

BUTTE COUNTY GRAND JURY REPORT

Treasurer-Tax Collector

As the Treasurer-Tax Collector, Dick Puelicher, was away from the office due to serious illness, the 2007-2008 Butte County Grand Jury was concerned as to how the department was being run and by whom. Although absent, Mr. Puelicher was available by phone and e-mail. Because of this and the last review of this department occurred in 2000-2001, the 2007-2008 Butte County Grand Jury approved a review of the Treasurer-Tax Collector's Department.

Upon the death of Mr. Puelicher, Ms. Linda Barnes was appointed Treasurer-Tax Collector on August 14, 2007 by the Board of Supervisors. She has been employed by Butte County since April 2000.

The 2007-2008 Grand Jury completed investigations into the three divisions of this department responsible for collecting, investing and disbursing revenue. The investigations included interviews with supervisors, management personnel and account clerk/specialists.

The Treasurer-Tax Collector

The Treasurer-Tax Collector communicates directly with numerous county departments such as the Auditor, Assessor, Recorder, Human Resources, Administration and the Court on a daily basis. For example, the Assessor provides information concerning appraisal values, the tax division communicates with the Auditor's office regarding property, business tax values and the Recorder's office provides information concerning liens. Checks and balances are compared daily, and monthly fund balance reports "sworn off" at the end of each month by both the Treasurer and the Auditor. The Treasurer-Tax Collector's office is the "County's Bank," in conjunction with U.S. Bank. Investments are researched, compared and evaluated. The Treasurer-Tax Collector provides reports for loans and investments to the Board of Supervisors, Administration and other Butte County Departments concerning the financial status of the county (Exhibit 1). Reports are also available for viewing on the Butte County website (<http://www.buttecounty.net/ttc>). Pursuant to Government Code Section 27130 et. seq., an oversight committee has been established to overview investments and any county debt.

The Treasurer-Tax Collector has long range concerns for her department which include more personnel and office space. She would like to have a conference room for staff meetings and additional space for tax collections and central collections. At the time of this report, the Assistant Treasurer-Tax Collector's position had not been filled which creates additional responsibilities for her current position.

The staff in the Treasurer-Tax Collector's department work very hard to accomplish complex responsibilities. All personnel are cross-trained and mentor each other. This enables each division to run smoothly in the event of an absence and insures completion

of tasks. Training and continuing education is available to all personnel through Human Resources, Butte College, Oroville Adult programs, career track seminars and training conferences. The Treasurer-Tax Collector spoke highly of her employees and was appreciative of the late Mr. Puelicher's guidance and management skills enabling her to move smoothly into position as Treasurer-Tax Collector.

Finance and Investment

Responsibilities of the Department Manager include processing deposits, balancing reports through the Pentamation system (county accounting system) and the Auditor's Department. Other responsibilities include investing (such as school bonds) and creating a portfolio with assistance from approved investment companies seeking the highest grade (AAA). The Department Manager provides financial disclosure report information to leasing companies that are lenders and to county brokers and underwriting firms (Exhibit 2). She states she has a "very capable staff" with each employee assigned to specific tasks. There is a rotation of duties and all are cross-trained. Their duties include balancing the county income and expenses, reporting deposits into the Pentamation system, completing daily balance sheets with the Auditor and providing financial reports for several other county departments such as the Sheriff, District Attorney, Administration and Board of Supervisors. The Department Manager states her biggest challenge is keeping up with our ever changing financial, political and economic environment. She and her employees attend educational and investment conferences and consult with investment advisors such as the California Debt Financial Advisory.

Taxes and Staff Services

This division is responsible for billing, collecting, and processing all tax bills on secured and unsecured property in the county. A copy of the property tax fiscal year-end collection summary is attached to this report (Exhibit 3). There is one Property Tax Supervisor Account Specialist and three Account Clerk/Specialists in the department. During the tax season, the Department Supervisor has an additional temporary staff of six. Temporary staff members have returned for five or more years and are trained and knowledgeable. Their help is necessary to complete a heavy work load during this time of the year. A copy of employment responsibilities within this department is attached which shows the complexities within this unit (Exhibit 4). The most challenging aspect of this department concerns supplemental property tax bills. They are often confusing and "emotional" issues for people who do not understand them. The Department Supervisor's staff work hard to offer clarification.

The Department Supervisor feels her staff is efficient and capable. She would like to increase her staff; however, office space is not conducive to accommodate more employees. Training for staff is available through Megabyte and other programs suitable to their specific jobs. The Department Supervisor indicated she would like an automatic processing machine installed which would expedite the property tax payment process. However, this machine is about six feet long and is not suitable for the existing office space. She would also like to have an electronic lien program which records tax liens

with the Recorder's office. In addition, she feels the department could use two more staff members.

The public who seek information from the Treasurer-Tax Collector's office are assisted by Account Clerk/Specialists. It would be beneficial to have two computer screens as they would not have to leave a screen they are working on and open another in order to get necessary information. Clerks state there are regular department meetings. Communication between management and staff is good and morale is high.

Banking and Cash

The Supervisor in this division has a staff of three and is responsible for being "the bank" for the county. Duties include making deposits received daily from the courts, Sheriff, and other county agencies. Cash and checks are received in locked bags via armed courier, processed and transported by Loomis to the bank. Journal posting is compared with the Auditor's office as part of the check and balance procedure. Her staff counts receipts, screen for counterfeit money and deal with the public at the office counter. Security cameras are dispersed throughout the department and the District Attorney's office will respond if needed. Because the counting machine, which identifies counterfeit money, is located at the back of the office, it necessitates moving the money. It would be not only convenient but possibly safer having a device near the desk location that could complete this task. Employees are multi-tasked and cross-trained. Clerks have expressed concern as work space is cramped and desks topped with phones, computers, calculators, and other necessary equipment leaving very little work room.

Central Collections

It is the responsibility of this division to collect delinquent fines and fees. There are four revenue officers who make phone calls, complete payment arrangements and garnish wages, intercept tax refunds, and do whatever is necessary to collect revenue. The Revenue Clerk takes calls, helps people at the counter, posts entries, creates journals, deals with restitution for victims and works closely with the Auditor's office to check and balance collections. The Court is their biggest client, but they also collect on unsecured taxes (Exhibits 5, 6 and 7). During 2006, the department collected over four million dollars which was redistributed to appropriate county departments and the general fund. There are current plans to contract with a collection agency to deal with the most difficult collection accounts. On the accounts that cannot be resolved, the department will seek "relief of collections" from the Court.

The Supervisor speaks highly of her division as they come into contact with the public, some of whom become highly emotional. Because of their limited work space confidentiality is compromised and information gathered is not secure.

Evaluation

The Grand Jury was impressed with the competence of every employee interviewed at the Treasurer-Tax Collector's office. Each individual is knowledgeable, competent, articulate and open to questions. They stated that they liked working in their department and worked well with their co-workers. Morale was rated as high and management was respected.

Findings

1. The Treasurer-Tax Collector's office is efficient and well run.
2. Morale was reported to be high by staff in all departments.
3. Staff members reported respecting management and in turn, they too were respected.
4. Office space is limited and could become a stressful issue. It also compromises confidentiality.
5. The department has some one screen computers per desk for employees and lacks a counting/counterfeit machine for desk top work.
6. There is no conference room for staff or conference meetings.

Recommendations

1. There are no recommendations regarding management and staff.
2. Administration and Board of Supervisors should seek resolution to space issues.
3. The staff is in need of a staff conference room.
4. The department would benefit from "two screened" computers for employees.
5. Acquire portable counting/counterfeit identification machine.
6. Consider confidentiality for customers in designing future office expansion.

Responses Required

Butte County Board of Supervisors

Butte County Administration

The late Mr. Puelicher had organized one of the most important departments in Butte County with intelligent, experienced and dedicated personnel who have the talent and motivation to work hard for the benefit of the community. Mr. Puelicher hired and organized a very competent and efficient team.

BUTTE COUNTY TREASURER

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July 20, 2007

Butte County Board of Supervisors
Butte County Chief Administrative Officer

The attached investment information report for June is submitted in accordance with the Butte County Statement of Investment Policy dated July 1, 2006. In addition, Quarterly Investment Reports are made available on the Treasurer-Tax Collector website at <http://www.buttecounty.net/ttc>.

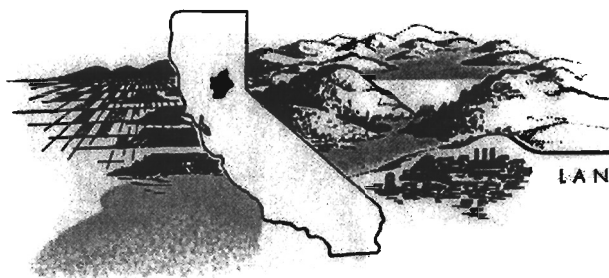
All investments are in compliance with this policy. There is sufficient liquidity for the treasury pool to meet expected expenditures during the next six months. The attached Investment Report Summary demonstrates this for July through December.

Investments are marked to market monthly based on a current market price determined by US Bancorp Investments. The fair value for the portfolio as of 6/30/07 is 98.87% of the cost-carried balance.

Included for your reference is a copy of the updated Introduction to the Treasurer's Investment Report, which includes a historical perspective on portfolio yields and market trends.

LINDA BARNES
Assistant Treasurer-Tax Collector
Butte County

cc: Butte County Auditor-Controller
Butte County Superintendent of Schools
Butte County District Attorney
Butte County Sheriff
Butte County Schools-JPA
Treasury Oversight Committee
Butte-Glenn Community College
Special Districts
CDIAC



Butte County

LAND OF NATURAL WEALTH AND BEAUTY

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Treasurer's Investment Report - Introduction

The Butte County Treasurer's office manages investments on behalf of the County, various Trust and Agency Funds, School Districts and Special Districts within the County. "Pooling" deposits from local agencies and other participants is in the public interest because banking and investment activities are consolidated, thereby reducing duplication, achieving economies of scale and carrying out coherent investment strategies. Butte County's portfolio management is an active management strategy in that a broad range of market analysis techniques, investment options, and cash management tools are employed in making investment decisions. The medium term, laddered maturity portfolio allows participants to benefit from higher earnings than might otherwise be possible. The objective of this strategy is to obtain the highest return feasible, consistent with a high degree of safety of principal and the level of liquidity necessary to meet the needs of the County and agencies participating in the Treasury. Earnings on the pooled investments are paid quarterly on a pro-rata basis to pool participants.

The Treasurer's Investment Report is designed to provide specific and general investment information to pool participants and to interested members of the public. The cover letter indicates our compliance with the Butte County Treasurer Statement of Investment Policy, our ability to meet estimated liquidity needs and identifies U.S. Bank as the source of the market value of investments held in the investment pool.

The Quarterly Investment Report Summary shows the portfolio balance (excluding investments managed by Trustees), the average number of days to maturity and the yield to maturity for the investments held by the pool, and compares the annualized effects of the difference between the portfolio yield and that of the State Treasurer. This comparison gives pool participants an idea of the dollar difference in apportionment gross receipts for the year (this margin changes quarterly, but serves to effectively demonstrate the bottom line on a snapshot basis, and on a five-year rolling average). The Summary also indicates the ability of the pool to meet projected cash flow requirements for the next six months. Please note, however, that the projected and actual results will vary, sometimes materially, because events and circumstances do not always occur as predicted.

Investment Report pages 1 and 2 provide a listing of specific investment instruments, balances invested and yields obtained. The balances invested are shown in three different ways: Par Value (the value at maturity of the instrument), Fair Value (the value if sold on the date of the report) and Cost Carried (the amount paid for the investment, amortized to reach Par value by maturity). The difference between the fair value of the

investments and the cost carried is considered to be “unrealized” gain or loss. A gain or loss is only realized if a security is sold prior to maturity (T-Bills, Agency Notes and Commercial Paper are redeemed at a pre-established Par Value at maturity). It is important to note that, by policy, the Butte County Pooled Treasury uses a “buy and hold”, medium term, laddered maturity investment strategy. Cash flow and liquidity needs are carefully analyzed prior to making investments to ensure liquidity needs are met.

School Bond Proceeds and, if appropriate, Tax and Revenue Anticipation Notes (TRAN) proceeds, are separately accounted for in the report, and are invested with the State Treasurer’s Local Agency Investment Fund (LAIF) or other securities as deemed appropriate. Investments managed by outside Trustees as part of lending agreements are also separately categorized, with a detail listing of investment instruments on page 3 of the report. Note that the portfolio yields quoted (the yield method used is the weighted yield to maturity) exclude these last two categories as they are not part of the actively managed portfolio. Page 4 of the Report contains chart information that is very helpful in providing a quick overview of the diversification of the portfolio by type of instrument and maturity ranges. Included is a chart showing the Treasury balance fluctuations from 2001 through current month (Investments managed by Trustees, TRAN and Bond proceeds are not included in the charted information). An analysis of this chart clearly demonstrates that the Treasury maintains a stable average balance of approximately \$275,000,000, which supports the philosophy of medium term investment of funds not drawn upon to meet ongoing liquidity needs.

The Butte County Pooled Treasury Portfolio’s medium term, laddered investment strategy continued to outperform the State of California’s Local Agency Investment Fund (LAIF) in Fiscal Year (FY) 05/06 by a margin of .170%, and underperformed LAIF by -.783% in FY 06/07.* Market conditions (lowering interest rates) allowed the portfolio to outperform LAIF significantly in five of the past six years. In a rising market, similar to the market we have experienced for the past two years, the portfolio’s yield will more closely approximate that of LAIF, and may drop below LAIF’s yield from time to time. A look at the 5 year moving average for the Butte County Treasury yields vs. LAIF yields demonstrates that, over time, a medium term, laddered portfolio will generally outperform a shorter term investment strategy, which LAIF usually mirrors. The 5 year moving average for Butte County’s FY 05/06 and FY 06/07 performance compared to LAIF shows margins of 1.692% and 1.178%, respectively.* Looking at a ten year average, the portfolio exceeded LAIF’s yields by a healthy .786%.

The Treasury Oversight Committee and the Board of Supervisors receive the Treasurer’s Investment Report on a monthly basis. The Treasury Oversight Committee was established in April of 2000 in accordance with California Government Codes 27131 through 27137 and serves to ensure that representatives of pool participants are involved in the oversight of the Butte County Treasury pooled investment portfolio.

Questions regarding the Investment Report may be directed to Peggy Moak, Manager-Finance & Investment, at 530-538-7443, or pmoak@buttecounty.net.

* The margins quoted represent the difference between the annual yields of the Butte County Pooled Treasury Investment Portfolio and the Local Agency Investment Fund.

BUTTE COUNTY TREASURY
QUARTERLY INVESTMENT REPORT SUMMARY

JUNE 2007

GENERAL STATISTICS

Investment Portfolio*	\$ 372,034,113
Actively Managed Investment Portfolio** (Par Value)	\$ 326,167,029
Average Days to Maturity of Securities	789
Yield To Maturity	4.395%

PERFORMANCE

Annual Projected Earnings***	\$ 14,335,041
State Treasury Yield (LAIF)	5.250%
Difference (Butte vs LAIF):	
Yield for current month	-0.855%
Annual Projected Earnings based on current month's yield**	\$ (2,788,728)
5-Year Moving Average (Butte vs. LAIF) as of 6-30-07	1.178%
Estimated Annual Enhanced Earnings (based on the 5-Year Moving Avg. and a \$275,000,000 avg. portfolio balance)	\$ 3,239,500

SIX MONTH LIQUIDITY PROJECTIONS

Estimated Cash Receipts for Next Six Months	\$ 478,522,645
Estimated Disbursements for Next Six Months	\$ (453,047,090)
Estimated Net Cash Flow (July through December)***	<u>\$ 25,475,555</u> A
Securities Maturing	\$ 31,000,000 B
Local Agency Investment Fund / Cal Trust (Total)	<u>\$ 40,026,390</u> C
Total Liquidity Next Six Months	\$ 96,501,945 A+B+C
Estimated Cash Available for Long Term Investment	<u>\$ (30,000,000)</u>
Remaining Available Liquidity	\$ 66,501,945

* Excluding Investments With Trustees

** Based on actively managed portfolio (excluding School Bond and Investments with Trustees)

*** Includes TRAN (Tax and Revenue Anticipation Notes) receipts and disbursements

BUTTE COUNTY TREASURER - INVESTMENT REPORT

June 29, 2007

AVERAGE PORTFOLIO
MATURITY

AVERAGE PORTFOLIO
YIELD

DIRECT INVESTMENTS*
COMBINED PORTFOLIO**

899 Days
789 Days

4.275%
4.395%

LOCAL AGENCY INVESTMENT FUND (LAIF)	Cost Carried	Monthly Yield
	39,936,131.36	5.250%

CERTIFICATES OF DEPOSIT		Cost Carried	Issue Date	Maturity Date	Nominal Rate	Annual Yield
TRI-COUNTIES BANK	Acct. No. 44001166	500,000.00	4/24/2007	4/24/2012	4.850%	4.850%
TOTAL OF CD'S:		500,000.00				

FEDERAL AGENCY NOTES - Credit Rating = AA+								
Agency#	Issuer	Cusip	Par Value	Fair Value	Cost Carried	Purchased	Matures	Annual Yield
184	FNMA	31359MNP4	5,000,000.00	4,996,875.00	5,009,814.11	8/7/2002	7/15/2007	3.825%
186	FFCB	31331RMX0	3,020,000.00	3,027,199.68	3,083,349.05	1/14/2003	1/14/2008	3.523%
187	FNMA	31359MQM8	5,000,000.00	4,943,750.00	4,988,166.50	1/15/2003	1/15/2008	3.510%
194	FFCB	31331QZP5	5,000,000.00	4,932,812.50	4,996,694.59	4/16/2003	4/16/2008	3.673%
195	FHLMC	3128X1CD7	5,000,000.00	4,920,300.00	5,000,000.00	5/21/2003	5/21/2008	3.500%
196	FHLMC	3128X1EB9	5,000,000.00	4,907,812.50	4,999,843.49	6/4/2003	6/4/2008	3.253%
197	FHLB	3133MYU5	5,000,000.00	4,906,250.00	4,999,373.95	6/5/2003	6/5/2008	3.264%
198	FHLB	3133MYZ8	5,000,000.00	4,895,312.50	5,000,000.00	6/2/2003	6/2/2008	3.000%
200	FHLB	3133X2BZ7	5,000,000.00	4,896,875.00	4,984,889.30	12/2/2003	11/14/2008	3.850%
201	FHLB	3133X2BZ7	5,000,000.00	4,896,875.00	4,896,518.99	12/10/2003	11/14/2008	3.690%
202	FHLB	3133X0LJ6	5,000,000.00	4,917,187.50	5,006,796.79	12/10/2003	8/15/2008	3.620%
203	FNMA	31359MEK5	5,000,000.00	5,001,562.50	5,136,597.38	1/15/2004	1/15/2009	3.737%
204	FFCB	31331TRH6	5,000,000.00	4,912,500.00	4,999,479.78	1/28/2004	7/28/2008	3.633%
205	FNMA	3136F45D2	5,000,000.00	4,907,812.50	4,998,999.72	1/30/2004	1/30/2009	4.011%
206	FHLMC	3134A4RH9	5,000,000.00	4,879,687.50	5,018,201.41	3/5/2004	9/15/2007	2.710%
208	FHLB	3133M7N77	3,980,000.00	4,003,631.25	4,133,467.73	3/5/2004	2/17/2009	3.431%
209	FHLB	3133X56B9	5,000,000.00	4,843,750.00	5,000,000.00	3/30/2004	3/30/2009	3.320%
210	FHLMC	3128X2R80	2,000,000.00	1,986,332.00	1,999,928.01	3/29/2004	9/28/2007	2.633%
212	FHLB	3133X5HP6	5,000,000.00	4,935,937.50	5,000,000.00	3/29/2004	12/28/2007	2.749%
214	FNMA	3138F5JW2	3,000,000.00	2,978,437.50	2,999,634.87	4/1/2004	10/1/2007	2.651%
216	FNMA	31359MTF0	5,000,000.00	4,910,937.50	5,036,815.34	3/26/2004	9/15/2008	3.220%
217	FNMA	31359MRW5	5,000,000.00	4,892,187.50	4,997,458.33	3/29/2004	5/19/2008	2.929%
218	FHLMC	3128X2ME2	5,000,000.00	4,900,000.00	5,037,385.41	3/29/2004	1/12/2009	3.465%
219	FHLMC	3134A4UQ5	5,000,000.00	4,845,312.50	4,988,939.20	4/15/2004	4/15/2009	3.495%
220	FFCB	31331TD40	5,000,000.00	4,856,250.00	4,985,948.48	4/15/2004	4/15/2009	3.655%
221	FHLMC	3128X3WY5	3,500,000.00	3,413,410.00	3,496,737.00	12/10/2004	9/22/2009	4.040%
222	FHLMC	3128X1PN1	2,000,000.00	1,926,772.00	1,977,664.80	12/13/2004	7/9/2009	3.740%
223	FHLMC	3128X3SL8	2,750,000.00	2,707,031.25	2,760,388.15	12/13/2004	7/30/2009	4.206%
224	FHLMC	3128X3VA8	2,000,000.00	1,956,964.00	2,000,000.00	12/15/2004	9/1/2009	4.124%
228	FHLMC	3134A33L8	3,000,000.00	3,135,000.00	3,207,219.62	3/15/2005	3/15/2010	4.410%
229	FHLMC	3128X35R0	3,000,000.00	2,936,544.00	2,985,877.54	3/11/2005	3/1/2010	4.552%
230	FFCB	31331SD5	3,000,000.00	2,956,875.00	3,001,800.86	4/5/2005	4/5/2010	4.627%
231	FHLMC	3128X34V2	3,000,000.00	2,929,383.00	2,991,352.42	6/17/2005	2/22/2010	4.346%
232	FFCB	31331SQZ9	3,370,000.00	3,259,421.88	3,349,194.96	6/21/2005	6/10/2010	4.230%
233	FHLB	3133XBT8	3,000,000.00	2,924,062.50	3,001,441.05	6/21/2005	6/11/2010	4.230%
234	FHLB	3133XCEQ2	3,000,000.00	2,932,500.00	2,980,760.44	7/27/2005	7/13/2010	4.582%
235	FHLB	3133XCUR2	3,000,000.00	2,935,312.50	3,019,505.77	9/15/2005	9/10/2010	4.290%
236	FHLMC	3128X4GL9	3,000,000.00	2,965,053.00	3,000,000.00	9/19/2005	8/4/2010	4.790%
237	FFCB	31331TBZ3	3,000,000.00	2,934,375.00	3,004,143.69	9/21/2005	8/27/2010	4.405%
238	FFCB	31331H2X4	5,000,000.00	5,014,062.50	5,056,545.71	10/3/2005	9/14/2007	4.382%
240	FHLB	3133XCTV5	3,000,000.00	2,984,062.50	3,000,000.00	10/11/2005	9/1/2010	5.000%
241	FAMCA	31315PAP4	3,000,000.00	2,947,881.00	2,994,897.07	10/13/2005	10/12/2010	4.680%
242	FFCB	31331VDJ2	3,000,000.00	2,954,062.50	3,002,396.81	10/21/2005	10/20/2010	4.674%
243	FHLB	3133XCE25	3,000,000.00	2,987,812.50	2,989,913.96	10/26/2005	10/26/2007	4.600%
244	FFCB	31331HE29	2,500,000.00	2,634,375.00	2,676,375.46	10/28/2005	2/9/2010	4.744%
246	FHLMC	3128X4HN4	3,000,000.00	2,982,426.00	2,991,074.95	12/15/2005	9/1/2010	5.095%
247	FFCB	31331VLW4	3,000,000.00	2,962,500.00	3,002,738.62	1/6/2006	12/23/2010	4.770%
253	FHLB	3133MDBT9	3,000,000.00	3,056,250.00	3,102,734.07	2/15/2006	2/15/2011	4.900%
255	FHLMC	3128X2ZQ1	3,000,000.00	2,892,187.50	2,909,763.18	3/2/2006	2/24/2011	4.984%
256	FHLB	3133XENX3	3,000,000.00	2,965,312.50	2,988,249.52	3/13/2006	3/11/2011	4.984%
257	FHLMC	3128X4K67	3,000,000.00	2,996,652.00	3,000,000.00	3/7/2006	3/7/2008	5.250%
259	FHLMC	3128X4J44	3,000,000.00	2,997,999.00	3,000,000.00	3/3/2006	8/24/2007	5.019%
260	FHLB	3133X7C69	3,000,000.00	2,970,000.00	2,966,711.88	5/15/2006	5/13/2011	5.320%
263	FAMCA	307692AA1	2,000,000.00	1,963,234.66	1,958,430.35	6/2/2006	1/14/2011	5.470%
264	FNMA	3136F7B48	3,000,000.00	3,010,312.50	3,031,640.59	10/2/2006	5/19/2011	5.322%
265	FHLB	3133XF5T9	3,000,000.00	2,970,937.50	3,008,211.31	10/2/2006	9/9/2011	4.930%
266	FHLMC	3128X1MB0	1,150,000.00	1,139,470.60	1,145,883.74	10/26/2006	6/20/2011	5.100%
267	FHLB	3133XG3W2	3,000,000.00	3,036,562.50	3,053,001.96	10/26/2006	6/28/2011	5.096%
268	FHLB	3133MGYH3	3,000,000.00	3,051,562.50	3,080,388.97	10/26/2006	8/15/2011	5.069%

Agency#	Issuer	Cusip	Par Value	Fair Value	Cost Carried	Purchased	Matures	Annual Yield
269	FHLB	3133XHRB0	2,000,000.00	1,977,500.00	2,000,000.00	11/7/2006	11/7/2011	5.125%
270	FFCB	31331V5Y8	3,000,000.00	2,969,062.50	3,014,461.11	11/27/2006	10/3/2011	4.877%
271	FHLB	3133XHAD4	3,000,000.00	2,976,562.50	3,000,000.00	11/20/2006	10/6/2011	5.249%
272	FFCB	31331VBR6	3,000,000.00	2,960,625.00	2,974,853.29	11/20/2006	6/11/2009	4.900%
273	FHLMC	3134A1CV0	1,000,000.00	1,062,812.50	1,086,175.93	12/11/2006	10/24/2011	4.780%
274	FHLB	3133XJ6K9	2,550,000.00	2,510,953.13	2,546,556.24	12/12/2006	12/12/2011	5.034%
275	FHLB	3133XJAW8	3,000,000.00	2,953,125.00	3,000,000.00	12/15/2006	12/15/2011	5.000%
276	FHLB	31339YPU0	1,000,000.00	990,625.00	1,006,721.69	12/14/2006	7/29/2011	4.830%
277	FHLB	3133XF5T9	3,000,000.00	2,970,937.50	3,019,385.46	12/18/2006	9/9/2011	4.838%
278	FNMA	3136F67B9	3,000,000.00	2,934,375.00	2,979,676.14	12/18/2006	6/14/2011	4.830%
279	FHLB	3133XHS94	3,000,000.00	2,994,375.00	2,995,393.15	1/25/2007	11/13/2009	5.310%
280	FHLB	3133XJKT4	3,000,000.00	2,985,937.50	2,994,000.00	2/1/2007	2/1/2012	5.672%
281	FHLB	3133XHRK0	3,000,000.00	2,939,062.50	2,960,621.82	1/25/2007	12/9/2011	5.080%
282	FHLMC	3134A4JT2	3,000,000.00	3,056,250.00	3,079,782.00	1/30/2007	1/15/2012	5.135%
284	FHLB	3133XJQ84	3,000,000.00	2,984,062.50	2,998,950.00	3/9/2007	2/15/2012	5.607%
285	FHLB	3133XJX86	3,000,000.00	2,985,000.00	3,000,468.75	3/9/2007	3/5/2012	5.621%
286	FCCB	31331XSF0	3,000,000.00	2,946,562.50	2,997,102.24	3/12/2007	3/12/2012	4.872%
287	FHLB	3133XKAL9	2,555,000.00	2,513,481.25	2,554,201.56	3/21/2007	3/21/2012	5.007%
288	FFCB	31331XVH2	3,000,000.00	2,948,437.50	2,982,948.00	4/16/2007	4/12/2012	5.005%
289	FHLB	3133XKQS7	3,000,000.00	2,955,937.50	3,000,000.00	5/7/2007	5/7/2012	5.050%
290	FHLB	3133XKT70	3,000,000.00	2,966,250.00	3,000,000.00	5/14/2007	5/14/2012	5.200%
291	TVA	880591DT6	3,000,000.00	3,187,533.00	3,254,882.96	5/23/2007	5/23/2012	4.855%
292	FHLB	3133XLEA7	5,000,000.00	5,021,875.00	4,967,500.00	6/13/2007	6/8/2012	5.526%
293	FHLB	3133XKLG6	3,160,000.00	3,163,950.00	3,160,000.00	6/26/2007	6/26/2012	5.625%
			284,535,000.00	281,581,247.69	285,707,517.02			
			Accrued Interest Purchased		23,380.56			

FHLB - Federal Home Loan Banl
 FNMA - Fed National Mortgage Corj
 FHLMC - Fed Home Loan Mortgag
 FAMCA- Fed. Ag. Mortgage Corj
 FFCB - Federal Farm Credit Banl
 TVA = Tennessee Valley Authority

TOTAL OF AGENCY NOTES:

COST CARRIED
285,730,897.58

SUBTOTAL PAR VALUE:	324,974,131.36	(SEE CHARTS)	(Short term (less than 12 months)	79,005,883.51
			(Long term (more than 12 months)	214,068,893.04
SUBTOTAL INVESTMENT PORTFOLIO----->	326,167,028.94	(Actively Managed)		293,074,776.55

TAX AND REVENUE ANTICIPATION NOTE PROCEEDS

	Par Value	Cost Carried		Annual Yield
CALTRUST	90,268.62	90,268.62		5.517%

SCHOOL BOND PROCEEDS

	Par Value	Cost Carried	Purchased	Matures	Annual Yield
CHICO UNIFIED BOND "A" LAIF	10,354,449.08	10,354,449.08	07/31/1998	N/A	5.250%
TOTAL OF CUSD BONDS:		10,354,449.08			

PARADISE UNIFIED BOND "M" LAIF	2,996,873.62	2,996,873.62	12/31/1995	N/A	5.250%
TOTAL OF PUSD BONDS:		2,996,873.62			

OROVILLE HIGH SCHOOL "A" LAIF	917,966.05	917,966.05	8/14/2003	N/A	5.250%
OROVILLE HIGH SCHOOL "B" LAIF	0.00	0.00	7/8/2004		5.250%
TOTAL OF OROVILLE HIGH SCHOOL BONDS:		917,966.05			

BUTTE/GLENN COMMUNITY COLLEGE BOND "A" LAIF	103,342.29	103,342.29	6/6/2002	N/A	5.250%
BUTTE/GLENN COMMUNITY COLLEGE BOND "B" LAIF	30,873,248.85	30,873,248.85	7/19/2005	N/A	5.250%
TOTAL OF BUTTE/GLENN COLLEGE BONDS:		30,976,591.14			

THERMALITO SCHOOL BOND "M" LAIF	530,945.27	530,945.27	7/8/2005	N/A	5.250%
TOTAL OF THERMALITO SCHOOL BONDS:		530,945.27			

TOTAL SCHOOL BOND PROCEEDS: 45,776,825.16

SUBTOTAL INVESTMENT PORTFOLIO: **372,034,112.62**

TOTAL INVESTMENTS WITH TRUSTEES

	Par Value	Fair Value	Cost Carried	
	24,492,354.81	24,482,633.51	24,367,720.11	(SEE PAGE 3, "INVENTORY OF INVESTMENTS MANAGED BY TRUSTEES", FOR DETAIL)

TOTAL INVESTMENT PORTFOLIO: **396,401,832.73**

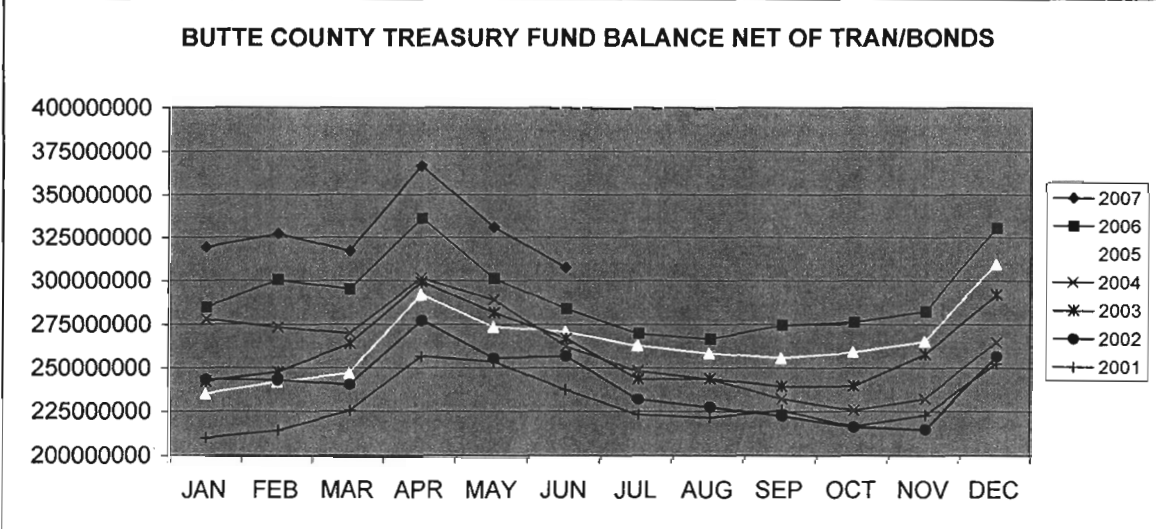
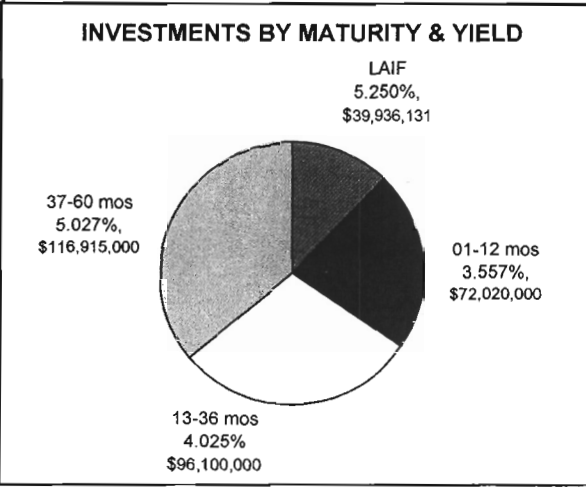
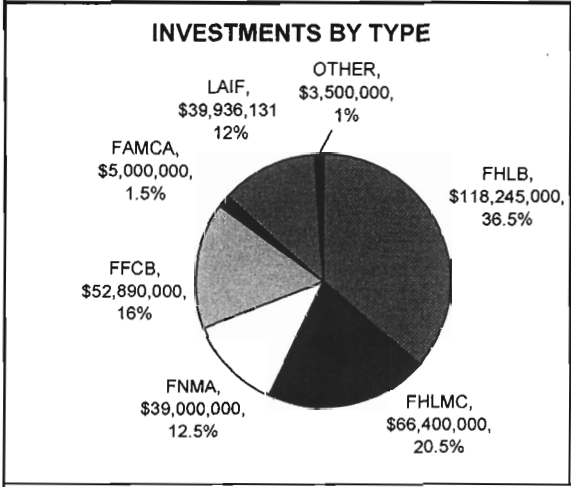
* Investment portfolio excluding State Treasurer's Local Agency Investment Fund, Bonds and Investments With Trust
 **Investment portfolio including State Treasurer's Local Agency Investment Fund but excluding Bonds and Investments With Trust

COUNTY OF BUTTE
INVESTMENTS UNDER MANAGEMENT OF TRUSTEES
AS OF 06/29/2007

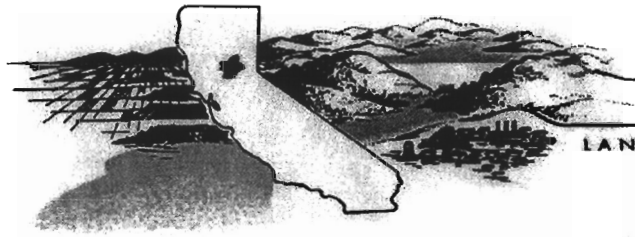
LOAN PROGRAM	INVESTMENT TYPE	PURCHASE DATE	MATURITY DATE	DESCRIPTION	CUSIP#	ANNUAL YIELD	PAR VALUE	FAIR VALUE	COST CARRIED
2003 REFUNDING COP									
U.S. BANK, TRUSTEE									
Expense Fund #94656106	Money Market			First Amer Treas Oblig FD CL D		4.46%	17,282.32	17,282.32	17,282.32
Reserve Fund #94656101	Money Market			First Amer Treas Oblig FD CL D			27,375.53	27,375.53	27,375.53
	U.S. Treas/Agency	2/22/2005	2/15/2008	FHLB of 2/05/03	3133MZZA4	3.44%	520,000.00	513,661.20	513,260.80
	Money Market			First Amer Treas Oblig FD CL D		4.46%	685,161.72	685,161.72	685,161.72
SUBTOTAL							1,249,819.57	1,243,480.77	1,243,080.37
2004 PENSION OBLIGATION BONDS									
WELLS FARGO BANK, TRUSTEE									
Series A Bond Fund # 16281106	Money Market			Government MMF Service Fund #743		4.827%	51,807.61	51,807.61	51,807.61
Interest Rate Stabilization Fund # 16281105	Money Market			Government MMF Service Fund #743		4.827%	719,513.15	719,513.15	719,513.15
	Corporate Note	7/26/2006	7/16/2007	General Electric Credit Corp.	38962GJ70	5.000%	6,150,000.00	6,146,817.50	6,032,104.50
Series B Interest Fund #16281301	Money Market			Government MMF Service Fund #743		4.827%	501,061.45	501,061.45	501,061.45
Series C Interest Fund #16281501	Money Market			Government MMF Service Fund #743		4.827%	180,988.43	180,988.43	180,988.43
SUBTOTAL							7,603,370.64	7,599,888.14	7,485,475.14
2004 WORKERS COMPENSATION FUNDING									
WELLS FARGO BANK, TRUSTEE									
Trust Fund #16510600	Money Market			Government MMF Service Fund #743		4.827%	490,605.72	490,605.72	490,605.72
	CASH			CASH					
Custodial Account # 18961600	Annuity Contract	11/03/2004	5/01/2008	Transamerica Life Ins & Annuity Co.		3.050%	11,631,845.34	11,631,845.34	11,631,845.34
	Money Market			Government MMF Service Fund #743		4.827%	1,966,032.85	1,966,032.85	1,966,032.85
SUBTOTAL							14,088,483.91	14,088,483.91	14,088,483.91
2006 COP - NEAL ROAD LANDFILL									
WELLS FARGO BANK, TRUSTEE									
Certificate Reserve Fund #20550800	Money Market			Government MMF Service Fund #743		4.827%	1,234,357.66	1,234,357.66	1,234,357.66
Base Rental Payment Fund #20550801	Money Market			Government MMF Service Fund #743		4.827%	306,091.61	306,091.61	306,091.61
Expense Fund #20550802	Money Market			Government MMF Service Fund #743		4.827%	10,231.22	10,231.22	10,231.22
SUBTOTAL							1,550,680.59	1,550,680.59	1,550,680.59
GRAND TOTAL							24,492,354.81	24,482,633.51	24,367,720.11

Investments by Type*			Investments by Maturity & Yield*	
Federal Home Loan Bank	FHLB	\$118,245,000	LAIF 5.250%	39,936,131
Fed Home Loan Mortgage Corp	FHLMC	\$66,400,000	01-12 mos 3.557%	\$72,020,000
Fed National Mortgage Assn	FNMA	\$39,000,000	13-36 mos 4.025%	\$96,100,000
Federal Farm Credit Bank	FFCB	\$52,890,000	37-60 mos 5.027%	\$116,915,000
Fed Agriculture Mortgage Corp	FAMCA	\$5,000,000	TOTAL PAR VALUE	\$324,971,131
Local Agency Investment Fund	LAIF	\$39,936,131		
CD, TVA	OTHER	\$3,500,000		

*Investments managed by Trustees are not included, and School Bond Proceeds and TRAN Proceeds are not included



The above chart demonstrates general ledger fund balances net of Tax and Revenue Anticipation Note (TRAN) and Bond Proceeds Activity.



Butte County

LAND OF NATURAL WEALTH AND BEAUTY

DICK PUELICHER
TREASURER AND TAX COLLECTOR
 COUNTY ADMINISTRATION BUILDING

25 COUNTY CENTER DRIVE - OROVILLE, CALIFORNIA 95965-3384
 TELEPHONE: (530) 538-7701
 FAX: (530) 538-7648

Butte County Pooled Treasury
Fair Value as of 6/30/07*

Investment	Cost Carried	Fair Value	%
LAIF	\$39,936,131.36	\$39,917,961.30	99.9545022%
CalTrust	\$90,258.52	\$90,258.52	100.0000000%
CDs	\$500,000.00	\$500,000.00	100.0000000%
Agency	\$285,730,897.58	\$281,581,247.69	98.5477070%
LAIF (School Bonds)	\$45,776,825.16	\$45,755,997.71	99.9545022%
TOTAL	\$372,034,112.62	\$367,845,465.22	98.8741228%
proof (Cost Carried X % = Fair Value)	\$367,845,465.22		Round to 98.87%

* The fair value of the pooled Treasury portfolio is 98.87% of the cost-carried balance as of 6-30-07

(Please refer to attached "Treasurer's Investment Report - Introduction" for additional perspective)

CONTINUING DISCLOSURE REQUIREMENTS

EXHIBIT 2

3

Currently, six of our seven long term financings require that Continuing Disclosure Requirements be met. In each instance, the Trustee for the issues is also the Dissemination Agent, which means that they must perform the actual filing with the Repository Institutions. Our responsibility, in turn, is to provide the necessary information to the Trustees in a timely manner. For each issue, the primary requirement is that the County's "Annual Report" be provided to the Trustees. Reading through the documents, the only requirement for information in the Annual Report is that it contains the audited financials for the prior fiscal year. The Continuing Disclosure Requirements for some issues also require additional information if it is not included and referenced in the financials:

Pension Obligation Bonds - due Feb 1 to Repositories, Jan 1 to Trustee

Adopted Budget

No extras that I can see, unless we experienced a "Listed Event"

2003 Refunding COP - due Mar 1 to Repositories, Jan 15 to Trustee

Adopted Budget

Motor Vehicle License Fee Revenue

Taxable Sales Transactions

General Fund Balance Sheet

Written certification to the Trustee/Dissemination Agent from the County to the effect that the Annual Report provided constitutes the Annual Report required to be furnished.

Workers Compensation - due Mar 31 to Repositories, Mar 10 to Trustee

Adopted Budget

Taxable Sales Transaction

General Fund Balance Sheet

Statement of Revenues

Expenditures and Changes in Fund Balances

Detail of Assessed Valuations

Standard and Poor's -- due Feb 1

Disclosure Questionnaire

Schedule of Overlapping Debt

Top 10 Taxpayers and Their Assessed Value

Total Property Value (Assessed and Market)

Population Demographics for 3 most recent Fiscal Years

Butte County Public Facilities Financing Corporation 2006 COP- due March 1

Adopted Budget and certification of appropriation of debt service (form provided by Trustee)

Taxable Sales Transactions

General Fund Balance Sheet

Statement of Revenues, Expenditures and Changes in Fund

Detail of Assessed Valuations

Listed Events: Payment Delinquencies or Defaults
Credit Rating Changes
Events affecting tax exempt status of a given security
Bond calls
Release, substitution or sale of property securing repayment of the securities
Modification of rights of security holders
Unscheduled draws on debt service reserves
Substitution of credit or liquidity providers

Since we also use Fitch and Moody's rating services, they are included on the "Interested Parties" list.

The Treasurer's Office is responsible for Continuing Disclosure preparation, dissemination and monitoring. Treasury will work with the auditor's office and administration to ensure that the additional information requested for each issue is incorporated into the packet of information provided to the Trustees for dissemination to the Repository Institutions.

**Miscellaneous Statistical Information
BUTTE COUNTY**

Table 1: Population 2000-2006

Table 2: Twenty Largest Taxpayers

Table 3: Taxable Sales Transactions

Table 4: Detail of Assessed Valuations

Table 5: VLF Revenues – Actual and Projected

Table 6: Direct and Overlapping Debt as of 11/01/06

Table 1
COUNTY OF BUTTE
POPULATION AS OF JANUARY 1

2000	203,100
2001	206,100
2002	207,503
2003	210,028
2004	212,702
2005	215,189
2006	217,209

Source: State of California, Department of Finance estimates.

Table 2
COUNTY OF BUTTE
TWENTY LARGEST LOCAL SECURED TAXPAYERS

<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2006-07 Assessed Taxes</u>	<u>Percent of Total</u>
Pacific Gas and Electric	Utility Service	\$4,055,128.98	
Wild Goose Storage	Utility Service	1,074,900.96	
Pacific Bell & Subsidiaries	Utility Service	545,471.08	
Chico Mall LP	Shopping Center	394,893.06	
Farmland Reserve	Agriculture	354,560.54	
Chico Senior Living LLC	Senior Residential Care	263,288.72	
Pan Pacific Development	Commercial	262,344.70	
North Valley Mall LLC	Shopping Center	256,512.28	
Sprint Communications	Utility Service	253,561.96	
Pacific Coast Producers	Commercial	243,673.28	
Western Investment	Real Estate	211,354.58	
Sterling Oaks Development	Housing Services	203,567.74	
Evergreen Orchard LLC	Agricultural	202,854.08	
Lowe's HIW	Retail Outlet	190,999.74	
Chico Lodging LLC	Lodging	168,435.48	
Knudsen & Sons	Commercial	160,790.64	
Union Pacific Railroad	Transportation	160,366.96	
Eaton Properties Inc.	Housing Services	159,763.06	
AIMCO West Park LLC	Housing Services	159,313.12	
California Water Service	Utility Service	156,587.74	
		<hr/>	
		\$9,478,368.70	5.96%

Table 3
COUNTY OF BUTTE
TAXABLE SALES TRANSACTIONS⁽¹⁾
(000's)

	2001	2002	2003	2004	2005
Apparel	\$ 48,263	\$ 56,954	\$ 59,211	\$ 62,278	\$ 66,896
General Merchandise	296,259	296,608	303,317	317,973	325,743
Drug Stores	31,846	34,126	34,262	34,875	36,079
Food Stores	142,082	144,580	148,122	153,968	155,531
Packaged Liquor Stores	13,146	13,870	14,439	17,033	18,168
Eating and Drinking Places	167,612	175,140	182,108	199,898	211,333
Home Furnishings & Appliances	68,447	74,160	80,690	92,621	111,238
Building Materials and Farm Implements	190,181	207,194	237,943	307,629	359,234
Auto Dealers & Supplies	271,330	282,203	300,811	320,695	323,397
Service Stations	112,763	99,555	128,946	155,553	179,461
Other Retail Stores	<u>257,103</u>	<u>274,784</u>	<u>289,011</u>	<u>286,197</u>	<u>271,287</u>
Total Retail Stores	\$1,599,032	\$1,659,174	1,778,860	\$1,948,720	\$2,058,367
All Other Outlets	<u>547,164</u>	<u>551,848</u>	<u>552,004</u>	<u>591,246</u>	<u>577,969</u>
Total All Outlets	\$2,146,196	\$2,211,022	\$2,330,864	\$2,550,966	\$2,730,636

⁽¹⁾ Columns may not add due to the availability of certain source information.
Source: State Board of Equalization.

Table 4
COUNTY OF BUTTE
DETAIL OF ASSESSED VALUATIONS*
FISCAL YEARS 2000/01 THROUGH 2006/07

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Homeowners Exemption</u>	<u>Total Before Rdv. Increment</u>	<u>Unitary Utility Valuation</u>
2000/01	9,507,581,525	19,591,858	572,349,506	284,033,911	10,099,522,889	585,521,735
2001/02	9,974,228,528	20,289,420	596,850,004	287,710,567	10,591,367,952	524,383,116
2002/03	10,659,245,938	18,939,397	623,191,997	290,689,939	11,301,377,332	571,973,306
2003/04	11,387,731,654	18,939,909	635,802,768	292,441,596	12,042,474,331	529,503,014
2004/05	12,421,354,680	21,586,369	628,746,922	293,854,720	13,071,687,971	593,499,370
2005/06	13,489,660,152	21,878,301	671,570,735	294,562,387	13,806,100,840	557,397,327
2006/07	15,151,263,794	19,279,234	728,715,203	293,853,492	16,193,111,723	553,802,371

*Property assessed at taxable full cash value.
Source: California Municipal Statistics, Inc.
Butte County Tax Auditor.

Table 5
COUNTY OF BUTTE
ACTUAL AND PROJECTED VLF FEES

	<u>Account Number</u>	<u>2005/2006 ACTUAL</u>	<u>2006/2007 BUDGET</u>
Motor Vehicle in lieu tax	0010-001-4110400	\$ 18,529,632.00	\$ 18,400,000.00
Public Health Gen Svc - Motor Vehicle Realignment	0010-540001-4510905	4,165,164.00	6,229,712.00
Public Health County Med Svc - MVR	0010-540002-4510905	3,563,420.00	4,461,394.00
Public Health Environmental Health - MVR	0010-540003-4510905	493,912.00	1,109,034.00
Mental Hlth Gen Svc - VLF Realignment	0010-541001-4510906	5,314,476.00	2,818,593.00
Welfare - VLF Realignment Social Svc	0020-4510904	496,116.00	666,497.00
Total		<u>\$ 32,562,720.00</u>	<u>\$ 33,685,230.00</u>

Table 6
COUNTY OF BUTTE
STATEMENT OF DIRECT AND OVERLAPPING DEBT AS OF 11/01/06

BUTTE COUNTY

2006-07 Assessed Valuation: \$16,746,914,094 (includes unitary utility valuation)
 Redevelopment Incremental Valuation: 3,370,954,480
 Adjusted Assessed Valuation: \$13,375,959,614

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable (1)</u>	<u>Debt 11/1/06</u>
Butte County	100. %	\$ - (2)
Butte-Glenn Community College District	87.057	55,109,761
Chico Unified School District	100.	27,380,000
Marysville Joint Unified School District	1.232	221,760
Paradise Unified School District Lease Tax Obligations	100.	4,205,000
Oroville Union High School District	100.	9,686,421
Manzanita School District	100.	830,000
Oroville School District	100.	5,611,411
Thermalito Union School District	100.	2,049,974
Yuba County Water District, I.D. No. 3	68.443	942
City 1915 Act Bonds	100.	5,075,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$110,170,269

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>	<u>100. %</u>	<u>\$13,096,700</u>
Butte County Certificates of Participation	100.	56,375,000
Butte County Pension Obligations	100.	3,151,463
Butte-Glenn Community College District General Fund Obligations	87.057	5,162
Yuba Joint Community College District Certificates of Participation	0.178	5,090,000
Chico Unified School District Certificates of Participation	100.	1,925,000
Paradise Unified School District Certificates of Participation	100.	58,975
City of Paradise Certificates of Participation	100.	
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$79,702,300

COMBINED TOTAL DEBT \$189,872,569 (3)

- (1) Based on 2005-06 ratios.
- (2) Excludes general obligation bonds to be sold.
- (3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2006-07 Assessed Valuation:
Direct Debt..... - %
 Total Overlapping Tax and Assessment Debt..... 0.66%

Ratios to Adjusted Assessed Valuation:
Combined Direct Debt (\$69,471,700)..... 0.52%
 Combined Total Debt 1.42%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/06: \$0

PROPERTY TAX SECTION
FISCAL YEAR-END COLLECTIONS SUMMARY

PROPERTY TAX COLLECTIONS		FY 2000/01 Billed	FY 2000/02 Collected	FY 2000/03 % Collected	FY 2001/02 Billed	FY 2001/02 Collected	FY 2001/02 % Collected
Current Secured	\$ 107,499,899.00	\$ 101,760,556.00	\$ 111,947,270.00	95%	\$ 108,173,477	\$ 108,173,477	97%
Current Unsecured	\$ 5,980,383.00	\$ 5,764,536.00	\$ 6,431,790.00	96%	\$ 6,200,402	\$ 6,200,402	96%
Delinquent Secured	\$ 9,720,361.00	\$ 4,458,908.00	\$ 9,154,962.00	46%	\$ 4,809,398	\$ 4,809,398	53%
Delinquent Unsecured	\$ 2,136,198.00	\$ 463,854.00	\$ 2,134,595.00	22%	\$ 371,152	\$ 371,152	17%
Current Supplemental	\$ 2,727,148.00	\$ 1,809,620.00	\$ 3,862,030.00	66%	\$ 2,636,363	\$ 2,636,363	68%
Current Supplemental Unsecured	\$ 77,981.00	\$ 46,728.00	\$ 124,842.00	60%	\$ 85,725	\$ 85,725	69%
Overall	\$ 128,091,872.00	\$ 114,304,207.00	\$ 133,655,491.00	89%	\$ 122,276,520	\$ 122,276,520	91%

PROPERTY TAX COLLECTIONS		FY 2002/03 Billed	FY 2002/03 Collected	FY 2002/03 % Collected	FY 2003/04 Billed	FY 2003/04 Collected	FY 2003/04 % Collected
Current Secured	\$ 120,249,699	\$ 116,490,910	\$ 128,981,434	97%	\$ 125,688,064	\$ 125,688,064	97%
Current Unsecured	\$ 6,597,371	\$ 6,369,602	\$ 6,723,903	97%	\$ 6,463,406	\$ 6,463,406	96%
Delinquent Secured	\$ 8,645,602	\$ 3,979,469	\$ 9,120,736	46%	\$ 4,406,475	\$ 4,406,475	48%
Delinquent Unsecured	\$ 2,273,883	\$ 407,239	\$ 2,422,516	18%	\$ 431,681	\$ 431,681	18%
Current Supplemental	\$ 5,444,567	\$ 4,281,056	\$ 7,808,522	79%	\$ 5,213,211	\$ 5,213,211	67%
Current Supplemental Unsecured	\$ 209,088	\$ 145,949	\$ 245,289	70%	\$ 143,535	\$ 143,535	58%
Overall	\$ 143,420,211	\$ 131,674,227	\$ 155,302,302	92%	\$ 142,346,372	\$ 142,346,372	92%

PROPERTY TAX COLLECTIONS		FY 2004/05 Billed	FY 2004/05 Collected	FY 2004/05 % Collected	FY 2005/06 Billed	FY 2005/06 Collected	FY 2005/06 % Collected
Current Secured	\$ 140,409,739	\$ 137,305,209	\$ 154,436,256	98%	\$ 151,292,633	\$ 151,292,633	98%
Current Unsecured	\$ 6,852,618	\$ 6,640,699	\$ 7,119,950	97%	\$ 6,845,233	\$ 6,845,233	96%
Delinquent Secured	\$ 8,223,558	\$ 4,397,902	\$ 6,546,213	53%	\$ 3,788,130	\$ 3,788,130	58%
Delinquent Unsecured	\$ 2,116,105	\$ 699,933	\$ 1,612,202	33%	\$ 326,091	\$ 326,091	20%
Current Supplemental	\$ 10,756,201	\$ 7,793,015	\$ 12,710,952	72%	\$ 8,953,425	\$ 8,953,425	70%
Current Supplemental Unsecured	\$ 257,811	\$ 169,454	\$ 329,964	66%	\$ 231,417	\$ 231,417	70%
Overall	\$ 168,616,032	\$ 157,006,212	\$ 182,755,537	93%	\$ 171,436,929	\$ 171,436,929	94%

PROPERTY TAX COLLECTIONS		FY 2006/07 Billed	FY 2006/07 Collected	FY 2006/07 % Collected
Current Secured	\$ 172,680,460	\$ 167,686,724	\$ 167,686,724	97%
Current Unsecured	\$ 7,699,923	\$ 7,490,861	\$ 7,490,861	97%
Delinquent Secured	\$ 6,483,803	\$ 3,044,516	\$ 3,044,516	47%
Delinquent Unsecured	\$ 1,665,038	\$ 411,603	\$ 411,603	25%
Current Supplemental	\$ 12,526,484	\$ 9,237,814	\$ 9,237,814	74%
Current Supplemental Unsecured	\$ 298,490	\$ 195,492	\$ 195,492	65%
Overall	\$ 201,354,198	\$ 188,067,010	\$ 188,067,010	93%

PROPERTY TAX DIVISION

Staff Position Allocation:

Supervisor, Taxes & Staff Services
Property Tax Supervising Accounting Specialist
Accounting Specialists (3)
Office Specialist, Senior (1)
Extra Help

Responsibilities:

The Property Tax Division is responsible for billing, collecting and processing all property tax revenues generated by the County. In general, this entails:

- Mailing approximately 125 thousand bills per year and processing upwards of \$188 million in property tax payments (based on 2006/07 collections figures).
- Answering approximately 27,000 telephone calls, assisting nearly 11,000 clients at our counter, and responding to approximately 1800 website e-mails per year.
- Handling more than 3000 problem payments per year, each requiring research and a customized remittance letter.
- Processing and researching new addresses for approximately 3500 pieces of returned mail.
- Balancing our various property tax funds and submitting monthly cash statements to the Auditor's Office.
- Enforcing the collection of property taxes through various means required by the Revenue and Taxation Code, from filing liens to conducting a public auction of tax defaulted property.

Recent Division Accomplishments to Enhance Efficiency/Customer Service:

- Developed a website for the Treasurer-Tax Collector's Department and established a specific e-mail address for property tax questions.
- Established an electronic payment system for property taxes.
- Outsourced the printing and mailing of our secured property tax bills.
- Hired an outside contractor to coordinate our property tax auctions.
- Conducted our first internet auction of tax defaulted property.

Staff Training and Development:

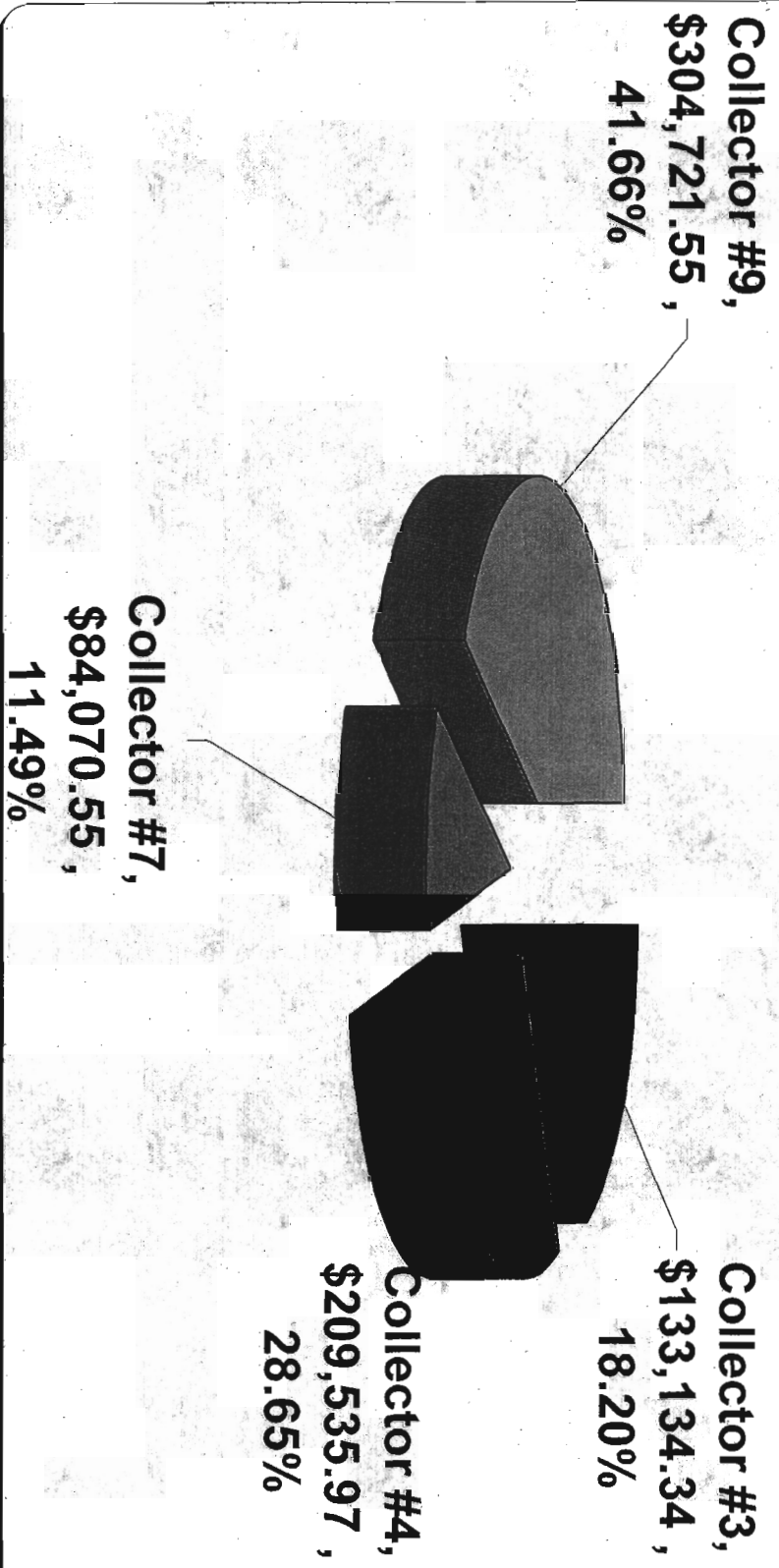
- Cross training within the division.
- Human Resources & IS training opportunities.
- Outside training related to the Megabyte Property Tax System.
- Annual evaluations to review accomplishments and establish goals.

COLLECTION FEES

	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00
JUL	2,662.74	2,974.73	2,499.83	2,758.98	3,970.71	4,542.37	4,174.54	2,821.78
AUG	2,488.33	3,269.36	2,263.06	2,578.90	3,671.82	4,245.77	4,053.89	2,141.20
SEP	2,027.31	3,724.77	2,964.08	2,216.91	5,796.85	3,977.08	5,162.67	3,033.89
OCT	2,532.96	2,601.53	3,030.48	3,312.35	4,580.65	3,582.06	4,893.35	3,158.70
NOV	2,407.21	2,458.45	2,546.11	2,956.05	3,701.90	2,943.12	4,628.76	2,659.87
DEC	1,951.09	1,695.22	2,238.31	2,671.76	4,066.30	3,403.99	3,964.27	3,546.36
JAN	2,305.11	2,325.65	3,168.30	3,262.04	4,423.52	2,686.54	3,677.30	3,091.42
FEB	2,728.10	2,315.88	2,872.99	3,154.34	4,832.40	3,711.97	3,978.70	3,292.82
MAR	2,610.86	2,521.68	2,379.42	3,748.89	4,163.12	3,676.20	4,217.34	4,424.95
APR	2,197.13	2,851.50	2,775.31	3,568.49	4,201.17	3,814.33	1,323.27	6,467.53
MAY	2,983.48	3,833.66	2,150.06	2,533.95	4,858.47	4,883.37	1,521.56	2,839.49
JUN	2,646.76	2,258.33	3,770.73	3,899.29	4,313.63	4,134.10	2,462.78	2,628.80
TOTAL	29,541.08	32,830.76	32,658.68	36,661.95	52,580.54	45,600.90	44,058.43	40,106.81
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
JUL	2,321.58	1,866.33	2,113.39	1,951.18	1,446.77	516.87	973.26	
AUG	2,876.87	2,542.78	2,294.60	1,528.41	902.57	656.10	530.81	
SEP	2,080.75	2,247.64	1,934.02	2,280.45	1,971.82	755.61	810.64	
OCT	4,155.45	1,915.19	1,687.12	1,997.49	1,916.26	722.27	1,284.89	
NOV	3,351.56	1,988.54	1,620.79	1,418.40	1,715.76	760.89	600.44	
DEC	2,479.82	1,298.11	1,510.70	1,941.12	2,061.65	737.44	673.61	
JAN	2,712.18	1,521.69	1,844.11	1,349.16	754.14	225.00	990.58	
FEB	2,552.36	1,760.28	2,282.06	1,667.37	850.06	879.39	973.73	
MAR	3,596.89	3,204.23	1,119.56	1,878.86	885.09	1,210.94	1,003.24	
ARP	2,617.51	1,157.19	1,861.17	1,540.13	631.99	860.56	714.79	
MAY	2,378.51	1,820.41	1,816.15	1,493.47	642.16	784.05	1,423.64	
JUN	2,733.88	2,193.78	1,767.35	4,940.27	836.49	671.85	774.89	
TOTAL	33,857.36	23,516.17	21,851.02	23,986.31	14,614.76	8,780.97	10,754.52	0.00

J TRANSFER

DELINQUENT UNSECURED TAXES 2006-2007



TOTAL REVENUE - \$731,462.41