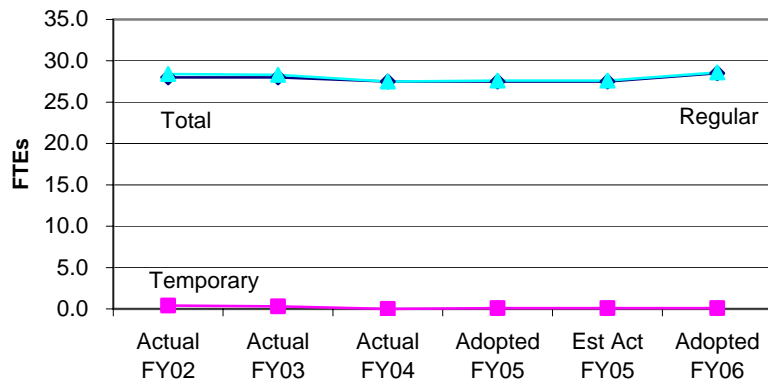
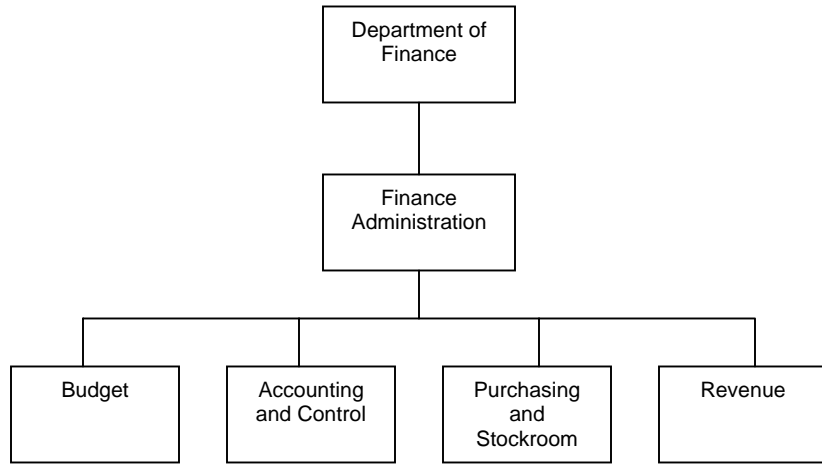


# Finance

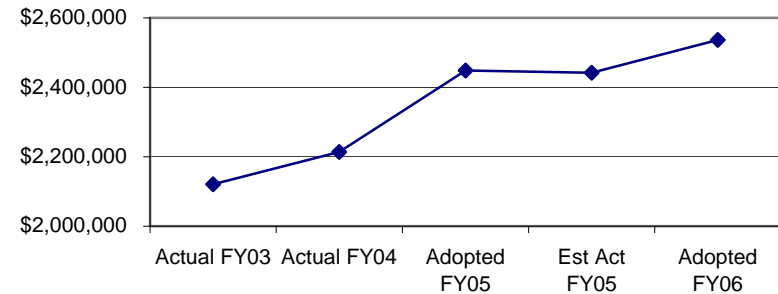
# Department of Finance



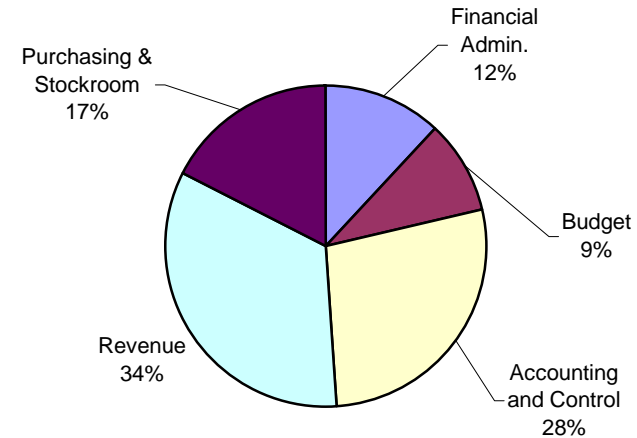
## Department Mission Statement

The Department of Finance maintains the City's high standard of financial excellence by providing the citizens, employees, and vendors with professional customer service through the collection and disbursement of funds, financial reporting, and management of assets.

## Expenditures History



## Use of Funds



# Department of Finance

## Department Summary

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Department Expenditures by Division</b>				
Financial Administration	438,058	487,348	487,348	301,812
Accounting and Control	648,901	666,953	664,959	711,940
Revenue	719,420	874,671	872,081	844,216
Purchasing and Stockroom	407,564	419,408	417,608	442,364
Budget	N/A	N/A	N/A	236,212
<b>Department Total</b>	<b><u>\$2,213,943</u></b>	<b><u>\$2,448,380</u></b>	<b><u>\$2,441,996</u></b>	<b><u>\$2,536,544</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Department Expenditures by Type</b>				
Salary and Wages	1,555,440	1,617,235	1,613,881	1,716,517
Benefits	342,017	396,131	396,131	404,668
Overtime	3,834	3,393	3,393	3,393
<b>Personnel Subtotal</b>	<b><u>\$1,901,291</u></b>	<b><u>\$2,016,759</u></b>	<b><u>\$2,013,405</u></b>	<b><u>\$2,124,578</u></b>
Contractual Services	129,728	141,734	147,083	168,786
Commodities	22,629	21,261	12,882	24,554
Capital Outlays	160,295	268,626	268,626	218,626
Other	0	0	0	0
<b>Operating Subtotal</b>	<b><u>\$312,652</u></b>	<b><u>\$431,621</u></b>	<b><u>\$428,591</u></b>	<b><u>\$411,966</u></b>
<b>Department Total</b>	<b><u>\$2,213,943</u></b>	<b><u>\$2,448,380</u></b>	<b><u>\$2,441,996</u></b>	<b><u>\$2,536,544</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Source of Department Funds</b>				
<i>Departmental Revenue</i>	0	0	0	0
<b>Subtotal</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<i>Fund Contribution</i>				
General (110)	1,550,281	1,604,872	1,601,078	1,722,106
Water Fund (210)	663,662	843,508	840,918	814,438
<b>Subtotal</b>	<b><u>\$2,213,943</u></b>	<b><u>\$2,448,380</u></b>	<b><u>\$2,441,996</u></b>	<b><u>\$2,536,544</u></b>
<b>Department Total</b>	<b><u>\$2,213,943</u></b>	<b><u>\$2,448,380</u></b>	<b><u>\$2,441,996</u></b>	<b><u>\$2,536,544</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Staffing Summary by Division (FTEs)</b>				
<i>Regular</i>				
Financial Administration	2.0	2.0	2.0	2.0
Accounting and Control	9.0	9.0	9.0	9.0
Revenue	9.0	9.0	9.0	9.0
Purchasing and Stockroom	5.5	5.5	5.5	5.5
Budget	2.0	2.0	2.0	3.0
<b>Regular Subtotal</b>	<b><u>27.5</u></b>	<b><u>27.5</u></b>	<b><u>27.5</u></b>	<b><u>28.5</u></b>
<i>Temporary</i>				
Financial Administration	0.1	0.1	0.1	0.1
Accounting and Control	0.0	0.0	0.0	0.0
Revenue	0.0	0.0	0.0	0.0
Purchasing and Stockroom	0.0	0.0	0.0	0.0
Budget	0.0	0.0	0.0	0.0
<b>Temporary Subtotal</b>	<b><u>0.1</u></b>	<b><u>0.1</u></b>	<b><u>0.1</u></b>	<b><u>0.1</u></b>
<b>Department Total</b>	<b><u>27.6</u></b>	<b><u>27.6</u></b>	<b><u>27.6</u></b>	<b><u>28.6</u></b>

# Department of Finance

## Department Summary

### Significant Changes:

#### *Adopted FY05 to Estimated Actual FY05*

The Finance Director position was vacated at the end of December 2004. The new Finance Director, Gavin Cohen commenced work in May 2005.

#### *Estimated Actual FY05 to Adopted FY06*

During FY 2006, the department will be implementing a major upgrade to the City's financial, purchasing, and payroll system. The new system will have the capability for Web-based access by both employees and vendors. One FTE, a Budget Management Administrator, will be added to the Budget Division to address the increasing complexity of the budget and to provide for improved monitoring of revenues and expenditures. The implementation of GASB 34, a set of significant changes to the rules governing government financial reporting, will continue. The financial complexity of the Town Center redevelopment and parking garage projects will re-align activities within the department.

### Department Performance Measures:

	Actual FY04	Target FY05	Actual FY05	Target FY06
Number of citizen service requests (CSRs) received and responded to	8	N/A	10	0
Percent of employee performance evaluations completed before their anniversary date	80%	100%	90%	100%
Turnover rate	7.3%	0%	7.3%	0%

### Department Overview:

The Department of Finance assists the departments of the City government in meeting their service objectives by acquiring goods and services, allocating and tracking the organization's financial resources, processing financial transactions, and providing information and analysis as a basis for decision making. The department bills and/or collects revenue and provides assistance to taxpayers and utility customers. The department also secures financing for capital construction and safeguards and invests City funds.

# Department of Finance

## Division: Financial Administration

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Division Expenditures by Cost Center</b>				
Financial Administration	438,058	487,348	487,348	301,812
<b>Division Total</b>	<b><u>\$438,058</u></b>	<b><u>\$487,348</u></b>	<b><u>\$487,348</u></b>	<b><u>\$301,812</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Division Expenditures by Type</b>				
Salary and Wages	314,519	358,724	358,724	208,958
Benefits	51,736	67,790	67,790	28,350
Overtime	0	0	0	0
<b>Personnel Subtotal</b>	<b><u>\$366,255</u></b>	<b><u>\$426,514</u></b>	<b><u>\$426,514</u></b>	<b><u>\$237,308</u></b>
Contractual Services	63,447	53,545	60,334	58,465
Commodities	8,356	7,289	500	6,039
Capital Outlays	0	0	0	0
Other				
<b>Operating Subtotal</b>	<b><u>\$71,803</u></b>	<b><u>\$60,834</u></b>	<b><u>\$60,834</u></b>	<b><u>\$64,504</u></b>
<b>Division Total</b>	<b><u>\$438,058</u></b>	<b><u>\$487,348</u></b>	<b><u>\$487,348</u></b>	<b><u>\$301,812</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Source of Division Funds</b>				
<i>Departmental Revenue</i>	0	0	0	0
<b>Subtotal</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<i>Fund Contribution</i>				
General (110)	438,058	487,348	487,348	301,812
<b>Subtotal</b>	<b><u>\$438,058</u></b>	<b><u>\$487,348</u></b>	<b><u>\$487,348</u></b>	<b><u>\$301,812</u></b>
<b>Division Total</b>	<b><u>\$438,058</u></b>	<b><u>\$487,348</u></b>	<b><u>\$487,348</u></b>	<b><u>\$301,812</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Staffing Summary by Cost Center (FTEs)</b>				
<i>Regular</i>				
Financial Administration	2.0	2.0	2.0	2.0
<b>Regular Subtotal</b>	<b><u>2.0</u></b>	<b><u>2.0</u></b>	<b><u>2.0</u></b>	<b><u>2.0</u></b>
<i>Temporary</i>				
Financial Administration	0.1	0.1	0.1	0.1
<b>Temporary Subtotal</b>	<b><u>0.1</u></b>	<b><u>0.1</u></b>	<b><u>0.1</u></b>	<b><u>0.1</u></b>
<b>Division Total</b>	<b><u>2.1</u></b>	<b><u>2.1</u></b>	<b><u>2.1</u></b>	<b><u>2.1</u></b>

# Department of Finance

## Division: Financial Administration

### Division Purpose:

The Financial Administration Division is responsible for developing City financial management policies and strategies. The division promotes equitable taxation systems and usage fees; maximizes the return on City investments at minimal risk; maintains banking relations; plans and executes bond sales; and provides internal control oversight. The Director of Finance serves as the Executive Secretary to the Retirement Board.

### Significant Changes:

#### *Adopted FY05 to Estimated Actual FY05*


The Finance Director position was vacated at the end of December 2004. The new Finance Director, Gavin Cohen commenced work in May 2005.

#### *Estimated Actual FY05 to Adopted FY06*

Beginning in FY06, the Financial Administration Division will be separate from the Budget Division. Financial Administration formerly included four FTEs – the director, administrative assistant, budget officer, and budget management administrator. The Budget Officer and Budget Management Administrator will shift to the new Budget Division.

### Cost Center: Financial Administration

### Objectives:

- Assist with the financial planning and oversight of the Town Center redevelopment and the creation of a parking district in Town Center **TC**
- Achieve optimum credit ratings on planned General Obligation debt issues in the amount of \$5.18 million in the Capital Projects Fund and in the Parking Fund for the construction of Town Center garages. The exact amount of the Parking Fund debt will be determined after all the financial plans are finalized **TC**
- Continue efforts to reduce costs across City departments, building on efforts from the Strengthening the Bottom Line process 
- Monitor cash flow needs carefully to maximize interest income
- Closely monitor the impact of economic conditions on major revenue sources

### Performance Measures:

	Actual FY04	Target FY05	Actual FY05	Target FY06
Investment interest rate earned as a percent of the three-month T-bill rate	90%	105%	90%	105%
Tax rate equivalent of annual debt service transfer	\$0.05	\$0.05	\$0.06	\$0.05

### FY06 Regular Positions

Position Title	# FTE
Director	1.0
Administrative Assistant	1.0
<b>Cost Center Total</b>	<b>2.0</b>

# Department of Finance

## Division: Accounting and Control

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Division Expenditures by Cost Center</b>				
Accounting and Control	648,901	666,953	664,959	711,940
<b>Division Total</b>	<b><u>\$648,901</u></b>	<b><u>\$666,953</u></b>	<b><u>\$664,959</u></b>	<b><u>\$711,940</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Division Expenditures by Type</b>				
Salary and Wages	533,521	527,093	523,739	556,562
Benefits	107,366	128,660	128,660	124,178
Overtime	0	0	0	0
<b>Personnel Subtotal</b>	<b><u>\$640,887</u></b>	<b><u>\$655,753</u></b>	<b><u>\$652,399</u></b>	<b><u>\$680,740</u></b>
Contractual Services	2,299	6,400	8,960	26,400
Commodities	5,715	4,800	3,600	4,800
Capital Outlays	0	0	0	0
Other				
<b>Operating Subtotal</b>	<b><u>\$8,014</u></b>	<b><u>\$11,200</u></b>	<b><u>\$12,560</u></b>	<b><u>\$31,200</u></b>
<b>Division Total</b>	<b><u>\$648,901</u></b>	<b><u>\$666,953</u></b>	<b><u>\$664,959</u></b>	<b><u>\$711,940</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Source of Division Funds</b>				
<i>Departmental Revenue</i>	0	0	0	0
<b>Subtotal</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<i>Fund Contribution</i>				
General (110)	648,901	666,953	664,959	711,940
<b>Subtotal</b>	<b><u>\$648,901</u></b>	<b><u>\$666,953</u></b>	<b><u>\$664,959</u></b>	<b><u>\$711,940</u></b>
<b>Division Total</b>	<b><u>\$648,901</u></b>	<b><u>\$666,953</u></b>	<b><u>\$664,959</u></b>	<b><u>\$711,940</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Staffing Summary by Cost Center (FTEs)</b>				
<i>Regular</i>				
Accounting and Control	9.0	9.0	9.0	9.0
<b>Regular Subtotal</b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>
<i>Temporary</i>				
Accounting and Control	0.0	0.0	0.0	0.0
<b>Temporary Subtotal</b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>
<b>Division Total</b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>

# Department of Finance

## Division: Accounting and Control

### Division Purpose:

The Accounting and Control Division provides accounting and internal control services for the City and all departments; processes accounts payable and payroll disbursements; reports the financial results of operations; administers the dependent and health care flexible benefit plans; and administers pension plans and deferred compensation plans.

### Significant Changes:

*Adopted FY05 to Estimated Actual FY05*

None

*Estimated Actual FY05 to Adopted FY06*

The Accounting and Control Division is in the process of implementing an upgraded Web-based financial system that includes the general ledger, accounts payable, accounting, inventory, and purchasing. This system will allow the City to:


- respond to requests for information more efficiently
- support automated business practices (on-line prescriptions)
- streamline workflow (approvals on-line)
- reduce paper.

This division is also in the process of implementing an upgraded Web-based time and attendance program for the AFSCME-Union employees as well as developing an automated timesheet process for the administrative and part-time employees.

An additional \$20,000 is included to implement GASB 34 financial reporting.

### Cost Center: Accounting and Control

### Objectives:

- Conduct approximately 16 internal financial and operational reviews on a routine basis 
- Assist with the implementation of the purchasing card program; take over internal financial reviews of purchasing cardholders

- Continue to implement GASB 34, a major change to the rules governing governmental financial reporting, including retroactively reporting capitalized infrastructure in FY 2006 and FY 2007

### Performance Measures:

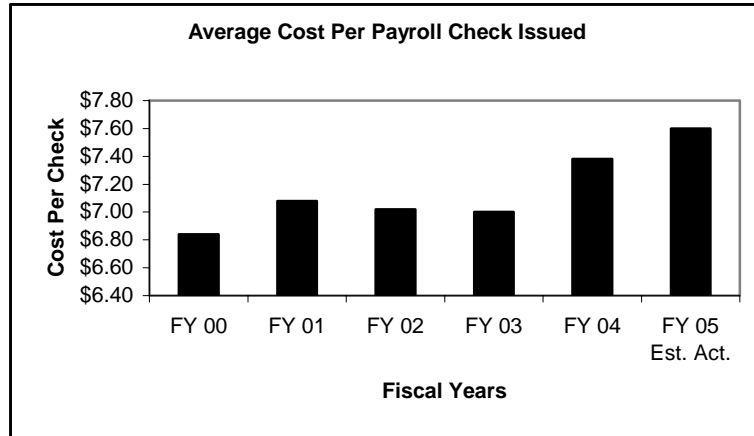
	Actual FY04	Target FY05	Actual FY05	Target FY06
Number of years receiving GFOA Certificate for Annual Financial Report	15	16	16	17
Number of adjusting journal entries resulting from audit	2	2	2	2
Increase the number of payroll checks/EFTs processed per assigned FTE	7,267	7,346	6,934	7,000
Average cost per payroll check issued	\$7.38	\$7.50	\$8.06	\$8.06
Number of manual journal entries processed	747	700	625	650
Number of payroll checks/EFTs issued	21,800	22,038	20,800	21,000
Number of internal control reviews completed and P-cards	11	16	34	50

### FY06 Regular Positions

Position Title	# FTE
Controller	1.0
Financial Systems Manager	1.0
Accounting Operations Supervisor	1.0
Accountant	1.0
Accounts Payable Assistant I	1.0
Accounts Payable Assistant II	1.0
Payroll Assistant I	2.0
Payroll Assistant II	1.0
<b>Cost Center Total</b>	<b>9.0</b>

# Department of Finance

## Supplemental Information:



Note: The average cost per payroll check has increased in recent years due to the fact that the number of paychecks has remained constant, while the cost of the payroll function increased slightly each year due to the cost-of-living allowance, for example. In earlier years, the number of employees had increased to some degree.

# Department of Finance

## Division: Revenue

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06		Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Division Expenditures by Cost Center</b>					<b>Source of Division Funds</b>				
Revenue	719,420	874,671	872,081	844,216	Departmental Revenue	0	0	0	0
<b>Division Total</b>	<b><u>\$719,420</u></b>	<b><u>\$874,671</u></b>	<b><u>\$872,081</u></b>	<b><u>\$844,216</u></b>	<b>Subtotal</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
					<i>Fund Contribution</i>				
					General (110)	55,578	31,163	31,163	29,778
					Water Fund (210)	663,662	843,508	840,918	814,438
					<b>Subtotal</b>	<b><u>\$719,420</u></b>	<b><u>\$874,671</u></b>	<b><u>\$872,081</u></b>	<b><u>\$844,216</u></b>
					<b>Division Total</b>	<b><u>\$719,420</u></b>	<b><u>\$874,671</u></b>	<b><u>\$872,081</u></b>	<b><u>\$844,216</u></b>
<b>Division Expenditures by Type</b>						<b>Actual FY04</b>	<b>Adopted FY05</b>	<b>Est. Act. FY05</b>	<b>Adopted FY06</b>
Salary and Wages	378,788	395,812	395,812	413,477	<b>Staffing Summary by Cost Center (FTEs)</b>				
Benefits	109,525	125,114	125,114	128,749	<i>Regular</i>				
Overtime	3,834	3,393	3,393	3,393	Revenue	9.0	9.0	9.0	9.0
<b>Personnel Subtotal</b>	<b><u>\$492,147</u></b>	<b><u>\$524,319</u></b>	<b><u>\$524,319</u></b>	<b><u>\$545,619</u></b>	<b>Regular Subtotal</b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>
Contractual Services	59,452	74,729	72,229	74,261	<i>Temporary</i>				
Commodities	7,526	6,997	6,907	5,710	Revenue	0.0	0.0	0.0	0.0
Capital Outlays	160,295	268,626	268,626	218,626	<b>Temporary Subtotal</b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>
Other	0	0	0	0	<b>Division Total</b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>	<b><u>9.0</u></b>
<b>Operating Subtotal</b>	<b><u>\$227,273</u></b>	<b><u>\$350,352</u></b>	<b><u>\$347,762</u></b>	<b><u>\$298,597</u></b>					
<b>Division Total</b>	<b><u>\$719,420</u></b>	<b><u>\$874,671</u></b>	<b><u>\$872,081</u></b>	<b><u>\$844,216</u></b>					

# Department of Finance

## Division: Revenue

### Division Purpose:

To ensure the timely, accurate and equitable collection of revenues due to the City by monitoring county billing, collection and receipt of City taxes; managing the billing and collection of City water, sewer and refuse fees; and managing the collection of City front-foot benefit and special assessment charges.

### Significant Changes:

*Adopted FY05 to Estimated Actual FY05*

None

*Estimated Actual FY05 to Adopted FY06*

None

### Cost Center: Revenue

### Objectives:

- Ensure that all properties are billed appropriately and registered with the City by reviewing CPDS information, GIS maps, Refuse Operations Division information and the Maryland Dept. of Assessment and Taxation records
- Implement upgrades to the utility billing software that will convert the system to a windows-based environment and provide the ability for customized reports so the utility billing information can be utilized for Public Works inquiries
- Continue the commercial water meter replacement program and formulate a City water meter replacement schedule for both commercial and residential meters
- Assure billing practices are consistent with encouraging water conservation by notifying customers of high water usage and allowing credits for timely plumbing repairs

### Performance Measures:

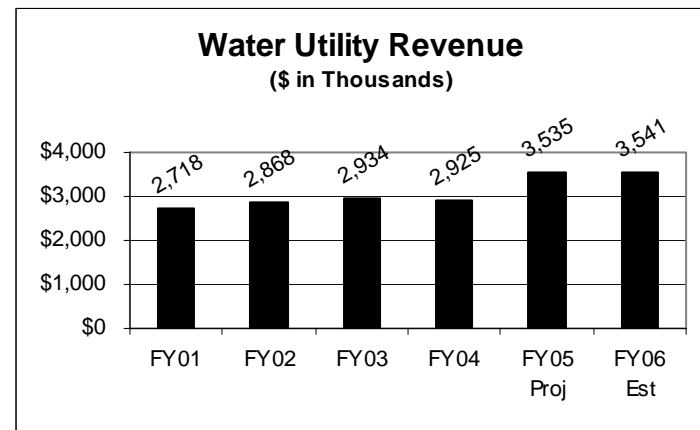
	Actual FY04	Target FY05	Actual FY05	Target FY06
Percent of water processed that is billed	99.9%	99.9%	99.9%	99.9%
Utility dollars collected per FTE (in millions)	\$2.9	\$3.0	\$3.3	\$3.3
Meters read per FTE	13,115	13,150	13,298	13,267
Number of bills issued:				
• Water/sewer and refuse	72,095	70,000	75,548	75,000
• Special Assessments *	99	80	72	65

\* The decrease reflects the final pay-off of front foot benefit charges.

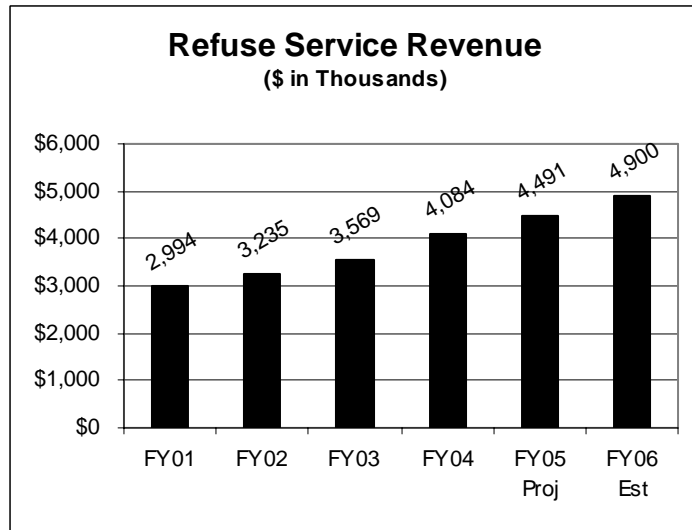
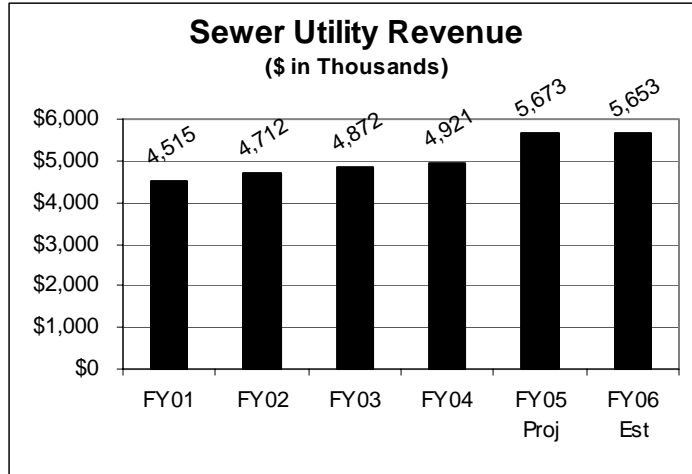
### FY06 Regular Positions

Position Title	# FTE
Revenue Supervisor	1.0
Revenue Assistant I	2.0
Revenue Assistant II	1.0
Meter Services Supervisor	1.0
Meter Services Technician	3.0
Cashier	1.0
<b>Cost Center Total</b>	<b>9.0</b>

### Supplemental Information:



# Department of Finance



# Department of Finance

## Division: Purchasing and Stockroom

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Division Expenditures by Cost Center</b>				
Purchasing and Contracts	407,564	419,408	417,608	303,311
Stockroom	N/A	N/A	N/A	139,053
<b>Division Total</b>	<b><u>\$407,564</u></b>	<b><u>\$419,408</u></b>	<b><u>\$417,608</u></b>	<b><u>\$442,364</u></b>
	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Division Expenditures by Type</b>				
Salary and Wages	328,612	335,606	335,606	348,069
Benefits	73,390	74,567	74,567	84,460
Overtime	0	0	0	0
<b>Personnel Subtotal</b>	<b><u>\$402,002</u></b>	<b><u>\$410,173</u></b>	<b><u>\$410,173</u></b>	<b><u>\$432,529</u></b>
Contractual Services	4,530	7,060	5,560	7,660
Commodities	1,032	2,175	1,875	2,175
Capital Outlays	0	0	0	0
Other	0	0	0	0
<b>Operating Subtotal</b>	<b><u>\$5,562</u></b>	<b><u>\$9,235</u></b>	<b><u>\$7,435</u></b>	<b><u>\$9,835</u></b>
<b>Division Total</b>	<b><u>\$407,564</u></b>	<b><u>\$419,408</u></b>	<b><u>\$417,608</u></b>	<b><u>\$442,364</u></b>

	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Source of Division Funds</b>				
<i>Departmental Revenue</i>				
	0	0	0	0
<b>Subtotal</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<i>Fund Contribution</i>				
General (110)	407,564	419,408	417,608	442,364
<b>Subtotal</b>	<b><u>\$407,564</u></b>	<b><u>\$419,408</u></b>	<b><u>\$417,608</u></b>	<b><u>\$442,364</u></b>
<b>Division Total</b>	<b><u>\$407,564</u></b>	<b><u>\$419,408</u></b>	<b><u>\$417,608</u></b>	<b><u>\$442,364</u></b>
	Actual FY04	Adopted FY05	Est. Act. FY05	Adopted FY06
<b>Staffing Summary by Cost Center (FTEs)</b>				
<i>Regular</i>				
Purchasing and Contracts	3.5	3.5	3.5	3.5
Stockroom	2.0	2.0	2.0	2.0
<b>Regular Subtotal</b>	<b><u>5.5</u></b>	<b><u>5.5</u></b>	<b><u>5.5</u></b>	<b><u>5.5</u></b>
<i>Temporary</i>				
Purchasing and Contracts	0.0	0.0	0.0	0.0
Stockroom	0.0	0.0	0.0	0.0
<b>Temporary Subtotal</b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>
<b>Division Total</b>	<b><u>5.5</u></b>	<b><u>5.5</u></b>	<b><u>5.5</u></b>	<b><u>5.5</u></b>

# Department of Finance

## Division: Purchasing and Stockroom

### Division Purpose:

To provide the City with the means to obtain quality goods and services at the lowest possible cost while conforming to city, state and federal requirements for procurement. To procure, store and maintain proper inventory levels of a wide variety of supplies, materials and equipment used in operating, maintenance and repair activities by various City departments.

### Significant Changes:

*Adopted FY05 to Estimated Actual FY05*

None

*Estimated Actual FY05 to Adopted FY06*

The Purchasing Division will be completing an upgrade to the financial management system, including the Procurement Professional software. This implementation will allow staff to administer on-line purchase requisitioning. Citywide training for utilizing this feature will occur. A pilot program also is being initiated for the sale of surplus City property via an internet auction service. This auction process allows the City to set minimums and attracts bidders nationwide.

### Cost Center: Purchasing

#### Objectives:

- Develop and complete a training program for staff covering the on-line purchase requisition process
- Review contract terms and conditions and update with final review/approval by the City Attorney's Office

#### Performance Measures:

	Actual FY04	Target FY05	Actual FY05	Target FY06
Number of purchase requisitions processed on-line	N/A	N/A	N/A	N/A
Percent of awards and solicitations made without protest	100%	99%	100%	100%
Percent of protests sustained	0%	0%	0%	0%
Average number of bids received per solicitation over \$15,000	5	5	5	5

	Actual FY04	Target FY05	Actual FY05	Target FY06
Number of purchase orders assigned per FTE	168	130	125	130
Number of solicitations over \$15,000	47	50	33	30
Number of RFP's processed	7	20	9	10
Number of purchase orders issued	504	500	375	500

### FY06 Regular Positions

Position Title	# FTE
Contract Officer	1.0
Purchasing Supervisor	1.0
Buyer II	1.0
Buyer I	0.5
<b>Cost Center Total</b>	<b>3.5</b>

### Cost Center: Stockroom

#### Objectives:

- Maintain adequate levels of stock to prevent outages of needed materials
- Conduct stockroom annual inventory
- Implement internet auction program to yield greatest return for surplus property

#### Performance Measures:

	Actual FY04	Target FY05	Actual FY05	Target FY06
Percent of error between actual and system inventory counts	0.009%	0.03%	0.04%	0.03%
Dollar amount of inventory stored	\$274,848	\$300,000	\$315,120	\$300,000

# Department of Finance

	<b>Actual FY04</b>	<b>Target FY05</b>	<b>Est. Act. FY05</b>	<b>Target FY06</b>
Dollar value of inventory written off as obsolete at year end	\$4,950	\$3,000	\$3,422	\$3,000
Number of items sold via internet auction.	N/A	N/A	N/A	TBD

**FY06 Regular Positions**

<b>Position Title</b>	<b># FTE</b>
Inventory Services Supervisor	1.0
Inventory Services Clerk	1.0
<b>Cost Center Total</b>	<b><u>2.0</u></b>



# Department of Finance

## Division: Budget

### Division Purpose:

(1) To develop, implement, and enforce appropriate budgetary policies and procedures, and (2) to provide accurate, timely, and objective information and recommendations to the Mayor and Council, City Manager, and city departments.

### Significant Changes:

*Adopted FY05 to Estimated Actual FY05*

Not Applicable

*Estimated Actual FY05 to Adopted FY06*

The FY06 budget includes funds for a second Budget Management Administrator to assist the existing budget staff.

The Budget staff led efforts to fundamentally change the format of the budget document and expand the number of organizations in departments. These changes will lead to a better understanding of how the city operates.

### Cost Center: Budget

### Objectives:

- Implement and manage the FY 2006 Operating Budget and the FY 2006-FY 2011 Capital Improvements Program as adopted by the Mayor and Council
- Coordinate the development of the FY 2007 Operating Budget and the FY 2007 – FY 2012 Capital Improvements Program

### Performance Measures:

	Actual FY04	Target FY05	Actual FY05	Target FY06
Number of consecutive years receiving the GFOA Budget Presentation Award	13	14	14	15
Percent variance between General Fund adopted budget and actual expenses	2.9% under budget	N/A	5.0% (est.) under budget	3% under budget
Percent variance between General Fund adopted budget and actual revenues	0.1% under budget	N/A	1.2% (est.) over budget	<2% over budget

### FY06 Regular Positions:

Position Title	# FTE
Budget Officer	1.0
Budget Management Administrator	2.0
<b>Cost Center Total</b>	<b><u>3.0</u></b>