



FINANCE

Program Goal

The Finance Department strives to maintain a fiscally sound governmental organization that conforms to legal requirements and to generally accepted financial management principles; maintains effective procurement procedures for commodities and services; provides for effective treasury management and a citywide risk management program; acquires, manages and disposes of property for public facilities; provides an effective debt management program; and provides financial advisory services for all city departments.

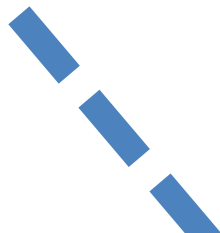
Budget Allowance Explanation

The 2006-07 Finance operating budget allowance of \$26,320,000 is \$2,582,000 or 10.9 percent more than 2005-06 estimated expenditures. This reflects a return to full staffing and normal inflationary increases.

The budget also converts a temporary inventory management coordinator and a temporary accountant to regular status.

Expenditure and Position Summary

	2004-05	2005-06	2006-07
Operating Expense	\$22,061,000	\$23,738,000	\$26,320,000
Total Positions	310.5	313.5	313.5
Source of Funds:			
General	\$20,612,000	\$22,031,000	\$24,464,000
Water	751,000	811,000	928,000
Wastewater	628,000	782,000	782,000
Sports Facilities	67,000	123,000	128,000
Public Housing	-	(9,000)	18,000
City Improvement	1,000	-	-
Grants	2,000	-	-



Finance Major Performance Measures and Service Trends

The following significant performance measures and service trends will be achieved with the 2006-07 budget allowance:

	2004-05	2005-06*	2006-07
Investments by Portfolio:			
Treasurer's Group Portfolio -			
Dollars Invested	\$1,248 mil.	\$1,442 mil.	N/A
Average Yield	3.53%	3.82%	N/A
Average Life (years)	1.8	1.3	N/A
Yield Restricted Portfolio -			
Dollars Invested	\$233 mil.	\$265 mil.	N/A
Average Yield	2.09%	3.35%	N/A
Average Life (years)	.42	.07	N/A
Other Non-Yield Restricted Portfolio -			
Dollars Invested	\$1,073 mil.	\$1,611 mil.	N/A
Average Yield	2.36%	3.85%	N/A
Average Life (years)	.27	.15	N/A
Dollar value of accounts payable warrants processed	\$3.0 bil.	\$2.5 bil.	\$2.5 bil.
Privilege license tax gross dollars reviewed	\$8.0 bil.	\$5.0 bil.	\$3.0 bil.
Bond Ratings:			
General Obligation - Standard & Poor's	AA+	AA+	AA+
General Obligation - Moody's	Aa1	Aa1	Aa1
Water Revenue - Standard & Poor's	AA	AA	AA
Water Revenue - Moody's	Aa3	Aa3	Aa3
Airport Revenue - Standard & Poor's	AA-	AA-	AA-
Airport Revenue - Moody's	A1	A1	A1
Senior Lien Street Revenue - Standard & Poor's	AA	AA	AA
Senior Lien Street Revenue - Moody's	Aa3	Aa3	Aa3
Senior Lien Excise Tax - Standard & Poor's	AAA	AAA	AAA
Senior Lien Excise Tax - Moody's	Aa2	Aa2	Aa2
Risk management claims received and closed	3,383	3,450	3,525
Receivables:			
Dollar value of receivables billed	\$493 mil.	\$495 mil.	\$475 mil.
Percentage outstanding (as of June 30)	3.8%	3.5%	3.8%
City sales (excise) tax collected	\$587 mil.	\$667 mil.	\$720 mil.

*Based on 10 months actual experience.

The amounts to be invested for 2006-07 are based on cash available during the fiscal year. The decrease in privilege license tax dollars reviewed from 2004-05 is due to closing assessments on some very large taxpayers in 2004-05.

