

FINANCE DEPARTMENT

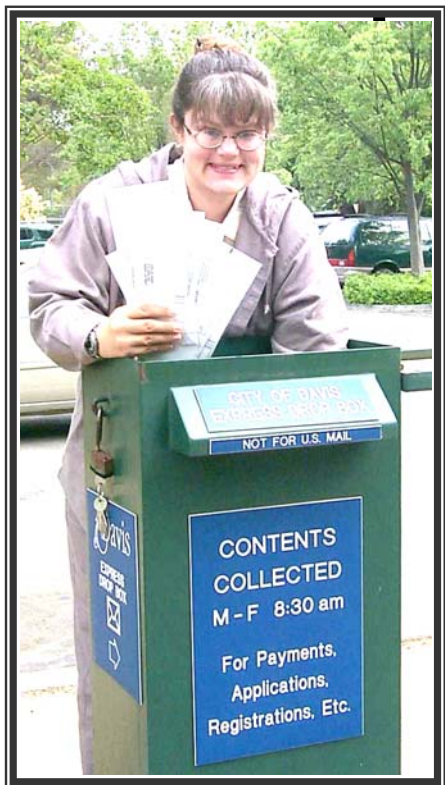
STATEMENT OF PURPOSE

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:

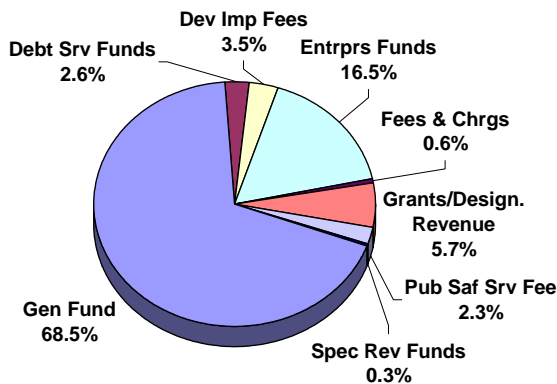
- Accounts Receivable
- Accounts Payable
- Budget & Research
- Business Licenses
- Cash Management & Investments
- Cost Accounting
- Customer Service
- Debt Administration
- Financial Planning
- Financial Reporting & CAFR (Comprehensive Annual Finance Report)
- Liaison to Finance and Budget Commission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



Revenues by Fund				
<u>Source of Funds</u>	<u>Actual 2004-05</u>	<u>Actual 2005-06</u>	<u>Budget 2006-07</u>	<u>Budget 2007-08</u>
General Fund Support	1,286,222	1,422,205	1,764,937	1,811,663
Debt Service Funds	56,846	50,243	70,000	70,000
Development Impact Fees	47,155	55,629	76,719	92,725
Enterprise Funds	340,688	349,622	400,385	437,751
Fees & Charges	29,188	14,839	16,290	16,371
Grants/Designated Revenue	7,073	3,346	4,654	150,650
Internal Service Funds	0	0	20,000	0
Public Safety Srv Fee/Tax	48,046	49,306	56,464	61,734
Special Revenue Funds	151,847	164,335	5,373	6,701
Total Revenues	1,967,065	2,109,525	2,414,822	2,647,595

Expenses by Category				
<u>Expenditures</u>	<u>Actual 2004-05</u>	<u>Actual 2005-06</u>	<u>Budget 2006-07</u>	<u>Budget 2007-08</u>
Capital Expenditures	19,049	0	20,000	0
Operating Expenditures	568,150	576,077	677,863	871,250
Salaries and Benefits	1,379,866	1,533,448	1,716,959	1,776,345
Total Expenditures	1,967,065	2,109,525	2,414,822	2,647,595

**Source of Funds for
Final Budget 2007-08**



**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 2006-07

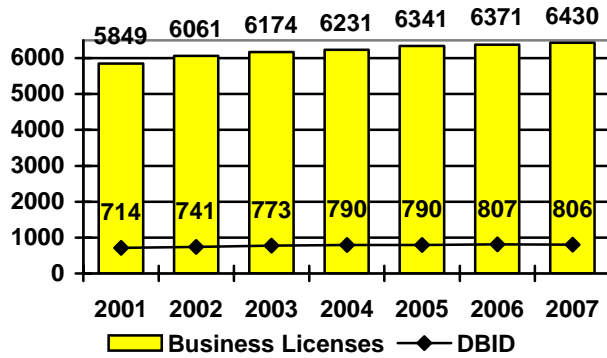
- Reviewed and updated internal financial management reports to facilitate and promote effective monitoring of departmental and program budgets.
- Implemented new Development Impact Fee Schedule.
- Posted Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended June 30, 2005 on Finance 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 2007-08

- 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.
- Work with the Finance and Budget Commission to enhance community understanding and participation in the budget process.
- Submit published FY 2007-08 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).
- Continue to enhance customer service by cross-training staff and providing improved access to information.
- 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.

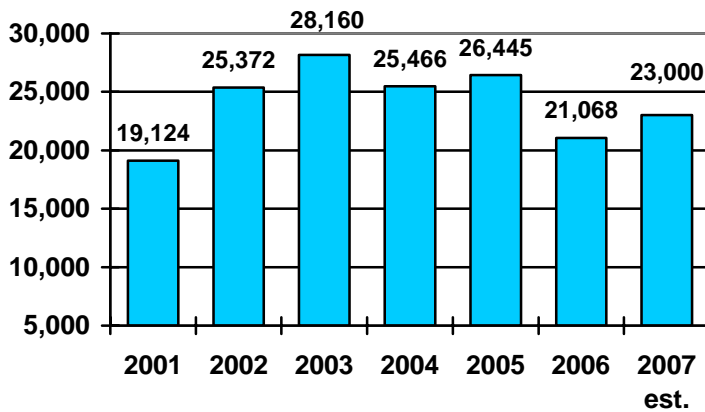
How We Measure Up

BUSINESS LICENSE RENEWALS



Business licenses are renewed annually, while new applications are processed year-round. The City also collects an assessment for business located in the Downtown Business Improvement District (DBID). DBID assessments are passed onto the Downtown Business Association for Council approved DBID 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.

