,150	596,453	677,863
Salaries and Benefits	1,208,852	1,379,866	1,556,018	1,716,959
Total Expenditures	1,721,324	1,967,065	2,152,471	2,414,822

**Source of Funds for
Final Budget 2006-07**



**SUMMARY OF MAJOR
BUDGET CHANGES**

- Contract for actuarial consultant to assist with analysis of GASB 45 requirement for Retiree Medical future liabilities.



Finance Department

FTE'S 21.00



- 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 2005-06

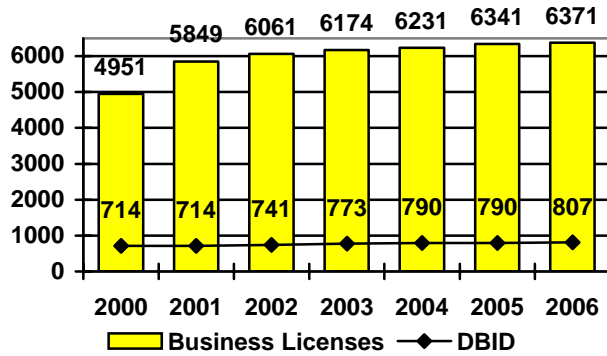
- Implemented on-line payment system for parking citations with the ability to check payment status and pay parking fines.
- Implemented new Development Impact Fee Schedule.
- Posted Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended June 30, 2005 on Finance web site.
- Realigned staff responsibilities and organization to increase efficiency, effectiveness and service to the community.
- Solicited proposals from qualified firms and awarded new contracts for capital asset inventory and valuation services.

Plans / Goals for FY 2006-07

- 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 2006-07 Adopted Budget for consideration of awards for excellence to the California Society of Municipal Finance Officers (CSMFO).
- Publish Comprehensive Annual Financial Reports in conformity with GASB 34 and GASB 44 requirements and submit for consideration of Award for Excellence to Government Finance Officers Association (GFOA) and Award for Outstanding Financial Reporting to the California Society of Municipal Finance Officers (CSMFO).
- 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.
- Coordinate inventory and valuation of capital assets in order to complete implementation of GASB 34 requirements.
- Review and update Capitalization Policy to meet recommended practice guidelines established by GFOA.

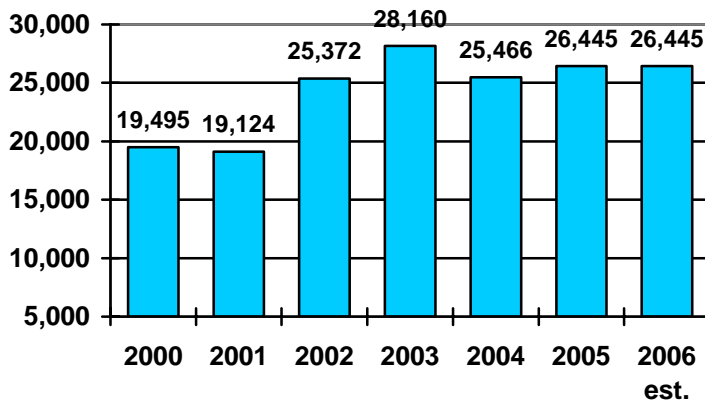
How We Measure Up

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 Department 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 account information is available online. Customers are able to view history, current information and pay their bills from their home through the City's system. This enhancement improves customer service and access to information.

