# City of Redding

## Biennial Budget

## Fiscal Years Ending June 30, 2006-2007

# BIENNIAL BUDGET

Fiscal Years Ending
June 30, 2006 and 2007

for the

CITY OF REDDING
Redding, CA

**Issued by the City Manager's Office**
**Michael Warren**

# NOTES

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

# *Distinguished Budget Presentation Award*

PRESENTED TO

## City of Redding

## California

For the Biennium Beginning

**July 1, 2003**

President

Executive Director

The Govarnment Finance Officers Association of the United States and Canada (GFOA) presented tha award for Distinguished Budget Presentation to tha City of Redding for its annual budget for the fiscal year beginning July 1, 2003. In order to receive this award, a govemmental unit must publish a budget document that meets program criteria as a policy documant, as an operations guide, as a financiel plan, and as a communications medium. The award is valid for a period of two years. We believe our current budget continues to conform to program requiraments, and we are submitting it to GFOA to determine its eligibility for anothar award.

# NOTES

RESOLUTION NO. 2005-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDDING ADOPTING AND APPROVING THE BIENNIAL BUDGET FOR FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

WHEREAS, proposed budget requests have been submitted to the City Manager by Department Directors of the City; and

WHEREAS, such requests and all sources of revenue have been studied by the City Manager and the Finance Division; and

WHEREAS, the City Manager has submitted a Proposed Budget which was balanced and prudent; and

WHEREAS, the City Council held a budget bearing and solicited input from the puhlic; and

WHEREAS, The City Council has amended the Proposed Budget to better serve tbe residents of the City of Redding; and

WHEREAS, it has been determined that this matter is not subjeet to the provisions of the California Environmental Quality Act;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Redding as follows:

1. That the foregoing recitals are true and correct.

2. That it is deemed to be in the best interest of the city of Redding to adopt and approve the hudget appropriations contained in the Biennial Budget for fiscal years ending June 30, 2006 and 2007 at this time.

3. Tbat the budget appropriations referred to hereinabove are set forth in the Proposed Budget for fiscal years ending June 30, 2006 and 2007, and that said budget appropriations are hereby approved as the Biennial Budget for the City of Redding for the fiscal years ending June 30, 2006 and 2007.

I HEREBY CERTIFY that the foregoing resolution was introduced and read at a special meeting of the City Council of the City of Redding on the 21st day of June 2005, and was duly adopted at said meeting by the following vote:

| | | |
|---|---|---|
| AYES: | COUNCIL MEMBERS: | Dickerson, Polhmeyer, Stegall, and Mathena |
| NOES: | COUNCIL MEMBERS: | Murray |
| ABSENT: | COUNCIL MEMBERS: | None |
| ABSTAIN: | COUNCIL MEMBERS: | None |

ATTEST:

JOHN R. MATHENA, Mayor

CONNIE STROHMAYER, City Clerk

RICHARD A. DUVERNAY, City Attorney

# MUNICIPAL OFFICIALS

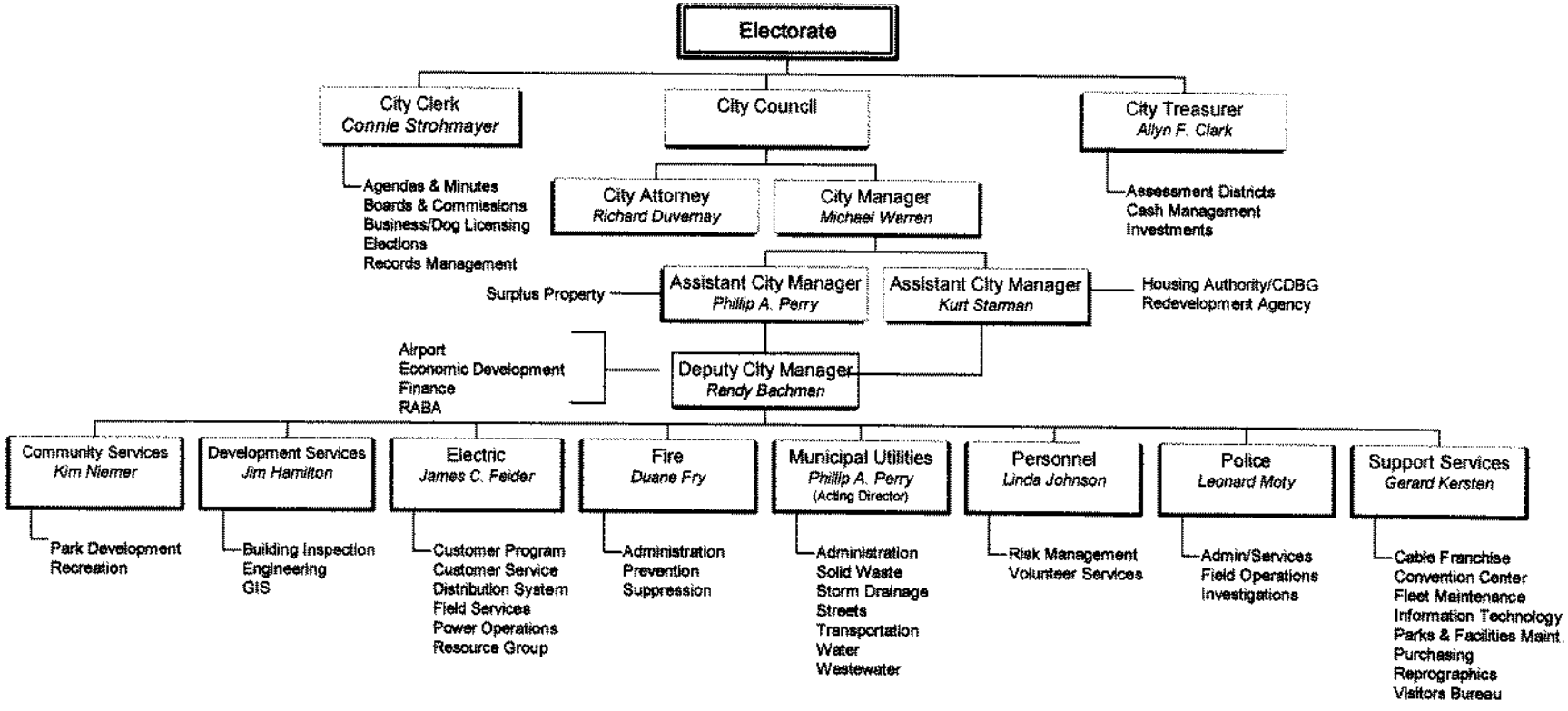
## City Council

Mayor ..... John R. Mathena
Vice Mayor ..... Ken Murray
Council Member ..... Dick Dickerson
Council Member ..... Michael Pohlmeyer
Council Member ..... Mary Stegall

## Administrative Personnel

City Manager ..... Michael Warren
Assistant City Manager ..... Phillip A. Perry
Assistant City Manager ..... Kurt J. Starman
Deputy City Manager ..... Randy Bachman
City Attorney ..... Richard Duvernay
City Clerk ..... Connie Strohmayer
City Treasurer ..... Allyn Feci Clark
Director of Community Services ..... Kim Niemer
Director of Development Services ..... Jim Hamilton
Director of Electric ..... Jim Feider
Director of Municipal Utilities (Acting) ..... Phillip A. Perry
Director of Personnel ..... Linda Johnson
Director of Support Services ..... Gerard Kersten
Fire Chief ..... Duane D. Fry
Police Chief ..... Leonard F. Moty

# City of Redding Organizational Chart



# HOW TO USE THIS BUDGET DOCUMENT

## Introduction

The City's Biennial Budget document is a comprehensive fiscal plan for achieving the desired goals of the City Council within the guidelines and policies established by resolution, ordinance, or law. At the Council budget hearing for the fiscal year 1997-98 budget, it was agreed upon that the City would prepare a two year budget.

## Document Format

The Budget consists of 13 sections. The Introduction contains information of a general nature to the reader. The Budget Message presents information about the major goals and program strategies for the City as a whole; proposed budget resources and expenditures; reserve funds; and City priorities.

The Budget Summary follows the City Manager's message. The Budget Summary contains historical information about resources and expenditures for all funds and departments throughout the City.

The next 9 sections provide supporting detail for the Budget Summary information. These sections expand the presentation of prior fund balance and expenditures. In addition, these sections provide a summary of goals and objectives for all divisions.

The final section, the Appendix, provides information to the reader not given in other sections of the document. For example, this section includes a glossary of terms.

## Fund Types

Government accounting requires the segregation of funds by type. The City of Redding uses five distinct fund types. These fund types include: **General, Special Revenue, Enterprise, Internal Services, and Trust and Agency funds.**

The **General Fund** is used to record all resources and expenditures not required to be accounted for in another fund type. **Special Revenue** funds account for the proceeds of legally restricted resources earmarked for specific purposes. Expenditures can be appropriated within the fund itself or transferred to another fund as reimbursement for expenditures. **Enterprise Funds** are established to account for operations that are financed and operated similar to private business. The intent of the City is to match costs associated with the enterprise operation with the revenues generated. The City's enterprise funds include the Airport, Convention Center, Electric, Water, Wastewater, Storm Drainage, and Solid Waste Funds. **Internal Service Funds** are created to account for services provided by one department for another. Costs of services are usually determined on a cost allocation basis. Expenditures are restricted to the dedicated use of the fund. **Trust and Agency** funds represent the Special Deposit Fund and other Trust Funds. All revenues are restricted to related expenditures within the responsible fund and are typically held in trust.

**Revenues**

Revenues are monies received by the City and are reported by source as follows: **Taxes; Fines, Forfeitures, and Penalties; Licenses and Permits; Use of Money and Property; Internal Departments; Other Governmental Agencies; Charges for Current Services, and Dther.**

**Taxes** are compulsory charges levied by a governmental agency for the purpose of financing services performed for the common benefit. Primary sources are Property Tax, Sales Tax, and Transient Occupancy Tax. **Fines** represent monies peid as an imposed penalty for an offense such as a traffic or safety violation. **Licenses and Permits** represent a voluntary or officially given right to levy e charge for a service provided. For example, a primary source of revenue from permits are those generated for approval of construction projects within the City limits, i.e., building permits. **Money and Property** identifies revenue received from investments or rental of essets. **Revenue from Internal Departments** is revenue charged to other departments for services provided by another department. The two main sources of revenue from internal departments is in-lieu property tax and cost allocation reimbursement. **Other Governmental Agencies** contribute revenue to the City by participating in specifically approved City activities. Revenues can be received from federal, state, county, or other local governmental agencies. Revenues for the most part are restricted to the guidelines developed by the governmental agency allocating the funds. Some of these include motor vehicle in-lieu fees, state mandated claims, Housing and Urban Development funds, various grants from the State of California end the federal government. **Charges for current services** are user charges applied to specific services provided by the City. The charges are established by resolution adopted by the City Council. Examples of charges for current services recreation fees, plan check fees, inspection fees, and fingerprinting fees. **Other revenues** are those resources not accounted for in any other category. They include miscellaneous revenue, compensation/property damage, and contributions.

The General Fund's five largest source of revenue are sales tax, property tax, transient occupancy tax, in-lieu property tax and motor vehicle in-lieu fees. These five sources make up over 75% of the General Fund revenue.

The revenue for the Special Revenue Funds generally consist of revenue from other governmental agencies and from fees for services. These funds are generally restricted and cen only be used for specific purposes.

The revenue for the Enterprise Funds are generated by providing services, i.e. the fees paid for water on ones utility bill would go to the water utility, electric charges to the electric utility.

The revenue for the Internal Services Funds is generated by charging the users of their services (usually other City departments) .

**Expenditures**

Expenditures are divided into five categories: **Personnel Costs; Materials, Supplies, and Services; Debt Service, and Capital Outlay.**

**Personnel** costs account for all direct and indirect costs of City personnel. The cost also includes all employee benefits. **Materials, Supplies, and Services** represent expenditures for the operation of each department. **Debt Service** includes the principal and interest payments on ell long-term debt. **Capital Outlay** accounts for any capital improvement, project, or equipment purchases over $5,000. In prior years, this amount has been only $1,000. Items that were once

budgeted as capital outlay, i.e. computer equipment, are now budgeted as operating materials and supplies. These items are recorded separately.

**Relationship to Annual Financial Report**

The City's accounting records are maintained on the modified accrual basis (account method that recognizes revenue when available and recognizes expenses when the liability is concurred) for the General Fund and Special Revenue Funds. Internal Service Funds and Enterprise funds are accounted for on the accrual basis (accounting method that recognizes the financial effect of transactions when they occur, regardless of the timing of the related cash flows). For planning purposes, the Biennial Budget is developed utilizing the cash basis. The City's Comprehensive Annual Financial Report compares budgeted expenditures and revenues to actual expenditures and revenues, and delineates any variances.

# BUDGET PROCESS

## Responsibility

The City Manager is responsible for preparing the budget, submitting it to the City Council for adoption, and administering the budget after adoption. The City Manager has assigned preparation and administration of the budget to the Finance Division of the Administrative Services Department.

## Capital Improvements

The City's Five-Year Capital Improvement Plan is developed every two years, opposite of the biennial budget. Each department provides a listing, including funding and justification, for each project. Upon publication, the first two years of the plan are added to the department's budget request.

## Kickoff Meeting and Budget Requests

The budget process begins in January when the Finance Division compiles budget request forms for all departments. They are distributed along with a copy of the Budget Policies and Procedures Manual at the "Budget Kickoff" meeting.

Departments prepare their budget requests and justifications for their requests during January, February and March. The request generally will encompass each budget category. New personnel requests (which are budgeted for nine months to allow for recruitment) are reviewed by both the Personnel and Finance divisions. Other City divisions will review applicable requests and prepare recommendations (Information Technology will review computer equipment requests; Communications, radio equipment requests; and so forth).

## Preliminary Hearings

Starting in March, the Finance Division conducts fact-finding hearings with the City departments. Preliminary recommendations for each budget request are reviewed, and each department is given the opportunity to add justifications or to provide additional information in support of their budget requests.

## City Manager Review

In April, budget review hearings are held between the departments and the City Manager's Budget Committee. The budget Committee consists of the City Manager and two citizens. The preliminary recommendations of the Finance Division (including the recommendations of the other aforementioned divisions) are considered by the Budget Committee to determine the Proposed Budget. The departments are given another opportunity to present information in support of their budget requests. At the conclusion of the hearings, the City Manager, along with the two citizens on the Budget Committee determine what is to be incorporated into the Proposed Budget.

## City Council Budget Hearings and Adoption

After receipt of the Proposed Biennial Budget, the City Council will establish dates for workshops. If necessary. At the conclusion of the workshop, the Council will modify the Biennial Budget until a majority consensus is reached, at which time the Biennial Budget is adopted by means of a resolution. Upon adoption, the Finance Division prepares for the start-up of the new year by "booking" the appropriations and estimated revenues into the accounting system. The Finance Division then prepares the final document for distribution to City officials and other interested parties.

# BUDGET DEVELOPMENT CALENDAR
FOR
BIENNIAL BUDGET 2005-07

| DUE DATE | ACTION |
|---|---|
| 12/6/04 to 2/08/05 | All departments prepare and submit preliminary budget requests for computers, communication-related equipment and building maintenance projects for two years. Information Technology will provide computer pricing information. Call Sandy at 225-4303. |
| 1/24/05 | Budget Kickoff Meeting at 1:30 PM in Council Chambers, budget reports will be distributed |
| 1/10/05 to 2/11/05 | Internal Service Funds prepare allocations and return to Finance. Due by February 11, 2005. |
| 1/20/05 to 2/25/05 | Departments prepare and enter budget information for biennial budget 2005-07. Final date to enter information is February 25, 2005. Departments prepare issue papers. |
| 02/25/05 | Issue papers due by February 25, 2005. |
| 3/1/05 to 3/11/05 | Departments prepare department overview, which include goals and objectives and performance measures. Due by March 11, 2005. |
| 3/1/05 to 3/16/05 | Finance Division reviews budget requests and develops preliminary recommendations on program changes and other areas where budget has increased. |
| 3/17/05 to 3/30/05 | Departments discuss budget requests and department overviews with Finance. |
| 4/4/05 to 4/20/05 | City Manager reviews budget requests with Departments and makes preliminary decisions. |
| 4/29/05 | City Manager makes final budget decisions |
| 5/2/05 to 5/20/05 | Finance Division prepares Proposed Budget for City Manager. |
| 6/7/05 | City Manager presents Proposed Budget to City Council; City Council establishes date(s) for budget workshop(s) |
| June 2005 | City Council reviews Proposed Budget and amends it as necessary. Budget is adopted. |
| 7/29/05 | Finance Division publishes and disseminates Biennial Budget |

Budget
message
Divider

**To:** **Honorable Mayor and Members of the City Council**
**From:** **Michael Warren, City Manager**

Introduction and Overview

I am pleased to transmit to you, along with this memorandum, the 2005-07 City of Redding Biennial Budget covering fiscal years 2005-06 and 2006-07. This budget is the culmination of numerous hours of work over the past six months by the operating departments, the Finance Division, the City Manager's Office and, importantly, the Citizen's Budget Committee. I recommend that you approve this budget, as presented, for the following reasons: 1) It is balanced and consistent with the sustainable 10-year plans of all the major funds; 2) It provides the highest service levels possible within the available resources; 3) It provides increased funding levels in several important areas identified as priorities by the City Council; and 4) It provides funding for the capital projects consistent with our Capital Improvement Plan.

The Biennial Budget sets forth the revenue and expenditure plan for the City of Redding for the next two years. Importantly, however, this budget is based on more than just the two fiscal years that it covers. It is built from the long-term financial plans for our various funds. This helps to ensure that the spending plans of today do not adversely affect the financial health of the organization tomorrow.

It is important to note that the Biennial Budget is a spending plan for the next 24 months based on the best information that we have today. The City Council will receive regular updates on the status of the plan and it will have opportunities to make modifications to the budget, when and if appropriate. In other words, the budget is not set in stone and changes may become necessary as new and more accurate information is received. While the City Council has the ability to make changes to the budget at any time during the year, staff will provide a formal budget update and recommendation of amendments, if any, at six-month intervals throughout the budget period.

There are several foundational philosophies incorporated into this Biennial Budget: The first is that it strikes a balance between departments and services so that none are funded so well that others suffer. All City services are important to the community's quality and, therefore, must be funded proportionately to one another. The second is that it strikes a balance between funding for capital projects, personnel, and materials and supplies. The third is that the budget is revenue-driven. Unlike many governmental agencies that create financial problems by focusing on expenditures and trying to make revenues fit, the City of Redding has focused on revenues first and then developed a spending plan consistent with the funds available.

Overall, the City of Redding Biennial Budget totals $237.8 million for fiscal year 2005-06 and $242.2 million for fiscal year 2006-07. This represents a decrease of $87.9 million or 27.0%, for fiscal year 2005-06 over the amended fiscal year 2004-05 budget, and then an increase of $4.4 million, or 1.9%, for fiscal year 2006-07. The large decrease in the first year of the Biennial Budget is due to the outlay of capital funds for large projects during the 2004-05 fiscal year.

General Fund

The Biennial Budget for the General Fund totals $64.6 million for fiscal year 2005-06 and $65.2 million for fiscal year 2006-07. This represents a decrease of $7.8 million, or 10.8%, for fiscal year 2005-06 over the amended fiscal year 2004-05 budget, and then an increase of $0.6 million, or 0.9%, for fiscal year 2006-07. Again, the large decrease in the first year of the Biennial Budget is due to the outlay of capital funds for large projects during the 2004-05 fiscal year.

The 2005-07 Biennial Budget was difficult to prepare, particularly for the General Fund, due to a combination of factors that have dramatically increased several of our "fixed" costs, while at the same time constraining our available revenues. These are issues that municipalities throughout the State of California heve been wrestling with for several years. Our strong local economy and prudent long-term finencial planning have previously, to a large degree, spared Redding from the budget difficulties others have faced. During the coming two-year budget period, however, these issues have forced us to reduce costs in some areas in order to adequately fund others.

There are basically four issues that created most of the budgetary pressures, as follows:

*State Extractions of Revenues* – Due to the State's inability to balance its own budget during the first half of the decade, the Stete is extrecting about $3 million out of the City's General Fund over a two-year period ending June 30, 2006. Even after that time, our ongoing revenues are reduced approximately $650,000 per year due to the effect of the State extractions. These revenue losses were part of the compromise reached between local government and Governor Arnold Schwarzenegger that eventually led to the successful passage of Proposition 1A by California voters in November 2004. This landmark legislation provides Constitutionel protection of most major local government revenues from further State takeaways.

*CalPERS Cost Increases* – Like all public agencies in California, the City of Redding is wrestling with the effects of dramatic increases in retirement costs due to the combination of enhanced retirement benefits and the poor pertormance of the California Public Employees Retirement System's (CalPERS) investment portfolio. The combination has forced an increase in the City's retirement costs for the General Fund of about $2.9 million from the 2004-05 fiscal year to the first year of our Biennial Budget. Over a three-year period, the City's General Fund costs for CalPERS retirement benefits have risen by about $6 million. Staff is currently exploring the possibility of pre-funding our CalPERS obligation for fiscal year 2005-06, which is estimated to save nearly $1 million for the General Fund and about $1.5 million Citywide. About one-third of the savings is permanent, due to the discount offered by CalPERS, while the remaining two-thirds would be made up in future actuerials. While these retirement cost increases are difficult to fund in this Biennial Budget, it is expected that, over the next several yeers, CalPERS costs will return to more historically normal levels once the actuerial effects of its poor investment pertormance from 2000 through 2002 have been made up. The City of Redding continues to take a conservative stance when estimating its future retirement rates, building in a cushion beyond that provided in the CalPERS' own estimates.

*Insurance Cost Increases* – Agein, like all other public agencies and many privete companies, the City is feeling the effects of the recent and continuing escalation of the costs of insurance, including Workers' Compensation, liability, and employee medical insurance. All of this equates to a General Fund increase for the current fiscal year of approximately $1.2 million and another $600,000 in 2006-07. During the Biennial Budget period, it is projected that both Worker's Compensation and liability insurance costs will stabilize as the effects of changes to State Worker's Compensation law begin to bear fruit. Employee and employee health insurance is another issue. The cost of medical care, particularly prescription drugs, continues to rise much faster than the general rate of inflation throughout the United States. The City provides full medical, dental, prescription and vision care to its employees and families. In addition, the City pays one-half the cost of health benefits for its retirees. Unless significant changes are made to the insurance plans or the level of premium contribution by the City is lowered, it is likely that insurance costs will remain a budget challenge into the future.

*Operating and Maintaining New Facilities* – A number of important improvements to our community have been made in the past several years and we have attempted to keep our commitments to fund the ongoing costs associated with these improvements. These include about $400,000 for additional fire staffing required to provide aircreft firefighting/rescue services at the Redding Municipal Airport, the annuel cost of $130,000 for maintaining and operating the Sundial Bridge, and the annual $250,000 commitment to the operations of the Shasta County Library once the new facility opens in 2006. These new costs to the budget can be contrested to the Big League Dreams Sports Park, which the City constructed and is now being operated privately by Big League Dreams. Under that public-privete partnership, the City hes no ongoing

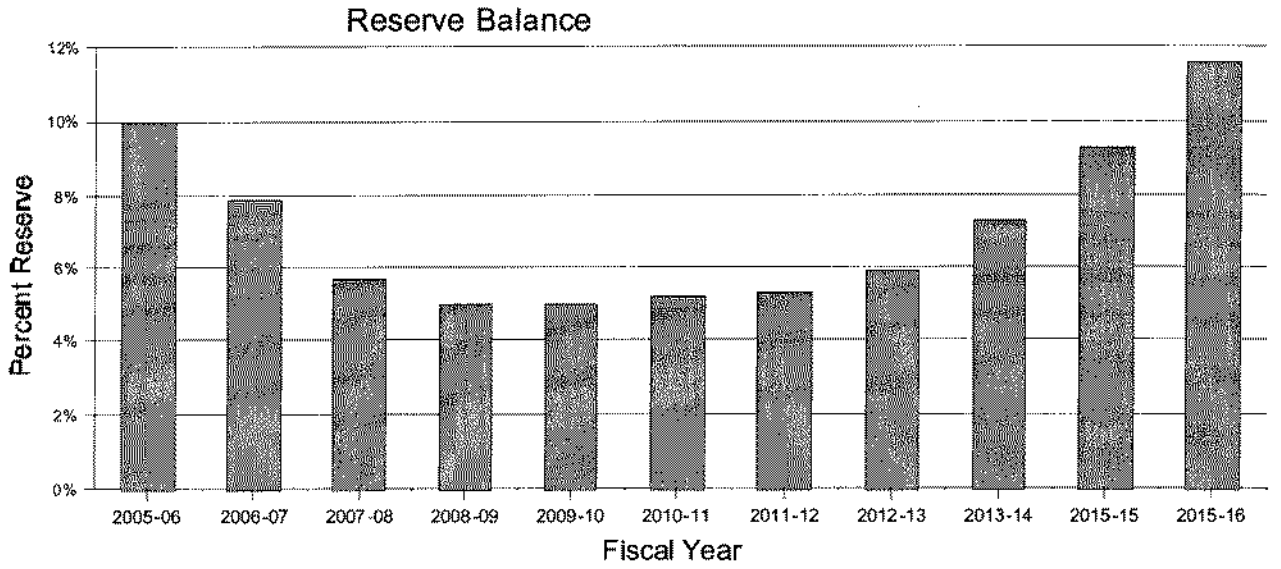
expenses related to operations and maintenance and, in fact, the City will be receiving a percentage of the park's revenues in 2007.

Just the four "big picture" items described above represent either additional cost or reduced revenue to the tune of about $6 million per year, which is not available to fund other General Fund needs. This represents about 10% of our total General Fund revenues. While the strong local economy has continued to help our revenues grow approximately 5% annually ($3 million), we still were forced to reduce General Fund expenditures by approximately $3 million in order to keep our General Fund 10-Year Financial Plan in balance.

The reductions in the General Fund, were achieved by limiting non-critical operating and capital expenditures and by holding open a number of personnel vacancies. In fact, a total of 22 full-time equivalent positions are being kept vacant for either a portion or, in most cases, the full two-year budgeting period. While the positions have been carefully selected to ensure the least impact on public services, there can be no doubt that these vacancies will have some impact on service levels to the public as the work is spread to other employees. These vacant positions are scattered throughout the General Fund departments and a complete listing of them will be provided later in this memorandum.

As previously mentioned, the Biennial Budget is consistent with the General Fund 10-Year Financial Plan and the City Council policy that requires the plan to demonstrate a minimum reserve level of 5% throughout the plan. Under this budget, the General Fund reserve levels are projected to decrease from an estimated $7.5 million, or 13.3% of expenditures at the end of fiscal year 2004-05, to a low of $3.2 million, or 5.0% in both 2008-09 and 2009-10. This draw-down of reserves is planned and is providing a cushion to help soften the effects of the financial challenges faced over the next couple of years.

**General Fund Ending Cash Balance**



## Other Funds

Although we tend to place significant emphasis on the General Fund due to the fluctuations that can occur in its revenue, all other major funds of the City have similar plans and, with the exception of the Parking Fund and the Storm Drainage Fund, are balanced with edequate reserves. The City Council has previously been made aware of the subsidy from the General Fund to the Parking Fund and a review of the parking rates and policies in downtown Redding are under way. With regard to the Storm Drainage Fund, providing adequate funding for necessary operations and maintenance, es well es additional efforts required by new Federal water pollution regulations, remains a challenge. The City is carefully following proposed State legislation that would remove the voter-approval requirement for setting Storm Drainage Utility retes, which would then allow the City Council to increase funding in this area.

It is worthy of note that both the Airports Fund and the Tourism and Convention Fund are balanced and do not require further General Fund subsidies in this Biennial Budget. All of the City's major utilities - Electric, Solid Waste, Water and Wastewater - are edequately funded in this Biennial Budget and have balanced financial plans.

## Personnel

As previously mentioned, due to the resource constraints of the General Fund, the effect of this Biennial Budget on personnel levels is fairly drametic. While there are nine new positions added in the first year of the Budget and one the second, these are all funded through the City's utilities or in the case of Risk Management, through contract savings. There are no new positions that will be paid by the General Fund, end, in fact, the General Fund Budget is predicated upon keeping a total of 22 positions vacant for some or all of the two-year period. These positions have not been removed from the budget entirely, but are not funded and cannot be filled unless supplemental funding becomes available and is authorized by the City Council. Therefore the net decrease in employees from the 2004-05 fiscal yeer is 14 full-time equivalent positions for 2005-06 and 13 FTEs for 2006-07. Following is a list of the new positions by department and funding source, as well as a list of positions that will remain vacant. Positions marked with an asterisk will be held vacant for less then the full budget period.

| Division | Position | FTE | Comments |
|---|---|---|---|
| Engineering | Associate Civil Engineer | 2.00 | Funded by various project |
| Municipal Utilities | Associate Civil Engineer | 1.00 | Funded by utilities |
| Wastewater | Plant Operator | 1.00 | Funded by Wastewater |
| Wastewater | Industrial Waste Analyst | 1.00 | Funded by Wastewater in FYE 2007 |
| Wastewater | Collection Maintenace Worker | 1.00 | Funded by Wastewater |
| Electric | Distribution Planner | 1.00 | Funded by Electriic |
| Electric | Engineer Intern | 1.00 | Funded by Electric |
| Risk Management | Clerk | 1.00 | Funded through contract savings |
| Risk Management | Senior Personnel Analyst | 0.73 | Funded through contract savings |
| Total new positions | | 9.73 | |
| **Positions Held Vacant** | | | |
| Police | Community Service Officers | (4.00) | Funded by General Fund |
| Police | Computer Network Technician | (1.00) | Funded by General Fund |
| Police | Lieutenant positions | (1.00) * | Funded by General Fund |
| Police | Records Supervisor | (0.48) * | Funded by General Fund |
| Parks | P/W Maintence Workers | (1.92) | Funded by General Fund |
| Information Tech. | System Analyst/Programmer | (1.00) | Funded by General and Utility funds |
| Communications | Telecommunications Manager | (1.00) | Funded by General and Utility funds |
| Building Maint. | Parks and Facility Manager | (1.00) | Funded by General and Utility funds |
| Municipal Utilities | Director of Municipal Utilities | (1.00) | Funded by General and Utility funds |
| Streets | P/W Maintence Workers | (1.30) | Funded by General Fund |
| Building | Code Enforcement Officer | (1.00) | Funded by General Fund |
| Planning | Planning Manager | (0.34) * | Funded by General Fund |
| Engineering | Engineering Tech | (1.00) | Funded by General Fund |
| Engineering | Engineering Aid | (0.48) | Funded by General Fund |
| Finance | Part-time Account Clerk | (0.48) | Funded by General Fund |
| Finance | Part-time Financial Mgmt. Specialist | (0.40) * | Funded by General Fund |
| Finance | Accounting Specialist | (1.00) | Funded by General Fund-Position Eliminated |
| City Manager | Economic Develoment Director | (1.00) | Funded by General Fund |
| City Manager | Administrative Assistant | (1.00) | Funded by General Fund |
| CDBG | Housing Program Supervisor | (1.00) | Grant funded |
| Housing | Housing Specialist | (1.00) | Grant funded |
| Total positions held vacant | | (22.40) | |
| Net personnel reduction | | (12.67) | |

Budget Highlights

*Increase Street Maintenance* - Despite the previously discussed constraints on the General Fund, this budget provides for a total of $5 million for Street Maintenance (slurry seal, overlay, stripping and sidewalk repair) over the two-year period. This is $3.8 million more than the last Biennial Budget, as adopted. While this is not as much as we would like to fund in order to make progress on the City's $30-million-plus backlog of street maintenance, it is a significant commitment in light of the challenges facing the General Fund. In addition, the Govemor's proposed 2005-06 State budget includes Proposition 42 transportation funding that had previously been held up by the State. If the proposal is ultimately approved, it will mean another $375,000 in street maintenance funding for the City of Redding each year.

*Radio System Upgrade* - Funding sufficient to finance the $2.5 million upgrade to the City's 800 MHz radio system is included the budget. This upgrade and replacement of major components is critical to the Police Department and other operating departments who rely on out-dated equipment that is no longer supported by the manufacturer.

*Engineering Support* – Funding for three additional engineers is provided to help support the City's adopted Capital Improvement Program. Two of the positions will directly support capital project development, while the third will provide direct support to field forces in the City's Municipal Utilities Department. These positions are in addition to the five new engineering positions approved during fiscal year 2004-05. Council directed that staffing levels be reviewed at the end of fiscal year 2005-06. At that time two additional engineering positions may be considered for approval.

*Capital Projects* – The Biennial Budget includes significant funding for capital projects totaling $38.3 million in fiscal year 2005-06 and $51.8 million in fiscal year 2006-07. A listing of the capital projects for each fiscal year can be found on pages 42 - 47 in the Budget Summary section of the budget document.

*Support of Community Projects and Programs* – Investing in the community through the support of the projects and programs of others is an important role for the City of Redding. This Biennial Budget includes about $3 million in direct support of non-profit agencies within our community, such as Turtle Bay Exploration Park, the Shasta County Library, and the Economic Development Corporation. A listing of agencies receiving direct support include:

| | Fiscal Year 2005-06 | Fiscal Year 2006-07 |
|---|---|---|
| Economic Development Corporation | $ 140,000 | $ 140,000 |
| Superior California Economic Development | 11,000 | 11,000 |
| Shasta Arts Council | 22,830 | 22,830 |
| Library | 242,500 | 367,500 |
| Diestlehorst Office Park | 15,000 | 15,000 |
| Library Development | 400,000 | |
| Turtle Bay Museums | 400,000 | |
| Shasta Cascade Wonderland | 52,000 | 52,000 |
| CDBG Grants to non-profits | 625,930 | 552,810 |
| Total | $ 1,909,260 | $ 1,161,140 |

The budget also includes nearly $250,000 of support for community events such as the Air Show and Kool April Nites. A complete listing of community events receiving General Fund support is included on Page G-38.

*Turtle Bay* – The Biennial Budget contains $400,000 in General Fund support of Turtle Bay Exploration Park operations for fiscal year 2005-06. As additional aide to Turtle Bay in its operating of the new McConnell Arboretum, the City is providing additional assistance to Turtle Bay in the form of marketing assistance through the Convention and Visitor's Bureau, sponsorships of education programs and exhibits through utility-funded areas, such as the Electric Utility Public Benefit Funds.

*Reduction in General Fund Transfer to Rolling Stock* – A 10 percent (approximately $100,000) reduction in the General Fund transfer to the Rolling Stock Fund has been included in the Biennial Budget. This reduction was necessary due to limited resources and staff will be looking at the various allocations by department during fiscal year 2004-05 to ensure that funding is being allocated evenly based upon departmental needs.

*Reduction in Contract Services* – Throughout the General Fund and for the Redding Area Bus Authority funding for contract services, such as security, has been reduced. An analysis of these contracts, including consolidation and increased coordination is being performed to ensure the least operational impact.

*Elimination of Credit Card Acceptance at the Permit Center* – Although the acceptance of credit cards for the purchase of goods and services at the City of Redding is a great convenienca, there is a significant cost. Currently the City pays nearly 2% in bank fees on each credit card transaction and this cost cannot be passed along to the customer. Bacause fees at the Permit Center in Developmant Servicas tend to ba large dollar amounts (averaging more than $2,000 per transaction), these fees add up to a significant amount. This Biannial Budget is based on discontinuing acceptance of credit cards at the Permit Center, which saves an estimated $40,000 annually.

*Planning and Engineering Cost Recovery* – The current faa structure for the Planning and Engineering Division results in the recovary of between 11% and 14% of costs. This is far below the standard for other California communities and rasults in a General Fund subsidy of between 86% and 89% for development permits. The Biannial Budgat is predicated upon a significant increase in these fees beginning Oct. 1, 2005. Tha structure of the proposad faa increase is yet to be finalized, but tha budgatad target is to achieve 25% cost recovery in fiscal year 2005-06 and 30% in 2006-07. The average for othar communities is about 45%.

*Aquatic Center Admission Increase* – The Community Services Dapartmant budget includes a $1 increase in the cost of admission to the Aquatic Cantar for adults and $0.50 for children. Tha budget also includes $10,000 to be used to fund passes for tha low-income individuals for whom the incraase is a hardship.

*Airport Parking Rate Increase* – The Airport Division Budgat is pradicated upon increasing the parking fee at the Airport by $1.00 per day. Tha current daily parking rate is $5.50.

Unfunded Needs

As can ba expected, the naeds of the operating departments far axceed the availabla rasources and the ability to meet these needs. Included in each department's budget discussion is a listing of unfunded neads. As resources become available, these naads will need to be addressad and prioritizad for futura funding. Topping the list of General Fund needs is the $30-million-plus backlog of street maintenance projects, the construction of a new Public Safaty building and increasing personnel in such important areas as Police, Fira, Parks Maintenance and Planning.

The City Council has authorized a survey of tha community regarding spending priorities and whether there is support for a sales tax increase or soma other new revenue. For perspective, a quarter-cent sales tax (going from 7.25 percent overall to 7.50 parcent) would generate approximataly $5 million annually. These new revenuas, if approved by the City Council and the votars, could go a long way toward meeting some of the more pressing unfunded needs.

Gann Limit

The City of Redding is required by Stata law to calculate and publish an appropriations limit each fiscal year, commonly known as the "Gann Limit." This figure represants the maximum the City could spend in specified categories if funding were available. For 2005-06 the City's limit is $ 145.7 million, while the applicable budget figure for comparison is $ 67.4 million. As can be demonstrated by that comparison, the City of Redding budget does not evan come close to the maximum spending limit imposad by Stata law.

Citizens Budget Committee

Staff was assisted in the praparation of this Biennial Budget by an informal committee of three citizens: Ross Domka, Ginne Mistal and Dannis Haws, all local businesspeople. All thrae individuals donated dozens of hours to sit with the City Manager, Financa Division and the various departments to help make the difficult dacisions to develop this financial plan. Their valuable input has baen incorporated into tha budget where ever possible and the 2005-07 Biennial Budgat is enormously better due to thair efforts.

Summary

It is my belief that this Budget Memorandum captures the most salient points of the 2005-07 City of Redding Biennial Budget. As previously mentioned this was a difficult budget to prepare in that there simply were not enough resources to meet many of the challenges we face. Having said that, however, I believe this budget makes the best use of the financial, human and fixed assets available to the City to provide service to the residents, business owners and visitors to Redding. It is a sound financial plan for the two years ahead and I recommend your approval.

Sincerely,

Michael D. Warren
City Manager

# City of Redding

## Biennial Budget

## Fiscal Years Ending June 30, 2006-2007

# BIENNIAL BUDGET

Fiscal Years Ending
June 30, 2006 and 2007

for the

CITY OF REDDING
Redding, CA

**Issued by the City Manager's Office**
**Michael Warren**

# NOTES

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

# *Distinguished Budget Presentation Award*

**PRESENTED TO**

## City of Redding

## California

For the Biennium Beginning

**July 1, 2003**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented the ewerd for Distinguished Budget Presentation to the City of Redding for its ennual budget for the fiscal year beginning July 1, 2003. In order to receive this award, a govammental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications medium. The award is valid for a period of two years. We believa our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

# NOTES

RESOLUTION NO. 2005-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDDING ADOPTING AND APPROVING THE BIENNIAL BUDGET FOR FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

WHEREAS, proposed budget requests have been suhmitted to the City Manager by Department Directors of thc City; and

WHEREAS, such requests and all sources of revenue havc bcen studied by the City Manager and the Finance Division; and

WHEREAS, the City Manager has submittcd a Proposed Budget which was balanced and prudent; and

WHEREAS, the City Council held a budget hearing and solicited input from the public; and

WHEREAS, The City Council has amended the Proposed Budget to better serve the residents of the City of Redding; and

WHEREAS, it has bcen determined that this matter is not subject to the provisions of the California Environmental Quality Act;

NOW, THEREFORE, BE IT RESOLVED by thc City Council of the City of Redding as follows:

1. That the foregoing recitals are true and correct.

2. That it is deemed to be in the hest interest of the city of Redding to adopt and approve the budget appropriations contained in the Biennial Budget for fiscal years ending June 30, 2006 and 2007 at this time.

3. That the budget appropriations referred to hereinabove are set forth in the Proposed Budget for fiscal years ending June 30, 2006 and 2007, and that said budget appropriations are hereby approved as the Biennial Budget for the City of Redding for the fiscal years ending June 30, 2006 and 2007.

I HEREBY CERTIFY that the foregoing resolution was introduced and read at a special meeting of the City Council of the City of Redding on the 21st day of June 2005, and was duly adopted at said meeting by the following vote:

| | | |
|---|---|---|
| AYES: | COUNCIL MEMBERS: | Dickerson, Polhmeyer, Stegall, and Mathena |
| NOES: | COUNCIL MEMBERS: | Murray |
| ABSENT: | COUNCIL MEMBERS: | None |
| ABSTAIN: | COUNCIL MEMBERS: | None |

ATTEST:

JOHN R. MATHENA, Mayor

CONNIE STROHMAYER, City Clerk

v

RICHARD A. DUVERNAY, City Attorney

# MUNICIPAL OFFICIALS

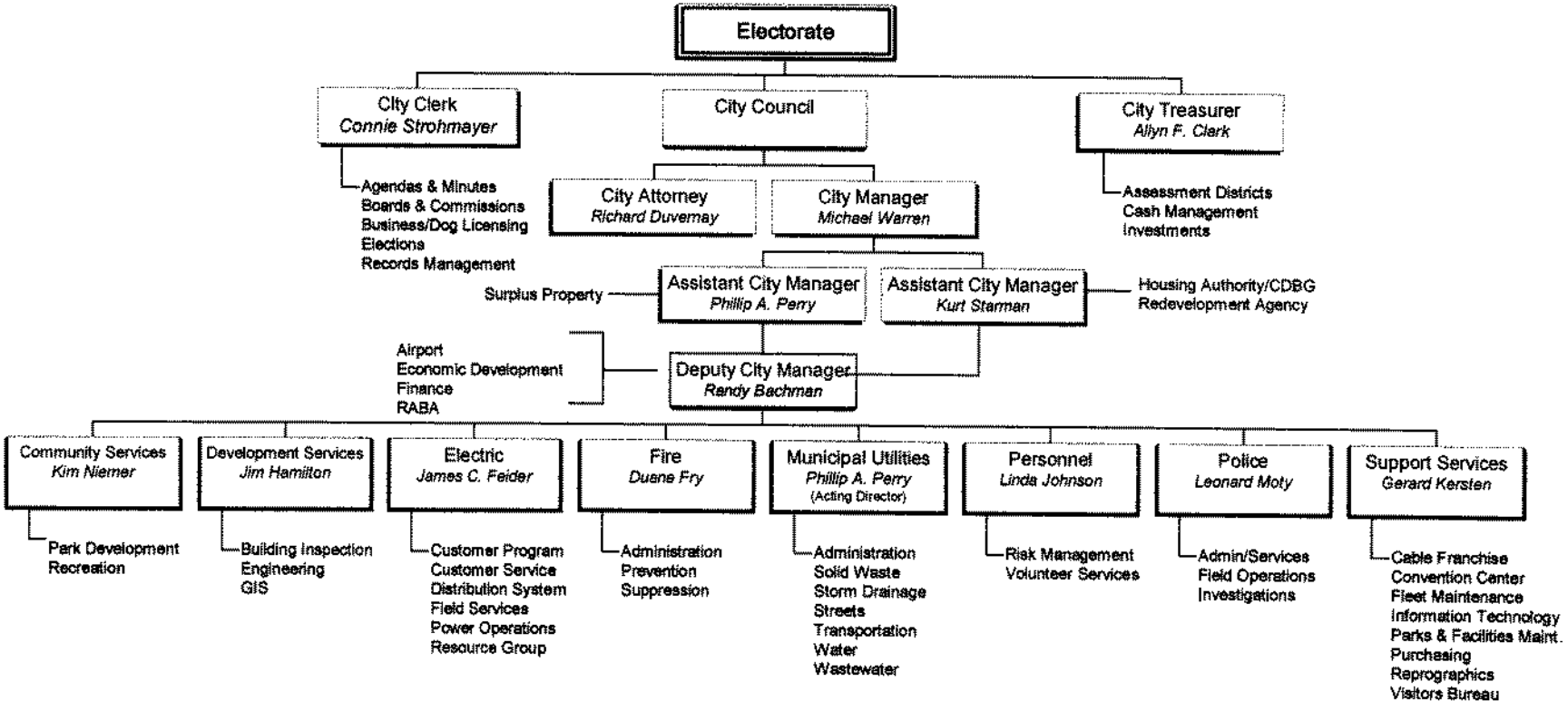
## City Council

Mayor.....John R. Mathena
Vice Mayor..... Ken Murray
Council Member..... Dick Dickerson
Council Member..... Michael Pohlmeyer
Council Member..... Mary Stegall

## Administrative Personnel

City Manager.....Michael Warren
Assistant City Manager..... Phillip A. Perry
Assistant City Manager.....Kurt J. Starman
Deputy City Manager ..... Randy Bachman
City Attomey ..... Richard Duvernay
City Clerk ..... Connie Strohmayer
City Treasurer ..... Allyn Feci Clark
Director of Community Services ..... Kim Niemer
Director of Development Services ..... Jim Hamilton
Director of Electric..... Jim Feider
Director of Municipal Utilities (Acting) ..... Phillip A. Perry
Director of Personnel ..... Linda Johnson
Director of Support Services..... Gerard Kersten
Fire Chief .....Duane D. Fry
Police Chief.....Leonard F. Moty

# City of Redding Organizational Chart



# HOW TO USE THIS BUDGET DOCUMENT

## Introduction

The City's Biennial Budget document is a comprehensive fiscal plan for achieving the desired goals of the City Council within the guidelines and policies established by resolution, ordinance, or law. At the Council budget hearing for the fiscal year 1997-98 budget, it was agreed upon that the City would prepare a two year budget.

## Document Format

The Budget consists of 13 sections. The Introduction contains information of a general nature to the reader. The Budget Message presents information about the major goals and program strategies for the City as a whole; proposed budget resources and expenditures; reserve funds; and City priorities.

The Budget Summary follows the City Manager's message. The Budget Summary contains historical information about resources and expenditures for all funds and departments throughout the City.

The next 9 sections provide supporting detail for the Budget Summary information. These sections expand the presentation of prior fund balance and expenditures. In addition, these sections provide a summary of goals and objectives for all divisions.

The final section, the Appendix, provides information to the reader not given in other sections of the document. For example, this section includes a glossary of terms.

## Fund Types

Government accounting requires the segregation of funds by type. The City of Redding uses five distinct fund types. These fund types include: **General, Special Revenue, Enterprise, Internal Services, and Trust and Agency funds.**

The **General Fund** is used to record all resources and expenditures not required to be accounted for in another fund type. **Special Revenue** funds account for the proceeds of legally restricted resources earmarked for specific purposes. Expenditures can be appropriated within the fund itself or transferred to another fund as reimbursement for expenditures. **Enterprise Funds** are established to account for operations that are financed and operated similar to private business. The intent of the City is to match costs associated with the enterprise operation with the revenues generated. The City's enterprise funds include the Airport, Convention Center, Electric, Water, Wastewater, Storm Drainage, and Solid Waste Funds. **Internal Service Funds** are created to account for services provided by one department for another. Costs of services are usually determined on a cost allocation basis. Expenditures are restricted to the dedicated use of the fund. **Trust and Agency** funds represent the Special Deposit Fund and other Trust Funds. All revenues are restricted to related expenditures within the responsible fund and are typically held in trust.

## Revenues

Revenues are monies received by the City and are reported by source as follows: **Taxes; Fines, Forfeitures, and Penalties; Licenses and Permits; Use of Money and Property; Internal Departments; Other Governmental Agencies; Charges for Current Services, and Other.**

**Taxes** are compulsory charges levied by a governmental agency for the purpose of financing services performed for the common benefit. Primary sources are Property Tax, Sales Tax, and Transient Occupancy Tax. **Fines** represent monies paid as an imposed penalty for an offense such as a traffic or safety violation. **Licenses and Permits** represent a voluntary or officially given right to levy a charge for a service provided. For example, a primary source of revenue from permits are those generated for approval of construction projects within the City limits, i.e., building permits. **Money and Property** identifies revenue received from investments or rental of assets. **Revenue from Internal Departments** is revenue charged to other departments for services provided by another department. The two main sources of revenue from internal departments is in-lieu property tax and cost allocation reimbursement. **Other Governmental Agencies** contribute revenue to the City by participating in specifically approved City activities. Revenues can be received from federel, state, county, or other local governmental agencies. Revenues for the most part are restricted to the guidelines developed by the governmental agency allocating the funds. Some of these include motor vehicle in-lieu fees, state mandated claims, Housing and Urban Development funds, various grants from the State of California and the federal government. **Charges for current services** ere user charges applied to specific services provided by the City. The charges are established by resolution adopted by the City Council. Examples of charges for current services recreation fees, plan check fees, inspection fees, and fingerprinting fees. **Other revenues** are those resources not accounted for in eny other category. They include miscellaneous revenue, compensetion/property damage, and contributions.

The Generel Fund's five largest source of revenue are sales tax, property tax, transient occupancy tax, in-lieu property tax and motor vehicle in-lieu fees. These five sources make up over 75% of the General Fund revenue.

The revenue for the Special Revenue Funds generally consist of revenue from other governmental agencies and from fees for services. These funds are generally restricted and cen only be used for specific purposes.

The revenue for the Enterprise Funds are generated by providing services, i.e. the fees paid for water on ones utility bill would go to the water utility, electric charges to the electric utility.

The revenue for the Internal Services Funds is generated by cherging the users of their services (usually other City departments) .

## Expenditures

Expenditures are divided into five categories: **Personnel Costs; Materials, Supplies, and Services; Debt Service, and Capital Outlay.**

**Personnel** costs account for all direct and indirect costs of City personnel. The cost also includes all employee benefits. **Materials, Supplies, and Services** represent expenditures for the operation of each department. **Debt Service** includes the principal and interest payments on all long-term debt. **Capital Outlay** accounts for any capital improvement, project, or equipment purchases over $5,000. In prior years, this amount has been only $1,000. Items that were once

budgeted as capital outlay, i.e. computer equipment, are now budgeted as operating materials and supplies. These items are recorded separately.

**Relationship to Annual Financial Report**

The City's accounting records are maintained on the modified accrual basis (account method that recognizes revenue when available and recognizes expenses when the liability is concurred) for the General Fund and Special Revenue Funds. Internal Service Funds and Enterprise funds are accounted for on the accrual basis (accounting method that recognizes the financial effect of transactions when they occur, regardless of the timing of the related cash flows). For planning purposes, the Biennial Budget is developed utilizing the cash basis. The City's Comprehensive Annual Financial Report compares budgeted expenditures and revenues to actual expenditures and revenues, and delineates any variances.

# BUDGET PROCESS

## Responsibility

The City Manager is responsible for preparing the budget, submitting it to the City Council for adoption, and administering the budget after adoption. The City Manager has assigned preparation and administration of the budget to the Finance Division of the Administrative Services Department.

## Capital Improvements

The City's Five-Year Capital Improvement Plan is developed every two years, opposite of the biennial budget. Each department provides a listing, including funding and justification, for each project. Upon publication, the first two years of the plan are added to the department's budget request.

## Kickoff Meeting and Budget Requests

The budget process begins in January when the Finance Division compiles budget request forms for all departments. They are distributed along with a copy of the Budget Policies and Procedures Manual at the "Budget Kickoff" meeting.

Departments prepare their budget requests and justifications for their requests during January, February and March. The request generally will encompass each budget category. New personnel requests (which are budgeted for nine months to allow for recruitment) are reviewed by both the Personnel and Finance divisions. Other City divisions will review applicable requests and prepare recommendations (Information Technology will review computer equipment requests; Communications, radio equipment requests; and so forth).

## Preliminary Hearings

Starting in March, the Finance Division conducts fact-finding hearings with the City departments. Preliminary recommendations for each budget request are reviewed, and each department is given the opportunity to add justifications or to provide additional information in support of their budget requests.

## City Manager Review

In April, budget review hearings are held between the departments and the City Manager's Budget Committee. The budget Committee consists of the City Manager and two citizens. The preliminary recommendations of the Finance Division (including the recommendations of the other aforementioned divisions) are considered by the Budget Committee to determine the Proposed Budget. The departments are given another opportunity to present information in support of their budget requests. At the conclusion of the hearings, the City Manager, along with the two citizens on the Budget Committee determine what is to be incorporated into the Proposed Budget.

## City Council Budget Hearings and Adoption

After receipt of the Proposed Biennial Budget, the City Council will establish dates for workshops. If necessary. At the conclusion of the workshop, the Council will modify the Biennial Budget until a majority consensus is reached, at which time the Biennial Budget is adopted by means of a resolution. Upon adoption, the Finance Division prepares for the start-up of the new year by "booking" the appropriations and estimated revenues into the accounting system. The Finance Division then prepares the final document for distribution to City officials and other interested parties.

# BUDGET DEVELOPMENT CALENDAR
FOR
BIENNIAL BUDGET 2005-07

| DUE DATE | ACTION |
|---|---|
| 12/6/04 to 2/08/05 | All departments prepare and submit preliminary budget requests for computers, communication-related equipment and building maintenance projects for two years. Information Technology will provide computer pricing information. Call Sandy at 225-4303. |
| 1/24/05 | Budget Kickoff Meeting at 1:30 PM in Council Chambers, budget reports will be distributed |
| 1/10/05 to 2/11/05 | Internal Service Funds prepare allocations and return to Finance. Due by February 11, 2005. |
| 1/20/05 to 2/25/05 | Departments prepare and enter budget information for biennial budget 2005-07. Final date to enter information is February 25, 2005. Departments prepare issue papers. |
| 02/25/05 | Issue papers due by February 25, 2005. |
| 3/1/05 to 3/11/05 | Departments prepare department overview, which include goals and objectives and performance measures. Due by March 11, 2005. |
| 3/1/05 to 3/16/05 | Finance Division reviews budget requests and develops preliminary recommendations on program changes and other areas where budget has increased. |
| 3/17/05 to 3/30/05 | Departments discuss budget requests and department overviews with Finance. |
| 4/4/05 to 4/20/05 | City Manager reviews budget requests with Departments and makes preliminary decisions. |
| 4/29/05 | City Manager makes final budget decisions |
| 5/2/05 to 5/20/05 | Finance Division prepares Proposed Budget for City Manager. |
| 6/7/05 | City Manager presents Proposed Budget to City Council; City Council establishes date(s) for budget workshop(s) |
| June 2005 | City Council reviews Proposed Budget and amends it as necessary. Budget is adopted. |
| 7/29/05 | Finance Division publishes and disseminates Biennial Budget |

**To:** **Honorable Mayor and Members of the City Council**
**From:** **Michael Warren, City Manager**

Introduction and Overview

I am pleased to transmit to you, along with this memorandum, the 2005-07 City of Redding Biennial Budget covering fiscal years 2005-06 and 2006-07. This budget is the culmination of numerous hours of work over the past six months by the operating departments, the Finance Division, the City Manager's Office and, importantly, the Citizen's Budget Committee. I recommend that you approve this budget, as presented, for the following reasons: 1) It is balanced and consistent with the sustainable 10-year plans of all the major funds; 2) It provides the highest service levels possible within the available resources; 3) It provides increased funding levels in several important areas identified as priorities by the City Council; and 4) It provides funding for the capital projects consistent with our Capital Improvement Plan.

The Biennial Budget sets forth the revenue and expenditure plan for the City of Redding for the next two years. Importantly, however, this budget is based on more than just the two fiscal years that it covers. It is built from the long-term financial plans for our various funds. This helps to ensure that the spending plans of today do not adversely affect the financial health of the organization tomorrow.

It is important to note that the Biennial Budget is a spending plan for the next 24 months based on the best information that we have today. The City Council will receive regular updates on the status of the plan and it will have opportunities to make modifications to the budget, when and if appropriate. In other words, the budget is not set in stone and changes may become necessary as new and more accurate information is received. While the City Council has the ability to make changes to the budget at any time during the year, staff will provide a formal budget update and recommendation of amendments, if any, at six-month intervals throughout the budget period.

There are several foundational philosophies incorporated into this Biennial Budget: The first is that it strikes a balance between departments and services so that none are funded so well that others suffer. All City services are important to the community's quality and, therefore, must be funded proportionately to one another. The second is that it strikes a balance between funding for capital projects, personnel, and materials and supplies. The third is that the budget is revenue-driven. Unlike many governmental agencies that create financial problems by focusing on expenditures and trying to make revenues fit, the City of Redding has focused on revenues first and then developed a spending plan consistent with the funds available.

Overall, the City of Redding Biennial Budget totals $237.8 million for fiscal year 2005-06 and $242.2 million for fiscal year 2006-07. This represents a decrease of $87.9 million or 27.0%, for fiscal year 2005-06 over the amended fiscal year 2004-05 budget, and then an increase of $4.4 million, or 1.9%, for fiscal year 2006-07. The large decrease in the first year of the Biennial Budget is due to the outlay of capital funds for large projects during the 2004-05 fiscal year.

General Fund

The Biennial Budget for the General Fund totals $64.6 million for fiscal year 2005-06 and $65.2 million for fiscal year 2006-07. This represents a decrease of $7.8 million, or 10.8%, for fiscal year 2005-06 over the amended fiscal year 2004-05 budget, and then an increase of $0.6 million, or 0.9%, for fiscal year 2006-07. Again, the large decrease in the first year of the Biennial Budget is due to the outlay of capital funds for large projects during the 2004-05 fiscal year.

The 2005-07 Biennial Budget was difficult to prepare, particularly for the General Fund, due to a combination of factors that have dramatically increased several of our "fixed" costs, while at the same time constraining our available revenues. These are issues that municipalities throughout the State of California have been wrestling with for several years. Our strong local economy and prudent long-term financial planning have previously, to a large degree, spared Redding from the budget difficulties others have faced. During the coming two-year budget period, however, these issues have forced us to reduce costs in some areas in order to adequately fund others.

There are basically four issues that created most of the budgetary pressures, as follows:

*State Extractions of Revenues* – Due to the State's inability to balance its own budget during the first half of the decade, the State is extracting about $3 million out of the City's General Fund over a two-year period ending June 30, 2006. Even after that time, our ongoing revenues are reduced approximately $650,000 per year due to the effect of the State extractions. These revenue losses were part of the compromise reached between local government and Governor Arnold Schwarzenegger that eventually led to the successful passage of Proposition 1A by California voters in November 2004. This landmark legislation provides Constitutional protection of most major local government revenues from further State takeaways.

*CalPERS Cost Increases* – Like all public agencies in California, the City of Redding is wrestling with the effects of dramatic increases in retirement costs due to the combination of enhanced retirement benefits and the poor performance of the California Public Employees Retirement System's (CalPERS) investment portfolio. The combination has forced an increase in the City's retirement costs for the General Fund of about $2.9 million from the 2004-05 fiscal year to the first year of our Biennial Budget. Over a three-year period, the City's General Fund costs for CalPERS retirement benefits have risen by about $6 million. Staff is currently exploring the possibility of pre-funding our CalPERS obligation for fiscal year 2005-06, which is estimated to save nearly $1 million for the General Fund and about $1.5 million Citywide. About one-third of the savings is permanent, due to the discount offered by CalPERS, while the remaining two-thirds would be made up in future actuarials. While these retirement cost increases are difficult to fund in this Biennial Budget, it is expected that, over the next several years, CalPERS costs will return to more historically normal levels once the actuarial effects of its poor investment performance from 2000 through 2002 have been made up. The City of Redding continues to take a conservative stance when estimating its future retirement rates, building in a cushion beyond that provided in the CalPERS' own estimates.

*Insurance Cost Increases* – Again, like all other public agencies and many private companies, the City is feeling the effects of the recent and continuing escalation of the costs of insurance, including Workers' Compensation, liability, and employee medical insurance. All of this equates to a General Fund increase for the current fiscal year of approximately $1.2 million and another $600,000 in 2006-07. During the Biennial Budget period, it is projected that both Worker's Compensation and liability insurance costs will stabilize as the effects of changes to State Worker's Compensation law begin to bear fruit. Employee and employee health insurance is another issue. The cost of medical care, particularly prescription drugs, continues to rise much faster than the general rate of inflation throughout the United States. The City provides full medical, dental, prescription and vision care to its employees and families. In addition, the City pays one-half the cost of health benefits for its retirees. Unless significant changes are made to the insurance plans or the level of premium contribution by the City is lowered, it is likely that insurance costs will remain a budget challenge into the future.

*Operating and Maintaining New Facilities* – A number of important improvements to our community have been made in the past several years and we have attempted to keep our commitments to fund the ongoing costs associated with these improvements. These include about $400,000 for additional fire staffing required to provide aircraft firefighting/rescue services at the Redding Municipal Airport, the annual cost of $130,000 for maintaining and operating the Sundial Bridge, and the annual $250,000 commitment to the operations of the Shasta County Library once the new facility opens in 2006. These new costs to the budget can be contrasted to the Big League Dreams Sports Park, which the City constructed and is now being operated privately by Big League Dreams. Under that public-private partnership, the City has no ongoing

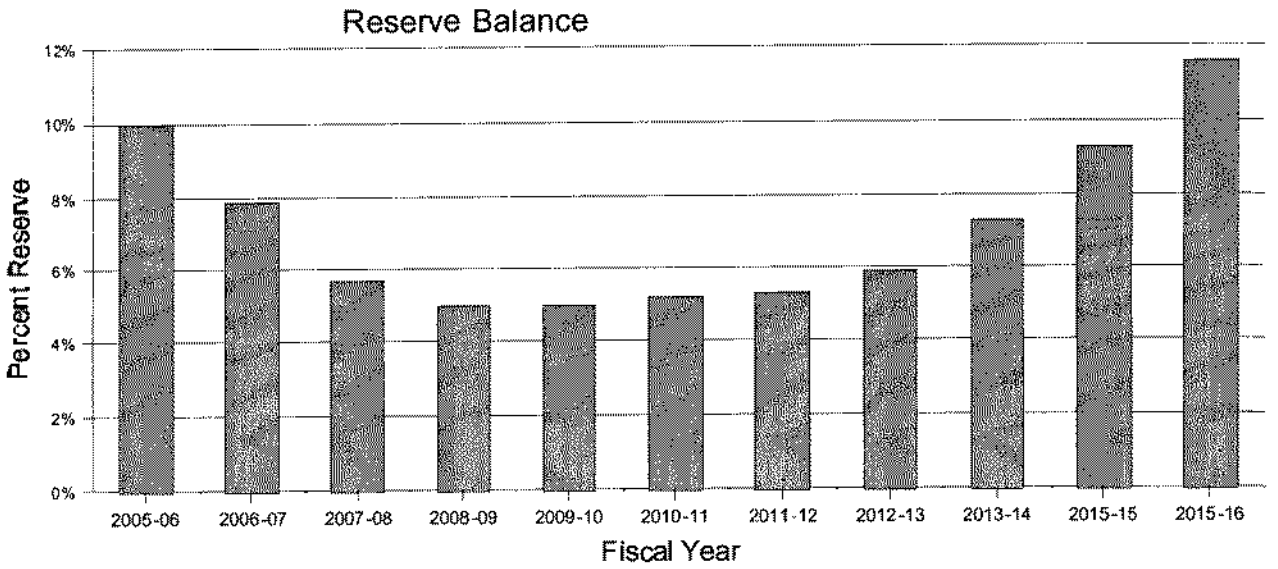
expenses related to operations and maintenance and, in fact, the City will be receiving a percentage of the park's revenues in 2007.

Just the four "big picture" items described above represent either additional cost or reduced revenue to the tune of about $6 million per year, which is not available to fund other Generel Fund needs. This represents about 10% of our total General Fund revenues. While the strong local economy has continued to help our revenues grow approximately 5% ennually ($3 million), we still were forced to reduce General Fund expenditures by approximately $3 million in order to keep our General Fund 10-Year Financial Plan in balance.

The reductions in the General Fund, were achieved by limiting non-critical opereting and capital expenditures and by holding open a number of personnel vacancies. In fact, a total of 22 full-time equivalent positions are being kept vacant for either a portion or, in most cases, the full two-year budgeting period. While the positions have been carefully selected to ensure the least impect on public services, there can be no doubt that these vacencies will have some impect on service levels to the public as the work is spread to other employees. These vacant positions are scattered throughout the General Fund departments and a complete listing of them will be provided later in this memorandum.

As previously mentioned, the Biennial Budget is consistent with the General Fund 10-Year Financial Plan and the City Council policy that requires the plan to demonstrate a minimum reserve level of 5% throughout the plan. Under this budget, the General Fund reserve levels are projected to decrease from an estimated $7.5 million, or 13.3% of expenditures at the end of fiscal year 2004-05, to a low of $3.2 million, or 5.0% in both 2008-09 and 2009-10. This draw-down of reserves is planned and is providing a cushion to help soften the effects of the financial challenges faced over the next couple of years.

**General Fund Ending Cash Balance**



## Other Funds

Although we tend to place significant emphasis on the General Fund due to the fluctuations that can occur in its revenue, all other major funds of the City have similar plans and, with the exception of the Parking Fund and the Storm Drainage Fund, are balanced with adequate reserves. The City Council has previously been made aware of the subsidy from the General Fund to the Parking Fund and a review of the parking rates and policies in downtown Redding are under way. With regard to the Storm Drainage Fund, providing adequate funding for necessary operations and maintenance, as well as additional efforts required by new Federal water pollution regulations, remains a challenge. The City is carefully following proposed State legislation that would remove the voter-approval requirement for setting Storm Drainage Utility rates, which would then allow the City Council to increase funding in this area.

It is worthy of note that both the Airports Fund and the Tourism and Convention Fund are balanced and do not require further General Fund subsidies in this Biennial Budget. All of the City's major utilities – Electric, Solid Waste, Water and Wastewater – are adequately funded in this Biennial Budget and have balanced financial plans.

## Personnel

As previously mentioned, due to the resource constraints of the General Fund, the effect of this Biennial Budget on personnel levels is fairly dramatic. While there are nine new positions added in the first year of the Budget and one the second, these are all funded through the City's utilities or in the case of Risk Management, through contract savings. There are no new positions that will be paid by the General Fund, and, in fact, the General Fund Budget is predicated upon keeping a total of 22 positions vacant for some or all of the two-year period. These positions have not been removed from the budget entirely, but are not funded and cannot be filled unless supplemental funding becomes available and is authorized by the City Council. Therefore the net decrease in employees from the 2004-05 fiscal year is 14 full-time equivalent positions for 2005-06 and 13 FTEs for 2006-07. Following is a list of the new positions by department and funding source, as well as a list of positions that will remain vacant. Positions marked with an asterisk will be held vacant for less than the full budget period.

| Division | Position | FTE | Comments |
|---|---|---|---|
| Engineering | Associate Civil Engineer | 2.00 | Funded by various project |
| Municipal Utilities | Associate Civil Engineer | 1.00 | Funded by utilities |
| Wastewater | Plant Operator | 1.00 | Funded by Wastewater |
| Wastewater | Industrial Waste Analyst | 1.00 | Funded by Wastewater in FYE 2007 |
| Wastewater | Collection Maintenace Worker | 1.00 | Funded by Wastewater |
| Electric | Distribution Planner | 1.00 | Funded by Electriic |
| Electric | Engineer Intern | 1.00 | Funded by Electric |
| Risk Management | Clerk | 1.00 | Funded through contract savings |
| Risk Management | Senior Personnel Analyst | 0.73 | Funded through contract savings |
| Total new positions | | 9.73 | |
| **Positions Held Vacant** | | | |
| Police | Community Service Officers | (4.00) | Funded by General Fund |
| Police | Computer Network Technician | (1.00) | Funded by General Fund |
| Police | Lieutenant positions | (1.00) * | Funded by General Fund |
| Police | Records Supervisor | (0.48) * | Funded by General Fund |
| Parks | P/W Maintence Workers | (1.92) | Funded by General Fund |
| Information Tech. | System Analyst/Programmer | (1.00) | Funded by General and Utility funds |
| Communications | Telecommunications Manager | (1.00) | Funded by General and Utility funds |
| Building Maint. | Parks and Facility Manager | (1.00) | Funded by General and Utility funds |
| Municipal Utilities | Director of Municipal Utilities | (1.00) | Funded by General and Utility funds |
| Streets | P/W Maintence Workers | (1.30) | Funded by General Fund |
| Buiilding | Code Enforcement Officer | (1.00) | Funded by General Fund |
| Planning | Planning Manager | (0.34) * | Funded by General Fund |
| Engineering | Engineering Tech | (1.00) | Funded by General Fund |
| Engineering | Engineering Aid | (0.48) | Funded by General Fund |
| Finance | Part-time Account Clerk | (0.48) | Funded by General Fund |
| Finance | Part-time Financial Mgmt. Specialist | (0.40) * | Funded by General Fund |
| Finance | Accounting Specialist | (1.00) | Funded by General Fund-Position Eliminated |
| City Manager | Economic Develoment Director | (1.00) | Funded by General Fund |
| City Manager | Administrative Assistant | (1.00) | Funded by General Fund |
| CDBG | Housing Program Supervisor | (1.00) | Grant funded |
| Housing | Housing Specialist | (1.00) | Grant funded |
| Total positions held vacant | | (22.40) | |
| Net personnel reduction | | (12.67) | |

Budget Highlights

*Increase Street Maintenance* – Despite the previously discussed constraints on the General Fund, this budget provides for a total of $5 million for Street Maintenance (slurry seal, overlay, stripping and sidewalk repair) over the two-year period. This is $3.8 million more than the last Biennial Budget, as adopted. While this is not as much as we would like to fund in order to make progress on the City's $30-million-plus backlog of street maintenance, it is a significant commitment in light of the challenges facing the General Fund. In addition, the Governor's proposed 2005-06 State budget includes Proposition 42 transportation funding that had previously been held up by the State. If the proposal is ultimately approved, it will mean another $375,000 in street maintenance funding for the City of Redding each year.

*Radio System Upgrade* – Funding sufficient to finance the $2.5 million upgrade to the City's 800 MHz radio system is included the budget. This upgrade and replacement of major components is critical to the Police Department and other operating departments who rely on out-dated equipment that is no longer supported by the manufacturer.

*Engineering Support* – Funding for three additional engineers is provided to help support the City's adopted Capital Improvement Program. Two of the positions will directly support capital project development, while the third will provide direct support to field forces in the City's Municipal Utilities Department. These positions are in addition to the five new engineering positions approved during fiscal year 2004-05. Council directed that staffing levels be reviewed at the end of fiscal year 2005-06. At that time two additional engineering positions may be considered for approval.

*Capital Projects* – The Biennial Budget includes significant funding for capital projects totaling $38.3 million in fiscal year 2005-06 and $51.8 million in fiscal year 2006-07. A listing of the capital projects for each fiscal year can be found on pages 42 - 47 in the Budget Summary section of the budget document.

*Support of Community Projects and Programs* – Investing in the community through the support of the projects and programs of others is an important role for the City of Redding. This Biennial Budget includes about $3 million in direct support of non-profit agencies within our community, such as Turtle Bay Exploration Park, the Shasta County Library, and the Economic Development Corporation. A listing of agencies receiving direct support include:

| | Fiscal Year 2005-06 | Fiscal Year 2006-07 |
|---|---|---|
| Economic Development Corporation | $ 140,000 | $ 140,000 |
| Superior California Economic Development | 11,000 | 11,000 |
| Shasta Arts Council | 22,830 | 22,830 |
| Library | 242,500 | 367,500 |
| Diestlehorst Office Park | 15,000 | 15,000 |
| Library Development | 400,000 | |
| Turtle Bay Museums | 400,000 | |
| Shasta Cascade Wonderland | 52,000 | 52,000 |
| CDBG Grants to non-profits | 625,930 | 552,810 |
| Total | $ 1,909,260 | $ 1,161,140 |

The budget also includes nearly $250,000 of support for community events such as the Air Show and Kool April Nites. A complete listing of community events receiving General Fund support is included on Page G-38.

*Turtle Bay* – The Biennial Budget contains $400,000 in General Fund support of Turtle Bay Exploration Park operations for fiscal year 2005-06. As additional aide to Turtle Bay in its operating of the new McConnell Arboretum, the City is providing additional assistance to Turtle Bay in the form of marketing assistance through the Convention and Visitor's Bureau, sponsorships of education programs and exhibits through utility-funded areas, such as the Electric Utility Public Benefit Funds.

*Reduction in General Fund Transfer to Rolling Stock* – A 10 percent (approximately $100,000) reduction in the General Fund transfer to the Rolling Stock Fund has been included in the Biennial Budget. This reduction was necessary due to limited resources and staff will be looking at the various allocations by department during fiscal year 2004-05 to ensure that funding is being allocated evenly based upon departmental needs.

*Reduction in Contract Services* – Throughout the General Fund and for the Redding Area Bus Authority funding for contract services, such as security, has been reduced. An analysis of these contracts, including consolidation and increased coordination is being performed to ensure the least operational impact.

*Elimination of Credit Card Acceptance at the Permit Center* – Although the acceptance of credit cards for the purchase of goods and services at the City of Redding is a great convenience, there is a significant cost. Currently the City pays nearly 2% in bank fees on each credit card transaction and this cost cannot be passed along to the customer. Because fees at the Permit Center in Development Services tend to be large dollar emounts (averaging more than $2,000 per transaction), these fees add up to a significant amount. This Biennial Budget is based on discontinuing acceptance of credit cards at the Permit Center, which seves an estimated $40,000 annually.

*Planning and Engineering Cost Recovery* – The current fee structure for the Planning and Engineering Division results in the recovery of between 11% and 14% of costs. This is far below the standard for other Califomia communities and results in a General Fund subsidy of between 86% and 89% for development permits. The Biennial Budget is predicated upon a significant increase in these fees beginning Oct. 1, 2005. The structure of the proposed fee increase is yet to be finalized, but the budgeted target is to achieve 25% cost recovery in fiscal year 2005-06 and 30% in 2006-07. The average for other communities is about 45%.

*Aquatic Center Admission Increase* – The Community Services Department budget includes a $1 increase in the cost of admission to the Aquatic Center for adults and $0.50 for children. The budget also includes $10,000 to be used to fund passes for the low-income individuals for whom the increase is a hardship.

*Airport Parking Rate Increase* – The Airport Division Budget is predicated upon increasing the parking fee at the Airport by $1.00 per day. The current daily parking rate is $5.50.

Unfunded Needs

As can be expected, the needs of the operating departments far exceed the aveilable resources and the ability to meet these needs. Included in each department's budget discussion is a listing of unfunded needs. As resources become available, these needs will need to be addressed and prioritized for future funding. Topping the list of General Fund needs is the $30-million-plus backlog of street maintenance projects, the construction of a new Public Safety building and increasing personnel in such important areas as Police, Fire, Parks Maintenance and Planning.

The City Council has authorized a survey of the community regarding spending priorities and whether there is support for a sales tax increase or some other new revenue. For perspective, a quarter-cent sales tax (going from 7.25 percent overall to 7.50 percent) would generate approximately $5 million annually. These new revenues, if approved by the City Council and the voters, could go a long way toward meeting some of the more pressing unfunded needs.

Gann Limit

The City of Redding is required by State law to celculate and publish an appropriations limit each fiscal year, commonly known as the "Gann Limit." This figure represents the maximum the City could spend in specified cetegories if funding were available. For 2005-06 the City's limit is $ 145.7 million, while the applicable budget figure for comparison is $ 67.4 million. As can be demonstrated by that comparison, the City of Redding budget does not even come close to the maximum spending limit imposed by State law.

Citizens Budget Committee

Staff was assisted in the preparation of this Biennial Budget by an informal committee of three citizens: Ross Domke, Ginne Mistal and Dennis Haws, all local businesspeople. All three individuals donated dozens of hours to sit with the City Manager, Finance Division and the various departments to help make the difficult decisions to develop this financial plan. Their valuable input has been incorporated into the budget where ever possible and the 2005-07 Biennial Budget is enormously better due to their efforts.

Summary

It is my belief that this Budget Memorandum captures the most salient points of the 2005-07 City of Redding Biennial Budget. As previously mentioned this was a difficult budget to prepare in that there simply were not enough resources to meet many of the challenges we face. Having said that, however, I believe this budget makes the best use of the financial, human and fixed assets available to the City to provide service to the residents, business owners and visitors to Redding. It is a sound financial plan for the two years ahead and I recommend your approval.

Sincerely,

Michael D. Warren
City Manager

# BUDGET SUMMARIES

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# Notes

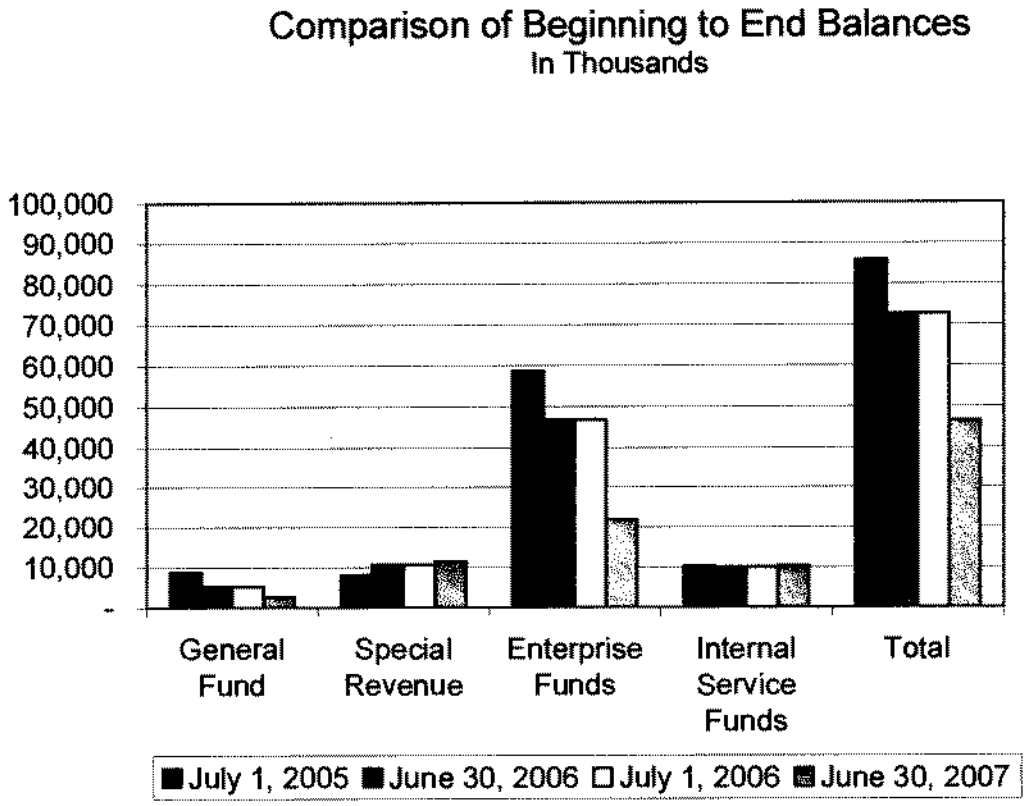
## BUDGET SUMMARY

### COMPARATIVE FUND SUMMARY - ALL FUNDS

The tables on the following pages provides a summary of all funds reported in the Adopted Biennial Budget, listing the beginning cash balance, revenues, transfers, appropriations and ending cash balance. The purpose of this table is to show the change in the cash position for each fund.

The first column, **Projected Funds Available**, shows the estimated beginning cash balance for each fund. It is not the beginning fund balance. The second column, **Projected Revenue**, shows the revenue estimated from all sources for each fund. The third and fourth columns, **Fund Transfers In** and **Fund Transfers Out**, show funds transferred from one fund to another fund. The fifth column, Expenditure Programs, shows the level of appropriations for the various departments and division of the City. The last two columns, **Adjustments and Restricted Reserves** show any amounts that are restricted for specific purpose and any adjustments to match each individual fund's ten year plan. **Budget Reserves** shows budget reserves for any other eligible purpose. Projected Funds Available for fiscal year 2006-07 includes any restricted reserves.

The graph below displays the difference between beginning cash balances and ending cash balances for each fund type as well as the total for the City for each fiscal year. This graph displays that cash balances over the biennial budget will be decreasing.



COMPARATIVE FUND SUMMARY FY 2005-06 - ALL FUNDS
(In Thousands)

| | Projected Fund Balance 7-01-2005 | Projected Revenue 2005-2006 | Fund Transfers In | Fund Transfers Out | Expenditure Programs 2005-2006 | Adjustments & Restricted Reserves (1) | Projected Fund Balance 6-30-2006 |
|---|---|---|---|---|---|---|---|
| GENERAL FUND | $ 8,800 | $ 56,615 | $ 7,178 | $ (2,783) | $ 64,586 | $ - | $ 5,224 |
| SPECIAL REVENUE FUNDS | | | | | | - | |
| Parking Fund | 10 | 221 | 50 | - | 272 | - | 9 |
| Rolling Stock Replacement | 300 | 163 | 4,013 | - | - | - | 4,476 (2) |
| Gas Tax Street Improvement Fund | 655 | 2,827 | - | (2,429) | - | - | 1,053 |
| Local Transportation Fund | 1,907 | - | - | (1,907) | - | - | - |
| CD Block Grant Fund | - | 2,425 | - | (2) | 2,423 | - | - |
| Public Safety | - | 272 | - | (272) | - | - | - |
| Special Development Fund | | | | | | | |
| Storm Drain Capital | 0 | 534 | - | (534) | - | - | - |
| Capital Improvement | 538 | - | - | (66) | - | - | 472 |
| Traffic Impact Fee | 3,800 | 2,400 | - | - | 2,342 | - | 3,858 |
| Park Development | 849 | 1,000 | - | (51) | 1,018 | - | 780 |
| TOTAL SPECIAL REVENUE FUNDS | 8,059 | 9,842 | 4,063 | (5,261) | 6,055 | - | 10,648 |
| ENTERPRISE FUNDS | | | | | | | |
| Tourism/Convention Fund | 178 | 769 | 1,793 | (34) | 2,567 | - | 139 |
| Storm Drain Utility Fund | 962 | 945 | 534 | (30) | 1,731 | - | 680 |
| Municipal Airport Fund | - | 5,277 | - | (2,431) | 2,690 | - | 156 |
| Electic Utility Fund | 25,900 | 101,568 | - | (1,871) | 112,623 | 7,200 | 20,174 |
| Water Utility Fund | 9,903 | 14,333 | - | (175) | 21,547 | 3,521 | 6,035 |
| Wastewater Utility Fund | 15,708 | 17,079 | - | (133) | 17,764 | - | 14,890 |
| Solid Waste Collection and Disposal | 6,002 | 14,002 | - | (850) | 14,458 | - | 4,696 |
| TOTAL ENTERPRISE FUNDS | 58,653 | 153,973 | 2,327 | (5,524) | 173,380 | 10,721 | 46,770 |
| INTERNAL SERVICE FUNDS | | | | | | | |
| Information Technology | 321 | 1,947 | - | - | 2,041 | - | 227 |
| Fleet Maintenance | 150 | 3,703 | - | - | 3,728 | - | 125 |
| Building Maintenance & Construction | 253 | 1,632 | - | - | 1,773 | - | 112 |
| Records Management | 35 | 273 | - | - | 273 | - | 35 |
| Employer Services | 20 | 774 | - | - | 775 | - | 19 |
| Geographic Information Services | 159 | 665 | - | - | 691 | - | 133 |
| Communications | 498 | 2,233 | - | - | 2,556 | - | 175 |
| Reprographics | 86 | 598 | - | - | 595 | - | 89 |
| Volunteer Services | 22 | 98 | - | - | 99 | - | 21 |
| Risk Management | 8,562 | 4,664 | - | - | 4,324 | - | 8,902 |
| Employee Benefits Payroll | - | 18,258 | - | - | 18,250 | - | 8 |
| Employee Benefit Group Insurance | 200 | 12,589 | - | - | 12,613 | - | 176 |
| TOTAL INTERNAL SERVICE FUNDS | 10,306 | 47,434 | - | - | 47,718 | - | 10,022 |
| Subtotal | 85,818 | 267,864 | 13,568 | (13,568) | 291,739 | 10,721 | 72,664 |
| Less: Charges Between Funds | 0 | (53,964) | 0 | 0 | (53,964) | 0 | 0 |
| NET TOTAL | $ 85,818 | $ 213,900 | $ 13,568 | $ (13,568) | $ 237,775 | $ 10,721 | $ 72,664 |

(1) This column shows adjustments primarily for use of debt funds

(2) Funds are continuously appropriated and will be utilized throughout the year. Ending balance will be less

COMPARATIVE FUND SUMMARY FY 2006-07 - ALL FUNDS
(In Thousands)

| | Projected Fund Balance 7-01-2006 | Projected Revenue 2006-2007 | Fund Transfers In | Fund Transfers Out | Expenditure Programs 2006-2007 | Adjustments & Restricted Reserves (1) | Projected Fund Balance 6-30-2007 |
|---|---|---|---|---|---|---|---|
| GENERAL FUND | $ 5,224 | $ 60,487 | $ 5,015 | $ (2,865) | $ 65,243 | $ 0 | $ 2,618 |
| SPECIAL REVENUE FUNDS | | | | | | | |
| Parking Fund | 9 | 221 | 34 | - | 256 | 0 | 8 |
| Rolling Stock Replacement | 4,476 | 163 | 4,068 | - | - | 0 | 8,707 (2) |
| Gas Tax Street Improvement Fund | 1,053 | 2,827 | - | (3,880) | - | 0 | - |
| Local Transportation Fund | - | 0 | - | - | - | 0 | - |
| CD Block Grant Fund | - | 2,339 | - | (2) | 2,337 | 0 | - |
| Public Safety | - | 272 | - | (272) | - | | - |
| Special Development Fund | | | | - | | | |
| Storm Drain Capital | - | 669 | - | (669) | - | 0 | - |
| Capital Improvement | 472 | - | - | (67) | - | 0 | 405 |
| Traffic Impact Fee | 3,858 | 2,600 | - | - | 4,883 | 0 | 1,575 |
| Park Development | 780 | 1,100 | - | (51) | 1,019 | 0 | 810 |
| TOTAL SPECIAL REVENUE FUNDS | 10,648 | 10,191 | 4,102 | (4,941) | 8,495 | - | 11,505 |
| ENTERPRISE FUNDS | | | | | | | |
| Tourism/Convention Fund | 139 | 790 | 1,865 | (38) | 2,671 | - | 85 |
| Storm Drain Utility Fund | 680 | 937 | 669 | (30) | 1,277 | - | 979 |
| Municipal Airport Fund | 156 | 5,116 | 0 | (718) | 4,275 | - | 279 |
| Electic Utility Fund | 20,174 | 99,623 | 0 | (1,879) | 105,910 | - | 12,008 |
| Water Utility Fund | 6,035 | 15,187 | 0 | (175) | 20,527 | - | 520 |
| Wastewater Utility Fund | 14,890 | 18,811 | 0 | (136) | 29,523 | - | 4,042 |
| Solid Waste Collection and Disposal | 4,696 | 15,083 | 0 | (869) | 14,819 | - | 4,091 |
| TOTAL ENTERPRISE FUNDS | 46,770 | 155,547 | 2,534 | (3,845) | 179,002 | - | 22,004 |
| INTERNAL SERVICE FUNDS | | | | | | | |
| Information Technology | 227 | 2,010 | - | - | 2,028 | - | 209 |
| Fleet Maintenance | 125 | 3,727 | - | - | 3,710 | - | 142 |
| Building Maintenance & Construction | 112 | 1,517 | - | - | 1,513 | - | 116 |
| Records Management | 35 | 278 | - | - | 278 | - | 35 |
| Employer Services | 19 | 792 | - | - | 793 | - | 18 |
| Geographic Information Services | 133 | 684 | - | - | 720 | - | 97 |
| Communications | 175 | 532 | - | - | 523 | - | 184 |
| Reprographics | 89 | 613 | - | - | 610 | - | 92 |
| Volunteer Services | 21 | 104 | - | - | 106 | - | 19 |
| Risk Management | 8,902 | 4,886 | - | - | 4,427 | - | 9,361 |
| Employee Benefits Payroll | 8 | 18,911 | - | - | 18,911 | - | 8 |
| Employee Benefit Group Insurance | 176 | 13,729 | - | - | 13,775 | - | 130 |
| TOTAL INTERNAL SERVICE FUNDS | 10,022 | 47,783 | - | - | 47,394 | - | 10,411 |
| Subtotal | 72,664 | 274,008 | 11,651 | (11,651) | 300,134 | - | 46,538 |
| Less: Charges Between Funds | 0 | (57,960) | 0 | 0 | (57,960) | 0 | 0 |
| NET TOTAL | $ 72,664 | $ 216,048 | $ 11,651 | $ (11,651) | $ 242,174 | $ - | $ 46,538 |

(1) This column shows adjustments primarily for use of debt funds

(2) Funds are continuously appropriated and will be utilized throughout the year. Ending balance will be less

# REVENUE ASSUMPTIONS

## General Assumptions

- California's economy will continue to grow during fiscal years 2006 and 2007.
- Local construction activity will decrease in fiscal years 2006 and 2007.
- The inflation rate will be approximately 2 percent in fiscal years 2006 and 2007.
- Interest rates associated with City investments will remain relatively constant during fiscal years 2006 and 2007 (approximately 4%).
- The City of Redding's population will grow by approximately 1.6 percent.
- In general, revenue will still grow at their historical average.

## Specific Assumptions

### General Fund

- Property tax revenue is assumed to increase by 4.5 percent per year. (Property tax revenue grew very slowly in the nineties. However, growth rates during FYE 1993-95 were severely distorted due to expropriation from the State of California, i.e., adjustments to the AB 8 formula. During the last five years, property tax has grown by an average rate of 7% per year when adjusted for state changes.
- Sales Tax revenue will increase by 4.0 percent. (Sales tax revenue, grew on average, by 5.6 percent per year over the past 10 years.)
- Transient Occupancy Tax (TOT) revenue is assumed to increase by 4.0 percent. (TOT revenue grew, on average, by 4.5 percent per year over the past ten years)
- Revenue from taxes will increase by 4 percent per year. (It is assumed that these taxes will grow at similar rates to those taxes outlined in items 1-3 above.)
- Revenue from licenses and permits, fines and penalties, and from service charges will all increase by 4 percent. (These combined revenues grew, on average, by 20.0 percent per year between FYE 1996 and FYE 2005. The large increase is due to a new towing fine implemented during this time period and higher building activity.)
- Motor vehicle in-lieu fee revenue is assumed to increase by 6.0 percent per year. (Revenue from motor vehicle in-lieu fees grew, on average approximately 6 percent per year when adjusted for state changes over the past 10 years.)
- Revenue from other governmental agencies will increase by 3 percent. (Historical growth rates are erratic.)
- Revenue from internal departments is assumed to increase by the rate of inflation. (Historical growth rates are erratic.)

- Revenue from the use of money and property is a function of the ending cash balance.

- Other revenue is assumed to increase by the rate of inflation. (Historical growth rates are erratic.)

- Transfers in are assumed to increase by the rate of inflation; transfers out are based on projections contained in the long-range financial plans for other funds.

**Special Revenue Funds**

- In general, revenue will increase by the historical rate of growth.

**Enterprise Funds**

- Electric, Water, Wastewater and Solid Waste rates will increase either as approved by City Council or approximately at the rate of inflation plus historical growth.

- Storm Drainage fees are not scheduled to increase.

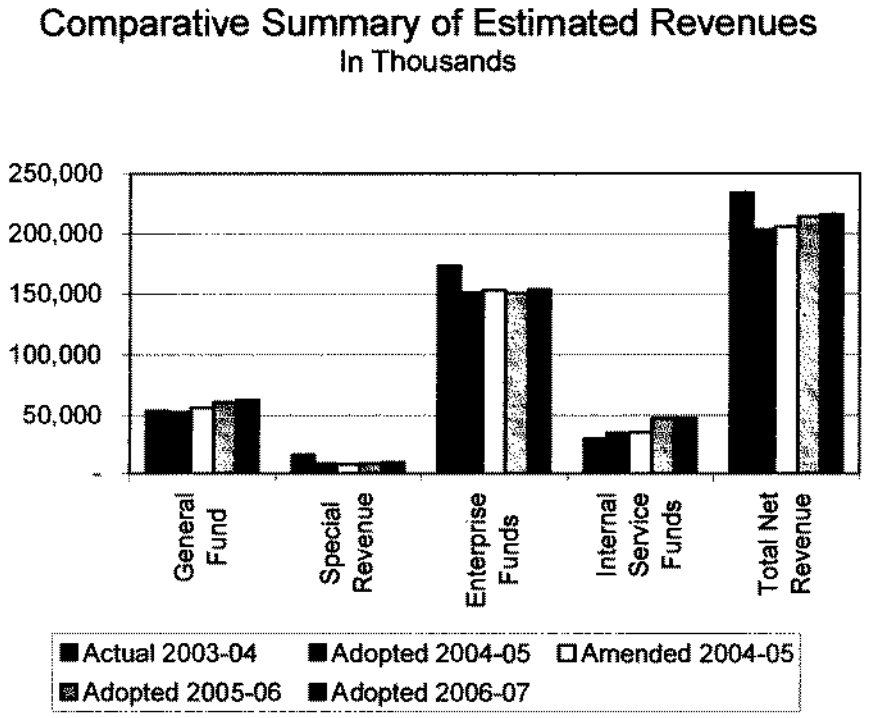
**Internal Service Funds**

- In general, revenue will increase by the inflation rate (approximately 3 percent) with the exception of employee benefits which will increase by 30 percent due to increased PERS costs and health and dental benefits, which will increase by an average of 15 percent due to increased health costs.

## COMPARATIVE SUMMARY OF ESTIMATED REVENUES

The following table and graph provide a four-year review of revenues for all funds. The table is divided by fund type and subtotaled for each of the fund types. Within each fund type is the total for each fund. For the General Fund, the total for each type of revenue is included. The detail is provided in the appendix. The first column of this table, **Actual Revenue 2003-04**, shows the actual revenue for each fund. The second column, **Budget Estimate 2004-05**, shows the revenue estimate originally adopted in the budget for the current fiscal year, while the third column, **Revised Estimate 2004-05**, shows the most recent revenue estimate by the Finance Division. This estimate is based on nine month's of history and a three month projection. The final two columns, **Budget Estimate 2005-06** and **Budget Estimate 2006-07**, show the revenue estimates for the next two fiscal years for all funds.

Total net revenue for fiscal year 2005-06 is estimated at $213,900,245 and for fiscal year 2006-07 is estimated at $215,899,035. Revenue from Special Revenue Funds total $8,643,490 and $9,351,520,respectively, revenue from Enterprise Funds total $150,778,090 and $154,086,890, respectively, revenue from Internal Service Funds total $47,433,550 and $47,783,410, respectively, and General Fund revenue totals $61,008,810 and $62,637,160, respectively.



# CITY OF REDDING BIENNIAL BUDGET
## FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

COMPARATIVE SUMMARY OF ESTIMATED REVENUES

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Revised Estimate 2004-2005 | Budget Estimate 2005-2006 | Budget Estimate 2006-2007 |
|---|---|---|---|---|---|
| GENERAL FUND | | | | | |
| Taxes | $ 31,309,201 | $ 36,718,320 | $ 36,718,320 | $ 38,928,000 | $ 40,517,560 |
| Licenses and Permits | 1,789,344 | 1,774,500 | 1,774,500 | 1,899,000 | 1,869,700 |
| Fines, Forfeits, and Penalties | 851,571 | 488,000 | 488,000 | 686,000 | 714,000 |
| Revenue from Internal Departments | 9,285,953 | 7,144,950 | 10,907,020 | 13,790,360 | 11,572,870 |
| Revenue from Other Governmental Agencies | 5,735,311 | 2,395,593 | 2,395,593 | 1,257,660 | 4,073,990 |
| Other Revenues | 1,212,902 | 873,370 | 873,370 | 389,500 | 394,700 |
| Charges for Current Services | 2,314,689 | 1,908,100 | 1,908,100 | 2,387,000 | 2,517,400 |
| Revenue from the Use of Money & Property | 1,180,894 | 1,395,000 | 1,395,000 | 1,671,290 | 1,046,940 |
| TOTAL GENERAL FUND | 53,679,865 | 52,697,833 | 56,459,903 | 61,008,810 | 62,707,160 |
| SPECIAL REVENUE FUNDS | | | | | |
| Parking Fund | 245,723 | 207,450 | 225,450 | 270,650 | 254,650 |
| Rolling Stock Replacement | 1,790,961 | 3,307,840 | 3,307,840 | 4,175,540 | 4,231,040 |
| Gas Tax Street Improvement Fund | 273,034 | (451,200) | (924,660) | 398,310 | (1,052,940) |
| Local Transportation Fund | 871,772 | (200,000) | 75,590 | (1,907,360) | - |
| CD Block Grant Fund | 3,934,461 | 2,611,170 | 2,611,170 | 2,422,660 | 2,337,120 |
| Special Development Fund | 8,903,820 | 3,130,180 | 2,829,440 | 3,283,690 | 3,581,650 |
| General Special Revenue | - | (272,000) | (272,000) | 0 | - |
| TOTAL SPECIAL REVENUE FUNDS | 16,019,771 | 8,333,440 | 7,852,830 | 8,643,490 | 9,351,520 |
| ENTERPRISE FUNDS | | | | | |
| Tourism/Convention Fund | 2,490,966 | 2,077,960 | 2,260,480 | 2,527,550 | 2,617,360 |
| Storm Drain Utility Fund | 932,762 | 961,400 | 961,400 | 1,449,300 | 1,575,700 |
| Municipal Airport Fund | 3,439,744 | 10,961,336 | 9,943,394 | 2,848,050 | 4,248,430 |
| Electic Utility Fund | 125,382,712 | 94,872,840 | 94,872,840 | 99,696,960 | 97,744,390 |
| Water Utility Fund | 14,070,577 | 12,717,660 | 13,436,360 | 14,157,850 | 15,012,100 |
| Wastewater Utility Fund | 13,394,185 | 17,056,000 | 18,886,000 | 16,946,000 | 18,675,000 |
| Solid Waste Collection and Disposal | 13,825,226 | 12,726,064 | 12,726,064 | 13,152,380 | 14,213,910 |
| TOTAL ENTERPRISE FUNDS | 173,536,172 | 151,373,260 | 153,086,538 | 150,778,090 | 154,086,890 |
| INTERNAL SERVICE FUNDS | | | | | |
| Information Technology | 1,779,233 | 1,986,880 | 1,987,610 | 1,947,440 | 2,010,040 |
| Fleet Maintenance | 2,808,053 | 2,826,970 | 3,228,120 | 3,703,230 | 3,726,680 |
| Building Maintenance & Construction | 1,419,933 | 1,466,840 | 1,456,840 | 1,632,020 | 1,516,980 |
| Records Management | 234,111 | 244,510 | 244,510 | 272,780 | 278,270 |
| Employer Services | 415,276 | 697,280 | 697,280 | 774,200 | 792,280 |
| Geographic Information Services | 589,569 | 587,610 | 587,610 | 664,500 | 683,640 |
| Communications | 568,714 | 517,900 | 521,850 | 2,232,920 | 532,030 |
| Reprographics | 554,536 | 582,300 | 580,710 | 597,870 | 612,970 |
| Volunteer Services | 82,333 | 78,520 | 78,520 | 98,085 | 104,365 |
| Risk Management | 4,364,202 | 4,235,940 | 4,235,940 | 4,663,515 | 4,886,105 |
| Employee Benefits Payroll | 6,955,230 | 11,254,950 | 11,254,950 | 18,258,140 | 18,911,420 |
| Employee Benefit Group Insurance | 10,105,434 | 10,127,640 | 10,127,640 | 12,588,850 | 13,728,630 |
| TOTAL INTERNAL SERVICE FUNDS | 29,876,624 | 34,609,340 | 35,001,580 | 47,433,550 | 47,783,410 |
| SUBTOTAL - ALL REVENUE | 273,112,432 | 247,013,873 | 252,400,851 | 267,863,940 | 273,928,980 |
| Less: Charges between funds | (39,290,127) | (44,044,950) | (46,677,560) | (53,963,695) | (57,959,945) |
| NET TOTAL | $ 233,822,305 | $ 202,968,923 | $ 205,723,291 | $ 213,900,245 | $ 215,969,035 |

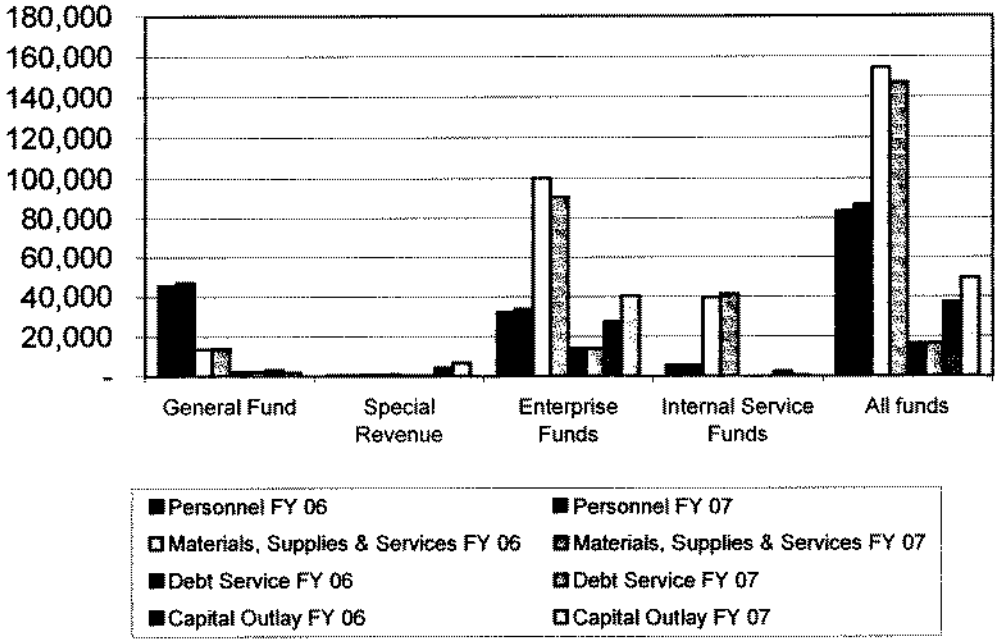
## BUDGET SUMMARY

### SUMMARY OF EXPENDITURE PROGRAMS - ALL FUNDS

This table provides a summary of projected expenditures for funds by major expenditure categories: Personnel; Materials, Supplies and Services; Debt Service; and Capital Outlay. The table is divided by fund type and within each of the fund types is the department total for that particular fund. The graph below displays this information by percentage of the total expenditure program for each fund type. The graph clearly shows that in the General Fund the majority of the expenditures is on Personnel while in the other funds, except Special Revenue Funds, the majority of the expenditures is on Materials, Supplies, and Services.

The City's total net expenditures for fiscal year 2005-06 are $237,774,585, of which $83,748,880 (32.5%) is on Personnel, $100,322,395 (42.1%) is on Materials, Supplies and Services, $16,500,290 (6.9%) is on Debt Service, and $37,203,020 (15.6%) is on Capital Outlay. For fiscal year 2006-07 total net expenditures are $242,175,900 of which $86,986,760 (35.9%) is on Personnel, $89,132,820 (36.8%) is on Materials, Supplies and Services, $16,506,390 (6.8%) is on Debt Service, and $49,549,930 (20.5%) is on Capital Outlay. General Fund expenditures total $64,585,430 and $65,242,845, respectively; Special Revenue Funds expenditures total $6,055,150 and $8,495,440, respectively; Enterprise Funds expenditures total $173,379,970 and $179,003,090, respectively; and Internal Service Funds expenditures total $47,717,730 and $47,394,470, respectively.

Summary of Expenditure Programs
Major Expenditure Categories



SUMMARY OF EXPENDITURE PROGRAMS
FISCAL YEAR 2005-06

| | Net Personnel Cost | Materials Supplies and Services | Debt Service | Capital Outlay | Total |
|---|---|---|---|---|---|
| GENERAL FUND | | | | | |
| City Council | $ 123,890 | $ 24,170 | $ - | $ - | $ 148,060 |
| City Clerk | 517,600 | 148,940 | - | 6,000 | 672,540 |
| City Manager | 715,800 | 155,430 | - | - | 871,230 |
| City Treasurer | 436,860 | 95,470 | - | - | 532,330 |
| City Attorney | 491,040 | 119,070 | - | - | 610,110 |
| Personnel | 414,860 | 117,680 | - | - | 532,540 |
| Non-Departmental | 1,018,040 | 1,343,770 | 2,131,310 | 468,100 | 4,961,220 |
| Administrative Services | 1,017,810 | 301,640 | - | - | 1,319,450 |
| Police | 18,784,290 | 3,373,980 | 14,000 | - | 22,172,270 |
| Fire | 11,731,150 | 2,219,510 | 4,170 | - | 13,954,830 |
| Development Services | 4,794,210 | 1,445,950 | - | 118,600 | 6,358,760 |
| Community Services | 1,521,820 | 964,090 | - | - | 2,485,910 |
| Municipal Utilities | 2,297,060 | 2,237,460 | 41,000 | 2,508,700 | 7,084,220 |
| Support Services | 1,829,460 | 1,092,500 | - | 15,000 | 2,936,960 |
| Subtotal | 45,693,890 | 13,639,660 | 2,190,480 | 3,116,400 | 64,640,430 |
| SPECIAL REVENUE FUNDS | | | | | |
| City Manager | 408,600 | 154,990 | - | 1,859,070 | 2,422,660 |
| Police | 113,640 | 40,080 | - | - | 153,720 |
| Community Services | - | 635,000 | 383,310 | - | 1,018,310 |
| Municipal Utilities | 98,550 | 23,910 | - | 2,338,000 | 2,460,460 |
| Subtotal | 620,790 | 853,980 | 383,310 | 4,197,070 | 6,055,150 |
| ENTERPRISE FUNDS | | | | | |
| Administrative Services | 724,760 | 1,114,620 | 229,470 | 621,200 | 2,690,050 |
| Municipal Utilities | 12,085,240 | 20,027,820 | 5,228,100 | 18,158,060 | 55,499,220 |
| Electric Utility | 17,826,170 | 77,737,430 | 8,392,420 | 8,667,400 | 112,623,420 |
| Support Services | 1,301,330 | 1,176,940 | 76,510 | 12,500 | 2,567,280 |
| Subtotal | 31,937,500 | 100,056,810 | 13,926,500 | 27,459,160 | 173,379,970 |
| INTERNAL SERVICE FUNDS | | | | | |
| City Clerk | 181,270 | 91,510 | - | - | 272,780 |
| City Attorney | 150,550 | 363,900 | - | - | 514,450 |
| Personnel | 717,630 | 34,818,070 | - | 20,000 | 35,555,700 |
| Development Services | 546,400 | 134,380 | - | 10,500 | 691,280 |
| Support Services | 3,910,850 | 4,382,780 | - | 2,399,890 | 10,693,520 |
| Subtotal | 5,506,700 | 39,790,640 | - | 2,430,390 | 47,727,730 |
| TOTAL EXPENDITURES | 83,758,880 | 154,341,090 | 16,500,290 | 37,203,020 | 291,803,280 |
| Less: Charges between funds | - | (53,963,695) | - | - | (53,963,695) |
| NET TOTAL | $ 83,758,880 | $ 100,377,395 | $ 16,500,290 | $ 37,203,020 | $ 237,839,585 |

SUMMARY OF EXPENDITURE PROGRAMS
FISCAL YEAR 2006-07

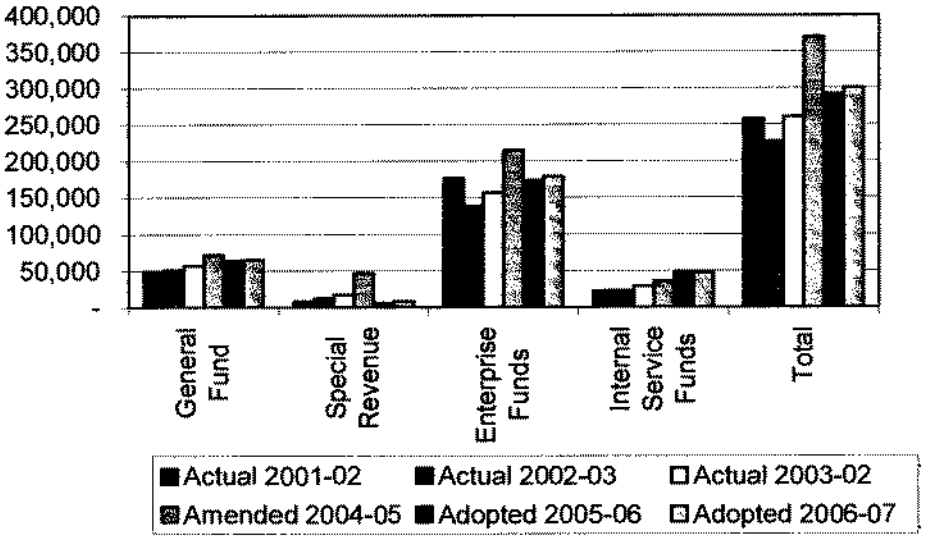
| | Net Personnel Cost | Materials Supplies and Services | Debt Service | Capital Outlay | Total |
|---|---|---|---|---|---|
| GENERAL FUND | | | | | |
| City Council | $ 130,920 | $ 24,290 | $ - | $ - | $ 155,210 |
| City Clerk | 544,070 | 159,930 | - | 6,000 | 710,000 |
| City Manager | 762,870 | 157,870 | - | - | 920,740 |
| City Treasurer | 457,340 | 93,670 | - | - | 551,010 |
| City Attorney | 519,620 | 120,830 | - | - | 640,450 |
| Personnel | 436,060 | 119,660 | - | - | 555,720 |
| Non-Departmental | 418,600 | 1,496,690 | 2,170,970 | 185,600 | 4,271,860 |
| Administrative Services | 1,075,390 | 306,510 | - | - | 1,381,900 |
| Police | 19,624,920 | 3,662,850 | 14,000 | - | 23,301,770 |
| Fire | 12,253,960 | 2,259,790 | 4,400 | - | 14,518,150 |
| Development Services | 5,064,210 | 1,412,435 | - | 118,600 | 6,595,245 |
| Community Services | 1,587,670 | 894,880 | - | - | 2,482,550 |
| Municipal Utilities | 2,398,340 | 2,182,080 | 42,000 | 1,577,800 | 6,200,220 |
| Support Services | 1,861,150 | 1,081,870 | - | 15,000 | 2,958,020 |
| Subtotal | 47,135,120 | 13,973,355 | 2,231,370 | 1,903,000 | 65,242,845 |
| SPECIAL REVENUE FUNDS | | | | | |
| City Manager | 394,180 | 156,990 | - | 1,785,950 | 2,337,120 |
| Police | 115,970 | 42,720 | - | - | 158,690 |
| Community Services | - | 655,000 | 364,260 | - | 1,019,260 |
| Municipal Utilities | 77,560 | 23,960 | - | 4,878,850 | 4,980,370 |
| Subtotal | 587,710 | 878,670 | 364,260 | 6,664,800 | 8,495,440 |
| ENTERPRISE FUNDS | | | | | |
| Administrative Services | 751,920 | 1,153,470 | 246,280 | 2,123,800 | 4,275,470 |
| Municipal Utilities | 12,814,710 | 20,375,620 | 5,198,680 | 27,757,430 | 66,146,440 |
| Electric Utility | 18,859,530 | 68,003,530 | 8,393,840 | 10,652,900 | 105,909,800 |
| Support Services | 1,363,600 | 1,210,820 | 71,960 | 25,000 | 2,671,380 |
| Subtotal | 33,789,760 | 90,743,440 | 13,910,760 | 40,559,130 | 179,003,090 |
| INTERNAL SERVICE FUNDS | | | | | |
| City Clerk | 187,240 | 91,030 | - | - | 278,270 |
| City Attorney | 150,550 | 368,200 | - | - | 518,750 |
| Personnel | 741,450 | 36,751,160 | - | - | 37,492,610 |
| Development Services | 566,810 | 136,480 | - | 16,500 | 719,790 |
| Support Services | 3,828,120 | 4,150,430 | - | 406,500 | 8,385,050 |
| Subtotal | 5,474,170 | 41,497,300 | - | 423,000 | 47,394,470 |
| TOTAL EXPENDITURES | 86,986,760 | 147,092,765 | 16,506,390 | 49,549,930 | 300,135,845 |
| Less: Charges between funds | - | (57,959,945) | - | - | (57,959,945) |
| NET TOTAL | $ 86,986,760 | $ 89,132,820 | $ 16,506,390 | $ 49,549,930 | $ 242,175,900 |

## BUDGET SUMMARY

### COMPARATIVE SUMMARY OF EXPENDITURE PROGRAMS - ALL FUNDS

This table provides a summary of all funds showing the associated expenditures and appropriations over the past five years. The table is divided into fund types and within each of the funds is the associated department. The first three columns, Expended 2001-02, 2002-03 and 2003-04, show actual expenditures for the fiscal years indicated. The fourth column, Budget as Amended 2004-05, shows the appropriation level as amended by the City Council during fiscal year 2004-05. The fifth and sixth columns, Adopted Budget for 2005-06 and 2006-07, shows the adopted budget for the 2005-07 biennial budget. The graph compares the data for each fund type and shows the changes that have occurred over this six month period.

Comparative Summary of Expenditure Programs
(In Thousands)



FISCAL YEARS ENDING JUNE 30, 2006 AND 2007
COMPARATIVE SUMMARY OF EXPENDITURE PROGRAMS

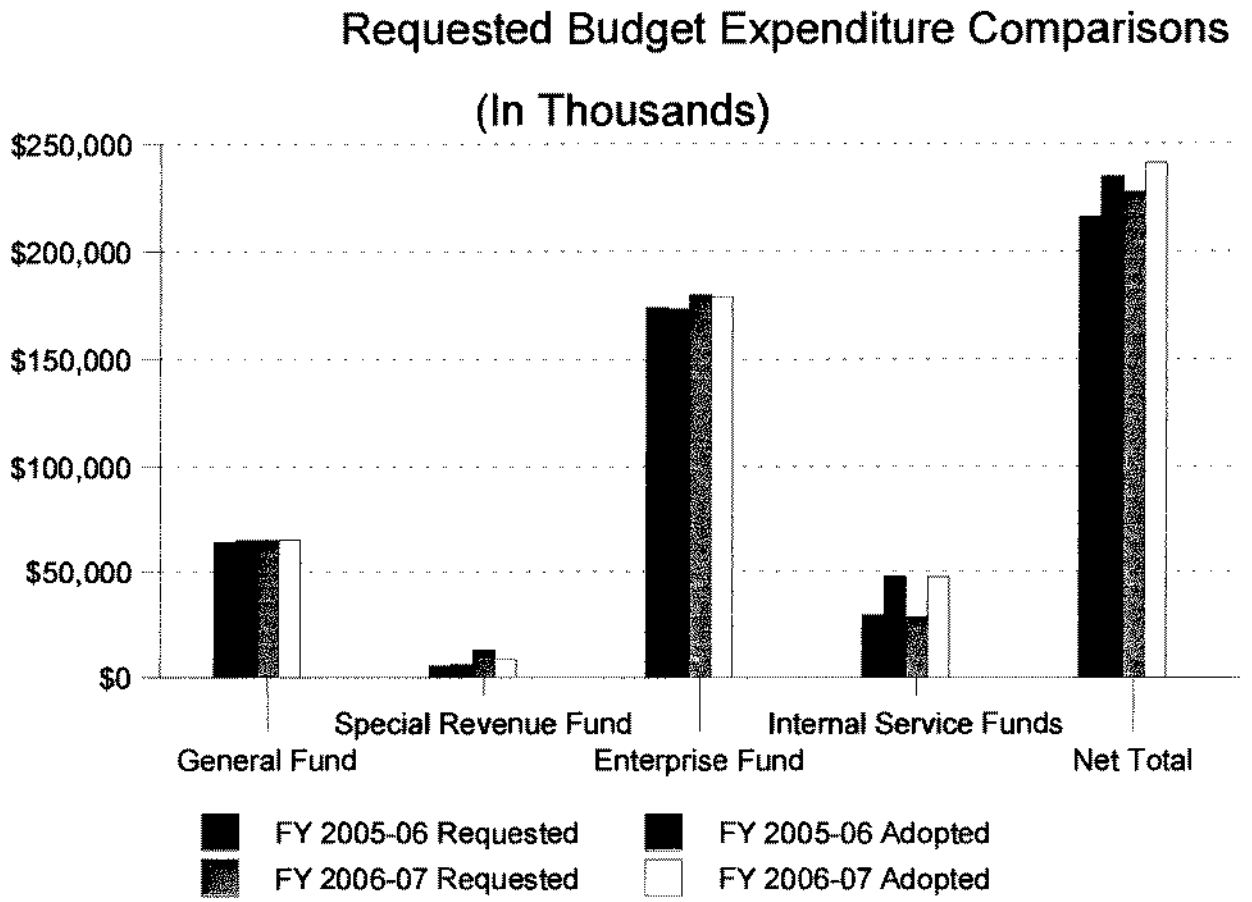
| DEPARTMENTS | Expended 2001-02 | Expended 2002-03 | Expended 2003-04 | Budget As Amended 2004-05 | Adopted Budget 2005-06 | Adopted Budget 2006-07 |
|---|---|---|---|---|---|---|
| GENERAL FUND | | | | | | |
| City Council | $ 110,503 | $ 119,893 | $ 126,820 | $ 132,485 | $ 148,060 | $ 155,210 |
| City Clerk | 468,815 | 510,218 | 530,315 | 602,950 | 672,540 | 710,000 |
| City Manager | 739,006 | 756,841 | 774,399 | 897,220 | 871,230 | 920,740 |
| City Treasurer | 465,021 | 384,006 | 425,049 | 462,620 | 532,330 | 551,010 |
| City Attorney | 546,637 | 552,279 | 499,805 | 575,440 | 610,110 | 640,450 |
| Personnel | 436,641 | 425,420 | 504,077 | 562,980 | 532,540 | 555,720 |
| Non-Departmental | 6,079,597 | 4,369,089 | 6,592,104 | 9,775,681 | 4,961,220 | 4,271,860 |
| Administrative Services | 996,127 | 989,105 | 1,052,134 | 1,325,300 | 1,319,450 | 1,381,900 |
| Police | 16,261,470 | 18,151,438 | 19,506,926 | 22,781,060 | 22,172,270 | 23,301,770 |
| Fire | 9,320,229 | 11,085,868 | 11,964,104 | 14,027,413 | 13,954,830 | 14,518,150 |
| Development Services | 4,358,539 | 4,925,176 | 5,379,281 | 6,523,040 | 6,358,760 | 6,595,245 |
| Community Services | 3,992,868 | 9,331,066 | 2,608,608 | 2,704,780 | 2,485,910 | 2,482,550 |
| Municipal Utilities | 4,193,273 | 3,379,690 | 4,773,716 | 9,226,790 | 7,084,220 | 6,200,220 |
| Support Services | 2,129,113 | 2,160,903 | 2,430,601 | 2,812,410 | 2,936,960 | 2,958,020 |
| Subtotal | 50,097,839 | 51,800,992 | 57,167,939 | 72,410,169 | 64,640,430 | 65,242,845 |
| SPECIAL REVENUE FUNDS | | | | | | |
| City Manager | 3,466,361 | 2,691,724 | 3,085,350 | 9,778,410 | 2,422,660 | 2,337,120 |
| Non-Departmental | 3,410,850 | 8,246,972 | 11,723,460 | 16,558,170 | 0 | 0 |
| Police | 145,436 | 144,591 | 148,999 | 158,310 | 153,720 | 158,690 |
| Community Services | 267,220 | 749,245 | 1,575,878 | 9,573,860 | 1,018,310 | 1,019,260 |
| Municipal Utilities | 554,385 | 738,307 | 786,771 | 10,444,460 | 2,460,460 | 4,960,370 |
| Subtotal | 7,844,252 | 12,570,839 | 17,320,458 | 46,513,210 | 6,055,150 | 8,495,440 |
| ENTERPRISE FUNDS | | | | | | |
| Administrative Services | 7,608,619 | 2,077,267 | 3,422,894 | 11,113,390 | 2,690,050 | 4,275,470 |
| Municipal Utilities | 41,924,592 | 39,043,318 | 38,035,144 | 79,473,919 | 55,499,220 | 66,146,440 |
| Electric Utility | 124,794,317 | 95,463,762 | 112,639,729 | 120,222,890 | 112,623,420 | 105,909,800 |
| Support Services | 2,048,710 | 1,880,343 | 2,474,781 | 3,881,580 | 2,567,280 | 2,671,380 |
| Subtotal | 176,376,238 | 138,484,690 | 156,572,548 | 214,691,779 | 173,379,970 | 179,003,090 |
| INTERNAL SERVICE FUNDS | | | | | | |
| City Clerk | 202,913 | 241,200 | 218,584 | 363,980 | 272,780 | 278,270 |
| City Attorney | 133,650 | 84,956 | 224,091 | 544,060 | 514,450 | 518,750 |
| Personnel | 15,598,545 | 15,710,001 | 20,919,174 | 26,258,080 | 35,555,700 | 37,492,610 |
| Development Services | 533,359 | 514,365 | 547,826 | 700,070 | 691,280 | 719,790 |
| Support Services | 6,383,785 | 6,609,082 | 7,559,351 | 8,238,490 | 10,693,520 | 8,385,050 |
| Subtotal | 22,852,252 | 23,359,604 | 29,469,026 | 36,104,680 | 47,727,730 | 47,394,470 |
| TOTAL EXPENDITURES | 257,170,581 | 226,216,125 | 260,529,971 | 369,719,838 | 291,803,280 | 300,135,845 |
| Less: Charges between funds | (31,481,585) | (32,746,931) | (39,290,127) | (44,044,950) | (53,963,695) | (57,959,945) |
| NET TOTAL | $ 225,688,996 | $ 193,469,194 | $ 221,239,844 | $ 325,674,888 | $ 237,839,585 | $ 242,175,900 |

## BUDGET SUMMARY

### EXPENDITURE - DEPARTMENT REQUESTS

This table provides a summary of all funds showing the requested budget for each department compared to the adopted budget for each fiscal year. The table is divided into fund types and within each of the funds is the associated department.

The following graph displays the difference between each fund's requested budget and what has been adopted.



DEPARTMENT REQUESTS COMPARISON - EXPENDITURES

| DEPARTMENTS | Requested FY 2005-2006 | Adopted FY 2005-2006 | Difference | Requested FY 2006-2007 | Adopted FY 2006-2007 | Difference |
|---|---|---|---|---|---|---|
| GENERAL FUND | | | | | | |
| City Council | $ 145,590 | $ 148,060 | 2,470 | 150,310 | $ 155,210 | 4,900 |
| City Clerk | 676,780 | 672,540 | (4,240) | 714,340 | 710,000 | (4,340) |
| City Manager | 872,030 | 871,230 | (800) | 920,920 | 920,740 | (180) |
| City Treasurer | 533,710 | 532,330 | (1,380) | 553,205 | 551,010 | (2,195) |
| City Attorney | 610,660 | 610,110 | (550) | 639,550 | 640,450 | 900 |
| Personnel | 532,840 | 532,540 | (300) | 555,320 | 555,720 | 400 |
| Non-Departmental | 4,444,540 | 4,961,220 | 516,680 | 4,132,200 | 4,271,860 | 139,660 |
| Administrative Services | 1,319,540 | 1,319,450 | (90) | 1,380,940 | 1,381,900 | 960 |
| Police | 22,386,830 | 22,172,270 | (214,560) | 23,275,340 | 23,301,770 | 26,430 |
| Fire | 13,948,600 | 13,954,830 | 6,230 | 14,496,040 | 14,518,150 | 22,110 |
| Development Services | 6,443,960 | 6,358,760 | (85,200) | 6,728,080 | 6,595,240 | (132,840) |
| Community Services | 2,554,980 | 2,485,910 | (69,070) | 2,609,260 | 2,132,550 | (476,710) |
| Municipal Utilities | 6,264,589 | 7,084,220 | 819,631 | 5,524,337 | 6,200,220 | 675,883 |
| Support Services | 3,028,710 | 2,936,960 | (91,750) | 3,035,080 | 2,958,020 | (77,060) |
| Subtotal | 63,763,359 | 64,640,430 | 877,071 | 64,714,922 | 64,892,840 | 177,918 |
| SPECIAL REVENUE FUNDS | | | | | | |
| City Manager | 2,422,660 | 2,422,660 | - | 2,337,120 | 2,337,120 | - |
| Police | 155,980 | 153,720 | (2,260) | 158,280 | 158,690 | 410 |
| Community Services | 1,018,310 | 1,018,310 | - | 1,019,260 | 1,019,260 | - |
| Municipal Utilities | 1,971,930 | 2,460,460 | 488,530 | 9,501,340 | 4,980,370 | (4,520,970) |
| Subtotal | 5,568,880 | 6,055,150 | 486,270 | 13,016,000 | 8,495 440 | (4,520,560) |
| ENTERPRISE FUNDS | | | | | | |
| Administrative Services | 2,689,850 | 2,690,050 | 200 | 5,673,150 | 4,275,470 | (1,397,680) |
| Municipal Utilities | 55,059,268 | 55,499,220 | 439,952 | 65,784,455 | 66,146,440 | 361,985 |
| Electric Utility | 113,684,770 | 112,623,420 | (1,061,350) | 105,785,480 | 105,909,800 | 124,320 |
| Support Services | 2,563,140 | 2,567,280 | 4,140 | 2,666,045 | 2,671,380 | 5,335 |
| Subtotal | 173,997,028 | 173,379,970 | (617,058) | 179,909,130 | 179,003,090 | (906,040) |
| INTERNAL SERVICE FUNDS | | | | | | |
| City Clerk | 274,520 | 272,780 | (1,740) | 279,360 | 278,270 | (1,090) |
| City Attorney | 514,450 | 514,450 | - | 518,750 | 518,750 | - |
| Personnel | 17,365,220 | 35,555,700 | 18,190,480 | 18,643,060 | 37,502,610 | 18,859,550 |
| Development Services | 692,210 | 691,280 | (930) | 720,430 | 719,790 | (640) |
| Support Services | 10,646,880 | 10,693,520 | 46,640 | 8,335,180 | 8,385,050 | 49,870 |
| Subtotal | 29,493,280 | 47,727,730 | 18,234,450 | 28,496,780 | 47,404,470 | 18,907,690 |
| TOTAL EXPENDITURES | 272,822,547 | 291,803,280 | 18,980,733 | 286,113,232 | 299,795,840 | 13,659,008 |
| Less: Charges between funds | (53,963,695) | (53,963,695) | - | (57,959,945) | (57,959,945) | - |
| NET TOTAL | $218,858,852 | $ 237,839,585 | $ 18,980,733 | $ 228,153,287 | $ 242,175,900 | $ 13,659,008 |

## BUDGET SUMMARIES

## GENERAL FUND DOLLARS

The following two pages contain figures that provide a summary of General Fund revenues by major revenue types and expenditures by major areas.

### Where it Comes From

These figures clearly display the General Fund's main source of revenue comes from sales tax (35.8 % and 38.3%, respectively). The next largest source of revenue is from internal departments (15.2% and 11.8%, respectively) followed by property tax (19.4 and 19.8% , respectively). These three sources of revenue make up approximately two-thirds of the City's General Fund.

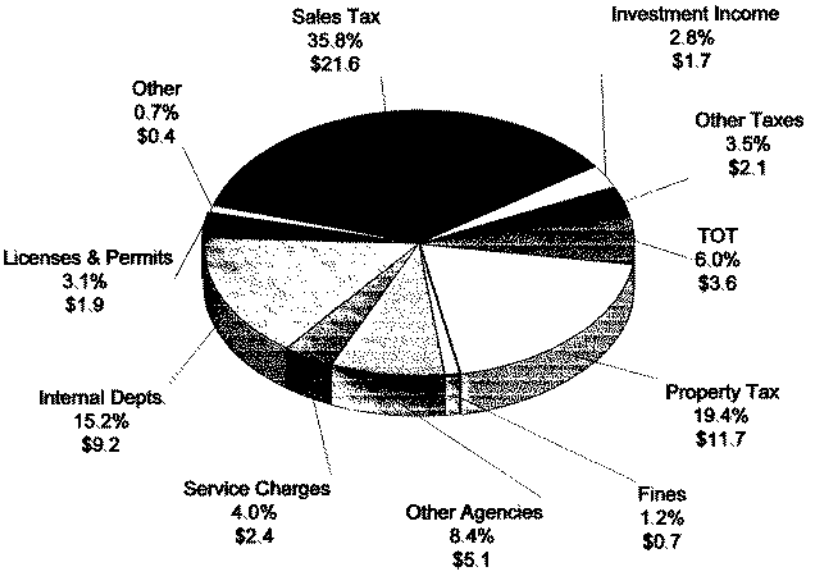
### Where it Goes

These figures clearly displays that the Public Safety Programs (Police, 34.4% and 35.7%, respectively and Fire 21.7% and 22.3%, respectively) are the General Fund's largest expenditure areas. Together these two areas make up over half of all General Fund expenditures. The next largest major expenditure is Municipal Utilities (primarily streets) at 11.0% and 9.5% respectively, followed by Development Services (9.9% and 10.1%, respectively) followed by General Government (7.9% and 8.3%, respectively) and Leisure Services (7.6% and 7.5% respectively).

## General Fund Dollars -FY 2005-06

Where it Comes From

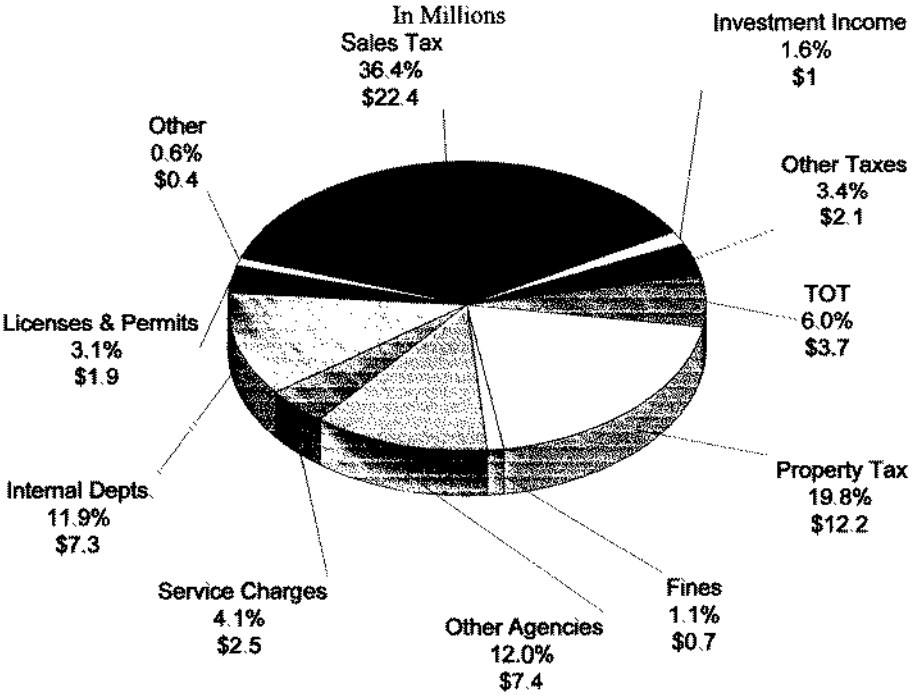
In Millions




## General Fund Dollars - FY 2006-07

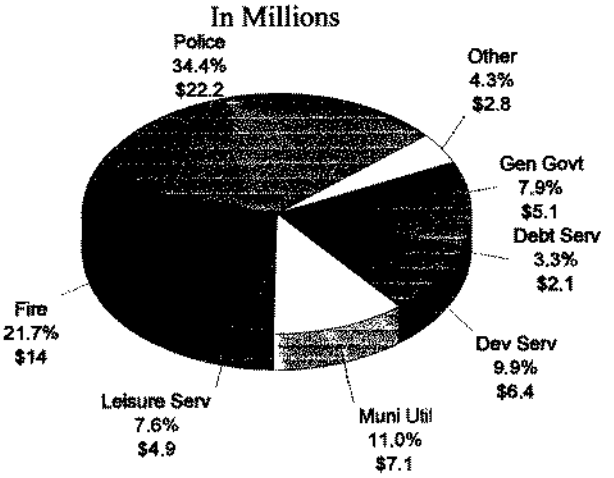
Where it Comes From

In Millions



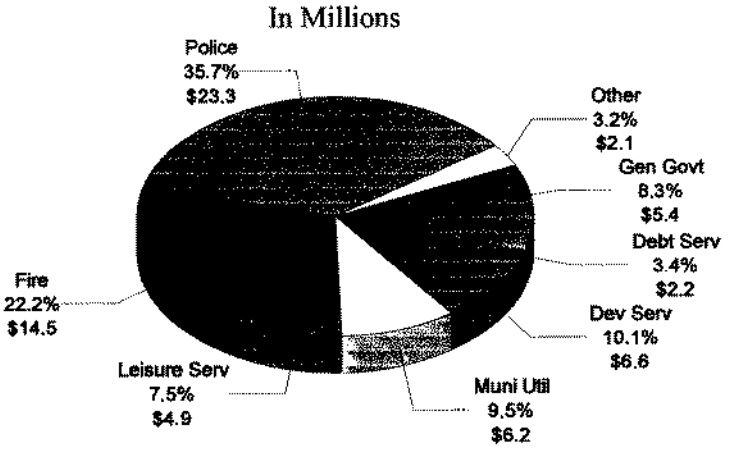
## General Fund Dollars - FY 2005-06

Where it Goes




## General Fund Dollars - FY 2006-07

Where it Goes



## BUDGET SUMMARIES

## EXPENDITURES/REVENUE PER RESIDENT

The following tables display expenditures/revenue per resident for "General City Programs" for the 2005-06 and 2006-07 Adopted Budget compared to the 2003-05 Adopted Budget.

### Expenditures

For "General City Programs", the largest expenditures per resident are in Public Safety (Police, $246.95 and $255.69, respectively and Fire, $155.42 and $159.31, respectively). In both fiscal years both of these areas have increased (Police by $11.25 and $8.74, respectively, and Fire by $13.52 and $3.89, respectively) The large increase in street maintenance in fiscal year 2006 is due to additional overlay, slurry seal and maintenance work. While there is a decrease from fiscal year 2006 to 2007 in street maintenance, fiscal year 2007 is still $20.76 higher per resident than the adopted budget for fiscal year 2005. Expenditures overall (excluding street maintenance) increased over the next two fiscal years (for fiscal year 2006 by $48.52 and for fiscal year 2007 by $7.75). These increases are primarily due to an increase in personnel related costs, in particular, retirement contributions.

### Revenue

For "General City Revenue", the largest revenue source per resident is sales tax revenue. Sales tax revenue per resident has increased in both years by $16.29 and $5.91, respectively. Revenue from property tax per resident has increased in fiscal year 2006 by $57.69 and in fiscal year 2007 by $3.45. The Large increase in property tax in fiscal year ending June 30, 2006 is due to the State shifting approximately $53.46 per resident from in-lieu motor vehicle tax. This shift is a permanent shift of funds. The large increase in fiscal year 2006 in City-owned business per resident revenue is due to the Airport Fund repaying part of their previously advanced funds from the General Fund (repayment is $27.,02 per resident in fiscal year 2006 and $7.82 per resident in fiscal year 2007, and there was no repayment included in the fiscal year 2005 adopted budget.)

The large decrease in fiscal year 2006 in State of California per resident income is due to the above mentioned transfer of in-lieu motor vehicle tax and in addition the State will take away $12.60 per resident from the City to help solve its budget problems. In fiscal year 2007 the State of California per resident income increases by $29.78 due to the following reasons:

1. The state will not be taking additional funds from the City to solve its budget problems (a $12.41 per resident increase)
2. A $17.08 per resident increase is due to the State repaying prior funds taken from the City and required to be repaid by a Statewide voter approved proposition, and
3. a $0.29 per resident increase in other State funds

## BUDGET SUMMARIES

### EXPENDITURES PER RESIDENT*

General City Programs

| Program | Adopted 2004-05 | Adopted 2005-06 | Difference | Adopted 2006-07 | Difference |
|---|---|---|---|---|---|
| Police | $ 235.67 | $ 246.95 | $ 11.28 | $ 255.69 | $ 8.74 |
| Fire | 141.90 | 155.42 | 13.52 | 159.31 | 3.89 |
| Administration | 53.81 | 56.89 | 3.08 | 58.80 | 1.91 |
| Street Maintenance | 35.62 | 67.55 | 31.93 | 56.38 | (11.17) |
| General Fund Debt Service | 27.15 | 23.87 | (3.28) | 23.95 | 0.08 |
| Parks | 24.20 | 27.25 | 3.05 | 26.84 | (0.41) |
| Builidng & Code Enforcement/Permit Center | 25.86 | 28.06 | 2.20 | 28.74 | 0.68 |
| Planning | 20.70 | 22.00 | 1.30 | 23.13 | 1.13 |
| Engineering | 18.41 | 20.76 | 2.35 | 20.50 | (0.26) |
| Recreation | 16.00 | 17.41 | 1.41 | 17.36 | (0.05) |
| Miscellaneous | 16.58 | 24.29 | 7.71 | 14.14 | (10.15) |
| Municipal Utilities Admin & Transportation | 8.83 | 11.35 | 2.52 | 11.65 | 0.30 |
| Animal Regulation | 4.86 | 4.90 | 0.04 | 5.23 | 0.33 |
| Museums | 0.05 | 4.52 | 4.47 | 3.91 | (0.61) |
| Library | 2.74 | 2.70 | (0.04) | 4.03 | 1.33 |
| Community Services Administration | 6.21 | 5.76 | (0.45) | 5.98 | 0.22 |
| Total | $ 638.59 | $ 719.68 | $ 81.09 | $ 715.64 | $ (4.04) |

* Based on populations estimates of 88,549 for FY 2004-05, 89,786 for FY 2005-06 and 91,133 for FY 2006-07

## BUDGET SUMMARIES

### REVENUE PER RESIDENT*

General Revenue

| Source of Revenue | Adopted 2004-05 | Adopted 2005-06 | Difference | Adopted 2006-07 | Difference |
|---|---|---|---|---|---|
| Sales Tax | $ 223.83 | $ 240.12 | $ 16.29 | 246.03 | 5.91 |
| Revenue from City-Owned Business | 92.75 | 122.23 | 29.48 | 101.12 | (21.11) |
| Property Tax | 72.35 | 129.98 | 57.63 | 133.43 | 3.45 |
| State of California | 78.67 | 0.12 | (78.55) | 29.90 | 29.78 |
| Gas Tax | 23.28 | 48.30 | 25.02 | 42.58 | (5.72) |
| Transient Occupancy Tax (General Fund Portion Only) | 20.15 | 19.97 | (0.18) | 20.46 | 0.49 |
| Service Fees | 20.05 | 26.59 | 6.54 | 27.62 | 1.03 |
| Federal Government | 0 | 0.90 | 0.90 | 0.99 | 0.09 |
| Other Government Agencies | 4.79 | 4.24 | (0.55) | 4.80 | 0.56 |
| Licenses and Permits | 19.69 | 21.15 | 1.46 | 20.52 | (0.63) |
| Miscellaneous Revenue | 12.96 | 17.65 | 4.69 | 11.14 | (6.51) |
| Business License Tax | 8.31 | 8.69 | 0.38 | 8.90 | 0.21 |
| Franchise Fees | 9.38 | 9.63 | 0.25 | 9.99 | 0.36 |
| Fines and Penalties | 5.51 | 7.64 | 2.13 | 7.83 | 0.19 |
| Interest Income | 7.46 | 5.02 | (2.44) | 4.40 | (0.62) |
| Sales Tax - Public Safety | 2.97 | 3.03 | 0.06 | 2.98 | (0.05) |
| Miscellaneous Taxes | 4.07 | 5.21 | 1.14 | 5.33 | 0.12 |
| Total | $ 606.22 | $ 670.47 | $ 64.25 | $ 678.02 | $ 7.55 |

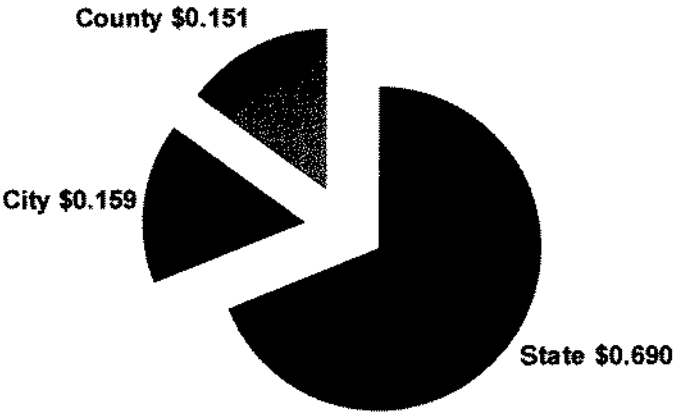
* Based on populations estimates of 88,459 for FY 2004-05, 89,786 for FY 2005-06 and 91,133 for FY 2006-07

## BUDGET SUMMARIES

### SALES TAX - WHERE IT GOES

The following pie chart displays for each dollar of sales tax collected in the City of Redding how much of that dollar goes to the State of California, the County of Shasta, and the City of Redding. This graph clearly shows that the State of California receives the majority of the sales tax collected in the City.

Sales Tax – Where it Goes
Per $1 of Sales Tax



## BUDGET SUMMARIES

## SUMMARY OF NET EXPENDITURES

The following two tables provide a summary of projected expenditures, with gross and net from the General Fund by department and division.

The first column, **Adopted Budget**, delineates the recommended appropriation for each General Fund division. The second column, **Projected Revenue**, delineates the estimated revenue which can be attributed to each division. It does not include revenue which is related to a specific division (e.g. sales tax and property tax revenues.) The third column, **Net Expenditures**, reflects the difference between gross proposed appropriations and estimated revenues.

## SUMMARY OF NET EXPENDITURES - GENERAL FUND

| | Adopted Budget 2005-06 | Projected Revenue and Transfers 2005-08 | Projected Net Expenditures 2005-06 |
|---|---|---|---|
| DEPARTMENTS | | | |
| City Council | $ 148,060 | $ - | $ 148,060 |
| City Clerk | 672,540 | 78,000 | 594,540 |
| City Manager | 871,230 | (9,000) | 880,230 |
| City Treasurer | 532,330 | 28,500 | 503,830 |
| City Attorney | 610,110 | 1,000 | 609,110 |
| Personnel | 532,540 | - | 532,540 |
| Non-Departmental | | - | (47,860,230) |
| Non-Departmental | 2,377,910 | 50,238,140 | (47,860,230) |
| Animal Regulation | 440,000 | 10,000 | 430,000 |
| General Fund Debt Service | 2,143,310 | 133,960 | 2,009,350 |
| Subtotal | 4,961,220 | 50,382,100 | (45,420,880) |
| Administrative Services | 1,319,450 | 27,000 | 1,292,450 |
| Police | 22,172,270 | 1,441,160 | 20,731,110 |
| Fire | 13,954,830 | 13,700 | 13,941,130 |
| Development Services | | | |
| Permit Center | 757,290 | 28,000 | 729,290 |
| Building & Code Enforcement | 1,762,320 | 2,483,000 | (720,680) |
| Planning | 1,975,540 | 553,000 | 1,422,540 |
| Engineering | 1,863,610 | 205,000 | 1,658,610 |
| Subtotal | 6,358,760 | 3,269,000 | 3,089,760 |
| Community Services | | | |
| Recreation | 1,558,080 | 780,500 | 777,580 |
| Museums | 355,480 | - | 355,480 |
| Community Services | 517,350 | 2,000 | 515,350 |
| Subtotal | 2,430,910 | 782,500 | 1,648,410 |
| Municipal Utilities | | | |
| Administration | 1,019,480 | 818,410 | 201,070 |
| Streets | 6,064,740 | 4,182,440 | 1,882,300 |
| Subtotal | 7,084,220 | 5,000,850 | 2,083,370 |
| Support Services | | | |
| Purchasing | 421,980 | - | 421,980 |
| Parks | 2,448,720 | (31,000) | 2,477,720 |
| Midtown Mall | 68,260 | 25,000 | 43,260 |
| Subtotal | 2,936,960 | (6,000) | 2,942,960 |
| Total Grand Total | 64,585,430 | 61,008,810 | 3,576,820 |

## SUMMARY OF NET EXPENDITURES - GENERAL FUND

| | Adopted Budget 2006-07 | Projected Revenue and Transfers 2006-07 | Projected Net Expenditures 2006-07 |
|---|---|---|---|
| DEPARTMENTS | | | |
| City Council | $ 155,210 | $ - | $ 155,210 |
| City Clerk | 710,000 | 80,900 | 629,100 |
| City Manager | 920,740 | (9,300) | 930,040 |
| City Treasurer | 551,010 | 29,700 | 521,310 |
| City Attorney | 640,450 | 1,000 | 839,450 |
| Personnel | 555,720 | - | 555,720 |
| Non-Departmental | | | |
| Non-Departmental | 1,611,890 | 52,095,910 | (50,484,020) |
| Animal Regulation | 477,000 | 11,000 | 466,000 |
| General Fund Debt Service | 2,182,970 | 133,900 | 2,049,070 |
| Subtotal | 4,271,860 | 52,240,810 | (47,968,950) |
| Administrative Services | 1,381,900 | 28,000 | 1,353,900 |
| Police | 23,301,770 | 1,547,990 | 21,753,780 |
| Fire | 14,518,150 | 9,200 | 14,508,950 |
| Development Services | | - | |
| Permit Center | 790,395 | 29,000 | 761,395 |
| Building & Code Enforcement | 1,829,040 | 2,432,370 | (603,330) |
| Planning | 2,107,760 | 663,000 | 1,444,760 |
| Engineering | 1,888,050 | 210,900 | 1,657,150 |
| Subtotal | 8,595,245 | 3,335,270 | 3,259,975 |
| Community Services | | | |
| Recreation | 1,581,740 | 812,450 | 769,290 |
| Museums | 355,930 | - | 355,930 |
| Community Services | 544,880 | 2,000 | 542,880 |
| Subtotal | 2,482,550 | 814,450 | 1,668,100 |
| Municipal Utilities | | | |
| Administration | 1,081,680 | 842,010 | 219,670 |
| Streets | 5,138,540 | 3,723,830 | 1,414,710 |
| Subtotal | 6,200,220 | 4,565,840 | 1,634,380 |
| Support Services | | | |
| Purchasing | 443,840 | - | 443,840 |
| Parks | 2,445,920 | (31,700) | 2,477,620 |
| Midtown Mall | 68,260 | 25,000 | 43,260 |
| Subtotal | 2,958,020 | (6,700) | 2,964,720 |
| Total Grand Total | $ 65,242,845 | $62,637,160 | $ 2,805,685 |

# City of Redding

# General Fund Ten-Year Financial Plan

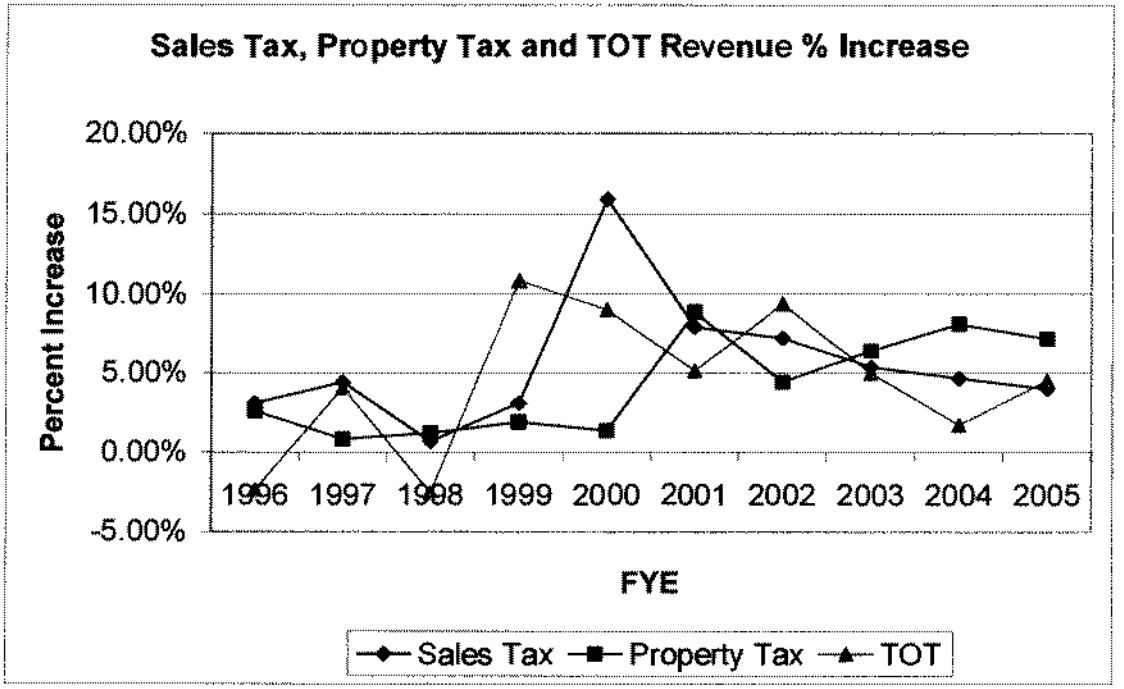
# City of Redding General Fund Ten-Year Plan

Budget decisions made today will impact the City's future by what is accomplished, as well as what resources will be available in the future. Many governments are concerned only with making ends meet this year, giving little thought to what the future will hold. The most profound example of this is probably the State of California, which seems to have a budget crisis every year because of a lack of long-term planning. Many governments become too shortsighted with their budget process, which causes crisis for them down the road. The decisions we make today will have a profound impact on our City's future.

As a city, we must look ahead at our land use needs and we must also forecast our financial needs in order to avoid serious deficiencies or over-commitments to programs and projects. It is important that we map out our financial future and understand the implications of decisions made today on resources available in the future. In order to develop a better understanding of the City's financial condition, it is necessary to look at past financial trends and factors and use that information to forecast the impact on the future. The City does this through our Ten-Year Financial Plan. As with any future projection, the plan is only as good as the assumptions it is built on, therefore it is important to have a good understanding of the assumptions on which the plan is predicated. The assumptions used can substantially change the end results of the Ten-Year Plan. Following are the more important assumptions used to develop the Ten-Year Plan.

**REVENUES**

**Sales Tax, Property Tax and Transient Occupancy Tax**

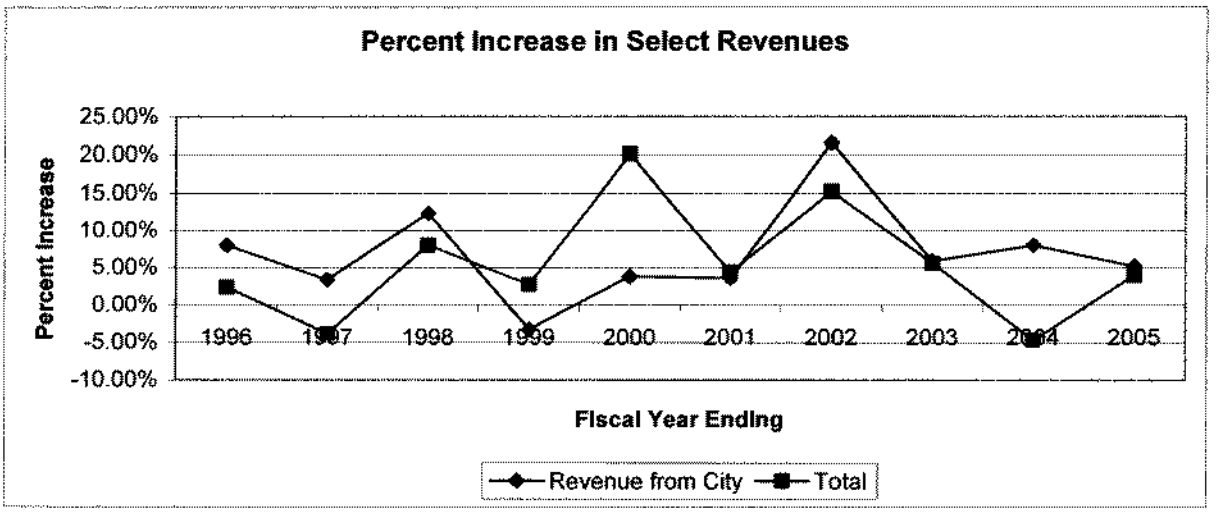



As can be seen from the graph above, sales tax growth was slowed from 1996 to 1999 with much stronger growth in fiscal year end 2000 and thereafter. Sales tax increased an average of 2.8% per year from 1996 to 1999 and from 2000 to 2005 it increased an average rate of 7.5 % per year. Over the last ten years (1996 through 2005) sales tax has increased by an average

of 5.6%. However, if fiscal year 2000's 15.9% growth rate is excluded, then the average increase would be 4.5% over the last ten years. Staff is projecting that for fiscal year end 2005 sales tax will increase by 4.0%. Staff believes that over the next few years sales tax increases will be closer to the historical averages. Therefore, we are assuming sales tax will increase by 4 % in fiscal year ending 2006 and 2007, and by 4.25% if fiscal years ending 2008 thru 2010, and by 4% in all remaining years.

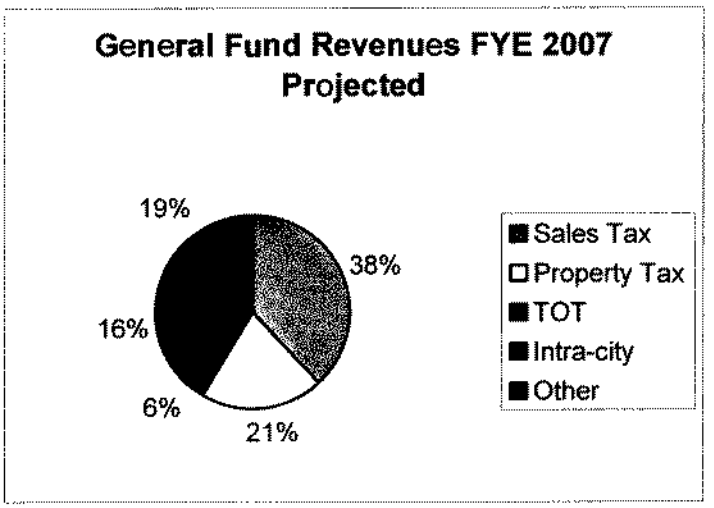
Property tax increases were also slower in the nineties and have increased since fiscal year 2000. Property tax increased an average of 1.6% per year from 1996 to 2000 and from 2001 to 2005 it increased at an average rate of 7% per year. For fiscal year ended 2005, staff is projecting property tax will increase by 7.2%. Over the last ten years (1995 through 2004) property tax has increased by an average of 4.3% per year. Staff believes that the stronger growth rate trend of the past few years will continue for property tax for at least several more years. Staff is recommending that for fiscal years 2006 through 2010 an assumed property tax growth rate of 4.5% be used and then decreased to 4% in the remainder of the years covered by the Ten-Year Plan.

Transient occupancy tax increased an average of 2.5% per year from 1996 to 1999 and from 2000 to 2005 staff is projecting it will increase at an average rate of 5.8% per year. Over the last ten years (1996 through 2005) transient occupancy tax has increased by an average of 4.5% per year. Although transient occupancy tax growth was only 1.7% in fiscal year 2004, staff is expecting its growth rate to return to historical averages and we are projecting a 4.5% increase in FYE 2005. Not only should population and inflation increases help the growth rate return to historical levels, but also new attractions such as the Sundial Bridge, Big League Dreams Sports Complex and the Aquatic Center should help insure that the growth rate is at least 4%. Staff is assuming transient occupancy tax will increase by 4% per year in the Ten-Year Plan.




While intra-city revenues increased an average 8.9% per year over the last ten years, if the three highest years are assumed to be eliminated due to some one-time abnormalities, the average increase would be 4.4%. Staff is using a conservative 3.25% growth rate for intra-city revenues in the Ten-Year Plan.

**Other Revenues**

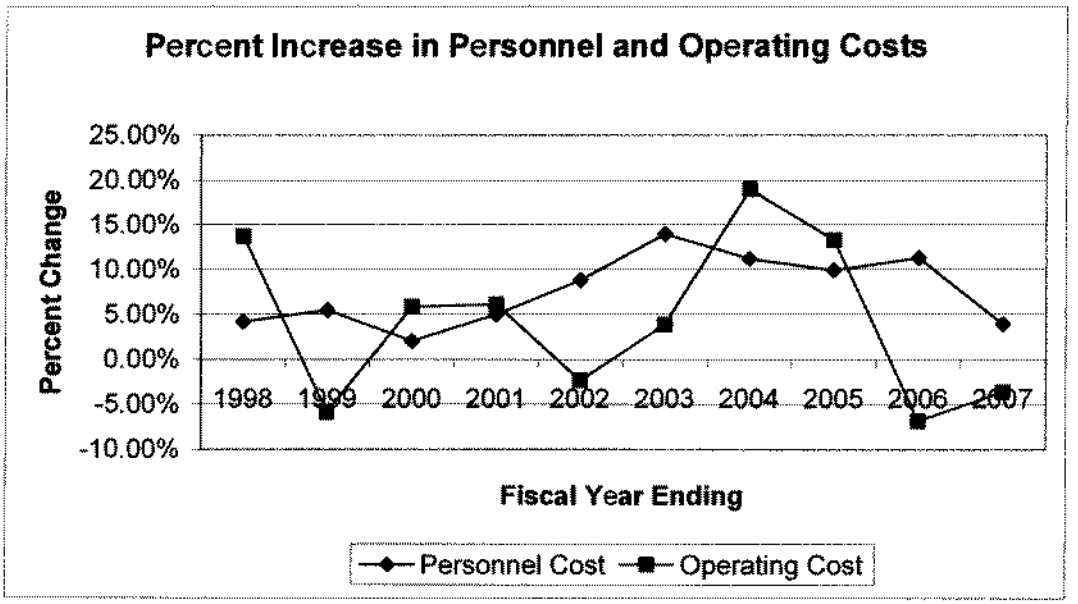



As can be seen from the graph above, sales tax, property tax, transient occupancy tax, and intra-city revenue account for over 80% of the City's total General Fund Revenue. Therefore, the above discussion covers the majority of the City's General Fund revenues. Most of the other revenues that are not discussed above are assumed to increase at 3% or 4% per year in the General Fund Ten-Year Plan, which is in line with their historical growth rates but below the City's overall General Fund revenue growth rate of 5.4% over the past ten years.

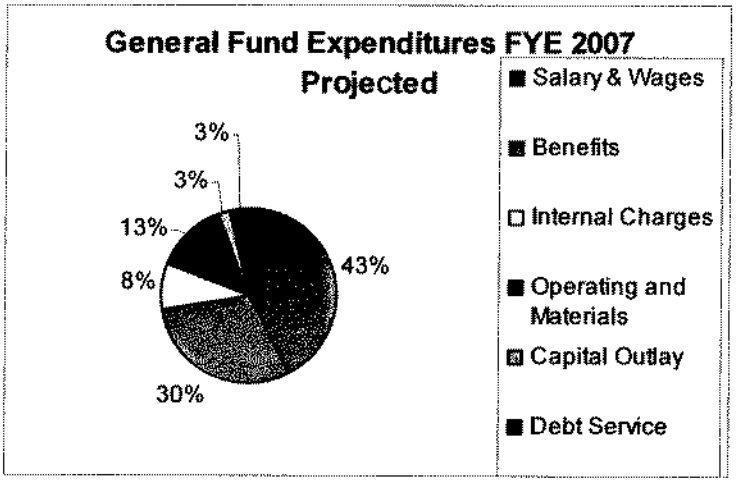
## EXPENDITURES

Below is a graph showing the actual and projected percent increase in personnel costs and operating costs for fiscal years 1998 through 2007. As can be seen from the graph, personnel costs have increased dramatically over the past few years and are projected to continue to increase in FYE 2006. For the seven years ending with fiscal year 2007 personnel cost average increase is projected to be over 9% per year. The main reason for this increase is rising benefit costs, which have increased an average of 18.5% over the past 7 year period. Other personnel costs have averaged 5% per year during that same time period. These increased costs have now been built into the Ten-Year Plan and therefore, staff is recommending that personnel costs growth rate be reduced from the 3.5% used in the previous Ten-Year Plans to 3.0%.

Operating costs have increased by an average of 4.3% per year for fiscal years 1998-2007. However, if the three highest years are ignored, due to large one-time expenditures and grant expenditures in these years, the average increase in operating costs is closer to 2%. Staff is proposing to use a 2% growth factor for operating materials and supplies, as this appears to be in line with historical averages as adjusted.




## General Fund Expenditures by Category




## Summary of Changes in Ten-Year Plan

Following are the proposed changes to the Ten-Year Plan:

1. Increase property tax growth rate from 4% to 4.5% in fiscal years ending 2006-2010.
2. Increase sales tax growth rate from 4.0% to 4.25% in fiscal years ending 2008-2010
3. Decrease personnel growth rate from 3.5% to 3%.

City of Redding
GENERAL FUND REVENUE AND ADOPTED EXPENDITURE SUMMARY (in thousands)
Adopted Budget

| | | | Adjusted | | | Adjusted | | | Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 05-06 | Adjust. | 05-06 | 06-07 | Adjust. | 06-07 | 07-08 | 08-09 | 09-10 | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 |
| Projected Balance Forward | 8,550 | 55 | 8,605 | 6,251 | | 6,251 | 5,005 | 3,542 | 3,146 | 3,244 | 3,540 | 3,728 | 4,306 | 5,429 | 7,181 |
| Projected Revenues | 55,855 | 0 | 55,855 | 59,690 | 0 | 59,690 | 80,389 | 62,729 | 85,234 | 67,741 | 70,358 | 73,071 | 75,914 | 78,900 | 81,609 |
| Projected Transfers In | 4,701 | 0 | 4,701 | 4,252 | 0 | 4,252 | 3,232 | 3,297 | 3,363 | 3,430 | 3,499 | 3,569 | 3,640 | 3,713 | 3,787 |
| Projected Transfers Out | (359) | 0 | (359) | (2,082) | 0 | (2,082) | (2,784) | (2,898) | (3,115) | (3,240) | (3,349) | (3,463) | (3,580) | (3,702) | (3,828) |
| Projected Expenditures | (62,498) | (54) | (62,551) | (63,106) | 0 | (63,106) | (62,300) | (63,525) | (65,384) | (67,635) | (70,321) | (72,597) | (74,851) | (77,160) | (79,526) |
| Projected Ending Cash | 6,249 | 1 | 6,251 | 5,005 | 0 | 5,005 | 3,542 | 3,146 | 3,244 | 3,540 | 3,728 | 4,306 | 5,429 | 7,181 | 9,224 |
| | | | | | | | | | | | | | | | |
| Ending Cash/Expenditures | 10.0% | | 10.0% | 7.9% | | 7.9% | 5.7% | 5.0% | 5.0% | 5.2% | 5.3% | 5.9% | 7.3% | 9.3% | 11.6% |
| | | | | | | | | | | | | | | | |
| Prev. Projection: | | | 7.1% | | | 7.7% | 7.2% | 6.8% | 6.0% | 5.4% | 5.0% | 5.1% | 5.9% | | |

GENERAL FUND PROPOSED REVENUES (in thousands)

| Adopted Budget | | | Adjusted | | | Adjusted | | | Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Source | 05-06 | Adjust. | 05-06 | 06-07 | Adjust. | 06-07 | 07-08 | 08-09 | 09-10 | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 |
| Sales Tax | 21,559 | | 21,559 | 22,421 | | 22,421 | 23,374 | 24,367 | 25,403 | 26,419 | 27,476 | 28,575 | 29,718 | 30,907 | 32,143 |
| Property Tax/Penalty | 11,670 | | 11,670 | 12,160 | | 12,160 | 12,707 | 13,279 | 13,877 | 14,432 | 15,009 | 15,609 | 16,234 | 16,883 | 17,558 |
| TOT | 3,586 | | 3,586 | 3,729 | | 3,729 | 3,878 | 4,033 | 4,195 | 4,362 | 4,537 | 4,718 | 4,907 | 5,103 | 5,308 |
| Other Taxes | 2,113 | | 2,113 | 2,207 | | 2,207 | 2,295 | 2,387 | 2,483 | 2,582 | 2,685 | 2,793 | 2,904 | 3,020 | 3,141 |
| Licenses/Permits | 1,899 | | 1,899 | 1,870 | | 1,870 | 1,945 | 2,023 | 2,103 | 2,188 | 2,275 | 2,366 | 2,461 | 2,559 | 2,662 |
| Fines/Penalties | 586 | | 686 | 714 | | 714 | 743 | 772 | 803 | 835 | 869 | 903 | 940 | 977 | 1,016 |
| Motor Vehicle In-Lieu | 850 | | 850 | 2,432 | | 2,432 | 954 | 1,011 | 1,072 | 1,136 | 1,204 | 1,277 | 1,353 | 1,434 | 1,521 |
| State take away | (1,132) | | (1,132) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Governments | 555 | | 555 | 620 | | 620 | 839 | 658 | 677 | 698 | 719 | 740 | 763 | 785 | 809 |
| Rdg Rancheria/Booking Fees | 200 | | 200 | 200 | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| Internal Departments | 9,446 | | 9,446 | 9,403 | | 9,403 | 9,709 | 10,024 | 10,350 | 10,686 | 11,034 | 11,392 | 11,762 | 12,145 | 12,539 |
| Interest Income | 450 | | 450 | 400 | | 400 | 300 | 213 | 189 | 195 | 212 | 224 | 258 | 326 | 0 |
| Use of Money & Property | 1,221 | | 1,221 | 647 | | 647 | 647 | 647 | 647 | 647 | 647 | 647 | 647 | 647 | 647 |
| Service Charges | 2,387 | | 2,387 | 2,517 | | 2,517 | 2,618 | 2,722 | 2,831 | 2,945 | 3,062 | 3,185 | 3,312 | 3,445 | 3,582 |
| Other Revenue | 365 | | 365 | 370 | | 370 | 381 | 393 | 404 | 416 | 429 | 442 | 455 | 469 | 483 |
| Subtotal | 55,855 | 0 | 55,855 | 59,690 | 0 | 59,890 | 60,389 | 62,729 | 65,234 | 67,741 | 70,358 | 73,071 | 75,914 | 78,900 | 81,609 |
| Transfers In | 4,701 | | 4,701 | 4,252 | | 4,252 | 3,232 | 3,297 | 3,363 | 3,430 | 3,499 | 3,569 | 3,640 | 3,713 | 3,787 |
| Transfers Out -- Rolling Stock | (805) | | (805) | (831) | | (831) | (848) | (865) | (882) | (900) | (917) | (936) | (955) | (974) | (993) |
| Transfers Out -- Operating | | | 0 | | | | | | | | | | | | |
| Airport | 2,424 | | 2,424 | 783 | | 783 | 175 | 160 | 45 | 25 | 25 | 25 | 25 | 25 | 25 |
| CVB | (1,793) | 0 | (1,793) | (1,865) | 0 | (1,865) | (1,939) | (2,017) | (2,097) | (2,181) | (2,268) | (2,359) | (2,454) | (2,552) | (2,654) |
| Parking | (50) | | (50) | (34) | | (34) | (35) | (36) | (37) | (38) | (39) | (41) | (42) | (43) | (44) |
| Other | (135) | | (135) | (135) | | (135) | (138) | (140) | (143) | (146) | (149) | (152) | (155) | (158) | (161) |
| Net Transfers | 4,342 | 0 | 4,342 | 2,171 | 0 | 2,171 | 448 | 399 | 248 | 190 | 149 | 106 | 60 | 11 | (40) |
| Total Revenue | 60,197 | 0 | 60,197 | 61,861 | 0 | 61,861 | 60,837 | 63,128 | 65,482 | 67,931 | 70,507 | 73,177 | 75,974 | 78,912 | 81,568 |

Totals may not agree due to rounding.

ASSUMPTIONS

1. Sales tax growth of 4.25% for fiscal years ending 2008, 2009 and 2010 and 4% for all other fiscal years. The base year of 2006 is determined by an adjusted three year average estimate at 4% growth rate.
2. Property tax growth of 4.5% for first five years and then reduced to 4%. The base year of 2006 is determined by an adjusted three year average estimated at 4.5% growth rate.
3. Motor vehicle in-lieu fee revenue is assumed to increase by 6.0 per year based on an adjusted three year average for the base year of FYE 2006
4. Interest income is a function of ending cash balance.
5. All other income is assumed to increase by 3% to 4% based on a three year average for the base year of FYE 2006.
6. Personnel cost are assumed to increase at 3% per year.
7. Operating cost are assumed to increase at 2% per year.

GENERAL FUND PROPOSED EXPENDITURES (in thousands)

| Adopted Budget | | | Adjusted | | | Adjusted | | | Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Area | 05-06 | Adjust. | 05-06 | 06-07 | Adjust. | 06-07 | 07-08 | 08-09 | 09-10 | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 |
| Police Personnel | 17,959 | | 17,959 | 18,762 | | 18,782 | 19,325 | 19,905 | 20,502 | 21,117 | 21,750 | 22,403 | 23,075 | 23,767 | 24,480 |
| Police Operating | 3,362 | | 3,362 | 3,648 | | 3,848 | 3,721 | 3,795 | 3,871 | 3,949 | 4,028 | 4,108 | 4,190 | 4,274 | 4,360 |
| Police Capital Outlay | 64 | | 64 | 84 | | 64 | 65 | 67 | 68 | 69 | 71 | 72 | 74 | 75 | 76 |
| Police Subtotal | 21,385 | 0 | 21,385 | 22,474 | 0 | 22,474 | 23,111 | 23,787 | 24,441 | 25,135 | 25,849 | 26,583 | 27,339 | 28,116 | 28,916 |
| Fira | | | | | | | | | | | | | | | |
| Personnel | 11,731 | | 11,731 | 12,254 | | 12,254 | 12,622 | 13,000 | 13,390 | 13,792 | 14,206 | 14,632 | 15,071 | 15,523 | 15,989 |
| Operating | 2,220 | | 2,220 | 2,260 | | 2,260 | 2,305 | 2,351 | 2,398 | 2,446 | 2,495 | 2,545 | 2,596 | 2,648 | 2,701 |
| Capital Outlay | 4 | | 4 | 4 | | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 5 |
| Subtotal | 13,955 | 0 | 13,955 | 14,518 | 0 | 14,518 | 14,931 | 15,356 | 15,793 | 16,243 | 16,705 | 17,182 | 17,671 | 18,176 | 18,694 |
| Municipal Utilities | | | | | | | | | | | | | | | |
| Personnel | 2,297 | | 2,297 | 2,398 | | 2,398 | 2,470 | 2,544 | 2,620 | 2,699 | 2,780 | 2,863 | 2,949 | 3,038 | 3,129 |
| Operating | 2,240 | | 2,240 | 2,188 | | 2,188 | 1,594 | 1,626 | 1,659 | 1,692 | 1,726 | 1,760 | 1,795 | 1,831 | 1,868 |
| Capital Outlay | 2,549 | | 2,549 | 1,620 | | 1,620 | 146 | 151 | 154 | 157 | 180 | 163 | 167 | 170 | 173 |
| Subtotal | 7,086 | 0 | 7,086 | 6,206 | 0 | 6,206 | 4,212 | 4,321 | 4,433 | 4,548 | 4,666 | 4,787 | 4,911 | 5,039 | 5,170 |
| Recreation & Parks | | | | | | | | | | | | | | | |
| Personnel | 2,578 | | 2,578 | 2,629 | | 2,829 | 2,708 | 2,789 | 2,873 | 2,959 | 3,048 | 3,139 | 3,233 | 3,330 | 3,430 |
| Operating | 1,427 | 5 | 1,432 | 1,399 | | 1,399 | 1,427 | 1,458 | 1,485 | 1,514 | 1,545 | 1,576 | 1,607 | 1,639 | 1,672 |
| Capital Outlay | 0 | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 4,005 | 5 | 4,010 | 4,028 | 0 | 4,028 | 4,135 | 4,245 | 4,357 | 4,473 | 4,592 | 4,715 | 4,840 | 4,969 | 5,102 |
| Development Services | | | | | | | | | | | | | | | |
| Personnel | 4,794 | | 4,794 | 5,064 | | 5,064 | 5,216 | 5,372 | 5,534 | 5,700 | 5,871 | 6,047 | 6,228 | 6,415 | 6,607 |
| Operating | 1,446 | | 1,446 | 1,412 | | 1,412 | 1,440 | 1,469 | 1,498 | 1,528 | 1,559 | 1,590 | 1,622 | 1,654 | 1,687 |
| Capital Outlay | 119 | | 119 | 119 | | 119 | 121 | 124 | 126 | 129 | 131 | 134 | 137 | 139 | 142 |
| Subtotal | 6,359 | 0 | 6,359 | 6,595 | 0 | 6,595 | 6,778 | 6,965 | 7,158 | 7,357 | 7,561 | 7,771 | 7,987 | 8,209 | 8,437 |
| General Government | | | | | | | | | | | | | | | |
| Personnel | 4,046 | | 4,046 | 4,274 | | 4,274 | 4,402 | 4,534 | 4,670 | 4,810 | 4,955 | 5,103 | 5,256 | 5,414 | 5,577 |
| Operating | 1,053 | | 1,053 | 1,075 | | 1,075 | 1,097 | 1,118 | 1,141 | 1,164 | 1,187 | 1,211 | 1,235 | 1,260 | 1,285 |
| Capital Outlay | 6 | | 6 | 6 | | 6 | 6 | 8 | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| Subtotal | 5,105 | 0 | 5,105 | 5,355 | 0 | 5,355 | 5,505 | 5,659 | 5,817 | 5,981 | 8,148 | 6,321 | 6,498 | 8,881 | 6,868 |
| Debt Service | 2,143 | | 2,143 | 2,183 | | 2,183 | 2,183 | 2,183 | 2,183 | 2,183 | 2,183 | 2,183 | 2,183 | 2,183 | 2,183 |
| Animal Regulation | 440 | | 440 | 477 | | 477 | 487 | 496 | 508 | 516 | 527 | 537 | 548 | 559 | 570 |
| Museums | 355 | 50 | 405 | 356 | | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 |
| Community Services | 517 | | 517 | 545 | | 545 | 556 | 587 | 578 | 590 | 602 | 614 | 626 | 639 | 651 |
| Non-Departmental | 2,423 | | 2,423 | 1,657 | | 1,657 | 1,690 | 1,724 | 1,768 | 1,794 | 1,829 | 1,866 | 1,903 | 1,941 | 1,980 |
| Public Safety | | | 0 | | | 0 | | | 300 | 500 | 500 | 500 | 500 | 500 | 500 |
| Fire Debt Service/Personnel | 0 | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 93 | 96 | 99 | 102 | 105 |
| Other | | | 0 | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Misc | | | 0 | | | 0 | | 50 | 150 | 200 | 200 | 200 | 200 | 200 | 200 |
| Library | | | 0 | | | 0 | 129 | 133 | 137 | 141 | 145 | 149 | 154 | 158 | 163 |
| PERS | | | 0 | | | 0 | (500) | (1,000) | (1,250) | (1,500) | (1,500) | (1,500) | (1,500) | (1,500) | (1,500) |
| Add back personnel | | | 0 | | | 0 | 0 | 0 | | 500 | 1,300 | 1,420 | 1,463 | 1,506 | 1,552 |
| New Positions | | | 0 | | | 0 | | | | | | 300 | 600 | 900 | 1,200 |
| Projected Savings | (1,275) | (1) | (1,277) | (1,288) | 0 | (1,288) | (1,271) | (1,296) | (1,334) | (1,380) | (1,435) | (1,482) | (1,528) | (1,575) | (1,623) |
| Total Expenditures | 62,498 | 54 | 62,551 | 63,106 | 0 | 63,106 | 62,300 | 63,525 | 65,384 | 67,635 | 70,321 | 72,597 | 74,851 | 77,160 | 79,526 |

Assumptions

| | Adjust. | Adjusted 05-06 | FY 06-07 | Adjust. | Adjusted 06-07 | Fiscal Year 07-08 | 08-09 | 09-10 | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Personnel | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 |
| O&M & C/O | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 |
| Inflation | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 | 1.02 |
| 4% Revenues | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 |
| Sales tax | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.0425 | 1.0425 | 1.0425 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 |
| Property Tax | 1.045 | 1.045 | 1.045 | 1.045 | 1.045 | 1.045 | 1.045 | 1.045 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 |
| In-Lieu DMV | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 | 1.06 |
| Police Personnel | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 |
| Fire Personnel | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 |
| 3% Government | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 |
| Internal Dept | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 | 1.0325 |
| Interest rate | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | |

## BUDGET SUMMARY

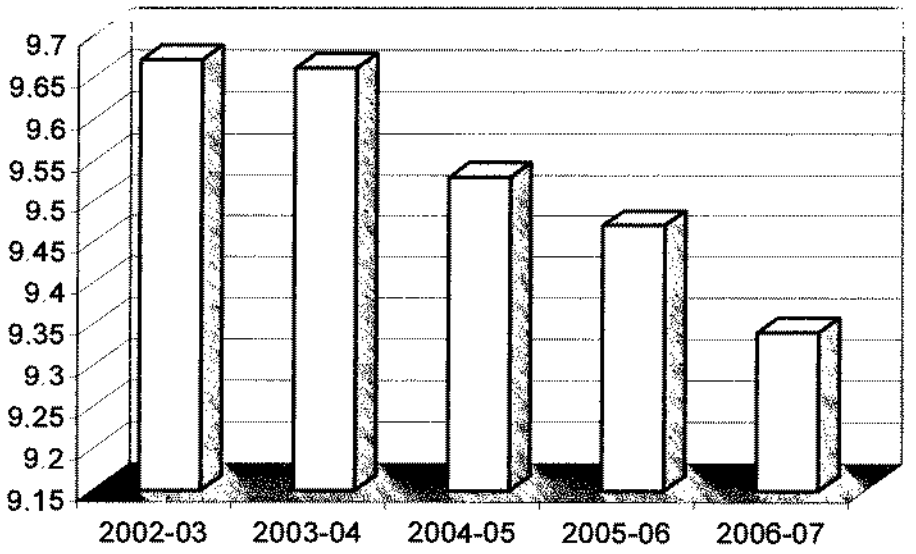
### SUMMARY OF AUTHORIZED FULL-TIME POSITIONS

The following table provides a four-year summary of all positions in the City by department. The columns titled Amended, show the positions authorized as of June 30 for each year. The Adopted columns show the number of positions adopted for fiscal years 2005-06 and 2006-07. The graph below the table shows three years of history for the number of full-time authorized positions by department.

The table depicts a net increase of seven (7) employees from the 2004-05 amended budget for fiscal year 2005-06 and a net increase of one (1) for fiscal year 2006-07 from fiscal year 2005-06. However the table does not reflect the twenty-two (22) full-time equivalent positions that are not being filled for at least some portion of the two-year budget cycle, by holding positions vacant as attrition occurs.

The new positions in fiscal year 2005-06 include: Development Services Department, two engineers; Municipal Utilities Department, a maintenance engineer, a wastewater plant operator, and a industrial waste analyst position; Electric Department, a distribution planner and an engineer intern, in Personnel, two new positions two assist with worker claims administration. These nine new positions were offset by two positions being eliminated, one in Administrative Services and one in Support Services. The increase in fiscal year 2006-07 is a wastewater collection maintenance worker in Municipal Utilities.

City Employee to Resident Ratio
Employees per 1,000 residents

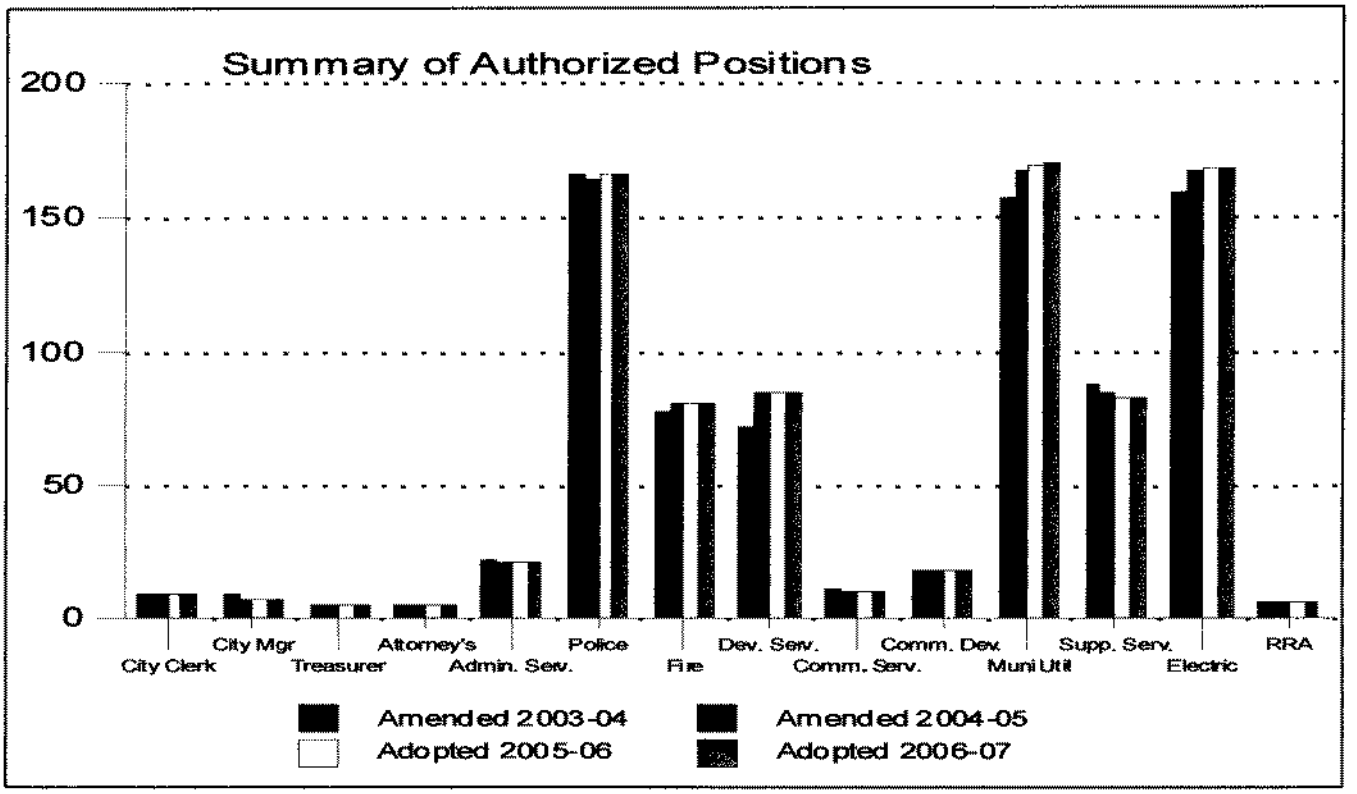


CITY OF REOOING BIENNIAL BUDGET
FISCAL YEARS ENOING JUNE 30, 2006 ANO 2007

SUMMARY OF AUTHORIZED FULL TIME POSITIONS

| Departments | Amended 2003-04 | Amended 2004-05 | Adopted 2005-06 | Change | Adopted 2006-07 | Change |
|---|---|---|---|---|---|---|
| City Clerk | 9 | 9 | 9 | 0 | 9 | 0 |
| City Manager | 9 | 9 | 9 | 0 | 9 | 0 |
| Community Development | 18 | 18 | 18 | 0 | 18 | 0 |
| City Treasurer | 5 | 5 | 5 | 0 | 5 | 0 |
| City Attorney | 5 | 5 | 5 | 0 | 5 | 0 |
| Personnel | 12 | 12 | 13 | 1 | 13 | 0 |
| Administrative Services | 22 | 22 | 21 | -1 | 21 | 0 |
| Police | 164 | 167 | 167 | 0 | 167 | 0 |
| Fire | 78 | 81 | 81 | 0 | 81 | 0 |
| Development Services | 78 | 83 | 85 | 2 | 85 | 0 |
| Community Services | 11 | 10 | 10 | 0 | 10 | 0 |
| Municipal Utilities* | 162 | 167 | 170 | 3 | 171 | 1 |
| Electric Utility | 162 | 166 | 168 | 2 | 168 | 0 |
| Support Services | 87 | 83 | 83 | 0 | 83 | 0 |
| Redding Redevelopment Agency** | 6 | 6 | 6 | 0 | 6 | 0 |
| Total | 828 | 843 | 850 | 7 | 851 | 1 |

* Total includes West Central Landfill which is a quasi-autonomous entity
** Quasi-autonomous entity



## SUMMARY OF FUND TRANSFERS

The following table is a summary of transfers that occur between funds. Each Section shows where the funds are transferring to and where they are transferring from. The General Fund will receive $7,078,570 in FY 2005-06 and $5,085,380 in FY 2006-07 from other funds. The General Fund transfers out $2,783,300 in FY 2005-06 and $2,864,800 in FY 2006-07 to Enterprise Funds Rolling Stock Replacement and Equipment Replacement Funds.

| | | Fiscal Year 2005-06 | Fiscal Year 2006-07 |
|---|---|---|---|
| From: | Gas Tax Street Improvement Fund | $ 4,336,440 | $ 3,880,330 |
| | Special Development Fund | 65,550 | 67,150 |
| | Park Development | 50,960 | 50,900 |
| | Tourism/Convention Fund | 27,500 | 32,500 |
| | Public Safety Special Revenue Fund | 272,000 | 272,000 |
| | Airport Fund | 2,426,120 | 782,500 |
| To: | General fund | $ 7,178,570 | $ 5,085,380 |
| From: | General Fund | $ 1,793,000 | $ 1,864,500 |
| To: | Tourism/Convention Fund | $ 1,793,000 | $ 1,864,500 |
| From: | General Fund | $ 50,000 | $ 34,000 |
| To: | Parking Fund | $ 50,000 | $ 34,000 |
| From: | Storm Drain Development Fund | $ 534,000 | $ 669,000 |
| To: | Storm Drainage Fund | $ 534,000 | $ 669,000 |
| From: | General Fund | $ 805,000 | $ 831,000 |
| | Municipal Airport | 5,000 | 5,000 |
| | Tourism/Convention Fund | 6,000 | 6,000 |
| | Electric Utility Fund | 271,240 | 278,840 |
| | Water Utility Fund | 175,000 | 175,000 |
| | Wastewater Utility Fund | 133,000 | 136,000 |
| | Storm Drain Utility Fund | 30,000 | 30,000 |
| | Solid Waste Dollection and disposal | 850,000 | 868,900 |
| | CD Block Grant Fund | 2,000 | 2,000 |
| To: | Rolling Stock Replacement Fund | $ 2,277,240 | $ 2,332,740 |
| To: | Electric Maintenance Fund | $ 1,600,000 | $ 1,600,000 |
| From: | Electric Utility Fund | $ 1,600,000 | $ 1,800,000 |
| To: | Equipment Replacement Fund | $ 135,300 | $ 135,300 |
| From: | General Fund | $ 135,300 | $ 135,300 |

# SUMMARY OF COST ALLOCATION CHARGES AND IN-LIEU PROPERTY TAXES

The following tables provide a summary of the cost allocation plan and in-lieu property taxes charged to the enterprise funds. The cost allocation plan is the method used to recover the administration cost for the City. In-lieu property taxes are charged to City-owned utilities instead of property tax for City-owned property.

| Cost Allocation Charges Attributable to: | FY 2004-05 | FY 2005-06 | FY 2006-07 |
|---|---|---|---|
| City Council | $ 148,180 | $ 158,000 | $ 162,440 |
| City Clerk | 131,680 | 144,000 | 148,020 |
| City Manager | 326,810 | 348,100 | 358,240 |
| City Treasurer | 221,220 | 195,000 | 200,550 |
| City Attorney | 244,210 | 215,000 | 221,150 |
| Finance | 586,630 | 602,230 | 622,060 |
| Purchasing | 194,030 | 193,000 | 198,490 |
| Personnel | 330,590 | 353,900 | 364,200 |
| Parks | 35,700 | 40,900 | 42,030 |
| Total | $ 2,219,050 | $ 2,250,130 | $ 2,317,180 |

Cost Allocation Charges and In Lieu Charges from:

| | Cost Allocation Charge FY 2005-06 | Cost Allocation Charge FY 2005-06 | In Lieu Property Tax FY 2005-06 | In Lieu Property Tax FY 2006-07 |
|---|---|---|---|---|
| Special Revenue Parking | $ 5,880 | $ 6,060 | | |
| Airport Fund | 127,430 | 131,250 | 75,000 | 85,000 |
| Convention/Tourism Fund | 101,100 | 104,140 | 54,000 | 59,000 |
| Electric Utility | 944,260 | 972,160 | 3,463,800 | 3,414,000 |
| Water Utility | 229,800 | 236,690 | 910,000 | 847,000 |
| Wastewater Utility | 242,690 | 249,970 | 1,502,750 | 1,398,000 |
| Storm Drainage Utility | 25,020 | 25,770 | 198,000 | 198,000 |
| West Central Landfill | 40,700 | 41,920 | 15,270 | 16,500 |
| Solid Waste Utility | 297,350 | 306,270 | 171,730 | 248,500 |
| CDBG | 16,550 | 17,050 | | |
| Housing Authority | 54,820 | 56,460 | | |
| RRA | 109,710 | 112,980 | | |
| RABA | 54,820 | 56,460 | | |
| Total | $ 2,250,130 | $ 2,317,180 | $ 6,390,550 | $ 6,266,000 |

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

## SUMMARY OF INTERNAL SERVICE FUND CHARGES

The following table summarizes the Internal Service Fund Charges for the City. Internal Service Fund Charges are assessed from other City divisions in order to recover the cost of providing services to those City divisions. Several of these services are reproduction, Information systems, health and dental coverage, workers compensation, general liability, payroll taxes and associated costs and central records management.

| Internal Service Fund | | FY 2004-05 | FY 2005-06 | FY 2006-07 |
|---|---|---|---|---|
| Building Maintenance | General Fund | $ 747,230 | $ 817,670 | $ 769,050 |
| | All Other Funds | 715,540 | 585,060 | 537,540 |
| | Subtotal | 1,462,770 | 1,402,730 | 1,306,590 |
| Information Systems | General Fund | 888,860 | 838,320 | 867,120 |
| | All Other Funds | 995,250 | 742,070 | 787,350 |
| | Subtotal | 1,884,110 | 1,580,390 | 1,634,470 |
| Reprographics | General Fund | 296,480 | 331,480 | 339,460 |
| | All Other Funds | 281,530 | 224,070 | 229,180 |
| | Subtotal | 577,990 | 555,550 | 568,640 |
| Fleet Maintenance | General Fund | 900,100 | 1,122,940 | 1,130,100 |
| | All Other Funds | 1,898,730 | 2,209,430 | 2,223,500 |
| | Subtotal | 2,798,830 | 3,332,370 | 3,353,600 |
| Risk Management | General Fund | 1,592,430 | 2,231,120 | 2,357,070 |
| | All Other Funds | 1,805,530 | 1,877,010 | 1,946,250 |
| | Subtotal | 3,197,960 | 4,108,130 | 4,303,320 |
| Records Management | General Fund | 134,840 | 152,750 | 155,590 |
| | All Other Funds | 106,670 | 83,880 | 85,710 |
| | Subtotal | 241,510 | 236,630 | 241,300 |
| Communications | General Fund | 294,490 | 160,170 | 401,740 |
| | All Other Funds | 227,210 | 92,210 | 103,820 |
| | Subtotal | 521,700 | 252,380 | 505,560 |
| Health & Dental | General Fund | 4,894,460 | 6,099,330 | 6,655,890 |
| | All Other Funds | 4,480,680 | 5,409,810 | 5,895,160 |
| | Subtotal | 9,375,140 | 11,509,140 | 12,551,050 |
| GIS | General Fund | 326,950 | 368,100 | 380,750 |
| | All Other Funds | 258,410 | 252,840 | 259,250 |
| | Subtotal | 585,360 | 620,740 | 640,000 |
| Volunteer Services | General Fund | 52,860 | 58,860 | 62,640 |
| | All Other Funds | 35,910 | 27,220 | 28,890 |
| | Subtotal | 88,570 | 86,080 | 91,530 |

| Internal Service Fund | | FY 2004-05 | FY 2005-06 | FY 2006-07 |
|---|---|---|---|---|
| Employer Services | General Fund | 103,450 | 143,380 | 148,500 |
| | All Other Funds | 97,440 | 76,900 | 82,110 |
| | Subtotal | 200,890 | 220,280 | 230,610 |
| Legal Services | General Fund | 77,200 | 77,200 | 77,200 |
| | All Other Funds | 134,500 | 134,500 | 134,500 |
| | Subtotal | 211,700 | 211,700 | 211,700 |
| Payroll Taxes & Benefits | General Fund | 7,807,180 | 11,013,530 | 11,397,880 |
| | All Other Funds | 3,447,970 | 7,247,010 | 7,525,650 |
| | Subtotal | 11,255,150 | 18,260,540 | 18,923,530 |
| Totals | | 18,116,310 | 23,414,850 | 24,742,990 |
| | | 14,285,370 | 18,961,810 | 19,818,910 |
| | | $ 32,401,680 | $ 42,376,660 | $ 44,561,900 |

The following table outlines charges to other divisions for administrative/overhead charges.

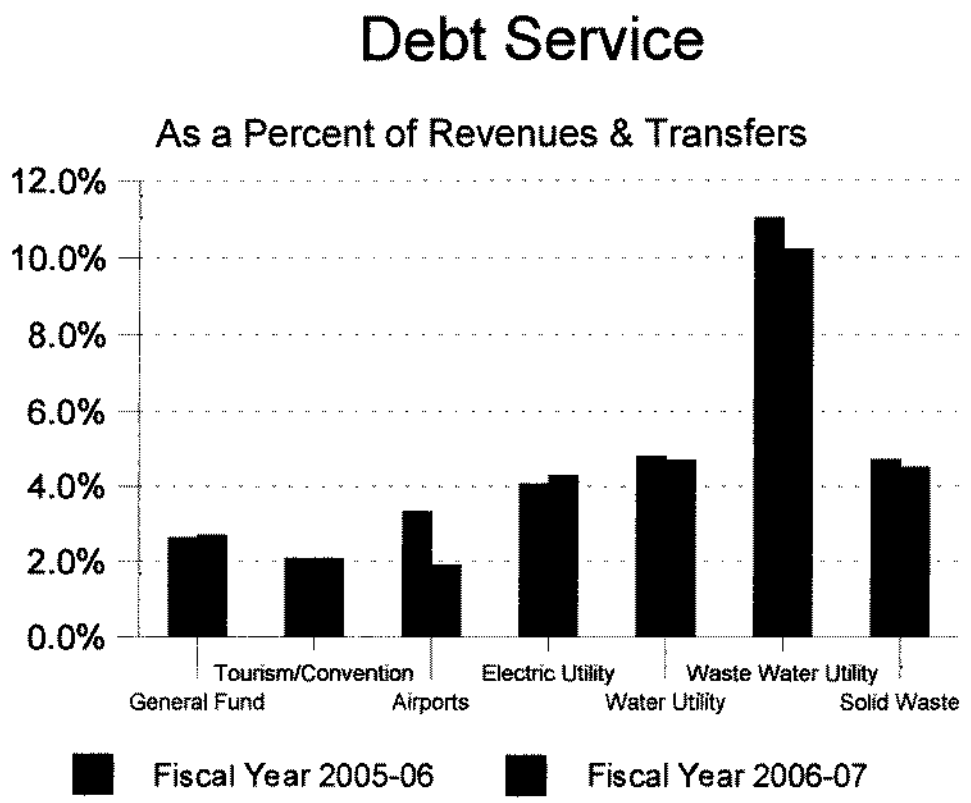
| Charging Department | | FY 2004-05 | FY 2005-06 | FY 2006-07 |
|---|---|---|---|---|
| Public Works Administration | General Fund | $ 171,340 | $ 135,000 | $ 128,230 |
| | All Other Funds | 457,750 | 806,410 | 827,880 |
| | Subtotal | 629,090 | 741,410 | 756,110 |
| Utility Customer Service | General Fund | 0 | 0 | 0 |
| | All Other Funds | 769,870 | 922,160 | 979,500 |
| | Subtotal | 769,870 | 922,160 | 979,500 |
| Utility Field Service | General Fund | 0 | 0 | 0 |
| | All Other Funds | 313,270 | 321,430 | 330,840 |
| | Subtotal | 313,270 | 321,430 | 330,840 |
| Totals | | 171,340 | 135,000 | 128,230 |
| | | 1,540,890 | 1,850,000 | 1,938,220 |
| | | $ 1,712,230 | $ 1,985,000 | $ 2,066,450 |

## BUDGET SUMMARY

## SUMMARY OF LONG TERM DEBT

The table on the following page provides a summary of all long term debt reported in the Annual Budget, listing General Obligation Debt, Revenue Bonds, Certificate of Participation, and Lease Purchase agreements. For each of these debt types, the table provides the balance as of June 30, 2005 and the principal payment that will be made in fiscal years 2005-06 and 2006-07 Long term debt for the City totals $190,623,740; none of which is subject to the City legal debt limit of $193,370,000.The remainder of the City's debt is being serviced by revenues primarily from enterprise funds and is not subject to the legal debt limit.

The graph below displays debt service as a percent of revenues and transfers in for the General Fund and the enterprise funds.



## SUMMARY OF LONG TERM DEBT AS OF JUNE 30, 2005

| | 6/30/05 Balance | FY 05-06 Principal Repayment | FY 06-07 Principal Repayment |
|---|---|---|---|
| **Revenue Bonds** | | | |
| **2003 Lease Revenue Bonds, Series A:** | | | |
| **Convention Center Capital Improvement** | 424,650 | 17,813 | 17,813 |
| **Airport Capital Improvements** | 669,606 | 28,088 | 28,088 |
| **1993 Solid Waste Revenue Bonds (Corporation Yard/Transfer Station/Benton Land Fill Cap)** | | | |
| **2003 Water Revenue Bonds, Series A** | 13,385,000 | 680,000 | 705,000 |
| **2002 Wastewater Revenue Bonds, Series A** | 21,175,000 | 1,245,000 | 1,265,000 |
| **2004 Lease Revenue Bonds, Series B** | | | |
| **Corporation Yard Refinancing** | 7,500,000 | 290,000 | 295,000 |
| **Sports Park Improvements** | 730,000 | 70,000 | 70,000 |
| **Fire Station #8** | 1,595,000 | 60,000 | 65,000 |
| **Transfer Station** | 6,650,000 | 620,000 | 640,000 |
| Total Revenue Bonds: | $ 52,129,256 | $ 3,010,901 | $ 3,085,901 |
| **Certificates of Participation** | | | |
| **2003 Electric System Revenue Certificates of Participation** | $ 98,915,000 | $ 4,055,000 | $ 4,205,000 |
| Total Certificates of Participation | $ 98,915,000 | $ 4,055,000 | $ 4,205,000 |

| | 6/30/05 Balance | FY 05-06 Principal Repayment | FY 06-07 Principal Repayment |
|---|---|---|---|
| **Other Long Term Debt** | | | |
| The following debt is serviced by the General Fund: | | | |
| **SHASCOM Facility** | 1,885,744 | 79,100 | 79,100 |
| **2003 Aquatic Center** | 3,055,000 | 65,000 | 65,000 |
| **2003 Sports Park** | 2,690,000 | 45,000 | 45,000 |
| **2004 Civic Center Refunding** | 9,460,000 | 290,000 | 345,000 |
| **2004 Park Projects** | 7,510,000 | 635,000 | 655,000 |
| **2001 California Loan - Street Lights** | 64,336 | 31,747 | 32,589 |
| **2001 California Loan - Police and Fire** | 86,991 | 13,426 | 14,181 |
| The following debt is served by the Convention/Visitor Fund: | | | |
| **Energy Retrofit** | 394,385 | 34,923 | 36,872 |
| The following debt is serviced by the Airport Fund: | | | |
| **1984 California Airport Loan –Municipal Airport** | 17,741 | 3,548 | 3,548 |
| **1986 California Airport Loan –Municipal Airport** | 8,074 | 1,346 | 1,346 |
| **1990 California Airport Loan –Benton Airpark** | 16,867 | 16,667 | 0 |
| **1990 California Airport Loan –Benton Airpark** | 18,667 | 9,333 | 9,334 |
| **1997 California Airport Loan –Benton Airpark** | 125,548 | 22,164 | 23,798 |
| **1998 California Airport Loan –Municipal Airport** | 51,594 | 7,252 | 7,828 |
| **1998 California Airport Loan - Municipal Airport** | 56,687 | 6,494 | 7,055 |
| The following debt is serviced by the Wastewater Utility Fund: | | | |
| **2001 California Wastewater Loan** | 14,138,050 | 625,922 | 642,196 |
| **Total Other Long Term Debt** | $ 39,579,484 | $ 1,886,922 | $ 1,967,825 |

## SUMMARY OF CAPITAL PROJECTS

The following table lists the capital projects that have been proposed for the fiscal years 2005-06 and 2006-07 biennial budget. All capital projects are included in the long range financial plans for each fund. This is important to ensure that each fund will stay solvent and to ensure that on-going costs related to capital projects can be maintained (i.e. operating expenses and personnel costs).

### IMPACT OF CAPITAL PROJECTS ON OPERATIONS

All on-going costs related to capital projects have been included in the long range financial plans for each fund. The following table includes a reference column that relates to the on-going costs of the project. The comments below relate to the reference column on the following pages.

1. On-going cost of project is minimal and will be absorbed into the division's operating budget.
2. The library is a County project, however the City has currently committed to an additional $250,000 annually to assist in the new library's operating costs.
3. These are remodel or improvement project to existing City assets and the operating cost are included in the existing budget.
4. This project is related to capacity growth and the additional operating cost will be covered by the increase in fees from capacity. It is currently estimated that additional operating cost will be about $150,000.
5. This project is related to capacity growth and the additional operating cost will be covered by the increase in fees from capacity. It is currently estimated that additional operating cost will be between $100,000 and $150,000.
6. This project is related to capacity growth and the additional operating cost will be covered by the increase in fees from capacity. It is currently estimated that additional operating cost will be approximately $150,000.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

## SUMMARY OF CAPITAL OUTLAY PROJECTS

| | Adopted 2005-2006 | Adopted 2006-2007 | Cost of Operations See Page 45 |
|---|---|---|---|
| GENERAL FUND | | | |
| Public Art | $ 25,000 | $ 25,000 | ① |
| Land Development | 60,000 | - | ① |
| Library | 200,000 | - | ② |
| Traffic Signal Upgrade | 100,000 | 100,000 | ① |
| Overlay Projets - Recurring | 2,100,000 | 1,374,800 | ③ |
| Sidewalk Repair Program | 200,000 | - | ③ |
| Minor Downtown Mall Projects | 15,000 | 15,000 | ① |
| Total General Fund | 2,700,000 | 1,514,800 | |
| TRAFFIC IMPACT FEE FUND | | | |
| Administration | 38,000 | 38,100 | ① |
| T/S Hilltop @ Saint Thomas | - | 250,000 | ① |
| Shasta View/Hartnell Signal | 40,000 | - | ① |
| Traffic Signal | 150,000 | 500,000 | ① |
| Quartz Widen Snow/Keswick | 800,000 | - | ① |
| Hartnell Widen Victor/Shasta | - | 244,650 | ① |
| T/S Hwy 273 at Westwood | 250,000 | - | ① |
| Shasta View Collyer to Oasis | 500,000 | - | ① |
| Caterpillar Widen 273 - George | - | 348,000 | ① |
| Hilltop Widen Overpass @ 44 | 200,000 | 1,575,000 | ① |
| South Bonnyview | - | 1,623,100 | ① |
| Total Special Development Fund | 1,978,000 | 4,578,850 | |
| MUNICIPAL AIRPORT FUND | | | |
| Purchase land s/sw of Airport | 250,000 | - | ① |
| Terminal Remodel | - | 400,000 | ③ |
| Rehab Taxiway A & B | - | 150,000 | ③ |
| Roof Replacement | 71,200 | 73,800 | ③ |
| Runway safety area | 200,000 | 1,500,000 | ① |
| Security Fencing | 75,000 | - | ① |
| Drainage Enhancements | 25,000 | - | ① |
| Total Municipal Airport Fund | 621,200 | 2,123,800 | |

## SUMMARY OF CAPITAL OUTLAY PROJECTS

| | Adopted 2005-2006 | Adopted 2006-2007 | Cost of Operations See Page 45 |
|---|---|---|---|
| ELECTIC UTILITY FUND | | | |
| Canby Road 115/12KV Substation Expansion | 1,300,000 | 1,000,000 | |
| Buckeye Micro Turbine | - | 600,000 | ① |
| Stillwater Bus. Pk 115/12KV Transmsn Line | 1,300,000 | 3,500,000 | ① |
| Acq PG&E Distrib Facilities | 630,000 | - | ① |
| Land and Land Rights | 11,600 | 11,600 | ① |
| Station Equipment & Controls | 45,600 | 45,600 | ① |
| Poles - Towers - Fixtures | 526,300 | 526,300 | ① |
| Overhead Conductors & Devices | 594,900 | 594,900 | ① |
| Overhead Services | 100,300 | 100,300 | ① |
| Underground Conduits | 69,100 | 69,100 | ① |
| Underground Conduct & Devices | 1,353,900 | 1,429,000 | ① |
| Underground Services | 113,200 | 113,200 | ① |
| Underground Conversion of Overhead Lines | 500,000 | 500,000 | ③ |
| Transformers | 812,500 | 862,500 | ① |
| Meters | 184,200 | 184,200 | ① |
| Street Lighting | 72,300 | 72,300 | ① |
| Interconnections | 142,100 | 142,100 | ① |
| New Extensions | 142,100 | 142,100 | ① |
| Renewal/Energy Management Projects | 40,000 | - | ① |
| Communications Upgrade | 62,290 | 72,060 | ① |
| Unit 2 SCR Modification | - | 544,000 | ① |
| Acq PG&E Distrib Facilities | 630,000 | 120,000 | ① |
| Remodel Office Building Space | 37,010 | - | |
| Total Electric Utility Fund | 8,667,400 | 10,629,260 | |

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

SUMMARY OF CAPITAL OUTLAY PROJECTS

| | Adopted 2005-2006 | Adopted 2006-2007 | Cost of Operations See Page 45 |
|---|---|---|---|
| WATER UTILITY FUND | | | |
| Structure & Improvements | 5,460 | 5,630 | ① |
| Pumping Equipment | 73,500 | 5,630 | ① |
| Transmission & Distribution Mains | 145,810 | 150,180 | ① |
| Services | 22,400 | 23,100 | ① |
| Meters | 38,250 | 39,400 | ① |
| Hydrants | 15,840 | 16,320 | ① |
| Buckeye Hydrants | 5,000 | 5,000 | ① |
| Minor Extensions & Overs | 98,150 | 101,100 | ① |
| 30" Water Trans Main Keswisk Quartz/Lake | 1,684,000 | - | ① |
| Highway 44 12" Wtr Main Arb to Continental | 100,000 | 400,000 | ① |
| Upgrade Electric Controls | 42,210 | 43,500 | ① |
| Enterprise Wells #14, #15 & #16 | 964,800 | 859,900 | ① |
| Shasta View Dr Trans Main- South of Rancho | 277,100 | 936,110 | ① |
| Replace Undersized Service Mains | 391,230 | 404,920 | ③ |
| Replace Primary Water Mains | 270,000 | 279,000 | ③ |
| Replacement of Water Mains - City Staff | 136,590 | 140,690 | ③ |
| Replace P.B. Services Throughout City | 386,650 | 398,250 | ③ |
| Stillwater Industrial Park Project | 1,640,180 | - | ① |
| Fish Screens | 250,000 | - | ① |
| Clear Creek Road 12-Inch Water Line | 500,000 | - | ① |
| Foothill Water Plant Expansion or Improvmt | 440,520 | - | ① |
| Knighten Road Water Line | - | 500,000 | ① |
| 12" Wtr Main So. Bonneyview - Riverside Dr | - | 241,000 | ① |
| Buckeye Water Plant | 1,071,000 | 4,500,000 | ④ |
| Reservoir Replacement - Water Utility | 1,768,800 | - | ① |
| Buckeye Reservoir | 277,000 | - | ① |
| Buckeye Project | - | 293,000 | ① |
| Total Water Utility Fund | 10,604,490 | 9,342,730 | |

## SUMMARY OF CAPITAL OUTLAY PROJECTS

| | Adopted 2005-2006 | Adopted 2006-2007 | Cost of Operations See Page 45 |
|---|---|---|---|
| WASTEWATER UTILITY FUND | | | |
| Structure & Improvements | 38,000 | 57,000 | ① |
| Minor Extensions & Overs | 220,000 | 200,000 | ① |
| Inflow/Infiltration | 275,000 | 531,100 | ① |
| Lift Station Improvement | 100,000 | 400,000 | ① |
| Westide Phase 1 Interceptor | - | 440,000 | ① |
| Mary Street Sewer | 1,469,560 | 5,951,230 | ① |
| Highway 44 Wastewater Undercrossing | 250,000 | 750,000 | ① |
| Boulder Creek Interceptor | 213,140 | 240,400 | ⑥ |
| Force Main for the North Redding Lift St. | 134,000 | 139,390 | ① |
| Stillwater Interceptor | - | 3,158,400 | ① |
| Capital Improvement | 500,000 | - | ① |
| Structure & Improvements | 686,820 | 481,910 | ① |
| Land and Land Rights | 200,000 | - | ① |
| Clear Creek Plant Expansion | 150,000 | 3,696,120 | ⑤ |
| Stillwater Design | 1,266,490 | 995,860 | ⑥ |
| Total Wastewater Utility Fund | 5,503,010 | 17,041,410 | |
| STORM DRAIN UTILITY FUND | | | |
| Minor Storm Drain Projects | 337,800 | 347,900 | ① |
| Master Plan Update | 250,000 | - | ① |
| Storm Drain Detention Ponds | 200,000 | - | ① |
| Total Storm Drain Utility Fund | 787,800 | 347,900 | |
| SOLID WASTE COLLECTION AND DISPOSAL | | | |
| Investment Plan | 400,000 | 134,060 | ① |
| Litter Abatement Projects | 80,640 | 81,410 | ① |
| Community Special Events | 4,720 | 4,840 | ① |
| Total Solid Waste Collection & Disposal | 485,360 | 220,310 | |
| COMMUNICATIONS | | | |
| Refurbish Hill 900 Communication Tower | 2,243,390 | 250,000 | ③ |
| Total Communications | 2,243,390 | 250,000 | |

## SUMMARY OF CAPITAL OUTLAY PROJECTS

| | Adopted 2005-2006 | Adopted 2006-2007 | Cost of Operations See Page 45 |
|---|---|---|---|
| REDDING REDEVELOPMENT AGENCY * | | | |
| Expand River Trails | - | 400,000 | ① |
| Preliminary Engineering | 15,000 | 150,000 | ① |
| North Market Streetscape | 300,000 | - | ① |
| Churn Creek Road Realignment | 2,308,500 | - | ① |
| Hilltop Drive Improvements | - | 2,000,000 | ① |
| Cypress Bridge widening | - | 3,000,000 | ③ |
| California/Placer Renovation | 510,000 | - | ① |
| Preliminary Engineering | 15,000 | 150,000 | ① |
| Library | 200,000 | - | ② |
| Entry features | 100,000 | - | ① |
| Court St./Schley Realignment | 50,000 | - | ③ |
| Downtown Plan/Improvements | 230,000 | - | ① |
| Fire Station #7 | 500,000 | - | ④ |
| Airport/Fountain Project | 50,000 | - | ① |
| Fig Tree/Airport Rd. Traffic Signal | 350,000 | - | ① |
| Water Line Improvements | 50,000 | 50,000 | ① |
| Sidewalk Improvements | 50,000 | - | ① |
| Total Redding Redevelopment Agency | 4,728,500 | 5,750,000 | |
| REDDING AREA BUS AUTHORITY * | | | |
| Overall Work Program | 106,800 | 70,000 | ① |
| CIP Vehicle Replacement | 197,150 | - | ① |
| RABA | 34,000 | 35,000 | ① |
| Radio Communication Equipment | 200,000 | - | ① |
| Passenger Loading Improvements | 28,000 | 29,000 | ① |
| Total Redding Area Bus Authority | 565,950 | 134,000 | |
| Total | $ 38,319,150.0000 | $ 51,799,060.0000 | |

* This provided for informational purposes only. They are quasi-autonomous agencies with their own governing bodies.

# HISTORY AND LOCALE OF THE CITY OF REDDING

## Geography

The City of Redding is located in Shasta County at the northern tip of California's fertile Sacramento Valley. Surrounded by majestic mountains on three sides, the City offers spectacular scenery and an abundance of recreational opportunities. The Sacramento River, which winds it way through the center of Redding, also adds to the unique beauty of the City. Shasta Lake, 11 miles to the north, is the region's most impressive body of water with a shoreline of over 365 miles. It was created 60 years ago by the construction of Shasta Dam, a 602 foot structure that hamesses three rivers. The natural beauty of the area helps to attract many tourists to Redding.

## Early History

The City of Redding, now 118 years old, was incorporated in 1887. The first settlers were trappers who arrived in the early 1800's. Among the first permanent residents of Redding was Pierson B. Reading. His subsequent discovery of gold in the late 1840's brought a flood of miners to the hills that surround where Redding is today.

After the mining boom ended, the construction of Shasta Dam in the late 1930's and early 1940's brought a new wave of immigrants to the area. As a result, Redding's population more that doubled in the ten years between 1930 and 1940. The construction projects also brought economic prosperity to the area. Following World War II, wood products, agriculture, and tourism became Redding's primary industries. Today, these industries continue to dominate the local economy.

## Government and Services

Redding is governed and served by five elected members of a City Council. A City Mayor is chosen from among the Council members. The City is administered by an appointed professional City Manager.

The City of Redding provides a variety of services for residents including water, storm drainage, waste water and solid waste disposal, electricity, police and fire protection, and recreation programs. The City also operates two airports, a municipal bus service, and a convention center.

## LOCAL ECONOMY

The growth and health of an area's economy can be determined by monitoring a wide variety of indicators. Listed below are some of these indicators in the Redding area:

Population Characteristics - The City was one of the fastest growing cities in California between 1970 and 1990, growing to 66,462 residents in 1990 from 16,659 in 1970. The City's population of 87,280 has increased 5.8% over the 2000 U.S. Census tabulation. The City's population represents approximately 50% of Shasta County's population. The following table indicates population growth for the City and Shasta County from 1970 to 2004:

| | City of Redding | | Shasta County | |
|---|---|---|---|---|
| Year | Population | Annualized Percent Change Over Interval | Population | Annalized Percent Change Over Population |
| 1970 | 16,659 | 3.04% | 77,640 | 9.67% |
| 1980 | 41,995 | 15.21% | 119,449 | 5.38% |
| 1990 | 66,432 | 5.83% | 147,036 | 2.31% |
| 2000 | 80,865 | 2.17% | 163,256 | 1.10% |
| 2001 | 82,543 | 2.08% | 165,669 | 1.48% |
| 2002 | 84,560 | 2.44% | 169,300 | 2.19% |
| 2003 | 85,703 | 1.35% | 172,000 | 1.59% |
| 2004 | 87,280 | 1.84% | 175,705 | 2.15% |

Source: 1970-2000 data from U.S. Census 2001-04 data from the California State Department of Finance as of Janyary 1.

The following table sets forth a projection of the City's population growth over the next 10 years, a projected growth for the community of approximately 15,450 representing an increase of approximately 18.3%:

| Year | Population (Rounded) |
|---|---|
| 2004 | 87,500 |
| 2009 | 96,400 |
| 2014 | 102,500 |

Source: Economic Sciences Corp

The Redding area is expected to maintain approximately 50% or more of the total Shasta County population because of a variety of factors that will support urban development, including utilities (wastewater, storm drainage, water, electric, and solid waste), employment, regional shopping, recreation opportunities, transportation services, and reduced commuting.

**Housing Costs** - Housing in the City is less costly than in many other urban areas in the State of California and on the West Coast. The following table sets forth the median price of housing in other urban areas of California as compared to Redding as of June 2004:

| Region | Single Family Homes |
|---|---|
| Redding | $239,000 |
| Sacramento | $321,010 |
| Los Angeles County | $445,140 |
| Orange County | $657,930 |
| San Francisco | $655,990 |

Source: California Association of Realtors & Shasta County Board of Realtors

**Industrial Development Cost and Lease Rates** - Industrial land costs vary with the degree of available infrastructure and proximity to other related and supportive industries. A prime site is one that has readily available utilities (gas, water, wastewater, and electric) and has access to transportation systems, including a major freeway system, trucking, railway, and an airport. Following are comparative amounts for the 2002 cost per square foot for a fully improved five-acre parcel of industrial land, including all bonds and assessments:

| Region | Average Prime |
|---|---|
| Redding | $2.50 - 3.50 |
| Chico | 3.25 |
| Sacramento | 4.50 - 6.00 |
| San Jose | 15.00 - 20.00 |

Source: Coldwell Banker Commercial Properties

The monthly lease rate for industrial buildings varies with location, infrastructure, type, and square footage of the building. The following table compares monthly 2004 lease rates from several areas for a metal fabricated building of 10,000 square feet containing a small office and facilities, roll-up doors, and paved parking:

| Region | Gross Basis |
|---|---|
| Sacramento | $0.38 - $0.50 |
| Redding | $0.45 |
| Chico | $0.40 - $0.45 |
| San Jose | $0.90 |

Source: Coldwell Banker Commercial Properties

**Industry and Employment** - Extracting timber and the processing of wood by-products, together with agriculture, tourism, and government, have historically been the major sectors of employment in the City. Over the last decade, the City's economic base has diversified to a regional service economy supported by retail and wholesale trade plus educational, recreational, medical, and government services for an area covering several counties.

The major non-local government employers in the City and the County include those in medical services, heavy forest products, and retail services. Major private employers in the Redding area, their products or services, and the approximate number of their respective full time employees as of June 2002 are listed in the following table:

City of Redding/Shasta County Major Non-governmental Employers as of June 2004

| Employer | Business | Number of Employees |
|---|---|---|
| Mercy Medical Center | Medical Facility | 1,562 |
| Holiday Markets | Grocery | 1,050 |
| Shasta Regional Medical Center | Medical Facility | 850 |
| Win River/Redding Rancheria | Casino/Health Clinic | 612 |
| Sierra Pacific Industries | Manufacturing | 690 |
| Blue Shield of California | Health Care Insurance | 600 |
| Shasta Nursery | Plants | 600 |
| J & A Foods | Food Service/Restaurants | 600 |
| Wal Mart | Retail | 456 |

Source: Greater Redding Chamber of Commerce

According to the State Employment Development Department, the unemployment rate of the City's metropolitan area was 7.9% on June 30, 2004. The following table sets forth the number and rate (expressed as a percentage) of unemployed persons living within the City's metropolitan area for the month of June 1997 through June 2004:

| Fiscal Year Ending June 30 | Labor Force | Unemployment Number | Rate |
|---|---|---|---|
| 1995 | 73,800 | 8,300 | 11.3% |
| 1996 | 72,500 | 6,800 | 9.4% |
| 1997 | 74,100 | 6,500 | 8.8% |
| 1998 | 72,900 | 6,600 | 9.1% |
| 1999 | 73,500 | 5,100 | 6.9% |
| 2000 | 76,200 | 5,100 | 6.7% |
| 2001 | 75,500 | 4,600 | 6.7% |
| 2002 | 77,500 | 5,400 | 7.0% |
| 2003 | 81,800 | 6,200 | 7.6% |
| 2004 | 84,200 | 6,700 | 7.9% |

Source: State Department of Employment

**Construction Activity** - For the past ten calendar years ending December 2003, the City issued building permits valued at a total of $1,165,787,187. New construction over the ten-year period represents 75% of the total construction activity. For the 2003 calendar year 4,242 building permits were issued, with a total permit valuation of $183,513,594. The City of Redding is experiencing moderate growth at this time. Current trends indicate that the City of Redding will continue to grow at a moderate growth rate in the years to come.

The following table sets forth the value and number of permits for new single and multiple family dwellings and businesses located in the City for the last three calendar years:

| | 2001 | 2002 | 2003 |
|---|---|---|---|
| Value Single Family* | $79,087,448 | $98,289,276 | $85,405,901 |
| Number of Permits | 506 | 587 | 471 |
| Value Multi-dwellings | $ 415,756 | $6,451,892 | $7,852,015 |
| Number of Permits | 2 | 24 | 7 |
| Number of Units | 6 | 97 | 129 |
| Value Business | $31,697,413 | $34,446,221 | $25,138,672 |
| Number of Permits | 74 | 45 | 74 |
| Value Total all Permits | $136,689,172 | $178,620,374 | $183,513,594 |
| Total permits ** | 3349 | 3840 | 4242 |

* Value of new Construction only
** Does not include number of units for multi-dwellings
Source: COR Development Services Dept.

**Commerce** - The City is a regional center of commerce for several Northern California counties. This is evidence by its many shopping centers and malls. Support for retail sales is derived from a retail trade area population of approximately 176,000 in the primary trade area and approximately 246,000 people in the secondary trade area. The primary trade area consists of the metropolitan urban area, including the cities of Redding, Shasta Lake, and Anderson. The secondary trade area consists of Shasta, Trinity, and Tehama counties. Taxable transactions in the City reached $1,748,793,000 in calendar year 2003, a 5.9% increase over the same period for 2002. The number of outlets reporting taxable sales to the California State Board of Equalization remained fairly constant, from 2,900 in 1997 to 3,061 in 2003 as follows:

| Year | Number of Outlets | Taxable Transactions (In Thousands) | Taxable Transactions Percentage Increase (Decrease) |
|---|---|---|---|
| 1997 | 2,900 | 1,165,153 | 4.2 |
| 1998 | 2,884 | 1,198,000 | 2.8 |
| 1999 | 2,836 | 1,327,370 | 10.8 |
| 2000 | 2,863 | 1,453,052 | 9.5 |
| 2001 | 2,906 | 1,561,842 | 7.5 |
| 2002 | 2,984 | 1,652,064 | 5.8 |
| 2003 | 3,061 | 1,748,793 | 5.9 |

Source: California State Board of Equalization

**Transportation** - The City enjoys a strategic location on U.S. Interstate Highway 5, the principal transportation artery running north-south from Mexico to Canada. The City is also bisected by State Highway 299 and State Route 44, key east-west transportation arteries in Northern California.

The City is served by the Union Pacific Railroad and Amtrak for rail transportation. Greyhound serves the City with bus service. United Express Airlines and Horizon Air provide air service from Redding Municipal Airport to cities throughout California and the Pacific Northwest.

"THE RIDE" is the City's multi-bus transportation system and offers thirteen different fixed routes, rural service and demand response (curb-to-curb) services. THE RIDE had an average total monthly ridership of more than 60,000 for fiscal year 2003-04.

**Utilities** - Electricity, solid waste collection and disposal, water, storm drainage, and wastewater services are provided by enterprise operations owned and operated by the City. Natural gas is provided by Pacific Gas and Electric Company (PG&E); basic telephone service by SBC.

**Community Services** - Youth in the area attend school at one of 24 elementary schools, 8 middle schools, and 8 high schools. Shasta College, a two-year institution offers both day and evening courses to approximately 11,000 students. Simpson University, a four-year liberal arts institution, has current enrollment of approximately 1,200 students.

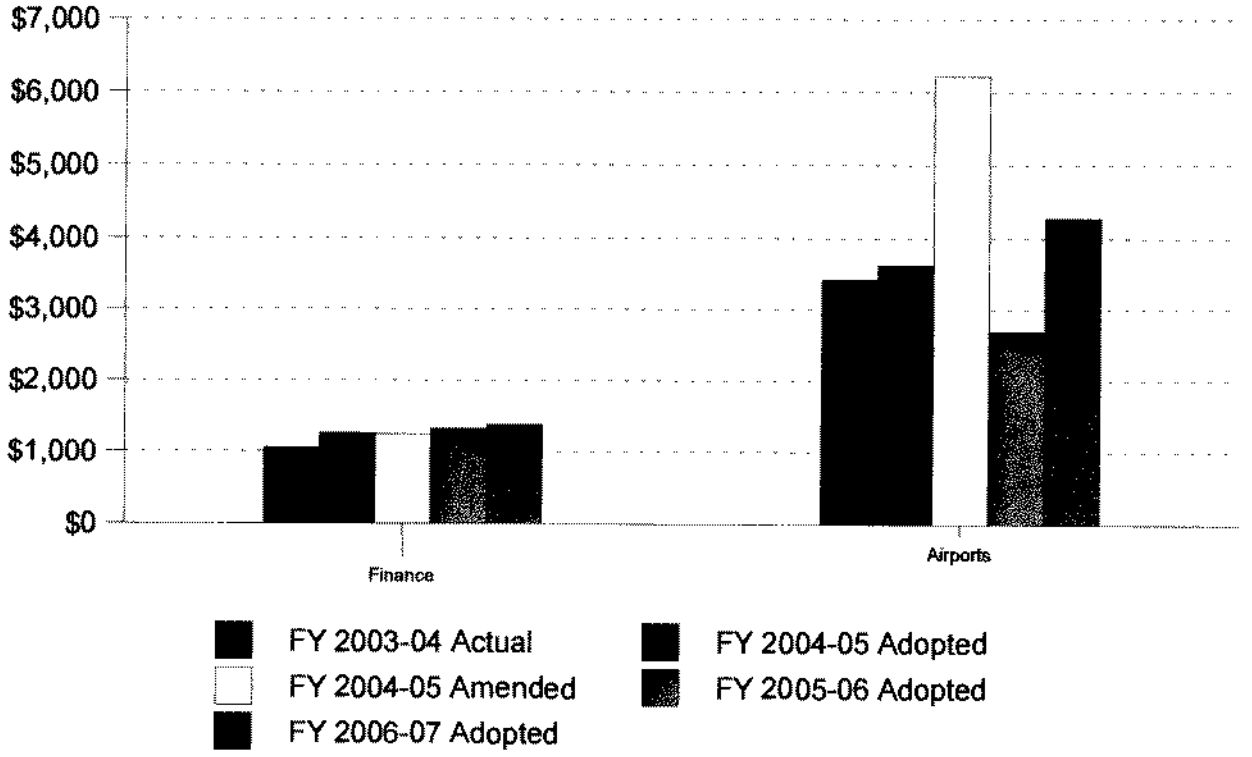
The City's parks system includes 63 developed parks, encompassing 406 acres. Included in this total acreage are 68 acres of natural area parks (improved open space), and 27 miles of trails. In addition, the City has 14 special purpose facilities, including the Redding Convention Center, which hosts cultural/performing arts programs, conferences, and conventions; the Redding Big League Dreams Sports Park (under construction); the Senior Citizens Center; 3 boat ramp facilities providing access to the Sacramento River; and various community centers and special event venues such as the Martin Luther King, Jr., Center, the Teen Center, and the Civic Center's Community Room.
The City serves as the primary medical center for Northern California. The City's two general care hospitals serve approximately 360,000 people in Shasta, Tehama, Trinity, Siskiyou, and Lassen counties. The two hospitals have a total of 542 beds and employ more than 2,400 staff members. In addition, the City also has several specialized hospitals.

# ADMINISTRATIVE SERVICES

# Administrative Services

## Expenditure Comparisons

(In Thousands)



## ADMINISTRATIVE SERVICES DEPARTMENT

### Overview

The Administrative Services Department's adopted budget for fiscal year 2005-06 totals $4,009,500, a decrease of $3,450,940 from the fiscal year 2004-05 amended budget (excluding carryovers). The decrease is due to a reduction in capital projects. The proposed budget for fiscal year 2006-07 totals $5,657,370, an increase of $1,647,870 from fiscal year 2005-06 proposed budget. This increase is primarily due to the increase in capital projects, which include roof repair and replacement at the airport, design and rehabilitation of taxiways "A" and "B", terminal building rehabilitation (design only) and runway safety area enhancements.

| Division | FY 2003-04 Actual | FY 2004/05 Adopted | FY 2004/05 Amended excluding carryovers | FY 2005/08 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Finance | $ 1,052,134 | $ 1,256,490 | $ 1,243,830 | $ 1,319,450 | $ 75,820 | $ 1,381,900 | $ 62,450 |
| General Fund subtotal | 1,052,134 | 1,256,490 | 1,243,830 | 1,319,450 | 75,820 | 1,381,900 | 62,450 |
| Municipsl | 3,225,789 | 3,276,500 | 5,763,520 | 2,223,920 | $ (3,539,600) | 2,626,270 | 402,350 |
| Benton | 197,105 | 354,610 | 453,090 | 466,130 | $ 13,040 | 1,649,200 | 1,183,070 |
| Airports subtotal | 3,422,894 | 3,631,110 | 6,218,610 | 2,690,050 | $ (3,526,560) | 4,275,470 | 1,585,420 |
| Total | $ 4,475,028 | $ 4,887,600 | $ 7,460,440 | $ 4,009,500 | $ (3,450,940) | $ 5,657,370 | $ 1,647,870 |

The following table displays how the Department's budget is broken down between major expenditure groups.

| Division | | Personnel | Materalls Supplies & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Finance | FY 2006-07 Adopted | $ 1,075,390 | $ 306,510 | $ - | $ - | $ 1,381,900 |
| | FY 2005-06 Adopted | $ 1,017,810 | $ 301,640 | $ - | $ - | $ 1,319,450 |
| | FY 2004-05 Amended | $ 948,710 | $ 295,120 | $ - | $ - | $ 1,243,830 |
| Municipsl Airport | FY 2006-07 Adopted | 707,320 | 1,088,350 | 823,800 | 206,800 | 2,826,270 |
| | FY 2005-06 Adopted | 680,160 | 1,050,820 | 321,200 | 171,940 | 2,223,920 |
| | FY 2004-05 Amended | 585,860 | 1,033,100 | 3,975,830 | 168,930 | 5,763,520 |
| Benton | FY 2006-07 Adopted | 44,600 | 65,120 | 1,500,000 | 39,480 | 1,649,200 |
| | FY 2005-06 Adopted | 44,600 | 64,000 | 300,000 | 57,530 | 466,130 |
| | FY 2004-05 Amended | 29,100 | 65,800 | 299,380 | 58,810 | 453,090 |
| Total | FY 2006-07 Adopted | $ 1,827,310 | $ 1,459,980 | $ 2,123,800 | $ 248,280 | $ 5,657,370 |
| | FY 2005-06 Adopted | $ 1,742,570 | $ 1,416,260 | $ 621,200 | $ 229,470 | $ 4,009,500 |
| | FY 2004-05 Amended | $ 1,563,670 | $ 1,394,020 | $ 4,275,010 | $ 227,740 | $ 7,460,440 |

## Personnel

The following table displays total personnel. No new positions are anticipated for the biennial budget 2005-07.

| Division | | FY 2003-04 Actual | FY 2004/05 Adopted | FY 2004/05 Amended | FY 2005/06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Finance | F/T | 15.00 | 15.00 | 15.00 | 14.00 | (1.00) | 14.00 | 0.00 |
| | P/T | 1.71 | 1.71 | 0.96 | 0.08 | (0.88) | 0.08 | 0.00 |
| | Total | 16.71 | 16.71 | 15.96 | 14.08 | (1.88) | 14.08 | 0.00 |
| Airports | F/T | 7.00 | 7.00 | 7.00 | 7.00 | 0.00 | 7.00 | 0.00 |
| | P/T | 1.92 | 1.92 | 2.19 | 2.19 | 0.00 | 2.19 | 0.00 |
| | Total | 8.92 | 8.92 | 9.19 | 9.19 | 0.00 | 9.19 | 0.00 |
| Totals | F/T | 22.00 | 22.00 | 22.00 | 21.00 | (1.00) | 21.00 | 0.00 |
| | P/T | 3.63 | 3.63 | 3.15 | 2.27 | (0.88) | 2.27 | 0.00 |
| | Total | 25.63 | 25.63 | 25.15 | 23.27 | (1.88) | 23.27 | 0.00 |

## Capital Outlay

### Finance

There are no significant capital improvements contemplated.

### Airport

In fiscal year 2005-06 the Airports Fund budget includes the following for capital outlay at Redding Municipal Airport: Environmental Assessment for Land Acquisition ($250,000); Roof Replacement ($71,200); Drainage Improvements - Phase II - Benton - ($25,000); Security Fencing - Phase III –

Benton - ($75,000); Runway 15/33 Overrun Design - Phase II and Environmental Assessment - ($200,000).

For fiscal year 2006-07 the Airports Fund includes the following for capital outlay: Design of Rehabilitation for Taxiways A & B - ($150,000); Roof Repairs ($73,800); Terminal Building Rehabilitation - Phase III Design Only - ($400,000); Construct Phase I Runway 15/33 Safety Area Enhancements at Benton Airpark - ($1,500,000).

## Significant Issues

### Finance

Staff levels have been reduced by 2.63 positions in this proposed budget, compared to the fiscal year 2004-05 adopted budget. One ¾ time position was transferred to Municipal Utilities and the rest were reduced by not filling open positions.

## Airport

The Redding Airport has enjoyed the enhancement of commercial air service with twice daily service to Los Angeles International Airport provided by Horizon Air. The service, in part, was made possible through the use of a $500,000 U.S. Department of Transportation Small Community Air Service Grant.

Other important issues include: over 200 acres being acquired for runway approach protection for the Redding Airport; Master Plans for each airport are in their final phases of completion and the Redding Airport entering into a management agreement for the paid parking lot which has resulted in additional revenue to the Airports Fund.

Airports Fund Financial Plan

| Airport Fund (in thousands) | FY 2005/06 | FY 2006-07 | FY 2007-08 | FY 2008-09 | FY 2009-10 |
|---|---|---|---|---|---|
| Beginning Cash | $ (108) | $ 15 | $ 5 | $ 103 | $ 233 |
| Revenue | 2,796 | 4,248 | 8,002 | 6,474 | 3,822 |
| Expenditures | 2,673 | 4,258 | 7,904 | 6,344 | $ 3,434 |
| Ending cash (non-dedicated) | 15 | 5 | 103 | 233 | 391 |
| Ending cash (dedicated PFC's) | $ - | $ - | $ - | $ - | $ 230 |

## Status of 2003-05 Goals and Objectives

### Finance Division

*Goal*

Provide relevant financial information to operating departments, the City Manager, the City Council, and the public in a timely fashion and in an understandable format.

*Accomplishments*

Assisted City Manager's Office in preparing a simplified City of Redding 2003-05 Biennial Budget. Worked with City Manager on preparing and presenting the City's two year budget. Developed process for mid-budget adjustments.

Received the "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the 2003-05 budget.

Completed the Comprehensive Annual Financial Report (CAFR) by December 31 of each year. The completed CAFR was accepted by City Council in January of each year. The CAFR for 2002-03 received the "Certificate of Achievement for Excellence in Financial Reporting" from the Government Finance Officers Association and we anticipate that the FYE CAFR for 2003-04 will also receive the "Certificate of Achievement for Excellence in Financial Reporting".

*Goal*

Process all accounting transactions in a timely and accurate manner.

*Accomplishments*

Processed over 95% of accounts payable checks within seven days of completed request.

Transmitted all biweekly payrolls by noon on Tuesday of the payroll week.

All information for processing monthly financial reports was provided to Information Systems by the 8th of each month. Monthly financial reports were distributed within one business day of receiving reports from Information Systems.

*Goal*

Implement new procedures and technologies to improve operational efficiency.

*Accomplishments*

Crossed trained several employees in various accounting areas.

Implemented new payroll procedures for processing SHASCOM bi-weekly payroll and processed SHASCOM bi-weekly payroll since October 1999. Completed monthly and annual payroll reporting for SHASCOM

Increased the number of successful grant applications by assisting departments with grant application and administration.

Improved procedures in various finance functions that helped improve operational efficiencies in the Finance Division. Improved use of computers to generated work papers for the audit.

Reorganized the Finance Division workload assignments resulting in more efficient operations within the Division.

**Airports Division**

*Goal*

To continue to develop and promote business at the City's Airports.

*Accomplishments*

Successfully enhanced air service with the addition of Horizon Air service to Los Angeles and the short lived addition of Allegiant Air to Las Vegas.

Promoted the lease/or sale of surplus property at both airports; sold 1 acre of Airport Business Park property; leased vacant facilities at Redding Municipal Airport.

Scheduled capital projects and carryover projects were all under construction or completed by June 30, 2005.

*Goal*

Improve the Division's financial position by lowering or eliminating the transfer from the General Fund.

*Accomplishments*

Recommended increases to the Schedule of Fees and Service Charges.

Promoted the lease/or sale of surplus property at both airports; sold 1 acre of Airport Business Park property; leased vacant facilities at Redding Municipal Airport.

**Performance Measures and Workload Indicators**

**Finance Division**

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Accounts Payable Transactions | 11,864 | 12,835 | 13,000 | 13,000 |
| Payroll Transactions | 24,493 | 28,000 | 28,000 | 28,000 |
| General Accounts Receivable | 9,762 | 10,900 | 121,400 | 12,100 |
| Audited Field Work Completed | 12/10/04 | 12/15/05 | 12/15/06 | 12/15/07 |
| Budget Presented to Council | - | 6/10/05 | - | 6/10/07 |

**Airports Division**

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Enplanements/Deplanements Totals | 110,461 | 126,632 | 130,431 | 134,344 |
| Aircraft Ops. Totals | 77,168 | 77,969 | 80,308 | 82,718 |
| Autos parked in public lot Totals | 83,381 | 86,978 | 91,500 | 93,333 |
| Acres of land leased | 704 | 711 | 719 | 721 |
| Acres of land sold | 8 | 2 | 2 | 2 |
| Aircraft (total) t-hangars/open/tie-down leases | 214 | 220 | 221 | 225 |
| Facilitiy and Ground Leases | 37 | 40 | 42 | 46 |
| Ground Lease amendments and renewals | 10 | 12 | 10 | 11 |

**2005-07 Goals and Objectives**

**Finance Division**

*Goal*

Provide relevant financial information to operating departments, the City Manager, the City Council, and the public in a timely fashion and in an understandable format.

*Objective*

1. Produce an understandable annual financial report that conforms to generally accepted accounting principles by December 31, of each year. Qualify for the "Certificate of Achievement for Excellence in Financial Reporting" from the Government Finance Officers Association.

2. Prepare to implement Governmental Accounting Standards Board Statement 45 "Accounting and Financial by Employers for Postemployment Benefits other than Pensions".

3. Produce a two-year budget document that is easy to read and understand for the City Council's consideration by June 30, 2005. The two-year budget will qualify for the "Distinguished Budget Presentation Award" from the Government Finance Officers Association and the "Excellence in Operational Budgeting Award" from the California Society of Municipal Finance Officers.

4. Produce monthly financial reports that are easy to read, understand and be assessable to department users.

*Goal*

Process all accounting transactions in a timely and accurate manner.

*Objectives*

1. Transmit the biweekly payroll by noon on Tuesday of payroll week.

2. Issue 95 percent of all accounts payable checks within seven days of completed request.

3. Have all information for processing monthly financial reports to Information Systems no later than the 8th of each month. Distribute monthly financial reports within one business day of receiving reports from Information Systems.

4. Insure staff is cross-trained to back up other staff members when necessary to avoid backlogs or delays.

5. Develop standard procedure manuals for various areas of responsibilities.

*Goal*

Implement new procedures and technologies to improve operational efficiency in the Finance Division.

*Objectives*

1. Improve organizational functions, assignments and procedures to help the Division be more efficient in processing information.

2. Improve computer use of preparing audit work papers.

*Goal*

Assist other departments with their financial needs.

*Objectives*

1. Meet with departments on an individual basis to inform them of grant opportunities.

2. Assist departments with grant application and administration to insure the City is successful in the grant application process.

3. Offer training course to other divisions on the available City financial information.

## Airports Division

*Goal*

To continue to develop and promote business at the City's Airports.

*Objectives*

Maintain existing level of air carrier service.

Promote enhanced airline service at Redding Municipal Airport.

Complete scheduled capital projects and carryover projects by June 30, 2006, and June 30, 2007, respectfully.

*Goal*

Improve the Division's financial position by lowering or eliminating the transfer from the General Fund.

*Objectives*

Review existing fee schedule and recommend appropriate modifications.

Promote the leasing and or selling of surplus property at both airports.

Closely monitor all expenditures.

## Unmet Needs

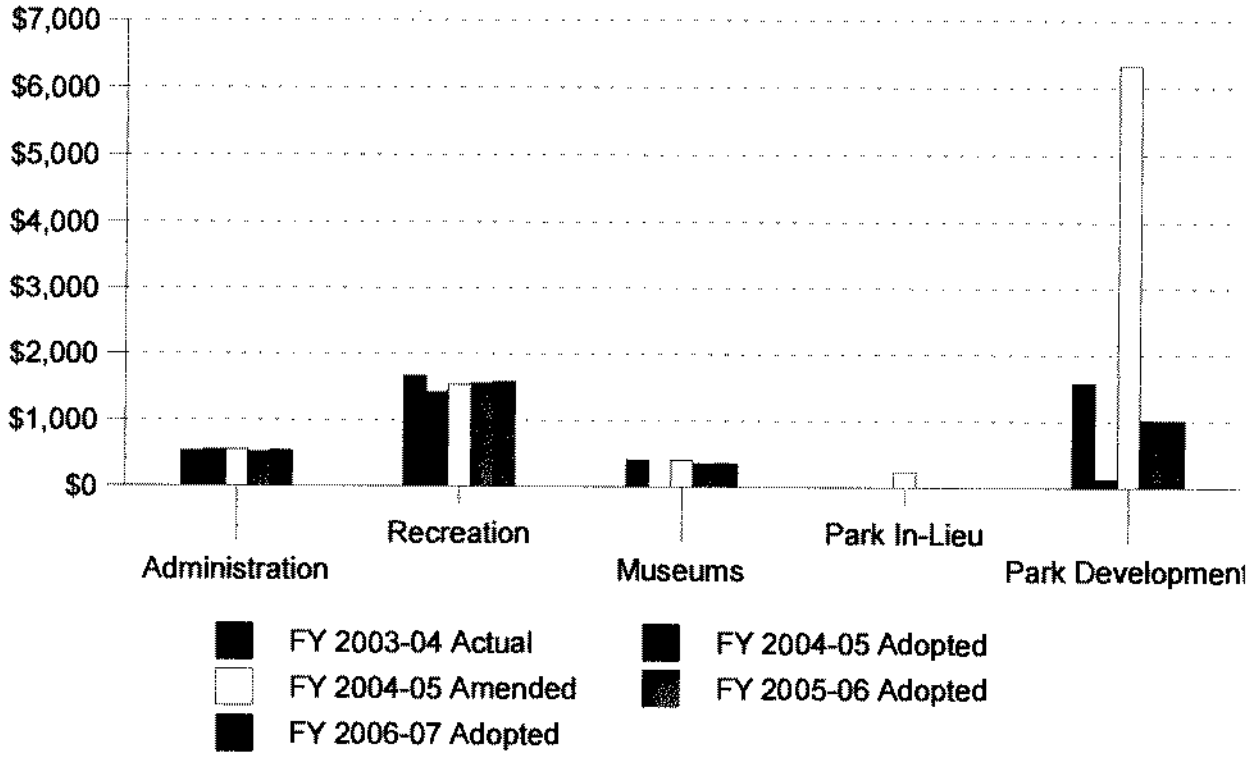
## Airports Division

| Description | Amount |
|---|---|
| Vehicle Replacement | $ 30,000 |
| New Tractor | 73,000 |
| Deferred maintenance on City owned buildings | 380,000 |
| Gravity feeder sewer hookup | 300,000 |
| Resurface pavement | 285,000 |
| Remove and replace external terminal building signage | 15,000 |
| Ehnance landscaping at both Airports | 240,000 |
| Drainage ditch improvments | 50,000 |
| Convert overhead utilities to underground within hangar area | 65,000 |
| Drainage improvement to retention pond | 30,000 |
| Resurfacing automobile parking lots at Benton Airpark | 200,000 |
| Total | $ 1,668,000 |

# Community Services

## Expenditure Comparisons

(In Thousands)



# COMMUNITY SERVICES DEPARTMENT

## Overview

The Community Services Department consists of the Administration Division, the Recreation Division and the Museum, which are General Fund Divisions; and the Park-In-Lieu and Park Development Divisions which are part of the Development Fund.

The Adopted budget for fiscal year 2005-06 totals $3,504,220, a decrease of $5,312,150 from the fiscal year 2004-05 amended budget. This decrease is primarily due to a reduction in capital projects budgeted and other budget reductions. The adopted budget for fiscal year 2006-07 totals $3,501,810, a decrease of $ 2,410 from the fiscal year 2005-06 Adopted budget.

| Division | FY 2003-04 Actual | FY 2004/05 Adopted | FY 2004/05 Amended excluding carryovers | FY 2005/06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Administration | $ 535,811 | $ 549,260 | $ 551,370 | $ 517,350 | $ (34,020) | $ 544,880 | $ 27,530 |
| Recreation | 1,667,841 | 1,415,040 | 1,536,720 | 1,563,080 | $ 26,360 | 1,581,740 | $ 18,660 |
| Museums | 404,956 | 54,550 | 404,550 | 405,480 | $ 930 | 355,930 | $ (49,550) |
| General Fund Subtotal | 2,608,608 | 1,968,850 | 2,492,640 | 2,485,910 | $ (6,730) | 2,482,550 | $ (3,360) |
| Park In-Lieu Fee Capital Projects | - | - | 237,500 | - | $ (237,500) | - | $ - |
| Park Development Fee Capital Projects | 1,575,878 | 132,600 | 6,086,230 | 1,018,310 | $ (5,067,920) | 1,019,260 | $ 950 |
| Special Revenue Fund Subtotal | 1,575,878 | 132,600 | 6,323,730 | 1,018,310 | (5,305,420) | 1,019,260 | 950 |
| Total | $ 4,184,486 | $ 2,101,450 | $ 8,816,370 | $ 3,504,220 | $ (5,312,150) | $ 3,501,810 | $ (2,410) |

The following table displays how the Department's budget is broken down between the major expenditure groups:

| Division | | Personnel | Materails Supplies & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Administration | FY 2006-07 Adopted | $ 462,530 | $ 82,350 | $ - | $ - | $ 544,880 |
| | FY 2005-06 Adopted | $ 436,590 | $ 80,760 | $ - | $ - | $ 517,350 |
| | FY 2004-05 Amended | $ 427,680 | $ 123,690 | $ - | $ - | $ 551,370 |
| Recreation | FY 2006-07 Adopted | 1,119,210 | 462,530 | - | - | 1,581,740 |
| | FY 2005-06 Adopted | 1,079,750 | 483,330 | - | - | 1,563,080 |
| | FY 2004-05 Amended | 964,840 | 574,410 | (2,530) | - | 1,536,720 |
| Museums | FY 2006-07 Adopted | 5,930 | 350,000 | - | - | 355,930 |
| | FY 2005-06 Adopted | 5,480 | 400,000 | - | - | 405,480 |
| | FY 2004-05 Amended | 4,550 | 400,000 | - | - | 404,550 |
| Park In-Lieu Fee Capital Projects | FY 2006-07 Adopted | - | - | - | - | - |
| | FY 2005-06 Adopted | - | - | - | - | - |
| | FY 2004-05 Amended | - | - | 237,500 | - | 237,500 |
| Park Development Fee Capital Projects | FY 2006-07 Adopted | - | - | - | 1,019,260 | 1,019,260 |
| | FY 2005-06 Adopted | - | - | - | 1,018,310 | 1,018,310 |
| | FY 2004-05 Amended | - | - | 5,953,630 | 132,600 | 6,086,230 |
| Total | FY 2006-07 Adopted | $ 1,587,670 | $ 894,880 | $ - | $ 1,019,260 | $ 3,501,810 |
| | FY 2005-06 Adopted | $ 1,521,820 | $ 964,090 | $ - | $ 1,018,310 | $ 3,504,220 |
| | FY 2004-05 Amended | $ 1,397,070 | $ 1,098,100 | $ 6,188,600 | $ 132,600 | $ 8,816,370 |

## Personnel

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Administration | F/T | 5.00 | 5.00 | 5.00 | 5.00 | 0.00 | 5.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Subtotal | 5.00 | 5.00 | 5.00 | 5.00 | 0.00 | 5.00 | 0.00 |
| Recreation | F/T | 6.00 | 5.00 | 5.00 | 5.00 | 0.00 | 5.00 | 0.00 |
| | P/T | 19.00 | 19.00 | 24.02 | 24.02 | 0.00 | 24.04 | 0.02 |
| | Subtotal | 25.00 | 24.00 | 29.02 | 29.02 | 0.00 | 29.04 | 0.02 |
| Museums | F/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Subtotal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | F/T | 11.00 | 10.00 | 10.00 | 10.00 | 0.00 | 10.00 | 0.00 |
| | P/T | 19.00 | 19.00 | 24.02 | 24.02 | 0.00 | 24.04 | 0.02 |
| | Total | 30.00 | 29.00 | 34.02 | 34.02 | 0.00 | 34.04 | 0.02 |

## Status of 2003-2005 *Goals and Objectives*

### Administration Division (641)

***Goal***
Adopt and begin implementing the Parks, Trails and Open Space Master Plan.

***Status/Accomplishments***
The Parks, Trails and Open Space Master Plan was adopted by City Council May 4, 2004 and Council-approved new Park In-Lieu and Park Development fees went into effect July 1, 2004 and January 1, 2005 respectively. Work has commenced on the implementation of the priority park projects as outlined in the Plan.

***Goal***
Expand our nationally recognized trails system.

***Status/Accomplishments***
Approximately 26.5 miles of new trails were added to the system since 2003, almost doubling the mileage for a total network of 58 miles. System enhancements completed over the last two years include the Parkview Riverfront Trail, extensions to the Westside Trail, linking the Mary Lake Trail to the Shasta Trinity Trail, the realignment and new trailhead for the Sacramento River Trail at the Lake Redding Boat Ramp, the link between the Turtle Bay Boat Ramp and the Sundial Bridge, and major trailhead enhancements at the Sundial Bridge. Projects anticipated to be completed before the end of Fiscal Year 2004-05 include the Palatine Trail and the link between the Mary Lake and Westside Trails. Significant mileage in dirt trails was added at the Clover Creek Preserve and the McConnell Churn Creek Trail System.

***Goal***
Rehabilitate the boat ramps at Turtle Bay/Convention Center and Lake Redding.

***Accomplishments***
Phase 1 of the Turtle Bay/Convention Center and Lake Redding boat ramp renovations was completed in September 2004. Phase 2 of both these projects is scheduled for completion in December 2005.

***Goal***
Coordinate and administer City's Art in Public Places Program.

***Status/Accomplishments***
The Art in Public Places Program features two mean visible components: the Art in City Hall gallery and the summer and Christmastime "TGIF – Entertainment!" series. The Art in Public Places Committee continues to provide input on various City projects and activities to incorporate a public art component.
The Art in City Hall gallery showings continued with Division staff coordinating the exhibition of works by over 36 individual artists or art groups and displaying them in various locations throughout the City Hall during Fiscal Year 2003-05. Each exhibit runs four months with six separate showings conducted over a two-year span. The exhibits are launched by an evening gala that attracts over 500 guests. In 2005, the exhibit brochures underwent their first major re-design in four years.

The popular Friday noontime "TGIF – Entertainment!" series runs an average of 10 weeks each summer and holds between 2-4 performances at Christmastime. These free hour-long events offer a wide variety of music and dance from various cultures, eras and styles.

***Goal***
Facilitate the Tiger Field rehabilitation.

***Status/Accomplishments***
The Tiger Field Improvement Committee identified the renovation priorities and set the installation of artificial turf and new field lighting as the two top tasks. Current project funding in inadequate to achieve these goals and the City has a grant application pending for the additional funds. Should the City receive this grant, construction will begin in late 2005. If not, new priorities will be established utilizing the existing funds.

***Goal***
Facilitate the opening and on-going operations of the Redding Sports Complex.

***Status/Accomplishments***
The Big League Dreams Sports Complex opened July 31, 2004, and was an immediate success with the community. Team participating was significantly greater than BLD's business plan estimates, and spectator attendance at games has been typically double the average experienced at other BLD parks. The Division helped coordinate the opening of the park and facilitated transition of existing teams and leagues to the new facility, and has provided oversight of the BLD operations on behalf of the City.

***Goal***
Assist with planning for the relocation of the Riverfront Playhouse to a downtown facility.

***Status/Accomplishments***
The Division assisted the Riverfront Playhouse executive board in finding and securing a downtown site.

***Goal***
Coordinate the remodeling of the Teen Center and Carter House.

***Status/Accomplishments***
Division staff provided funding, project management and oversight for the renovations of the Teen Center and Carter House that were completed in 2004. The projects were funded via grants from the Proposition 40 – State Park Bond 2002 and the Community Development Block Grant program, and with City Park Development funds. The City has signed lease agreements on these properties. Carter House has been leased to the North Valley Art League. The group was displaced from their previous location due to the construction of the library, and their presence returns an art gallery to Caldwell Park. The Teen Center has been leased to the Shasta County Office of Education for a morning preschool that focuses on the natural sciences, and arrangement that helped facilitate the construction of the Jump River Playground in Caldwell Park. The Teen Center also provides additional program space for the Recreation Division in evenings, weekends and summertime.

***Goal***
Coordinate the opening of the Sundial Bridge and facilitate its integration into the City's trail system.

***Status/Accomplishments***
The glass-decked Sundial Pedestrian Bridge designed by world-renowned architect Santiago Calatrava officially opened on July 4, 2004 with a "First Crossing" event that was part of the City's annual 4th of July Freedom Festival. The event garnered international media attention and attracted thousands of spectators. The Sundial Bridge is a key component in the City of Redding's nationally recognized Sacramento River Trail system and links all 300-acres of the Turtle Bay Exploration Park on both sides of the river. The Division is facilitating the construction of major trailhead improvements at the site both at the Redding Arboretum and as part of the Turtle Bay/Convention Center boat ramp improvements.

**Recreation (Division 620)**

***Goal***
Assist Big League Dreams with the transition of softball/baseball teams to the new Redding Sports Complex.

***Status/Accomplishments***
Division staff identified leagues in the community that were interested in moving their programs to the Redding Sports Complex and facilitated their transition. Due in part to these efforts, Big League Dreams greatly exceeded their league participation goals. Division established policies setting priorities for the usage for vacated City fields.

***Goal***
The currant joint use agreement with Enterprise School District for shared usage of the Parsons soccer and baseball fields will expire in 2005. A new agreement will need to be negotiated before that time.

***Status/Accomplishments***
Division staff determined that the City would need access to the Parson School soccer fields, but not the baseball diamonds due to sufficient City capacity. Staff secured a long-term joint use agreement for the soccer fields and allowed the baseball JUA to expire.

***Goal***
Prepare a relocation plan for current recreation classes that may be displaced with the demolition of the existing buildings as result of the construction of the new library.

***Status/Accomplishments***
Division staff established a demolition timeline and identified other sites best suited for each program activity. All affected classes and programs transitioned to alternate locations including the MLK Community Center, the Caldwell Recreation Center, and the Enterprise Recreation Room.

***Goal***
Pursue selling ads in the quarterly activity guide to offset printing and distribution costs.

***Status/Accomplishments***
The Record Searchlight will not allow third-party advertisements to appear in material they distribute and they have no interest in selling ads for this insert at this time. Moreover, if the Division contracts the Record Searchlight to sell the advertising for the activity guide, the Division has no control over what ads appear. Division staff is no longer actively pursuing this idea.

***Goal***
Pursue hosting an ASA National Softball Tournament in 2005 at the Sports Complex.

***Status/Accomplishments***
The Big League Dreams organization that operates the Sports Complex is affiliated with USSSA, a rival organization to ASA. Thus, the Division was informed that ASA has no interest at this time in hosting an event at our facility. Other suitable events are being pursued.

***Goal***
Expand our Grasshopper Sports programs for preschoolers.

***Status/Accomplishments***
The Division has held a number of special events to promote our program offerings, especially grasshopper programs. Flag football added in October 2004. Tiny Tots and ABC/123 received a $10,000 grant from First 5 Shasta to purchase additional educational materials that greatly enhanced these programs.

***Goal***
Expand our summer sport camp opportunities.

***Status/Accomplishments***
Camp Caldwell relocated to the Caldwell Recreation Center, greatly increasing the number of participants served. Camp Enterprise and Camp Shasta Lake experienced growth and program enhancement with field trips. All camps enjoyed regular junkets to the Redding Aquatic Center. Camp Kicking-It, a Caldwell Park summer camp geared for children aged 11-14, premiered in 2004 and will continue in an expanded form in 2005. The Division continues to investigate other appropriate camp opportunities.

***Goal***
Expand our youth volunteer program.

***Status/Accomplishments***
The Division developed and implemented a Volunteer Academy curriculum to provide participating youth tools and experience to become qualified Junior Volunteers and future Recreation Leaders.

***Goal***
Develop marketing material for the Caldwell Recreation Center.

***Status/Accomplishments***
Division staff have created and distributed promotional pamphlets providing facility amenities and photo examples of past events held there.

***Goal***
Complete a recreation program analysis for the Recreation Division.

***Status/Accomplishments***
This detailed program analysis was delayed to allow for the opening of the Redding Sports Complex to see how this facility affects Recreation programming. The analysis is now anticipated to be completed Fall 2005.

***Goal***
Replace an aging HVAC system at the Caldwell Recreation Center.

***Status/Accomplishments***
Due to the costs involved, the original unit was repaired instead of being replaced.

***Goal***
Provide quality water-recreation programs and events at the Redding Aquatic Center

***Status/Accomplishments***
The Redding Aquatic Center opened in May 2003 and has attracted over 95,000 customer visits for recreation swim, adult fitness programs and swim lessons in that two-year span. The facility has offered unique attractions such as monthly "float-in" movie nights and the annual "Spooky Lagoon" on Halloween. The aquatic center has also hosted number of major swim meets such as the Jr. Olympics and the Sierra-Nevada Sectionals in 2003, and the US Swimming Association Western Zone Championships in August 2004 which attracted 1,000 national and Olympic class swimmers and hundreds of other visitors to the community.

## Goals and Objectives for Fiscal Years 2005-2007

### Administration Division (641)

***Goal***
Continue the implementation of the Parks, Trails and Open Space Master Plan.

***Objectives***
- Create park designs and oversee construction of projects that are responsive to the community's needs.
- Seek partnership opportunities to expedite park, trail and open space development.
- Review new subdivisions for appropriate park development opportunities.

***Goal***
Continue the expansion of our nationally recognized trails system.

***Objectives***
- Continue working with our established partners on further additions and seek new partnerships with other organizations and property owners.
- Focus on improving trail connections and ensure quality, cost-effective construction.
- Complete construction of the Mary Lake/Westside Trail link and the Palatine Trail and begin construction of the Sulphur Creek / Old 99 Trail, the Gold Run Creek Trail and the Buenaventura Trail.

***Goal***
Coordinate and administer City's "Art in Public Places" Program.

***Objectives***
- Coordinate three exhibits annual involving both individual artists and artist groups, and host the opening night reception for each exhibit.
- Advise other City departments on public art opportunities.
- Develop and implement the "Art in Public Places" website.
- Coordinate the "December Entertainment" concerts at City Hall.

***Goal***
Complete Phase 2 of the Lake Redding and Turtle Bay/Convention Center boat ramps restoration.

***Objectives***
- Assure environmental clearances for the enhanced funding and scope of restoration.
- Oversee construction and ensure construction materials and methods will endure.
- Manage public awareness campaign before, during, and following construction.

***Goal***
Assist with the development of the Redding Soccer Park and secure an operating lease for the facility.

***Objectives***
- Provide advice and input into the design and development of the Redding Soccer Park to ensure this facility meets the needs of Recreation Division program users.
- Identify and secure a facility operator to maximize the City's investment and ensure appropriate and effective operation of this facility to the benefit of Redding residents.

***Goal***
Facilitate construction and development of the City Hall Sculpture Park.

***Objectives***
- Design the 3-acre Sculpture Park and ensure quality and cost-effective construction.
- Enhance the value of the Redding City Hall and support the goals of the Arts in Public Places program with the installation of this outdoor amenity.
- Provide a venue for traveling outdoor works to be shown in Redding.

***Goal***
Assist with the community-wide implementation of the Developmental Assets program.

***Objectives***
- Increase awareness in the community of the value and positive impact on Redding youth through establishment of the Developmental Assets program.
- Work with appropriate partner agencies to develop and implement the program.
- Liaise with various City Departments to determine opportunities to enhance existing programs and establish new programs to achieve the Developmental Asset goals.

***Goal***
Facilitate the Tiger Field rehabilitation.

***Objectives***
- Prioritize the various improvements most desired by facility users.
- Design and construct the desire improvements.

***Goal***
Facilitate the on-going operations of the Redding Sports Complex.

***Objectives***
- Administer the BLD contract on behalf of the City.

**Recreation (Division 620)**

***Goal***
Develop Joint-Use and Funding Agreements with various community partners to improve the City's access to non-City-owned recreation facilities.

***Objectives***
- Secure additional gym space, tennis court access and ball field improvements at various locations throughout the City to strengthen existing and develop additional recreation programs.
- Work effectively with partners such as Redding School District, Enterprise School District, Shasta Union High School District and East Redding Little League among others.
- Help meet the recreation facility objectives established in the Parks, Trails and Open Space Master Plan.

***Goal***
Assist with the design and renovation of Tiger Field.

***Objectives***
- Help prioritize the various improvements most desired by facility users.
- Assisting with the design and renovation of the facility to ensure improved playability and usefulness to the community.

***Goal***
Complete the renovation of the Caldwell Recreation Center restrooms.

***Objectives***
- Improve the usefulness of this public facility by providing modern, ADA-accessible restrooms.

- Provide quality and cost-effective project management to ensure the efficient use of City funds.

***Goal***
Assist with the development of and the transition of teams to the new Soccer Complex.

***Objectives***
- Identify appropriate leagues in the community who may be interested in moving their programs to the new soccer fields.
- Establish policies to ensure the most effective usage of the vacated City fields.

***Goal***
Apply for funding to upgrade the Martin Luther King Memorial Center lighting and HVAC system.

***Objectives***
- Develop the scope-of-work and identify potential funding sources for this project.
- Coordinate grant application efforts with City staff and appropriate agencies.
- Bid, award and manage this project
- Provide quality and cost-effective project management to ensure the efficient use of City funds.

***Goal***
Take a leadership role in promoting Developmental Assets in the workplace and throughout the community via our programs.

***Objectives***
- Introduce the Development Assets to Recreation staff and appropriate community leeders at specialized treining sessions.
- Integrete the realization end promotion of appropriate Developmental Assets into all youth activities.

***Goal***
Upgrade software and computer systems to improve the Division's customer service and staff's efficiency.

***Objectives***
- Work with Information Technology to identify most appropriate software and computer systems for maximum efficiency and staff compatibility.

***Goal***
Install a lendline telephone connection for the Enterprise Community Room.

***Objectives***
- Improve reliability in contacting with staff and increase staff sefety through a landline versus the current cell phone system.
- Develop the scope-of-work and identify potential funding sources for this project.
- Bid, award and manage this project.
- Provide quality and cost-effective project management to ensure the efficient use of City funds.

***Goal***
Continue with the implementation of various Redding Aquatic Center capital improvements

***Objectives***
- Increase the value of this community asset and ensure the Division is able to continue providing first-class programs that benefit the community

***Goal***
Complete a recreation program evaluation for the Recreation Division.

***Objectives***
- Evaluate all program and class offerings by age, type, location and cost.
- Examine for redundancy in program offerings with other organizations.
- Look for partnership opportunities to expand program offerings and reduce costs.

***Goal***
Coordinate the annual 3-on-3 Basketball Event

***Objectives***
- Research appropriate corporate sponsorships to better promote and ensure adequate funding for this program.
- Organize and oversee this effort to ensure a successful community event.

***Goal***
Coordinate the annual Freedom Festival (4th of July) Celebration

***Objectives***
- Work with various City and partner agencies to ensure a safe and successful community event.

***Goal***
Continue to provide oversight of Martin Luther King, Jr. Center and programs

***Objectives***
- Offer constructive and life-enriching programs for both youth and adults at this community center.
- Provide a safe haven for at-risk youth.

***Goal***
Coordinate and host the first-ever Caldwell Park Expo, the City's contribution to the "Week of the Young Child and Young at Heart" celebration

***Objectives***
- Spotlight the recent improvements and amenities added to Caldwell Park and promote the various youth program offerings of the Recreation Division.
- Work effectively in partnership with various City and other local organizations and agencies to promote healthy youth activities.

## Unmet Needs

### Recreation (Division 620)

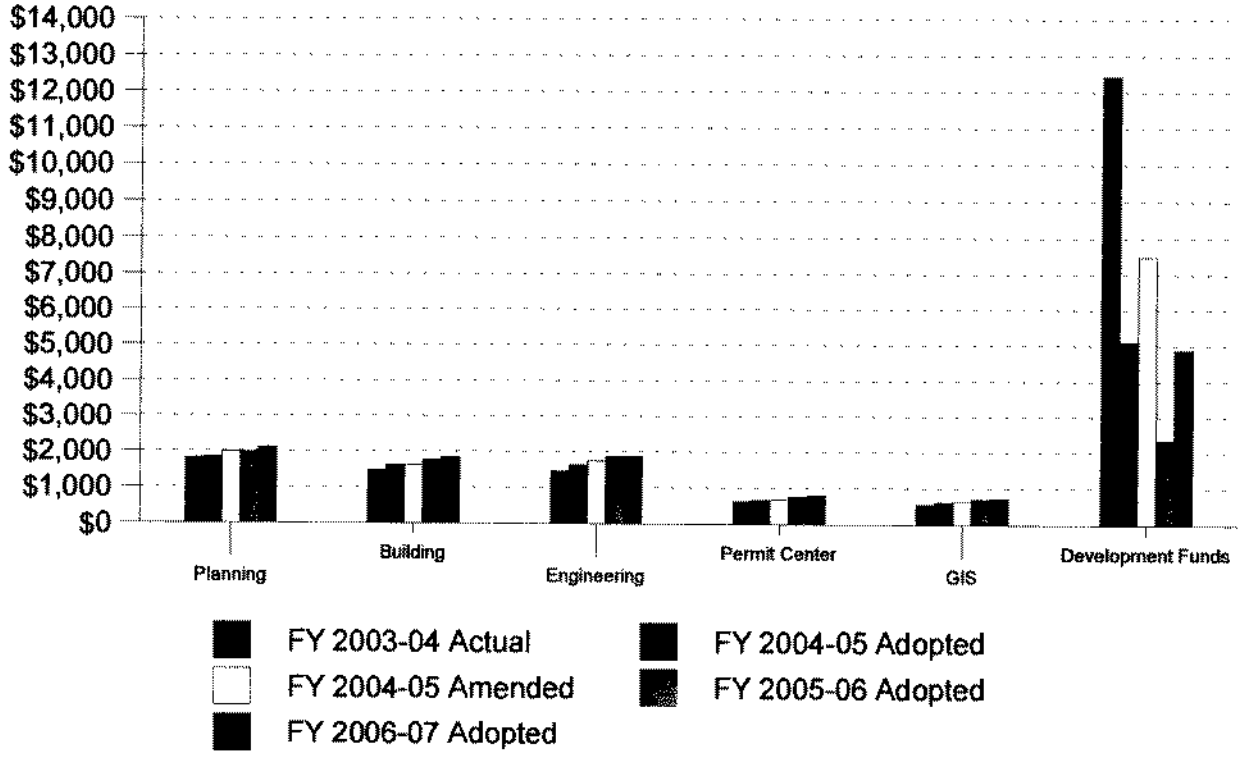
The Recreation Division has the following unmet needs in the coming budget cycle:

- Replacement/retrofitting of spectator bleachers at various city facilities, and
- Roof repairs to Tiger Hall and the Tiger Field Concession Building.

# Development Services

## Expenditure Comparisons

(In Thousands)



# DEVELOPMENT SERVICES DEPARTMENT

## OVERVIEW

The Development Services Department's adopted budget for Fiscal Year (FY) 2005-06, excluding Development Funds, totals $7,050,040, which is $399,290 above the FY 2004-05 amended budget of $6,650,750 (excluding carryovers). The increase is primarily related to increases in indirect personnel costs and interdepartmental costs. For FY 2006-07, the adopted budget, excluding Development Funds, totals $7,315,030, which is $264,990 over the adopted FY 2005-06 budget. The increase is primarily related to an increase in personnel and interdepartmental costs.

This year, the Department is also charged with the administration of several development related accounts utilized for transportation improvement(the Development Funds below). These funds are received from development fees, along with State and Federal grant programs. These accounts were previously contained within the Municipal Utilities budget.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carryovers | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Planning | 1,814,751 | 1,831,360 | 1,988,050 | 1,975,540 | (12,510) | 2,107,780 | 132,220 |
| Building | 1,478,105 | 1,618,040 | 1,624,340 | 1,762,320 | 137,980 | 1,829,040 | 66,720 |
| Engineering | 1,455,070 | 1,628,060 | 1,735,750 | 1,863,610 | 127,860 | 1,868,050 | 4,440 |
| Permit Center | 631,354 | 668,630 | 671,530 | 757,290 | 85,760 | 790,390 | 33,100 |
| General Fund Subtotal | 5,379,280 | 5,746,090 | 6,019,670 | 6,358,760 | 339,090 | 6,595,240 | 236,480 |
| Geographic Information Systems (GIS) | 547,826 | 619,300 | 631,080 | 691,280 | 60,200 | 719,790 | 28,510 |
| Development Services Subtotal | 5,927,106 | 6,365,390 | 6,650,750 | 7,050,040 | 399,290 | 7,315,030 | 264,990 |
| Development Funds | 12,433,835 | 5,100,760 | 7,486,480 | 2,342,370 | (5,144,090) | 4,883,350 | 2,540,980 |
| Total | $18,360,941 | $11,466,150 | $14,137,210 | $9,392,410 | ($4,744,800) | $12,198,380 | $2,805,970 |

The following table displays how the Department's budget is broken down between the major expenditure groups. **The 2004-05 amended amount excludes carryovers.**

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Planning | FY 2006-07 Adopted | 1,570,590 | 537,170 | 0 | 0 | 2,107,760 |
| | FY 2005-06 Adopted | 1,448,300 | 527,240 | 0 | 0 | 1,975,540 |
| | FY 2004-05 Amended | 1,297,810 | 492,740 | 197,500 | 0 | 1,988,050 |

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Building | FY 2006-07 Adopted | 1,479,800 | 349,240 | 0 | 0 | 1,829,040 |
| | FY 2005-06 Adopted | 1,415,810 | 346,510 | 0 | 0 | 1,762,320 |
| | FY 2004-05 Amended | 1,229,290 | 395,050 | 0 | 0 | 1,624,340 |
| Engineering | FY 2006-07 Adopted | 1,307,840 | 441,610 | 118,600 | 0 | 1,868,050 |
| | FY 2005-06 Adopted | 1,256,040 | 488,970 | 118,600 | 0 | 1,863,610 |
| | FY 2004-05 Amended | 1,105,540 | 418,210 | 212,000 | 0 | 1,735,750 |
| Permit Center | FY 2006-07 Adopted | 705,980 | 84,410 | 0 | 0 | 790,390 |
| | FY 2005-06 Adopted | 674,060 | 83,230 | 0 | 0 | 757,290 |
| | FY 2004-05 Amended | 570,470 | 101,060 | 0 | 0 | 871,530 |
| Geographic Information Systems (GIS) | FY 2006-07 Adopted | 566,810 | 136,480 | 16,500 | 0 | 719,790 |
| | FY 2005-06 Adopted | 546,400 | 134,380 | 10,500 | 0 | 691,280 |
| | FY 2004-05 Amended | 468,400 | 130,240 | 32,440 | 0 | 631,080 |
| Development Funds | FY 2006-07 Adopted | 0 | 4,500 | 4,878,850 | 0 | 4,883,350 |
| | FY 2005-08 Adopted | 0 | 4,370 | 2,338,000 | 0 | 2,342,370 |
| | FY 2004-05 Amended | 0 | 3,760 | 7,482,700 | 0 | 7,486,460 |
| Total | FY 2006-07 Adopted | 5,631,020 | 1,553,410 | 5,013,950 | 0 | 12,198,380 |
| | FY 2005-06 Adopted | 5,340,610 | 1,584,700 | 2,467,100 | 0 | 9,392,410 |
| | FY 2004-05 Amended | 4,671,510 | 1,541,060 | 7,924,640 | 0 | 14,137,210 |

## CAPITAL OUTLAY

### Planning Division

The Division's Capital Outlay request is $0 for both fiscal years.

### Building and Code Enforcement Division

The Division's Capital Outlay request is $0 for both fiscal years.

### Geographic Information Systems (GIS) Division

The Division's Capital Outlay request is $10,500 for FY 2005-06 and $16,500 for FY 2006-07. The FY 2005-06 amount reflects the replacement of the Division's network server, and the FY 2006-07 amount reflects the scheduled replacement of the Division's large-format printer/plotter.

### Engineering Division

The Division's Capital Outlay request is $118,600 in both FY 2005-06 and 2006-07. The $105,500 amount is established for Land Development Services provided by Engineering staff for the review and inspection of subdivisions and large grading and encroachment permits. The charges incurred are reimbursed by project developers and are received as revenues in the Engineering Division's budget. The balance of $13,100 in both years is for the Overall Work Program established by the Metropolitan Planning Organization.

**Permit Center Division**

The Division's Capital Outlay request is for $0 in both years.

**PERSONNEL**

**Planning Division**

The Planning Manager position will be held vacant for approximately four months during the FY 2005-06 budget. Otherwise, staffing will remain stable.

**Building and Code Enforcement Division**

A Building Inspector position has been left vacant during both fiscal years.

**Geographic Information Systems (GIS) Division**

There are no new positions contained within the budget. Staffing will remain stable.

**Engineering Division**

Three existing positions have been left vacant and unfunded this budget cycle. Two newly-created positions will be added. There is no overall impact to the General Fund as a result of filling the two new positions, since these positions will be dedicated to the delivery of Capital Projects that are funded by Development Impact and Utility Rate Fees. The positions support implementation of the Capital Improvement Program (CIP). Justification had been provided, based on the CIP, for the establishment of five additional positions. The decision to create two in lieu of five positions was prefaced on the ability to request additional staff should funding for projects such as the Cypress Bridge Replacement or the Clear Creek Wastewater Treatment Plant Expansion become available.

**Permit Center Division**

There are no new positions contained within the budget. Staffing will remain stable.

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Planning | F/T | 16.00 | 16.00 | 16.00 | 16.00 | 0.00 | 16.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 16.00 | 16.00 | 16.00 | 16.00 | 0.00 | 16.00 | 0.00 |
| Building | F/T | 17.00 | 16.00 | 16.00 | 16.00 | 0.00 | 16.00 | 0.00 |
| | P/T | 0.75 | 0.75 | 0.75 | 0.75 | 0.00 | 0.75 | 0.00 |
| | Total | 17.75 | 16.75 | 16.75 | 16.75 | 0.00 | 16.75 | 0.00 |
| Geographic Information Systems | F/T | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| | P/T | 0.75 | 0.75 | 0.75 | 0.75 | 0.00 | 0.75 | 0.00 |
| | Total | 6.75 | 6.75 | 6.75 | 6.75 | 0.00 | 6.75 | 0.00 |
| Engineering | F/T | 30.00 | 30.00 | 36.00 | 38.00 | 2.00 | 38.00 | 0.00 |
| | P/T | 0.96 | 0.96 | 0.96 | 0.48 | (0.48) | 0.48 | 0.00 |
| | Total | 30.96 | 30.96 | 36.96 | 38.48 | 1.52 | 38.48 | 0.00 |

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Permit Center | F/T | 9.00 | 9.00 | 9.00 | 9.00 | 0.00 | 9.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 9.00 | 9.00 | 9.00 | 9.00 | 0.00 | 9.00 | 0.00 |
| Total | F/T | 78.00 | 77.00 | 83.00 | 85.00 | 2.00 | 85.00 | 0.00 |
| | P/T | 2.46 | 2.46 | 2.46 | 1.98 | (0.48) | 1.98 | 0.00 |
| | Total | 80.46 | 79.46 | 85.46 | 86.98 | 1.52 | 86.98 | 0.00 |

## SIGNIFICANT ISSUES

### Increasing Public and Private Development Activity

Redding continues to see substantial increases in overall development activity.

### Major Project Workload

During the coming two-year budget cycle, major work efforts requiring Department resources will include:

- Preliminary design, permitting, contract administration, and construction management of an estimated $150,000,000 in capital projects.
- Permitting, environmental management, plan check, and inspection services for an estimated $354,345,000 in private-sector construction activity. (The entire Department budget for this two-year period represents 0.8 percent of this amount.)
- Administration and management of citywide Capital Improvement Program, including a major update in 2005.
- Continued implementation of citywide Development Impact Fee Program. A major effort will involve update of the traffic impact fee program calculation and administration methodology.
- Major staffing and resource support for Stillwater Business Park, Cypress Bridge Replacement project, Oasis Road Specific Plan and Infrastructure Financing Program, and Churn Creek Road Realignment project, among many other projects.
- Integration of Municipal Utility facility mapping, with daily utility maintenance operations.
- NPDES Phase II and implementation of the Storm Drain Master Plan.

### General Fund Support for Development Activity

Like many communities, the City of Redding provides substantial General Fund support to cover the costs of necessary services in support of development activity. During the 2004-05 budget period, the cost of support is expected to exceed revenues from fees and cross charges by $2,779,615. As discretionary resources become less available, the City Council should consider recovering a greater percentage of the cost of these services.

### Increasing and Unfunded State and Federal Regulatory Burden

State and Federal regulations which the City is obligated to enforce are an increasing burden for the

Department. In particular, implementation of new water quality regulations is likely to negatively impact services and the Department budget during this two-year budget cycle. The State Regional Water Quality Control Board is expected to issue these new requirements to the City in late spring or early summer 2005.

In addition, annual air quality grants from the Air Quality District, which offset some City costs for implementation of the regional Air Quality Plan, were reduced from $50,000 in 1999 to $30,000 in 2000 and were completely eliminated in 2003. This loss of revenue is reflected in the Planning Division budget.

**O & M Costs**

For the second consecutive two-year budget cycle, Department O & M budgets have decreased in real dollar terms. While this can be absorbed on a short-term basis, it reflects an ongoing lack of investment in training and facilities may not support long-term growth and flexibility in meeting service demands.

**Capital Costs**

Across-the-board capital costs have been reduced or maintained at 2004-05 budget levels (see comments above).

**Unmet Needs**

Unmet needs are listed at the end of this section. In particular, the lack of an integrated project tracking program impacts the Department's ability to provide high-quality customer services, as identified in numerous reports and recommendations prepared over the past six years. Eighteen years ago, a basic system was created to track building permit activity. Today, the same core system is in use. The cost to develop a comprehensive permit tracking program which integrates all project processing activities is estimated at $500,000 for initial implementation and at least an additional $100,000 a year in ongoing support costs.

**Recommendation**

No funding sources are currently available for this system. In the interim, the Department and Information Technology representatives will continue to work on incremental improvements and stop-gap measures where possible.

## STATUS OF 2003-2005 GOALS AND ACCOMPLISHMENTS

**Planning Division**

The Planning Division was extremely successful during the past two years in working towards implementation of the Redding General Plan and in helping the community obtain its vision as expressed in the Plan. This was accomplished by:

- Performing competent project review for conformance with General Plan and zoning requirements.
- Working to ensure that projects support the maintenance of an exceptional quality of life for current and future residents.
- Performing all work with integrity, cooperation, and concern for fairness and customer satisfaction.

During the past two years, the Division has supported communitywide improvements valued at more than $300,000,000 per year. Following is the status of goals and accomplishments of the Division during the past budget cycle.

The status of specific work program goals is outlined below:

- Supported other departments by completing over 30 environmental review clearances on City capital projects.
- Supported RRA staff during design of the Parkview-Leland Housing Development, which was approved in 2004, and in predevelopment reviews for several major projects.
- Continued supporting consultant preparation of the Stillwater Business Park EIR/EIS.
- Met permit application target time lines established in 2002.
- Renegotiated the consultant contract for preparation of the Oasis Road Specific Plan. This step was necessary due to the lengthy and extensive public-review process of five alternate plans to determine the preferred alternative for preparation of the EIR. Council directed that a sixth alternative be chosen for the preferred alternative, which required major revision of the traffic analysis.
- Postponed the Subdivision Ordinance update, including revised street standards, in order to provide staffing for the 2004 Housing Element Update.
- Adopted amendments to the Implementing Resolution of the Impact Fee Program in 2004 to encourage infill and redevelopment of properties in the Parkview, MLK, and Downtown areas.
- Updated and revised the City Housing Element in 2004.
- Postponed the Update of the Tree Preservation Ordinance at the direction of the City Council.
- Tabled work on a Natural Communities Conservation Plan at the direction of the City Council.

**Building Division**

The Building and Code Enforcement Division was very successful in working towards its vision of protecting the public by ensuring that buildings are constructed and property maintained to meet the minimum requirements of State and Municipal Codes. This was accomplished by:

- Performing competent plan reviews for conformance with minimum code requirements and inspections.
- Maintaining a high-level work ethic, integrity, cooperation, and sense of direction, while reducing time lines, increasing understanding, and conveying a sense of fairness and satisfaction to our customers.

*Accomplishments*

- Through FY 2003-04 and the first half of FY 2004-05, 88 percent of single-family residence applications were reviewed on the first cycle in 10 working days or less, with an average review time of 6.8 working days. All other applications were reviewed within plan review time line goals approximately 92 percent of the time, with an average review time of 3.6 working days.
- On average, single-family dwelling review times are 3.2 days shorter than in FY 2002-03. Average review times will be significantly higher for the remaining portion of FY 2004-05 due to the submittal of over 450 plan check applications for single-family homes in the four weeks prior to the January 14, 2005, fee increase.

- All field inspections requested were provided within 24 hours of the request.

- Code Enforcement continued to successfully abate nuisance and substandard properties throughout the City. In both FY 2003-04 and 2004-05, complaints received from the public regarding substandard living conditions and property blight increased nearly 48 percent over the previous two-year budget term, resulting in a nearly 100 percent workload increase. During this same period, there were 41 percent more cases closed than in prior years.

- In FY 2003-2004, Building Inspectors pertormed 17,890 inspections, averaging 19.1 inspections per day, exceeding the goal of 12-14 inspections per day.

**Geographic Information Systems (GIS)**

*Goal*

The use of distributed mapping and analysis as an interface to departmental and legacy data.

*Accomplishments*

- Completed minor interface upgrades to the MapGuide Server to provide additional data and improved ease of use.

- Added four new data layers for use by City staff and two new data layers for the public.

- Collected Sign Inventory data using mobile GIS and GPS and developed new links to that data from the Sign Inventory maintenance database using MapGuide.

- Added 2004 aerial orthoimagery.

- Continued to utilize and implement mobile GIS for the Storm Drain Division, including support for maps on laptops in the trucks.

- Collected Backflow Prevention Device data and locations using mobile GIS.

*Goal*

Provide a wide range of GIS services, including mapping, data analysis, reporting, imaging, and maintenance, to City departments, outside agencies, and the public.

*Accomplishments*

- Completed over 3,000 mapping requests in FY 2003-2004 and over 3,100 mapping requests in FY 2004-2005.

- Completed final mapping for Parks and Open Space Master Plan.

- Provided quick-turnaround maps, exhibits, and presentation materials for numerous Economic Development prospects.

- Completed special project work and mapping for the Storm Drain Inventory.

- Coordinated the transfer and/or dissemination of hundreds of megabytes of digital mapping and data to various consultants and agencies on behalf of several City departments and divisions.

- Provided training to various departments and divisions in the use of GIS software and applications.

*Major Unanticipated Assignments Completed*

GIS played an unanticipated role in producing maps, analysis, or data for completion of some aspect of several projects that took significant staff resources, including:

- Parks and Open Space Master Plan

- Stillwater Business Park

- Big League Dreams/Sportspark

- Oasis Specific Plan

- Economic Development Projects

- Water Division Backflow Prevention Device Inventory

- Buckeye Parcel Additions for Fire

- Downtown Parking Study

- Local Hazard Mitigation Plan

**Engineering Division**

The Engineering Division consists of design, utility planning, land development review, project management, transportation, survey and mapping, and construction management and inspection. The Division has a staff of 38 authorized full-time positions, with 34 of those currently filled. Eleven of the staff are licensed engineers and two are licensed surveyors. The Division provides engineering and other related services to other City departments.

*Goal*

Maintain internal customer service and project efficiency.

- Increase use of scoping documents to over 50% of projects.

- Average contract bid with ± 5% of engineer's estimate

- Contract change orders at ± 5% of construction cost, unless pre-approved change in scope of work.

*Accomplishment*

- Scoping documents were used for nearly every project delivered.

- The low bid was under the engineer's estimate on 45% of the projects. Of the projects not meeting the objective, 60% were estimated by consultants. The average bid was consistently within the objective.

- Change orders not related to pre-approved changes in scope were routinely below 5%.

*Goal*

Maintain high level of service to the public through increased efficiency and prepared information.

- Complete as-builts within one month of project completion for capital projects. Require as-built Mylars prior to acceptance of land development improvements.
- Continue to index 3,500 S-drawings and A-drawings per year for scanning by GIS.
- Return telephone calls within four hours, and provide written followup within two days.
- Complete Development Guidelines by April 2003 for review and distribute by June 2003.
- Provide project conditioning within two weeks.
- Provide first plan check in three weeks and second check in two weeks.

*Accomplishment*

- Goal was met for indexing S-drawings and A-drawings.
- Phone calls and written correspondences were returned timely and generally within the goal.
- Project conditioning was done on 100% of the projects within two weeks.
- Plan checks met the time goals 91.4% of the time for first check and 98.2% for the second check.

*Goal*

Deliver capital projects in the year in which they are budgeted.

- Increase the number of signals designed and installed to six per year.
- Complete internal design manual. Increase QA/QC by having internal review of design plans and specifications.
- Continue to maintain capacity for projects not anticipated during budget process.
- Maintain budgeted level of cross charges.

*Accomplishments*

- Five new signals were designed and/or constructed and three signal painting projects were completed.
- Internal design manual was not developed due to the need for staff to focus on capital project delivery. Internal review of plans and specifications occurred on all projects.
- Cross-charge levels were met.

*Goal*

Continue to increase the quality of surveys and recorded maps.

- Provide accurate and complete field and office survey for design and land disposition.
- Review and evaluate development-related submittals. First check within three weeks, second check within two weeks.

*Accomplishments*

- Objectives were met.

**Permit Center Division**

- Permit Center customer service survey response was increased substantially by providing a more attractive and private area to complete the surveys.
- Surveys were handed out with each permit issued. While it might be expected that most people who fill out surveys have something to complain about, our customers continue to rate us at a level above 4.8 on a scale of 1 to 5, where 5 is excellent. Survey response rate remains about 2%.
- Burn permits, issued at the Permit Center, were made available on the Internet. Nearly 200 applicants took advantage of this convenient process for obtaining a burn permit.
- More than 50 information pieces have been prepared and posted to the handout page on the Internet.
- The "Handouts and Forms Online" webpage was completely reorganized to group handouts in a more logical order, making them easier to find. Also, groups of forms, such as application packages, were created so that applicants could download all applicable forms for a project with one click.
- Business card handouts were developed to direct customers to the variety of Internet sites available to assist customers in doing business with the Development Services Department.
- Nearly all customers are greeted by the receptionist and assigned to a workstation within three minutes of arriving at the Permit Center.
- Sixty-three percent of all permits issued by the Department were over-the-counter permits.
- Thirty-three percent of all permit applications submitted for plan check were reviewed by Permit Center Staff in an effort to speed up the turnaround time for these projects. Typically, these are small projects and plan changes.

## WORKLOAD INDICATORS AND PERFORMANCE MEASURES

### Planning

| Major Work Item | 2002 | 2003 | 2004 | 2005 Projected | 2006 Projected |
|---|---|---|---|---|---|
| Discretionary Permits | 132 | 168 | 148 | 160 | 160 |
| Property Divisions | 96 | 102 | 113 | 100 | 100 |
| Variances and Exceptions | 10 | 14 | 26 | 25 | 25 |
| Rezonings | 4 | 14 | 6 | 8 | 8 |
| General Plan Amendments | 4 | 10 | 4 | 6 | 6 |
| Environmental Impact Report | 2 | 2 | 0 | 1 | 1 |
| Grading Permits | 100 | 86 | 94 | 95 | 95 |
| Total | 348 | 396 | 391 | 395 | 395 |

### Building Division

| | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| New Single Family (# of units) | 514 | 520 | 545 | 570 |
| New Single Family (Valuation) | $75,380,000 | $94,020,000 | $98,700,000 | $103,700,000 |
| New Multiple Family (# of units) | 179 | 230 | 150 | 165 |
| New Multiple Family (Valuation) | $9,685,000 | $17,470,000 | $11,400,000 | $11,900,000 |
| New Commercial (# of buildings) | 79 | 60 | 85 | 90 |
| New Commercial (Valuation) | $24,730,000 | $30,280,000 | $33,600,000 | $35,600,000 |
| Remodels and Repairs (Valuation) | $19,675,000 | $25,270,000 | $26,500,000 | $27,800,000 |
| Other (Valuation) | $21,750,000 | $4,460,000 | $15,000,000 | $15,750,000 |
| **Total Valuation** | **$151,226,000** | **$176,000,000** | **$185,000,000** | **$195,000,000** |

| PERMIT PROCESSING GOALS [1&2] | | | | | | |
|---|---|---|---|---|---|---|
| Plan Type | Working Days to Review | | | Target % Success Rate | Maximum Review Time-Days | Other Jurisdictions |
| | 2002-03 | 2003-04 | 2004-05 | | | |
| Commercial/Multiple Family -New Buildings and Additions | 20 | 20 | 20 | 75 | 35 | 10-35 |
| Commercial/Multiple Family - Resubmit Corrections for New Buildings/Additions | 10 | 10 | 10 | 75 | 20 | 10-30 |

| Plan Type | Working Days to Review | | | Target % Success Rate | Maximum Review Time-Days | Other Jurisdictions |
|---|---|---|---|---|---|---|
| | 2002-03 | 2003-04 | 2004-05 | | | |
| **Commercial - Tenant Improvement/Remodel** | 10 | 10 | 10 | 75 | 20 | 10-20 |
| **Commercial - Resubmit Corrections for Tenant Improvement/Remodel** | 5 | 5 | 5 | 75 | 15 | 5-10 |
| **Single Family Dwelling (Conventional)[3]** | 10 | 10 | 10 | 75 | 20 | 5-20 |
| **Single Family Dwelling (Engineered)** | 15 | 15 | 15 | 75 | 20 | 10-25 |
| **Residential Resubmit for Corrections** | 5 | 5 | 5 | 75 | 15 | 1-10 |
| **Miscellaneous Permits Qualifying for Express Review** | 5 | 0-1 | 0-1 | 75 | 0-2 | 0-2 |
| **Miscellaneous Permits not Qualifying for Express Review** | 5 | 5 | 5 | 75 | 10 | 5-15 |
| **INSPECTION GOALS** | | | | | | |
| **Inspections made within 24 hours of request (%)** | 100 | 100 | 100 | 100 | 48 hrs. | 24 hrs. |

[1] Current automation does not allow statistical evaluation on resubmittal review times.
[2] Actual processing times will vary with workload. These review times are based on the assumptions of: (1) current staff levels being maintained, (2) a consultant budget of $100,000, and (3) an annual construction valuation of **$180,000,000.**
[3] Review time for single-family dwellings cannot be measured separately for conventional and engineered single-family dwellings. Current technical capabilities will only allow measurement of first cycle review time for all single-family dwellings.

## GIS

| Description | 2002-03 Actual | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| **Mapping/Analysis Requests** | 2,800 | 3,000 | 3,100 | 3,400 | 3,600 |
| **MapGuide Server Map Visits** | 552,000 | 768,000 | 864,000 | 950,000 | 1,050,000 |

## Engineering

| Activity | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| **Subdivision Parcel Maps** | 17 | 21 | 23 | 23 |
| **Subdivision Final Maps** | 11 | 19 | 20 | 18 |
| **Lots Recorded** | 415 | 716 | 720 | 700 |
| **Property Line Adjustments** | 47 | 55 | 60 | 65 |
| **Encroachment Permits** | 348 | 382 | 390 | 405 |
| **Value of CIPs Advertised for Bid** | $15,658,081 | $17,000,000 | $60,000,000 | $35,000,000 |
| **# of CIPs Advertised for Bids** | 34 | 35 | 45 | 50 |
| **Participation Agreements** | 2 | 2 | 2 | 3 |
| **Grading Permits** | 87 | 110 | 92 | 100 |
| **Easements** | 70 | 90 | 115 | 140 |
| **RFP's Prepared and Circulated** | 5 | 3 | 5 | 6 |

**Permit Center**

| Description | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Plans Submitted for Review | 1,881 | 1,937 | 1,995 | 2,055 |
| Over the Counter Permits Processed | 2,715 | 2,796 | 2,880 | 2,966 |
| Total Permits Issued | 4290 | 4418 | 4551 | 4687 |
| Average Monthly Customer Survey Responses | 5.5 | 5 | 5 | 5 |
| Average Score for Customer Survey Responses (1-lowest, 5-highest) | 4.75 | 4.8 | 4.8 | 4.8 |
| Transportation Permits Issued | 760 | 700 | 721 | 742 |
| Encroachment Permits Issued | 275 | 300 | 309 | 318 |
| RABA Passes Issued | 820 | 844 | 869 | 896 |

## GOALS AND OBJECTIVES FOR 2005-2007

### Planning Division

*Goal*

Continue to provide exceptional service to both internal and external customers.

*Objectives - Internal Customers*

- Support environmental review processing for public- and private-sector projects.
- Support design and development of Parkview, MLK, and Downtown housing and development projects.
- Continue to provide support for design and development of Tentative Subdivision Map and Planned Development Plan for the Stillwater Business Park.

*Objectives - External Customers*

- Fully support Permit Center front-counter operations.
- Maintain regular contact with key customers.
- Process complete applications within target time lines.
- Provide regular and timely updates to management on projects and applications.

*Goal*

Adopt the Oasis Road Specific Plan and certify the related EIR.

*Objectives*

- Complete Draft EIR by summer 2005.

- Complete Planning Commission review of EIR in fall 2005.
- Adopt Plan by the end of 2005.

*Goal*

Continued implementation of the 2000-2020 General Plan

*Objectives*

- Subject to funding availability, complete the five-year review of the General Plan no later than 2007.
- Continue review and update of land use mapping to ensure consistency between General Plan and zoning boundaries.
- Complete update of the Subdivision Ordinance, including revised street standards, in partnership with the Engineering Division, by winter 2007.
- Prepare and adopt a Hillside Development Ordinance by spring 2007.

*Goal*

Continue implementation of the impact-fee-funded capital facilities planning effort.

*Objectives*

- Complete two Plan Line/Project Study Reports for TIF-funded street projects by spring 2007. Proposed projects are the realignment of the Hartnell Avenue/Airport Road intersection and reconfiguration of the Victor Avenue, Churn Creek Road, and Rancho Road intersections.
- Complete updates to Capital Facilities Plan and Traffic Impact Fee Program in 2006.

**Building Division**

*Goal*

To protect the public by ensuring that buildings are constructed and property maintained to meet the minimum requirements of State and Municipal Codes.

*Objectives*

- Review plans for conformance with minimum code requirements.
- Perform competent inspections.
- Maintain accurate records.
- Process projects according to established policy and regulation.
- Maintain a high-level work ethic, integrity, cooperation, and sense of direction.

- Focus on ways to reshape services in a manner that will reduce time lines, increase understanding, and convey a sense of fairness and satisfaction.

*Goal*

To maintain and improve the quality of life and property values in the City's buildings and neighborhoods through an effective Code Enforcement Program.

*Objectives*

- Receive complaints, determine validity, and ensure compliance with the Redding Municipal Code within the minimum length of time required.
- Work with owners and tenants in a respectful and assertive manner, leading to voluntary compliance whenever possible.
- Work cooperatively with other departments and agencies, internal and external, to achieve the stated goal.
- Maintain the highest standard of professional ethics in the performance of our duties.

*Goal*

Improve plan check processing.

*Objectives*

- Improve plan check tracking, workload indicators, and statistical gathering.
- Work with the development community to identify and implement improvements.
- Develop additional standard approvals for minor structures.
- Issue at least 60 percent of all building permits over the counter.

*Goal*

Meet plan review and inspection turnaround time lines.

*Objectives*

- Meet turnaround time lines on plan checks and inspections within the listed percent of reviews.
- Perform inspections in the morning, afternoon, or at a specific time as requested and as workload permits.

*Goal*

Improve communication with the building community.

*Objectives*

- Publish tri-annual building newsletter.
- Invite building community to discuss code and policy changes.
- Continue to solicit public comment on how well we are doing our job and where we can improve.
- Improve public image through the use of public information programs.

**GIS**

*Goal*

The use of distributed mapping as an interface to departmental and legacy data and analysis.

*Objectives*

- Develop infrastructure and applications to provide access to GIS data, analysis, reports, documents, and images to the desktops of City staff, in the field using mobile GIS, and to the public via the Internet.
- Reduce the number of individual and custom mapping requests by making routine map data and analysis available to staff that requires it.
- Develop efficiencies in workflow to allow better timeliness and fewer steps in the maintenance, update, and management of new and existing data.

*Goal*

Provide a wide range of GIS services, including mapping, data analysis, reporting, imaging, and maintenance to City departments, outside agencies, and the public.

*Objectives*

- Provide timely, efficient, and accurate GIS mapping support for City departments.
- Provide complete and thorough analysis, reporting, and final presentation of GIS data for special projects.
- Assist City departments and divisions in the capture, organization, implementation, and presentation of GIS data and applications.
- Continue maintenance and implementation of new and existing map and data layers and GIS applications.

**Engineering**

*Goal*

Maintain internal customer service and project efficiency.

*Objectives*

- Continue to use scoping documents on all projects.
- Maintain average contract bid within ± 5% of engineer's estimate.
- Keep Contract change orders due to error and omission at ± 5% of construction cost.
- Provide increased assistance to other departments attempting to manage engineering consultant contracts.
- Increase site inspection of capital projects.

*Goal*

Maintain high level of service to the public through increased efficiency and prepared information.

*Objectives*

- Complete as-builts for capital projects.
- Require as-built prior to acceptance of land development improvements.
- Continue to index A-drawings.
- Promptly return telephone calls and written correspondence, generally within four hours and four days, respectively.
- Pursue process improvements for Land Development. Incorporate into writing by December 2006.
- Provide project conditioning within two weeks.
- Provide first plan check within three weeks and second check within two weeks.

*Goal*

Deliver capital projects in the year for which they are budgeted.

*Objectives*

- Purchase or develop software to provide program wide management of the Capital Improvement Plan.
- Develop status reports for customers.
- Maintain budgeted level of cross charges.
- Increase one-on-one communication with other departments needing engineering services.

*Goal*

- Continue to increase the quality of surveys and map processing.

*Objectives*

- Provide accurate and complete field and office surveys for design and land disposition.
- Review and evaluate development-related submittals. First check within three weeks and second check within two weeks.
- Review and evaluate development-related submittals. First check within three weeks, second check within two weeks
- Perform surveys for correction of citywide vertical datum.

**Permit Center**

*Goal*

Improve the customer experience at the counter.

*Objectives*

- Continue to increase the use of business cards.
- Provide widespread early notification of fee increases or policy changes.
- Increase emphasis on training in customer service skills.

*Goal*

Improve Internet services.

*Objectives*

- Issue nonreview permits over the Internet.
- Provide more frequent updates of material on the website.
- Expand handouts available on the website.
- Provide customer access to fee amounts due for projects.

*Goal*

Make information more readily available.

*Objectives*

- Make all handouts available on the website.
- Develop a process for the development, revision tracking, and timely updating of City handouts.
- Make notification through the Latest Developments newsletter of the most-recent handouts as they are made available.

- Seek customer input on what handouts need to be developed.

*Goal*

Make the process more understandable to new customers.

*Objectives*

- Identify new customers to the development process.
- Develop orientation materials for the first-time developer.
- Expand the use of the flowcharts depicting City processes.
- Increase the communication levels to ensure that the applicant understands the process.
- Provide expanded explanation handouts for impact fees.

*Goal*

Train staff to be more aware of customer needs.

*Objectives*

- Ask local developers to talk about development from their perspective (i.e., financing, timing, organization, cost of development, interaction with City government).

*Goal*

Integrate permit processes.

*Objectives*

- Process encroachment permits for driveway cuts; utility connections in the street; and curb, gutter, and sidewalk at the time the building permit is processed.

**UNMET NEEDS**

**Development Services Department**

- Automation - $500,000, plus ongoing maintenance costs of approximately $100,000 year. Our current department-wide permit/project tracking, permit issuing, inspection tracking, and complaint tracking automation is outdated and inadequate to meet current needs. This issue has been documented in several recent reports on ways to improve customer services.

**Planning**

- Processing Fee Study - $50,000. This study would quantify the present allocations of resources and costs to implement current and long-range planning services for the community. At present, it is estimated that only about 15% of the cost for providing planning services is recovered through the fees charged for these services.

- Professional Consulting Services - $50,000. These funds provide for maximum flexibility in obtaining specialized services to respond to the City Council's requests for information on development-related topics, including environmental and traffic impact issues. The budget reduces these funds to less than $15,000 per year during this budget cycle.

Planning Division Total - $100,000.

**Building Division**

- Network Server - $11,000.
- Consultant Processing Fee Study - $55,000.
- Consultant Fees - $50,000.
- Operations and Materials/Supplies/Communications - $25,000.
- Building Inspector - $120,000.
- Code Enforcement Officer - $55,000.
- Upgrade to Sr. Engineer Position - $15,000.

Building and Code Enforcement Division Total - $331,000.

**GIS**

- Software Maintenance Costs - $12,000. In 2004-05, software maintenance costs increased by nearly 40%. Any additional increases in the coming two-year cycle will require us to ask for a budget amendment.
- Increased funding for MapGuide - $12,000. Funding for consultant and professional services comes from the same source as software maintenance. Thus, as software maintenance costs rise, there is less money (or no money) for professional services or consulting. GIS has no programming staff and relies on professional services and outside consultants to periodically add MapGuide services and update existing services when MapGuide software upgrades. Without these funds, the Mapguide Server will either stagnate in its current condition, or a budget amendment may be required at some time during the budget cycle.
- Staff Training - $8,000. The level and complexity of many GIS project requests have risen beyond the abilities of all but a few of the staff members. This has created recurring production bottlenecks since key members of staff have to be involved in most project requests. Typically, the required training is not available locally, or even in the North State. A request for additional funds may be necessary if a successful solution is not found.
- One part-time GIS Analyst I and one part-time GIS Analyst II - $54,000.
- Senior GIS Analyst - $62,000.
- Consulting Services for Application Development - $80,000.
- Servers and Workstations - $45,000.

- Wireless Applications Infrastructure - $150,000.

GIS Division Total - $423,000.

**Engineering**

- Digital Level - $10,000.
- Easement Acquisition (per year) - $100,000.
- Control Network Survey Project (staff time) - $100,000.
- Survey Grade GPS with Fixed-Base Station - $80,000.
- Large-Scale Color Copier/Scanner - $30,000.
- Increased Rolling Stock - $40,000.

Engineering Division Total - $360,000.

**Permit Center**

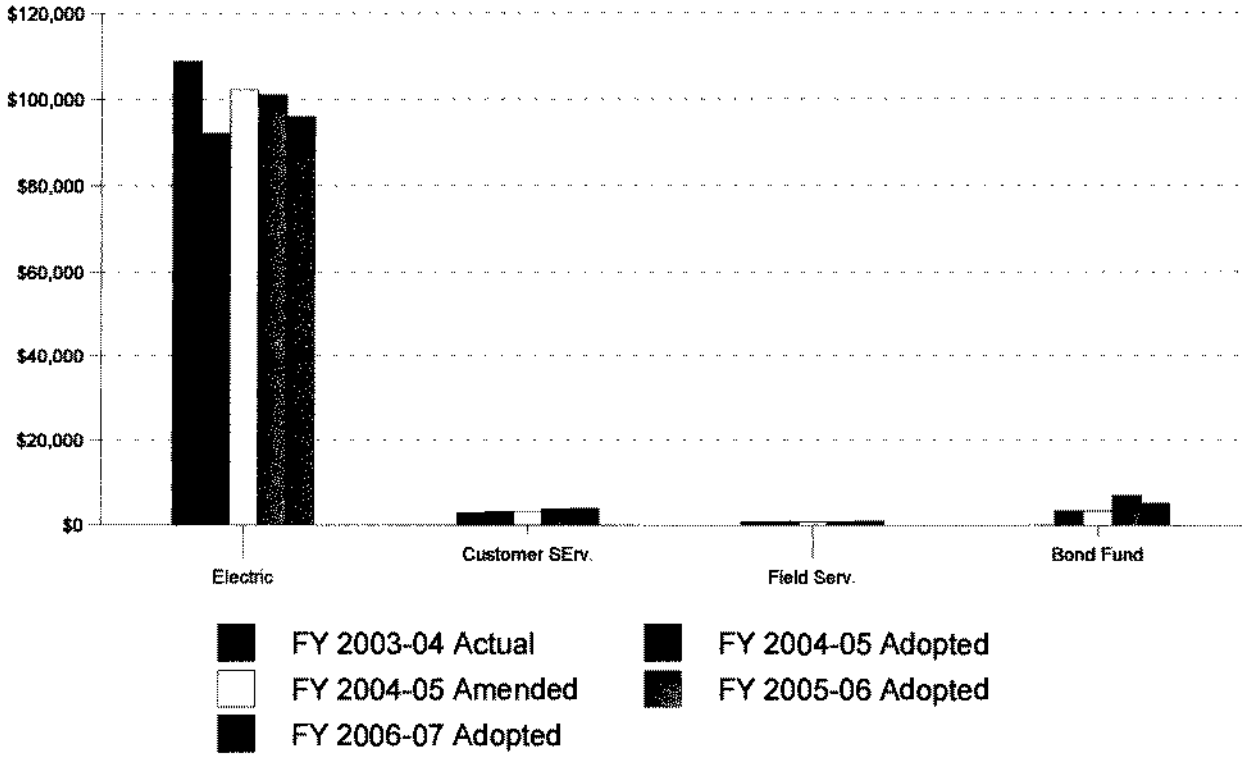
- Outside Printing Budget - $800.
- Integrated Phone System - $4,000
- Additional Personnel Costs - $2,500
- Convert Microfiche Film to Digital Images - $300,000. There is a serious need to convert our historical records from film to digital files. The current fiche is open to the public, and we have no other space to store it. The fiche gets misfiled, some appears to be removed by the public, some is on staff's desk, and some is torn and deteriorating. We are currently scanning all paper documents to digital files, and software is being developed to provide access to these files via the web browser. Scanning the existing records that are on film would complete the project, making all records available to City staff via the Intranet. We have approximately 2,100,000 pieces of microfilm that needs to be converted to digital files.

Permit Center Division Total - $307,300.

# Electric Utility Department (REU)

## Expenditure Comparisons

(In Thousands)



# ELECTRIC UTILITY DEPARTMENT (REU)

## Overview

The current fiscal year is a good window to the future for Redding Electric Utility's (REU's) operating environment in the budget years immediately ahead. While REU's customer base continues to grow, our traditional electric resource portfolio is undergoing dramatic changes, including a substantial reduction in our historical level of reliance on power from the Western Area Power Administration and to a much lesser extent, from the Bonneville Power Administration. Further, legislative pressure is promoting environmentally friendly "Green Power" from renewable resources such as solar and wind, and REU is considering these and other resource options such as thermal energy storage in its resource planning. At the same time, with its continued reliance on natural gas fired generating capacity at the Redding Power Plant, REU is fast becoming expert in gas storage techniques to minimize natural gas costs for our own generation, and to maximize revenues from wholesale gas sales. In addition, we are continually monitoring and applying evolving gas management techniques and are evaluating new concepts such as purchasing in-ground natural gas reserves. REU is committed to providing the safest, most reliable electric service possible, at the lowest possible price to its customer/owners.

The table below presents the components of the Electric Utility's proposed budgets for FY06 and FY07, as compared with the adopted budget for FY05.

## Total Department

| Budget | Adopted FY2005 | Adopted FY2006 | $ Change FY2006 | % Change FY2006 | Adopted FY2007 | $ Change FY2007 | % Change FY2007 |
|---|---|---|---|---|---|---|---|
| Personnel | $15,961,460 | $19,255,470 | $3,294,010 | 20.6% | $20,328,230 | $1,072,760 | 5.6% |
| Interdepartmental | 6,402,510 | 6,961,730 | 559,220 | 8.7% | 6,993,290 | 31,560 | 0.5% |
| Other O&M | 59,881,920 | 65,395,400 | 5,513,480 | 9.2% | 59,331,540 | (6,063,860) | (9.3%) |
| Debt Service | 8,870,670 | 8,602,420 | (268,250) | (3.0%) | 8,603,840 | 1,420 | 0.0% |
| Capital Outlay | 4,926,150 | 5,437,400 | 511,250 | 10.4% | 5,552,900 | 115,500 | 2.1% |
| Revenue Funded Exp. | 96,042,710 | 105,652,420 | 9,609,710 | 10.0% | 100,809,800 | (4,842,620) | (4.6%) |
| Bond Funded Exp. | 3,300,000 | 6,971,000 | 3,671,000 | 111.2% | 5,100,000 | (1,871,000) | (26.8%) |
| **Total Expenses** | **$99,342,710** | **$112,623,420** | **$13,280,710** | **13.4%** | **$105,909,800** | **$(6,713,620)** | **(6.0%)** |

By contrast, the following table distinguishes budget categories according to primary functions, that is, Electric Generation and Distribution, Customer Service, and Field Services; and also aggregates capital spending funded by special financing services.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carry Overs | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Electric | $108,829,541 | $92,018,880 | $102,181,780 | $100,963,420 | $(1,218,360) | $95,950,580 | $(5,012,840) |
| Customer Serv. | $2,903,046 | $3,146,800 | $3,154,400 | $3,788,620 | $634,220 | $3,931,970 | $143,350 |
| Field Serv. | $778,376 | $877,030 | $823,100 | $900,380 | $77,280 | $927,250 | $26,870 |
| Electric System Bond Fund | $128,769 | $3,300,000 | $3,300,000 | $6,971,000 | $3,671,000 | $5,100,000 | $(1,871,000) |
| Totals | $112,639,732 | $99,342,710 | $109,459,280 | $112,623,420 | $3,164,140 | $105,909,800 | $(6,713,620) |

The following table displays how the Department's budget is allocated among the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Electric | FY 2006-07 Adopted | 17,183,400 | 64,634,080 | 5,529,260 | 8,603,840 | 95,950,580 |
| | FY 2005-06 Adopted | 16,235,980 | 70,724,630 | 5,400,390 | 8,602,420 | 100,963,420 |
| | FY 2004-05 Amended Excluding Carry Overs | 13,802,180 | 66,886,280 | 12,622,650 | 8,870,670 | 102,181,780 |
| Customer Service | FY 2006-07 Adopted | 2,300,720 | 1,607,610 | 23,640 | - | 3,931,970 |
| | FY 2005-06 Adopted | 2,199,140 | 1,552,470 | 37,010 | - | 3,788,620 |
| | FY 2004-05 Amended Excluding Carry Overs | 1,732,410 | 1,421,990 | - | - | 3,154,400 |
| Field Service | FY 2006-07 Adopted | 844,110 | 83,140 | - | - | 927,250 |
| | FY 2005-06 Adopted | 820,350 | 80,030 | - | - | 900,380 |
| | FY 2004-05 Amended Excluding Carry Overs | 694,270 | 101,830 | 27,000 | - | 823,100 |
| Electric System Bond Fund | FY 2006-07 Adopted | - | - | 5,100,000 | - | 5,100,000 |
| | FY 2005-06 Adopted | - | 3,741,000 | 3,230,000 | - | 6,971,000 |
| | FY 2004-05 Amended Excluding Carry Overs | - | - | 3,300,000 | - | 3,300,000 |
| Totals | FY 2006-07 Adopted | 20,328,230 | 66,324,830 | 10,652,900 | 8,603,840 | 105,909,800 |
| | FY 2005-06 Adopted | 19,255,470 | 76,098,130 | 8,667,400 | 8,602,420 | 112,623,420 |
| | FY 2004-05 Amended Excluding Carry Overs | 16,228,860 | 68,410,100 | 15,949,650 | 8,870,670 | 109,459,280 |

Key elements of the budget are described in the following paragraphs, including personnel, operation and maintenance, debt service, revenue and bond funded capital outlay, major plant maintenance, and rolling stock replacement.

**Personnel**

As an introduction to the personnel discussion, it is important to address the dramatic increase in payroll costs that have been experienced Citywide for the coming fiscal year. Like the City as a whole, REU's employee expenses have been driven up dramatically by PERS, PARS, and insurance cost increases, in addition to approved cost-of-living and wage parity increases. As such, REU payroll costs are up $3.3 million (20.6%) in FY06, and $1.1 million (5.6%) in FY07. The Electric Utility's increase in new personnel for the budget period is very modest, and includes 2.48 new positions in FY06. REU is adding an additional E/U Distribution Planner I/II, an engineering intern, and a part-time Power Plant Utility Worker.

The Electric Utility's full-time, part-time, and total staffing levels for fiscal years FY04 through FY07 are as follows:

| Division | | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carry Overs | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Electric | F/T | 123.00 | 125.00 | 128.00 | 130.00 | 2.00 | 130.00 | 0.00 |
| | P/T | 2.72 | 2.24 | 2.19 | 2.19 | 0.00 | 2.19 | 0.00 |
| | Total | 125.72 | 127.24 | 130.19 | 132.19 | 2.00 | 132.19 | 0.00 |
| Customer Serv. | F/T | 28.00 | 28.00 | 28.00 | 28.00 | 0.00 | 28.00 | 0.00 |
| | P/T | 1.98 | 1.98 | .96 | .96 | 0.00 | .96 | 0.00 |
| | Total | 29.98 | 29.98 | 28.96 | 28.96 | 0.00 | 28.96 | 0.00 |
| Field Services | F/T | 11.00 | 11.00 | 10.00 | 10.00 | 0.00 | 10.00 | 0.00 |
| | P/T | 1.44 | 1.44 | 1.44 | 1.44 | 0.00 | 1.44 | 0.00 |
| | Total | 12.44 | 12.44 | 11.44 | 11.44 | 0.00 | 11.44 | 0.00 |
| Totals | F/T | 162.00 | 164.00 | 166.00 | 168.00 | 2.00 | 168.00 | 0.00 |
| | P/T | 6.14 | 5.66 | 4.59 | 4.59 | 0.00 | 4.59 | 0.00 |
| | Total | 168.14 | 169.66 | 170.59 | 172.59 | 2.00 | 172.59 | 0.00 |

As a result of the City's rapid growth in new construction, all E/U Distribution Service Planners are presently working required 20% overtime just to make sure new development needs are being met in a timely manner without undue delays resulting from City backlogs. Additional staffing has not been added in this work area since FY91, even though the electric system has grown by about 50% since FY91. Therefore, an additional Distribution Planner is added in FY06.

In FY06, REU is also adding an engineering intern position where we would provide introductory level assignments to an electrical engineering student during their senior year, with the expectation that we would ultimately bring this person on as a full-time electrical engineer following college graduation. It is anticipated that three licensed Engineers in the Distribution Group will be retiring in the next five years and it is becoming exceedingly difficult to recruit qualified Electrical Power Engineers. We believe it prudent to begin a program to train and develop our own Power Engineers at the earliest possible time. Existing and forecast workload in the areas of substation design, technology development issues, system modeling/planning, protective relaying, system engineering, construction management, etc., support the need for additional staffing. Additional staffing has not been added in this work area since FY94, even though the electric system has grown by about 40% since FY94. It will take a few years for a graduate Electrical Engineer to be reasonably productive and capable of replacing anticipated retiring engineers. This (grow your own) approach has worked very well with other professional positions, and

serves the community, the student, and the Utility by providing economic assistance to an upper class engineering student who also gains on the job experience while allowing us the opportunity to evaluate the student for future placement with the City.

Further, REU is confirming an existing part time (.48 time) position in the FY06 budget for a seasonal Power Plant Utility Worker. This position was added between budget cycles to provide part time help in grounds maintenance and other jobs such as painting, clean-up, and similar work, in order to better utilize more highly specialized workers.

**Operation and Maintenance**

Operation and Maintenance (O&M) Expenses are grouped into two categories: (1) Interdepartmental O&M and (2) Electric Utility-specific O&M expenses (Other O&M). Interdepartmental O&M expenses incorporate cross charges and allocated expenditures, and include: fixed charges from other departments; Allocation to the General Fund; In Lieu fees; Rent for the Corporation Yard and Civic Center; and Property Insurance. Other O&M is directly determined by the Electric Utility. Total O&M expenses increase by $6.1 million (9.2%) for FY06, and decrease by $6.0 million (-8.3%) for FY07.

For the most part, increases in Interdepartmental O&M costs in the first year of the proposed budget -- up $559,220 (8.7%)--are due primarily to increases in fixed charges from other departments as a result of personnel costs. For the second year of the proposed budget, Interdepartmental O&M costs are set to increase only marginally, $31,560 (0.5%).

With respect to Other O&M, a major shift in the Electric Utility's Purchase Power supply portfolio occurred in FY2004-05 with the termination of the Western contract. This contract has been replaced with a combination of a smaller Western contract and a higher cost, but still cost effective, contract with AEP. In addition, natural gas fuel increases have result in higher production costs. Early signs in calendar 2005 point to a less than stellar water year, causing REU to anticipate higher cost and lower availability of hydro power, and the need to manage our resource portfolio with a strategic combination of our own generation and market purchases. We see power operation costs rising 8.8% ($4.9 million) in FY06, followed by a 10.1% decline ($6.1 million) in FY07.

**Debt Service**

The Electric Utility Debt Service proposed budgets for FY06 and FY07, at $8.6 million per year, reflect the levelized debt service structure of the Utility's existing debt. Annual debt service declined beginning in FY06 as a result of the full amortization of bonds issued by the Enterprise Public Utility District in 1977 as general obligation debt. This debt was assumed by the Electric Utility when that entity's facilities were annexed by the City.

When the City Council approved restructuring REU's outstanding distribution debt and issuing additional bonds to finance a portion of generating Unit No. 5, it also elected to have a level debt service profile for future years. For that reason, REU's debt service was a level $8.9 million through FY05, when the last of the 1977 general obligation bonds amortized, with future debt service set at $8.6 million annually. Notably these debt service figures include all costs associated with maintaining a portion of the Utility's debt in very cost effective variable rate bonds, but exclude interest earnings on debt service reserve funds, which effectively reduces net debt service by some $300 thousand annually.

## Capital Outlay

REU's Division 859 contains the preponderance of the Capital Outlay proposed budgets. The table below presents the components of the Capital Outlay proposed budgets for FY06 and FY07 compared with the adopted FY05 Budget.

| Description | Adopted FY05 Budget | Adopted FY06 Budget | Adopted FY07 Budget | $ Change FY05/06 | $ Change FY06/07 |
|---|---|---|---|---|---|
| General System Improvements | $4,546,700 | $4,668,100 | $4,793,200 | $121,400 | $125,100 |
| Projects and Programs | 358,000 | 769,300 | 736,060 | 411,300 | (33,240) |
| Communications, Computer, Office Equipment | 21,450 | - | 23,640 | (21,450) | 23,640 |
| Total | $4,926,150 | $5,437,400 | $5,552,900 | $511,250 | $115,500 |

The majority of the capital outlay budgets are for General System Improvements. These costs include the annual recurring expenditures for installation of facilities required to provide reliable electric service to new customers/development and to maintain reliable electric service to existing customers. The facilities installed by City crews and contractors include transformers, poles, overhead/underground conductors, trenching, conduit, vaults, etc. Approximately 50% of the cost is for service to new development and 50% is the cost for capital replacement of deteriorated poles, transformers, conductors, and other items. The remaining capital items are part and parcel of safely operating a highly aggressive and progressive electric utility in today's market in an efficient manner. In addition to Division 859, Customer Service (Div 888) has also a minor building modification, and electronic service order processing equipment costing $37,010 in FY06 and $23,640 in FY07, respectively. The remaining capital items are for projects and programs, as follows:

FY06 - Communications Upgrade for power control, $62,290, and for FY07 $72,060;

FY06 - Initial funding for future development of renewable resources, $40,000;

FY07 - Unit 2 SCR Modification for environmental safeguards, $544,000;

FY06 - Acquisition of annexed PG&E distribution facilities, $630,000, and for FY07 $120,000.

## Bond Funded Expenses

The Division 844 Capital Outlay proposed budget is $7.0 million in FY06 and $5.1 million in FY07, compared with budgeted bond funded expenditures of $3.3 million for FY05. The proposed budgets are to be funded from the unspent funds from the 1993 Electric Utility's Financing, which currently totals approximately $8.3 million, along with interest earnings on the balance. This capital budget reflects the likelihood that additional bonds will have to be issued during the budget period to accommodate Stillwater Business Park and other capital projects.

A new Canby substation project is needed to meet growing customer load without exceeding equipment load limits and/or acceptable voltage limits on existing facilities. This two-year project is expected to cost $1.3 million in FY06 and $1 million in FY07.

A new 115/12kV transmission line is required for the new business park. Once the Stillwater Business Park is built, the existing 12kV distribution system in the area could only support approximately 6 percent of the potential load in the Business Park. The new 9-mile transmission line would serve a proposed 115/12kV substation in the Park that would allow the Electric Utility to reliably serve large block loads within the Business Park. $1.3 million dollars is budgeted in FY06 for a consultant to perform detailed transmission line design, right-of-way acquisition activities (including purchases), and line permitting. It is critical that engineering, right-of-way acquisition and permitting be completed at the earliest possible time after EIR certification to assure REU can provide timely and reliable electric service to any large Business Park customers. For FY07, $3.5 million dollars is in the budget for the12 kV distribution system (conduit, cables, switches, vaults etc.) inside the Park (including entrance roads) that is required to serve the first 6 megawatts or so of electrical load to develop within the Park. Additional funding will be required (for load in the Park in excess of about 6 megawatts) for the transmission line and 115/12kV substation construction, modification to Airport 230/115kV and East Redding 115/12kV substations, environmental mitigation, and joint construction agreements with SBC and PG&E. This project will ultimately require the issuance of bonds to complete, as built-out costs could easily range in the $15 to $25 million or more range.

In addition to revenue funded capital costs to acquire PG&E distribution facilities, a further $630,000 is budgeted from bond proceeds to complete acquisition of certain annexed properties during FY06. A further $600,000 is budgeted in FY07 for a small renewable resource project, a micro turbine generator at the Buckeye water treatment plant, which will essentially harness existing high-pressure water flows to generate "green" power.

Finally, Unit No. 5 at Redding Power Plant requires major maintenance during FY06 that exceeds funding presently available in the major maintenance fund. An up-front purchase of a spare turbine module will offset future maintenance expenses, and significantly reduce the impact of a Unit No. 5 turbine outage. The entire project is projected to cost $9.0 million. Of this amount, $4.5 million is funded through the major maintenance fund, $800,000 is from the operating budget, and $3.7 million is from existing bond proceeds. It is planned that the $3.7 million will be replenished at a future date when a financing occurs.

**Major Maintenance and Rolling Stock Funds**

In addition to the Capital Outlay Budget, Resolution No. 98-139 established a "Special Purpose Fund" for the periodic major maintenance of the Electric Utility's power generating equipment (Major Maintenance Fund). In accordance with this resolution, the amount to be added to this fund each year shall be based on the number of equivalent running hours accrued, multiplied by the current estimated cost of major maintenance per equivalent operating hour. Maintenance is budgeted in the fund and ultimately expensed during the year in which the work is completed. An increase in the annual funding for the Power Plant Maintenance Fund is budgeted from the current $865,500 to $1.6 million beginning in FY06.

The Rolling Stock Replacement Fund is similar to the Power Plant Maintenance Fund, and is in three segments for REU. With respect to the Distribution Division's portion, an increase in funding is budgeted from the current $245,860 in FY05 to $253,240 for FY06, and $260,840 in FY07. With

respect to Utility Field Services, the current funding of $18,000 is budgeted to continue through FY07; And, for Power Plant Rolling Stock, no new funding is budgeted for FY06 and FY07.

The Major Maintenance Fund is for major expenditures of a periodic nature, based on the wear and tear that the generating units accumulate due to their use. The expense that is incurred does not fit the normal Operations & Maintenance budget due to its periodic and sometimes unpredictable nature. The plants have been operating well beyond original expectations, thus requiring greater maintenance expenditures. In addition, the asset portfolio after adding Unit 5 in June of 2002, as well as the operating philosophy concerning the resources in the portfolio has changed from prior years. From a risk management perspective, it is prudent utility practice to follow manufacturer's maintenance guidelines to ensure the continued, reliable operation of the generating units. To this end, the budgeted increased funding represents maintenance requirements based upon projected operating hours as well as manufacturer's guidelines. To not pursue this enhanced preventive and periodic maintenance schedule could result in catastrophic failure of a generator, resulting in millions of additional dollars in repair costs and untold millions in replacement power purchases.

As for the Rolling Stock Replacement Fund budget, the Electric Utility has a demonstrated need for scheduled periodic replacement and upgrade of heavy rolling stock, such as line trucks, and for vehicles such as sedans and light trucks, and trailers. Fleet maintenance concurrence of need has been provided as appropriate. The Rolling Stock Replacement Fund should be increased as indicated based upon the demonstrated and projected needs of the Utility and upon the already confirmed opinion of Fleet Maintenance that many of the Utility's vehicles are well beyond their economic useful life.

**Public Benefits Program**

The existing Public Benefits Program has been very successful and well received in the Redding community. The proposed Public Benefits Program targets REU's outreach to our residential and commercial customers, builds upon existing relationships with the business and development community to increase energy efficiency in new and remodel construction, and promotes new technology and efficiency measures for the betterment of our community.

The largest difference in REU's proposed Public Benefits Program expenditures is the increase in Low Income assistance programs from approximately $171,000 in FY04 to $519,000. This increase is primarily driven by REU's work with Redding's Housing Department on the rehabilitation of low-income homes that are highly inefficient. A study performed for Housing in the summer of 2004 estimated that 18 percent of the older housing stock in Redding is either substandard or dilapidated. This equates to approximately 1,500 homes or residences that should be considered uninhabitable and highly inefficient. REU's efforts will focus on improving the energy efficiency of these and other homes as other necessary improvements are made to reduce substandard housing in our community.

The projected increase in funding for Low Income Assistance related programs was achieved through small reductions in spending on Research, Development and Demonstration (RD&D) Projects, as well as renewable resource development. With existing RD&D and renewable resource projects in place and under review, the flexible design of REU's Public Benefits Program allowed for the shift in funding providing cost-effective and immediate benefits for our community.

Another area of change being proposed within the REU's Public Benefits Program is a minor adjustment in the incentive for solar PV installations. REU needs to assure that the incentives offered for solar PV is consistent and in conjunction with our system peak. REU is proposing that a two-tiered

rebate incentive be offered. $3.00 per/watt incentive would be offered for a standard installation of a PV system and an incentive of $4.00 per/watt for a PV system that meets REU specifications during our peak summer afternoons. There would be a maximum rebate paid on each incentive.

The table below provides a summary of the components of the expected FY05 expenditures and the proposed FY06 and FY07 expenditures for REU's continuing Public Benefits Program. The expenditures are set at 2.85 percent of REU's forecast retail revenue in the respective fiscal years.

| Description | Expected FY 2004-05 | Adopted FY 2005-06 | Adopted FY 2006-07 |
|---|---|---|---|
| **Research, Development & Demonstration** | | | |
| Project Expenses | $360,000 | $293,000 | $166,000 |
| Labor (Estimated) | 12,000 | 57,000 | 43,380 |
| **Sub-Total** | $372,000 | $350,000 | $209,380 |
| **Demand Side Management/Efficiency** | | | |
| Project Expenses | $1,200,000 | $838,000 | $833,000 |
| Labor (Estimated) | 45,000 | 187,500 | 156,000 |
| **Sub-Total** | $1,245,000 | $1,005,500 | $989,000 |
| **Low Income Assistance** | | | |
| Project Expenses | $153,000 | $440,700 | $509,660 |
| Labor (Estimated) | 18,000 | 78,300 | 100,280 |
| **Sub-Total** | $171,000 | $519,000 | $609,940 |
| **Renewable Resources** | | | |
| Project Expenses | $300,000 | $167,500 | $260,000 |
| Labor (Estimated) | 11,000 | 35,500 | 44,000 |
| **Sub-Total** | $311,000 | $203,000 | $304,000 |
| **TOTAL PBP Charges** | $2,099,000 | $2,077,500 | $2,112,320 |

## Five-year Financial Plan

The Electric Utility's financial plan for the current year and subsequent five years is summarized in the table below.

| | Fiscal Years Ending June 30 | | | | | |
|---|---|---|---|---|---|---|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| **Electric Utility Fund Beginning Balance** | 42.1 | 25.5 | 27.0 | 22.9 | 18.6 | 18.9 |
| **Rate Adjustments** | **4.0%** | **3.7%** | **3.7%** | **3.7%** | **3.7%** | **3.7%** |
| **Revenues** | | | | | | |
| Retail Electric Sales | 71.3 | 75.1 | 79.6 | 84.4 | 89.4 | 94.8 |
| Wholesale Electric Sales | 40.2 | 21.6 | 15.0 | 18.3 | 16.0 | 14.5 |
| Miscellaneous Income | 2.8 | 3.2 | 3.3 | 3.4 | 3.5 | 3.6 |
| Total | 114.3 | 100.0 | 97.9 | 104.1 | 108.8 | 112.8 |
| **Operating Expenses** | | | | | | |
| Power Supply | 80.8 | 65.5 | 61.0 | 65.5 | 66.3 | 69.3 |
| O & M | 18.3 | 21.2 | 22.2 | 22.7 | 23.2 | 23.6 |
| Total | 99.1 | 88.8 | 83.3 | 88.2 | 89.4 | 92.9 |
| **Revenue Available for Debt Service** | **15.2** | **13.2** | **14.7** | **15.8** | **19.4** | **19.9** |
| **Total Debt Service** | 8.6 | 8.2 | 9.5 | 9.4 | 9.4 | 9.3 |
| **Revenue Remaining after Debt Service** | **6.6** | **4.9** | **5.1** | **6.5** | **10.1** | **10.5** |
| **Other Revenues & Expenses** | | | | | | |
| Other Revenues | 1.9 | 1.2 | 1.5 | 1.3 | 1.1 | 1.2 |
| In-Lieu Payment to the City | -3.2 | -3.5 | -3.4 | -3.5 | -3.6 | -3.6 |
| Capital Additions and Improvements | -9.0 | -5.4 | -5.6 | -5.8 | -5.8 | -6.0 |
| Purchase of 25MW of COTP | -7.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Payment of Alstom Maint. Agmt | -3.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Proposed Reimburse COTP w/Bonds | 0.0 | 7.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Rolling Stock & Major Maint Fund | -2.5 | -3.0 | -1.7 | -3.0 | -1.5 | -2.4 |
| Total | -23.1 | -3.5 | -9.2 | -10.8 | -9.7 | -10.9 |
| **Increase (Decrease) in Funds** | **(16.6)** | **1.5** | **(4.1)** | **(4.3)** | **0.3** | **(0.3)** |
| **Electric Utility Fund Ending Balance** | 25.5 | 27.0 | 22.9 | 18.6 | 18.9 | 18.6 |
| **Debt Service Coverage Ratio** | 1.98 | 1.75 | 1.87 | 1.81 | 2.18 | 2.21 |

## Status of Goals and Objectives for Fiscal Years Ending June 30, 2004 and 2005

The status of the Electric Utility's goals and objectives for fiscal years 2004 and 2005 are as follows:

### Resources Group

*Goal*

Work closely with Western Area Power Administration (Western) in the transition from the resource Western provides today to the Base Resource and custom products that Western will provide starting in 2005. Additionally, work with Western and support the development of a Federal Control Area.

*Accomplishment*

In 2005 REU was successful in supporting the move of the Western electric system from within the California ISO control area to the SMUD control area. Given REU's direct connections to the Western grid, the Redding electric system was also moved at the same time into a new Western Sub-control area that is a part of the SMUD control area. REU also successfully negotiated and completed a new interconnection contract and a new control area services contract with Western. On January 1, 2005, all the new contracts with Western became in full effect, including the new Base Resource contract for CVP. Along with other Western customers, REU entered into and Energy Exchange Agreement with CVP Corporation that allows for the provision of energy support to Western in exchange for supplemental energy.

*Goal*

Protect Redding's customers from the California electric deregulation fallout as much as possible. Provide an interface with the California ISO and other state agencies with regard to wholesale power and natural gas transactions. With the aid of legal counsel, participate at the Federal Energy Regulatory Commission in the continued development of the California ISO and the new California power structure as it is formed such that the City's interests are protected.

*Accomplishment*

With the formation of the Western Sub-control area, REU has provided a significant layer of protection from the California ISO markets, while maintaining access to the overall wholesale market. As the California markets have continued their efforts to re-regulate through regulatory and legislative actions, REU has remained "engaged" in the various forums to try and design markets that offer some protection to the retail customers. REU staff continues to work on ways to protect the City from unwarranted ISO penalties and charges. Following the never-ending California ISO tariff changes before FERC requires the City, in coordination with other municipal utilities, to intervene at FERC and defend our existing contracts.

*Goal*

Manage the long-term resource portfolio to ensure a cost-effective, reliable power supply and transmission access to the City's electric customers.

*Accomplishment*

Each year the Resources/Finance Division has developed a retail electric load forecast that is then used as the key input to optimizing the resource portfolio with respect to natural gas purchases and surplus generation sales. In 2004, the City adopted a Renewable Portfolio Standard (RPS) that will further provide REU with resource planning guidance for additions to the resource portfolio.

*Goal*

Manage Redding Electric Utility's (REU) long-term natural gas portfolio management plan.

*Accomplishment*

REU has continued to purchase a series of natural gas contracts that provide for the long-term

purchase of gas commodity over various time periods that allow for the portfolio averaging of REU's natural gas purchase exposure. Additionally, REU completed a gas storage contract that has provided the power plant operations with another valuable price and delivery hedging tool. Finally, REU has continued to work with other municipal agencies toward the possible establishment of a joint action agency for the specific purpose of managing a large portfolio approach to natural gas procurement and delivery on a cost effective basis for its respective members.

*Goal*

Provide support as necessary to Modesto-Santa Clara-Redding and the Transmission Agency of Northern California to further the joint powers agencies' efforts to optimize use of agency assets.

*Accomplishment*

REU worked closely with TANC Members to negotiate and complete the major contractual changes surrounding the end of calendar year 2004. The changes involved REU's access to the COTP and bringing power into the new SMUD/Western Control area for the next 30 years. REU's Director served as Chairman of TANC and coordinated efforts with NCPA to accomplish separate control area status from the California ISO. Additionally, REU has been working diligently with MSR members to complete a wind power product purchase from the Pacific Northwest.

*Goal*

Monitor and participate in the formation and/or resolution of issues at the local, state, and federal levels, which may impact Redding's Electric Utility.

*Accomplishment*

Through the various joint action agencies, REU has diligently defended the City's loads and resources from a continuing attack of additional rules, regulations and legislative attempts that would potentially pass on significant deregulation costs to the citizens of Redding and diminish the authority of the City Council. REU staff has participated in an effective manner to influence both federal and state legislative/regulatory initiatives that have not been in the best interest of public power on numerous issues like the Renewable Portfolio Standard, Resource Adequacy Standards, Regional Transmission Organizations, Locational Marginal Pricing, and Standard Market Design.

*Goal*

Monitor trends in electric deregulation and stay appraised of current activity both in California and across the nation.

*Accomplishment*

REU staff has stayed fully engaged in California's legislative efforts to re-regulate the electric industry after the 1999-2000 energy crisis. REU continues to promote in all venues the vertically integrated utility model as the best business approach for the provision of cost effective electric service to the ratepayers. The message is starting to be heard by Congress, but California continues on its path to further deregulation.

## Power Operations Group

*Goal*

Manage the portfolio of electric power related resources to optimize wholesale revenues while maintaining adequate supply to meet the City's electrical needs.

*Accomplishment*

The addition of Unit #5 has assured REU of an on-site, base loaded, thermal resource to meet the City's projected energy demand growth. The Unit, with its combined-cycle technology, has also provided the Operations Group with a competitively priced product to sell into the marketplace in periods of surplus generation.

For the past two delivery years, the REU trading group has effectively shaped and utilized over 99% of the available Western CRD product to serve Redding load while, at the same time, freeing up additional resources to sell into the energy marketplace.

REU has managed to stabilize energy costs through the acquisition of natural gas supplies and transmission (pipeline) at attractive rates and has acquired gas storage capabilities that are used for emergency supplies and to protect against system constraints and transmission interruptions, as well as to reduce the effects of market fluctuations in supply prices.

Further, REU has helped to insure the deliverability of its northern energy supplies and to meet its future growth requirements through the purchase of 25 MW's of COTP transmission rights from Shasta Lake City and 25 MW's of PACI rights from Western.

*Goal*

Maintain accurate and complete business records of all energy related transactions conducted by the division.

*Accomplishment*

Over 400,000 energy accounting records are kept and maintained in a database annually. Checks are in place to assure the accuracy of this data. The database is located on a secure server with daily backups and the original scheduling spreadsheets are archived. The database allows us to sort through vast amounts of data in a relatively short time, increase report accuracy, and improve productivity.

*Goal*

Manage the Power Control group to ensure the safe and reliable operation of the City's electric system through twenty-four-hour dispatching of the distribution system and real-time scheduling of the City's power production, transmission, and contractual resources.

*Accomplishment*

The distribution dispatch operation provided safe, reliable switching control and coordination of field

crews throughout the year. With limited resources in both the control center and in the field, restoration times have been managed to very acceptable levels.

The real-time operators and preschedulers constantly monitored the energy market for opportunities to reduce power supply costs. The success of these groups has been laudable in holding overall costs to below contract levels.

*Goal*

Ensure a high availability of the City's power production facilities in order to meet the City's needs whenever required.

*Accomplishment*

Exclusive of planned overhauls, the existing Redding Power Plant generating units were available 97.9% of the time over the past biennium, which is significantly above the national average of 89.4% for similar plants. Most importantly, the units were available during the system peak periods as well as each additional time that they were called upon to meet the demands of the City's customers.

Several major generating unit maintenance items were accomplished including an overhaul of the cooling tower and the Unit 5 turbine section, boiler tube repairs, and an upgraded water treatment chemical delivery system. A dump condenser was added to allow Unit 5 to operate in simple cycle mode during periods of Unit 4 unavailability, thereby insuring that adequate generating resources are available much more of the time.

*Goal*

Ensure continued environmental leadership at the Redding Power Plant site; including compliance with all permit emission requirements.

*Accomplishment*

During this biennium, all required SCQAMD, Water Board, CEC, and EPA reporting requirements were met and all compliance testing was completed. REU did not receive any environmental citations during this period. All waste streams have been managed, reduced, or eliminated. The City applied for and was issued a Clean Air Act Title V operating permit.

**Distribution Systems Group**

*Goal*

Continue construction of new or upgrading of existing 115kV transmission, substation, and distribution facilities to meet expanding system needs and maintain a reliable and safe system. Strive to complete projects on time and under budget.

*Accomplishment*

During FY03/04, REU staff completed the design and awarded contracts to purchase all major equipment items for the installation of a second 115/12kV transformer at Moore Road Substation. During FY04/05, the construction contract for this system expansion project was awarded. Completion

of the Moore Road Substation expansion is expected in June 2005. The project cost is currently estimated at $1.62 million or 19 percent under the project's $2 million budget. More than nine miles of new 12kV distribution was installed in FY04 with over 11 miles expected to be installed in FY05. Service reliability during 2003 and 2004 (as measured by the average system customer outage time excluding infrequent major storm events where 10 percent of REU customers are impacted) was very good. Average annual customer outage time in 2003 and 2004 was 22.9 minutes and 41.5 minutes, respectively (excluding major storm events). The average of these two figures (32.2 minutes) compares very favorably to 29.3 minutes for the same period in 2002 and 33.4 minutes for the past five-year average (1998 through 2002). Also, on a very positive note, City outage durations and occurrences continue to be less than one-half the statewide investor-owned utility average.

*Goal*

Continue to provide superior customer service to the development community through responsive electric utility designs and timely installation of electric utility supply facilities.

*Accomplishment*

In April 1996, the Department began sending all commercial and residential developments a one-page survey to fill out after electric service has been provided. The survey form rates the Electric Utility in several areas including cooperation, professionalism, quality of work, and timeliness of design and installation of electric utility facilities. Staff has received very high marks with an overall rating of 4.3 since the survey began with a rating of 4.19 for the last twelve months. The rating is based on a scale of one to five with five (outstanding) being the highest possible rating. Also, an impressive survey return rate of over 40 percent has occurred since the survey began. Throughout the year, staff receives compliments from customers about the high quality service they receive from REU.

*Goal*

Continue to implement a program that allows for trimming of trees on a three-year or less trim cycle that meets new California State Public Utility Commission (CPUC) tree-trimming clearance standards that were established in January 1997. State safety standards require a minimum of 18-inch clearance between trees and 12,000-volt power lines (18-inch rule). Also included in this goal is continuation of a program implemented in FY00 to apply tree growth regulators (TGR) to slow the growth of faster growing trees located adjacent to or under overhead power lines.

*Accomplishment*

During FY03/04 and FY04/05, three tree-trimming contracts totaling $892,000 were awarded to Utility Tree Services, Inc., (two contracts) and Davey Tree Surgery Company (one contract). These contracts were to supplement existing Electric Department tree-trimming staff. In addition, more than $40,000 in contracts was issued to clear vegetation around poles, pad equipment, and substations to comply with State standards. The total contract tree-trimming/vegetation-management budget for FY03/04 and FY04/05 is expected to be under budget. During FY04 and FY05, staff continued a program started in FY00 of applying tree growth regulators (TGR) to faster growing trees that are in proximity to overhead power lines. TGR was only approved for use in California during the late 1990s; and in addition to slowing tree growth, they promote healthier, greener trees. To date, the Electric Utility has treated more than 3300 trees with TGR. In addition, during FY04 and FY05, Electric staff continued a program to increase productivity of existing line clearance tree-trimming staff by contracting the weekly banner installation on Pine Street. With the above tree trimming and vegetation-management efforts, the

Department continues to make significant improvements in its tree-trimming/vegetation-management programs and is in a better position to comply with State standards.

*Goal*

Continue programs to: (a) accommodate a growing electrical system, (b) provide for State-mandated inspection programs, and (c) replace aging system elements such as wooden poles and underground facilities.

*Accomplishment*

During FY03/04 and FY04/05, a full-scale inspection program of both overhead and underground electric utility facilities continued to be performed. The results of the inspections have been significant in preventing unplanned customer and equipment outages. In FY03/04 and FY04/05, additional line crew staffing was added in an effort to better comply with State inspection/maintenance standards and to perform needed reconstruction and new business work. During 1999, we began our planned, second ten-year inspection and treatment cycle of the City's 11,900 wood poles. The pole treatment program is anticipated to save costs by extending the life of wood poles 10 to 15 years or more. Once fully implemented over a ten-year inspection cycle, savings in excess of $70,000/year are anticipated from this program. During FY03/04 and FY04/05, more than $1,100,000 in contract costs (trenching, conduits, boxes, etc.) was spent on replacing obsolete direct-buried/CIC cable systems with modern conduit systems, replacing inadequate splice boxes with larger splice boxes and replacing obsolete/unreliable subsurface transformers with modern pad-type transformers. During 2003 and 2004 summer, we performed our fourth and fifth annual infrared (thermographic) inspections of the complete overhead electric system. A sixth inspection is planned for the summer of 2005. The benefits of the thermographic inspection were significant and we expect to continue to do annually in an effort to comply with State standards for inspection and maintenance. In 2003, 2004, and 2005, we continued a program started in 1999 to annually inspect/repair our streetlights. Each month, one-twelfth of the streetlight system is checked for problems, and repairs are made accordingly. The program has been successful in reducing customer complaints of streetlight problems, and it also helps us comply with State inspection and maintenance standards.

*Goal*

Continue to review warehouse-ordering procedures in an attempt to minimize inventory and other costs.

*Accomplishment*

Efforts were continued to streamline bid procedures and require vendors to stock some smaller material items (line hardware, elbows, secondary connectors, etc.) for REU. In addition, an existing database developed by staff continued to be improved to better predict distribution system materials required for new development and reconstruction. Staff also continued to repair, when possible, transformers and pad switches removed from service and return them to inventory. Methods continue to be improved for line crews to charge out material used on construction projects resulting in significant improvements in accuracy of the year-end inventory. The year-end inventory completed in June of 2004 was very accurate (with minimum inventory adjustments required). All the above procedures have allowed us to better manage inventory and continue to improve warehouse efficiency.

*Goal*

Continue to review new products and procedures available in the industry for possible use by the Utility in its effort to cut costs while maintaining reliable service.

*Accomplishment*

During FY03/04 and FY04/05, staff continued to make changes to transformer specifications, switch specifications, insulator specifications, cable specifications, and terminator specifications to take advantage of industry improvements in these products. These changes have more standardized our equipment purchases without measurable cost increases but with anticipated improvements in long-term service quality. Staff continues to bid and purchase the latest in metering equipment required to meet customer needs and to comply with REU rate schedule requirements.

*Goal*

Review and update existing 115kV and 115/12kV substation and 12kV distribution expansion plans with the goal that all customers can be served in the event of a single contingency equipment failure or main feeder line failure.

*Accomplishment*

During FY04/05, staff updated short-term and long-term planning studies to develop the two-year budget (FY05/06 and FY06/07) project capital improvements. Projects were deferred or eliminated wherever possible to reduce costs while not sacrificing service reliability. Sufficient distribution substation and feeder capacity continues to be available to reliably serve all load in the event of a single contingency equipment or 12kV feeder main trunk line failure. The studies did show, however, a need for a power transformer addition at Canby Substation prior to the summer of 2007 to assure all load can be reliably served for a single contingency substation equipment failure at Canby Substation. Funds for this substation expansion are being proposed in the FY06 and FY07 budgets.

*Goal*

Continue the program that began in FY02/03 to convert overhead utility facilities to underground in selected areas of the City.

*Accomplishment*

During FY03/04, $500,000 was budgeted to underground overhead utility lines along Parkview Avenue from just west of Market Street to the ACID Canal. Construction on this project began in April of 2003 with completion of REU work expected in February 2005. We currently expect REU work will be completed 5 percent or more under budget. This project also involves PG&E's lines. PG&E is not expected to complete their work until December 2005, which is the required completion date (per the Parkview Avenue Undergrounding Ordinance). During FY04/05 and FY05/06, it is planned to complete design and bid the construction of the Cypress Bridge replacement project, which includes underground lines along Cypress Avenue from just west of Athens Avenue to Hartnell Avenue. Each year $500,000 is proposed to be budgeted for undergrounding utility lines along major streets. When sufficient undergrounding funds are accumulated, an undergrounding project along a major street will be constructed.

## Energy Services Group

*Goal*

Manage Redding's Public Benefits Program (PBP) and maximize customer awareness of the potential energy and cost savings from efficiency improvements and assist in developing cost effective demand-side management measures for customers and Redding Electric Utility (REU).

*Accomplishment*

California Law (AB 1890) requires California's electric utilities to develop and administer public benefits programs (PBP) that will provide low-income assistance, encourage energy conservation and renewable resource development, and promote research and development of new energy-related technologies. REU's programs continue to receive favorable support from customers as REU has expanded several programs where appropriate.

With City Council authorization, REU has expanded its PBP to include a series of energy efficiency rebate programs for many products and measures including: low-income weatherization, high efficiency Air Conditioners and Geothermal Heat Pumps, ENERGY STAR® appliances and windows, replacement lighting, Renewable Energy technologies, energy efficient Pumps & Motors and to improve air-quality, the Cordless Electric Lawnmower rebate program.

During Fiscal Year (FY) 2004 REU provided nearly 4,700 rebates, totaling more than $1.2 million. From this investment in efficiency improvements, REU reduced peak demand by slightly more than 2 Megawatts (MW) and decreased electric system energy requirements by 6 million kWh/year. Year-to-date for FY 2005 REU has rebated more than $800,000 to approximately 2,800 customers. This has reduced peak demand by 1.1 MW and energy requirements by 3.9 million kWh. These figures project to more than 7 million kWh in annual energy savings and an almost 2.5 MW peak demand reduction by the end of FY 2005.

The rebate program that has reduced REU's peak demand has been the high efficiency air conditioner rebate. When the Kool Vantage HVAC program began, the state standard for air conditioner efficiency was set at a SEER of 10. However, from the outset of our program, REU's rebates were only available for new or replacement units with a SEER of 12 or greater. In the first year of the program the average SEER of all units receiving a rebate in our program was equal to 12.4. To further increase the efficiency of air conditioners in Redding, REU adjusted its program and now provides rebates only to new or replacement air conditioning units with a SEER of 13 or greater. The rebate structure, and this increased requirement, served to raise the average SEER of all units receiving a rebate in FY 2004 to 13.6. REU is very pleased with these results, having moved the market in Redding to recognize the long-term value of higher efficiency air conditioning systems. Interestingly, the California Energy Commission standards for air conditioners in California will be increased to a SEER of 12 from the existing level, beginning January 1, 2005. REU is revising the Kool Vantage rebates to reduce the incentives for SEER 13 units and further increase the rebates for SEER equal to or greater than 14. A SEER 14 air conditioner uses about 20% less energy than a SEER 12 unit. We strongly believe this will continue to "raise the bar" and increase the efficiency of air conditioning systems throughout the City.

*Goal*

Continue to increase and improve REU's business relationships through the Key Accounts program.

*Accomplishment*

During fiscal years 2004-2005, REU hosted 5 Key Account Luncheons drawing nearly 100 of its top customers to each event. These luncheon forums allow REU's top customers the opportunity to network with other Redding professionals, but more importantly, the opportunity for a question and answer session with the Utility's Director. Guest speakers at these events have included the City Manager, the General Manager of Northern California Power Agency, and the Shasta County Economic Development Corporation's Chief Executive Officer, among others.

REU also initiated a highly successful program, the City Manager's Breakfast. These informal gatherings have served to further enhance REU's and the City's relationship with key personnel of local businesses. The City Manager's office has received valuable feedback from the 100-125 attendees of the 8 meetings that have been organized by REU staff for the City Manager.

REU's Key Account Management staff continues to foster good relationships with its top 130 customers through regular communications including quarterly newsletters and personal visits. The single point of contact for all City services as provided through REU's Key Account Program has been well received and used very frequently.

*Goal*

Expand REU's efficiency and conservation program entry to the residential and small commercial markets.

*Accomplishment*

REU staff continues to assist residential and small businesses requesting assistance with energy and cost reductions. During these visits, after reviewing the customers' home or facilities, the REU representative provides tips on energy efficiency and how to reduce energy costs, as well as brochures and pamphlets that provide information in a simple and straighfforward format. From the feedback we have received, customers appreciate this individualized effort.

*Goal*

Maintain and enhance REU's ongoing public relations campaign to promote brand loyalty for the City's Electric Utility.

*Accomplishment*

REU has participated in several community activities where customers are encouraged to ask questions and raise issues. Staff also uses these forums as an opportunity to promote brand loyalty, energy efficiency and safety, as applicable. Examples of the events REU staff developed or participated in include: Energy Efficiency Day at the Mt. Shasta Mall, Northern California Regional Science Bowl Sponsorship, Business Expo at the Redding Convention Center, Chamber of Commerce meetings, Energy Day at Wheelabrator in Anderson and the highly anticipated Annual REU Energy Fair, where more than 4,000 community members descend upon City Hall to learn about the latest energy saving products and technologies. Staff was invited to present several seminars and workshops concerning energy efficiency and conservation to various groups and organizations, including senior citizens groups, local church groups, and the Redding Housing Authority's HUD program participants.

*Goal*

Serve as Liaisons for the City in support of Economic Development opportunities including retention of existing customers and promote of the City to new businesses considering relocating.

*Accomplishment*

REU has actively been involved in recruitment activities through the City Manager's office as well as working with the Shasta Economic Development Center at various trade shows and Economic Development seminars. REU staff continually is working to foster new business developments for the City of Redding.

**Customer Service Group**

*Goal*

Develop and implement a Quality Monitoring Program to support Customer Service efforts in the Call Center.

*Accomplishment*

In July 2004, Customer Service staff participated (with 26 other public power utilities nation-wide) in a comprehensive benchmarking questionnaire conducted by PA Consulting and coordinated by American Public Power Association (APPA). As a result of the benchmarking study, statistics were gathered and a baseline established. Several processes were identified and as a result, procedural changes have been made to streamline these processes.

*Goal*

To continually identify, evaluate and develop customer service training programs, to deliver quality customer service.

*Accomplishment*

An Organizational Improvement Process was initiated in 2004 to implement and improve Customer Service through training and an organizational realignment that will allow for better utilization of resources during times of high volume calls and customer walk-in visits.

*Goal*

To evaluate and identify solutions and implement enhancements to the telephone system.

*Accomplishment*

Enhancements to the telephone system included the removal of the Address Verified Sale (AVS) line from both automated systems (telephone – Integrated Voice Response and web). The removal of this additional requirement, made the process much easier for the customer to complete the transaction with a much quicker transaction time.

In June 2004, the Customer Service and Power Control divisions of the Electric Department partnered to develop and implement a formal Outage Communication Plan. The Outage plan enhances the lines

of communication between the divisions during major power outages in the city of Redding to provide fast efficient service to our customers.

*Goal*

To increase our overall satisfaction rating by 10 percentage points each year in 2003/04 and 2004/05.

*Accomplishment*

Through benchmarking and the organizational improvement process, standards and measurements are in development for consistent, fair, and equitable treatment of all customers. Customer Service has also taken a more active role in the community. Customer Service annually participates in Adopt-A-Family during the holidays–sometimes adopting two or three families.

**Field Services Group**

*Goal*

Continue to increase productivity and efficiencies to offset customer growth without an increase in staff levels.

*Accomplishment*

Coordinated the installation of approximately 2,000 Electronic Read Transmitters (ERT) meters. (1,000 water, 1,000 electric) with the Water and Electric Departments.

Implemented changes to the Itron meter reading system to assign a meter reader a number so that the reader can be tracked consistently each day.

*Goal*

Decrease the number of workers compensation incidents.

*Accomplishment*

Reduced the number of worker's compensation incidents by 40% over the previous two-year budget time frame by implementing regularly scheduled staff meetings, along with the quarterly safety meetings.

*Goal*

Improve meter reading system.

*Accomplishment*

Replaced radios with more efficient radio/cell phone combinations with tracking features.

## Workload Indicators and Performance Measures

The table below indicates various measures of growth in the number of customers to be served, the level of service required in terms of capacity and energy, and the continued development of the City's electric service territory.

*Utility*

| Work Load Indicators | 2002-03 | 2003-04 | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| Peak Demand (MW) | 227.1 | 245.1 | 228.4 | 241.3 | 247 |
| Gigawatt-Hour Sales | 735 | 769 | 770 | 780 | 796 |
| Transmission Line Miles | 67.3 | 67.3 | 67.3 | 67.3 | 67.3 |
| Distribution Line Miles | 590 | 599 | 610 | 620 | 631 |

*Customer Service*

| Workload Indicators | 2002-03 | 2003-04 | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| Electric customers billed monthly | 38,473 | 39,258 | 40,059 | 40,877 | 41,695 |
| Water customers billed monthly | 24,711 | 25,215 | 25,730 | 26,255 | 26,780 |
| Total amount billed (all utilities) | 101,165,000 | 110,000,000 | 112,200,000 | 114,000,000 | 116,700,000 |
| Payment transactions - Credit Card | 15,108 | 15,410 | 15,718 | 28,700 | 29,274 |
| Electronic Funds Transfer | 2,200 | 2,310 | 2,426 | 3,447 | 3,516 |
| Total Walk-In Traffic – Cashiers | 81,063 | 82,684 | 84,338 | 86,025 | 87,746 |
| Payment transactions – Mailed | 388,310 | 396,076 | 403,997 | 412,077 | 420,319 |
| Customer Service phone calls received | 90,000 | 91,800 | 93,650 | 97,106 | 99,050 |
| Call Center's avg. speed of answer (minutes: seconds) | 1:32 | 2:00 | 2:02 | 1:45 | 1:00 |
| Call Center's longest wait time (minutes: seconds) | 8:00 | 14:00 | 2:00 | 1:50 | 1:30 |
| Call Center's avg. time per call (minutes: seconds) | 5:50 | 6:00 | 6:00 | 3:00 | 2:50 |
| Call Center calls abandoned | 6% | 12% | 12% | 5% | 2% |
| Call Center's avg. grade of service | 67% | 75% | 75% | 75% | 78% |
| Electric meter reads | 474,864 | 484,361 | 494,049 | 507,576 | 517,728 |
| Water meter reads | 311,700 | 317,934 | 324,293 | 321,552 | 327,993 |
| Utility service requests | 39,866 | 40,700 | 41,531 | 42,730 | 43,585 |
| Utility service miles logged | 50,400 | 51,408 | 52,436 | 78,401 | 79,969 |
| Error ratio per 1,000 meters read | .25 | .23 | .21 | .19 | .17 |

The table below shows numerous standard measurements of utility performance. Measures include: staff effectiveness in providing safe, reliable electric service at competitive prices to consumers; comparison of the City's residential and commercial electric rates with other utilities; and various ratios showing the utility's financial health.

| Performance Measures | FY2003 | FY2004 | FY2005 (Est.) | FY2006 (Proj.) | FY2007 (Proj.) |
|---|---|---|---|---|---|
| 1.Transmission and distribution system expense per circuit mile of line[1] | $5,568 | $6,067 | $6,600 | $7,260 | $7,590 |
| 2. Number of employees[2] | 164.64 | 168.14 | 170.59 | 172.59 | 172.59 |
| 3. Lost work days due to job accidents[12] | 191 | 140 | 0 | 0 | 0 |
| 4. Number of grievances filed each year | 0 | 0 | 7 | 2 | 2 |
| 5. Electric retail kWh sales/Electric worker hours[3] | 2,154 | 2,151 | 2,168 | 2,172 | 2,218 |
| 6. Number of customers per Electric employee[2] | 242 | 242 | 243 | 244 | 249 |
| 7. Number of outages [7],[9]<br>Average duration of outages(hours)[7][9] | 312<br>6.4 | 347<br>3.0 | 340<br>2.9 | 345<br>2.9 | 350<br>2.8 |
| 8. Electric service reliability:[5],[7],[9] | 99.9740 | 99.9903 | 99.9910 | 99.9920 | 99.9930 |
| 9. Average customer-sustained outage time per year (minutes)[7],[10]<br>Average customer-sustained outage time per year (minutes)[7],[10] (excludes major events/storms)[11] | 129.7<br>22.9 | 41.5<br>41.5 | 40.0<br>30.0 | 39.5<br>29.5 | 39.0<br>29.0 |
| 10.Average number of sustained outages per customer per year[7,10]<br>Average number of sustained outages per customer per year [7],[10] (excludes major events/storms)[11] | 0.48<br>0.22 | 0.50<br>0.50 | 0.48<br>0.36 | 0.47<br>0.35 | 0.46<br>0.34 |
| 11. Redding Power Plant Availability % | 95.0 | 95.0 | 97.9 | 95.0 | 95.0 |
| 12. Redding Power Startup Success % | 100.00 | 100.0 | 95.5 | 100.0 | 100.0 |
| 13. System average retail rates (¢/kWh) | 8.8 | 9.0 | 9.4 | 9.6 | 9.9 |
| 14. Total retail GWh available for use | 773 | 809 | 810 | 821 | 837 |
| 15. Cost of power, cents/kWh | 4.0 | 4.3 | 4.7 | 5.3 | 5.3 |
| 16. Debt to total assets ratio | .39 | .36 | .37 | .34 | .32 |
| 17. Total operating expenses to total expense ratio | .84 | .86 | .77 | .88 | .82 |
| 18. Safety margin, ratio of cash to operating revenue | 1:3.4 | 1:2:7 | 1:4:5 | 1:3:5 | 1:4:1 |
| 19. Retail revenue as a percent of total revenue | 68% | 61% | 63% | 77% | 81% |

Notes:

1. Total O&M expense includes all expenses except debt service and capital outlay. Transmission and distribution O&M Expense is total Distribution System expense excluding FERC Distribution Administrative and General expenses and In-lieu payments. Miles of line is total transmission and distribution circuit miles.
2. The number of workers represents the number of full-time equivalent Electric Utility employees. Therefore, all authorized positions are represented, but may not necessarily be filled. Part-time employees are included based upon their proportional number of hours worked compared with a full-time employee.
3. Worker hours are computed by multiplying the number of full-time equivalent employees by 2080 hours.
5. Average Service Availability Index (in percent) = $\frac{\text{Customer hours service availability} \times 100}{\text{Customer hours service demand}}$
6. Includes interim rate surcharge.
7. The information is based upon a calendar year summary.
8. 1,000 kWh (residential); 10,000 kWh (small commercial); using the average of summer & winter rates. Note that FY 1999 estimated rate comparisons are carried forward for the following two fiscal years.
9. Number of outages includes outages for any reason .
10. Sustained outage is defined as any outage five minutes or greater in duration. Excludes planned outages and single transformer or service outages.
11. Major event/storms is defined as an event where 10 percent or more of City customers were outaged during a 48-hour period.
12. Based on OSHA Form 200 and 300 data.

## Goals and Objectives for Fiscal Years Ending June 30, 2006 and 2007

The Electric Utility's goals and objectives for fiscal years 2006 & 2007 are as follows:

### Resources Group

*Goal*

Continue to work closely with Western Area Power Administration (Western) toward the efficient implementation of the Western Sub-control area. Maximize the efficient use of the Western Base Resource and custom products within the REU portfolio starting in 2005.

*Objective*

Reduce costs and reliability risks associated with external organizations like the California ISO. Optimize REU's options to schedule Western Base Resource energy and optimize the use of Western custom products.

*Goal*

Protect Redding's customers from the California electric deregulation fallout as much as possible. Provide an intertace with the power markets, including the California ISO and other state agencies, with regard to wholesale power and natural gas transactions. With the aid of legal counsel, participate at the Federal Energy Regulatory Commission in an effort to isolate REU from the impacts of the California ISO and the new California power market structure.

*Objective*

Minimize the cost and staffing impacts associated with the interfacing with California's rules and procedures, while retaining Redding's current usage of its generation and transmission facilities in the wholesale markets. Facilitate the efficient use of REU's facilities in the changing market structures.

*Goal*

Manage the long-term resource portfolio to ensure a cost-effective, reliable power supply and transmission access to the City's electric customers.

*Objective*

Continue to develop a diverse resource portfolio that provides rate stability while incorporating renewable energy supplies.

*Goal*

Manage Redding Electric Utility's (REU) long-term natural gas portfolio management plan.

*Objective*

Under current City Council levels of contracting authority, provide for the City's long-term natural gas needs for both the local electric generation, as well as consideration of the local community's natural

gas aggregation needs. Look for areas that would provide additional savings in natural gas procurement through either joint action and/or expanded City Council authority.

*Goal*

Provide support as necessary to Modesto-Santa Clara-Redding (MSR), the Transmission Agency of Northern California (TANC) and the Northern California Power Agency (NCPA) to further the joint powers agencies' efforts to optimize use of various agencies services and assets.

*Objective*

Provide oversight of joint powers agency operations in a manner consistent with the City's interests while maximizing the City's benefits realized from each joint powers agency. Support agency efforts with Western to move the California-Oregon Transmission Project into the new Western Sub-control area.

*Goal*

Monitor and participate in the formation and/or resolution of issues at the local, state, and federal levels that may impact REU.

*Objective*

Participate in and influence the appropriate forums and industry groups such as California Municipal Utilities Association and Northern California Power Agency to develop and support public power issues.

*Goal*

Monitor trends in electric deregulation and stay appraised of current activity both in California and across the nation.

*Objective*

Continue to monitor and review other utilities' activities in the deregulated markets, as well as monitor the state's legislation regarding deregulation.

**Power Operations Group**

*Goal*

Manage the electric power resource portfolio to maximize the benefit to the City while maintaining a safe, reliable supply to meet the City's electrical needs.

*Objective*

Wholesale revenues will be optimized through a combination of: (1) power sales of excess supply; (2) sales of excess gas; (3) sales of capacity reserves of the City's otherwise unutilized generation; (4) sales/swaps/exchanges of unutilized COTP and the Desert Southwest transmission resources; and (5) other power trading transactions that optimize the City's generation, transmission, fuel, and energy contract assets.

*Goal*

Maintain accurate and complete business records of all energy related transactions conducted by the division.

*Objective*

Maintain accurata accounting records of all energy billings and settlements. Maintain complete and accurate transaction records of all energy related business deals.

*Goal*

Manage the Powar Control group to ensure the safe and reliable operation of the City's electric system through twenty-four-hour dispatching of the distribution system and real-time scheduling of the City's power production, transmission, and contractual resources.

*Objective*

Maintain: (1) clear and effectiva communications between field crews and distribution dispatchers, as well as between power plant operators and real-time schedulers; and (2) an up-to-date rules and procedures manual to ensure a high standard of safe operating practices. Ensure that all operators are trained in current reliability requirements.

*Goal*

Ensure a high availability of the City's power production facilities in order to meet the City's needs whenever required.

*Objective*

Maintain the City's generating units in a ready-to-operate state to the extent that prudent utility practices will allow. Continue to track Redding Power Plant benchmark performance measures to ensura reliability for the City's Electric Utility customers.

*Goal*

Ensure continued environmental leadership at the Redding Power Plant site, including compliance with all permit emission requirements.

*Objective*

Maintain and operate the generating units in a mannar such that they emit lass than the allowable limits of pollutants stated in their Operating Permits. Continuous Emissions Monitors will be maintained and tested as required by the EPA and local jurisdictional agencies. Emission records will be maintained and submitted as required by the Operating Permits.

All chemicals received onsite will be labeled, stored, used, and wastes disposed of in a rasponsible and environmentally sound manner. All employees using such chemicals will be trained in their safe handling and use.

The Redding Power site will be kept in a clean, well-maintained manner that will present a positive image of the City of Redding.

**Distribution System Group**

*Goal*

Continue construction of new or upgrading of existing 115kV transmission, substation, and distribution facilities to meet expanding system needs and maintain a reliable and safe electric system. Strive to complete projects on time and under budget.

*Objective*

Completion of the following major projects is planned to accommodate new development and maintain a reliable system: completion of the expansion of Canby Substation to include a fourth power transformer and four 12kV feeder circuits prior to summer of 2007 and the installation of approximately 20 miles of new 12kV distribution by June 30, 2007. Continue efforts to maintain high system reliability (as measured by the system average customer-sustained outage time or SAIDI Index) with an objective for system average annual customer outage time to be less than or equal to the previous five-year average of 30.8 minutes (excluding major storm events). Continue efforts to reduce injury and illness rates in the Distribution Group and with an objective of no lost time injuries.

*Goal*

Continue to provide superior customer service to the development community through responsive electric utility designs and timely installation of electric utility supply facilities.

*Objective*

Continue to receive high ratings on the new business/developer surveys that were implemented during April 1996. These surveys are filled out by the developer/customer after City electric facilities are installed to serve a developer/customer project. The surveys rate the Electric Utility in several areas including cooperation, professionalism, quality of work, and timeliness of design and installation of new electric utility facilities. Staff will strive to achieve the highest overall rating possible (5, outstanding). An overall rating of four out of five possible is considered a minimum acceptable objective (excellent rating).

*Goal*

Continue to implement a program that allows for trimming of trees on a three-year or less trim cycle that meets new California State Public Utility Commission (CPUC) tree trimming clearance standards that were established in January 1997. State safety standards require a minimum of 18-inch clearance from trees and 12,000-volt power lines (18-inch rule). Included in this goal is continuation of a program implemented in FY00 to apply tree growth regulators (TGRs) to slow the growth of faster growing trees located adjacent to or under overhead power lines. In addition, efforts will be continued to clear vegetation around power poles, padmounted equipment, and substations to comply with State standards, reduce fire threat/liability, and improve operations.

*Objective*

It is planned to continue to improve a program started in fiscal year 1997/98 of supplementing existing Electric Department tree crews with contract tree trimming crews and to provide some scheduled overtime for City tree trimming crews as budgeted funds allow. Modest increases in budgeted funds for contract tree trimming is budgeted for FY05/06 and FY06/07 to help comply with State safety regulations (18-inch rule). It is proposed that a new contract for tree trimming be in place by October 1, 2005. In addition, the application of TGRs implemented at the beginning of FY99/00 is planned to be continued by staff. TGRs will be applied to the faster growing Redding trees by existing staff on a regular cycle that is dependent on tree species. TGRs promote healthier, greener trees in addition to slowing tree growth. These programs should allow trees to be trimmed on a two-year cycle and help meet State tree trimming safety standards. Contracts will also continue to be issued to clear vegetation around poles, pad equipment, and substations to comply with State standards, reduce fire threat, and improve operations.

*Goal*

Continue programs to: (a) accommodate a growing electrical system, (b) provide State-mandated inspection programs, and (c) replace aging system elements such as wooden poles and underground facilities.

*Objective*

During fiscal years 2006 and 2007, it is planned to continue an overhead and underground inspection program that includes a pole treatment program started in FY99. An ongoing pole treatment program is expected to save money over time by extending the average life of the City's 11,900 wood poles by at least 10 to 15 years or more. Once the program is fully in place after a planned ten-year pole inspection/treatment cycle, savings in excess of $70,000/year are expected.

*Goal*

Continue to review warehouse-ordering procedures in an attempt to minimize inventory and other costs.

*Objective*

A review of past ordering practices and future material needs will be implemented to see if there are areas where we can improve operational efficiency and reduce warehouse material inventory to cut costs.

*Goal*

Continue to review new products and procedures available in the industry for possible use by the Utility in its effort to cut costs while maintaining reliable service.

*Objective*

Staff intends to continue its review of existing utility standards for possible use of new industry products in an attempt to both improve service reliability and reduce material and labor costs.

*Goal*

Review and update existing 115kV transmission, 115/12kV substation and 12kV distribution expansion plans with the goal that all customers can be served in the event of a single contingency equipment failure or 12kV main feeder line failure.

*Objective*

As a result of changing system conditions and updated load growth data, efforts will, as in the past, focus on creative ways to defer or eliminate the need for electric system expansion projects without sacrificing service quality.

*Goal*

Continue the program that began in FY02/03 to convert overhead utility facilities to underground in selected areas of the City.

*Objective*

The FY05/06 and FY06/07 budgets are proposed to include $500,000 each year to fund conversion of overhead utility lines along major streets to underground. The FY05/06 and FY06/07 funds will be utilized to partially fund undergrounding of overhead 12kV lines along Hilltop Drive in addition to lines adjacent to the Dr. Kraffert Downtown project (alley between Sacramento, Placer, Market, and California Streets). For future budget years beyond FY06/07, $500,000 per year is also proposed to be budgeted for undergrounding overhead lines (finish Hilltop Drive project and begin other projects) and when sufficient underground funds are accumulated, undergrounding projects along major streets will be constructed.

*Goal*

Design and construct needed transmission, substation, and distribution facilities to reliably serve the Stillwater Business Park.

*Objective*

Upon planned certification of the Stillwater Business Park EIR in FY04/05, it is planned to hire a consultant to design the 115kV transmission line (with 12kV underbuild) required to serve the Business Park along with acquisition of needed right-of-way and permits. Once the design, right-of-way acquisition, and permitting is complete, the transmission line construction will be bid as a Public Works Construction Contract. REU staff also plans to design and bid the construction of the needed 115kV breaker addition at East Redding Substation along with the first 115/12kV Stillwater Business Park Substation. Western Area Power Administration will design and bid the construction of the needed 115kV breaker addition at Airport 230/115kV Substation. REU staff will design the needed 12kV distribution improvements within and adjacent to the Business Park. The distribution substructure work in the Park will be bid as a Public Works Construction Contract as part of Parks' roadway improvements. The objective for all this electric utility infrastructure work is to provide highly reliable electric service to the Business Park tenants when the Park opens in about 2007.

**Energy Services Group**

*Goal*

Continue to increase and improve REU's and the City's business relationships through the Key Accounts program.

*Objective*

This program provides REU's Key Accounts with a vital resource to address any issues they may have regarding City Utility services. REU will enhance the programs that are offered to our Key Accounts to improve our electric service and provide communication with City Management. Ultimately, this connection will serve to create and build long-lasting business relationships for REU and the City.

*Goal*

Maximize customer awareness of the potential energy and cost savings from efficiency improvements and assist in, and developing cost effective demand-side management measures for all customer classes and REU.

*Objective*

As more of REU's energy efficiency programs are refined to demonstrate to customers, the potential for efficiency improvements and energy cost savings, REU is confident that the program's participation level will increase. REU's objective will be to expand energy efficiency education into the single and multi-family residential markets, as well as the small commercial sector during FY06-07 as part of REU's expanded Public Benefits Program.

*Goal*

Expand REU's efficiency and conservation program entry to the residential and small commercial markets.

*Objective*

It is vital for REU to continue to reach out and provide improved customer service to this critical element of our customer base, provide tips on energy efficiency and how to reduce energy costs, as well as brochures and pamphlets that present information in a simple and straightforward manner.

*Goal*

Maintain and enhance REU's ongoing public relations campaign to promote brand loyalty for the City's Electric Utility.
*Objective*

Continue to present REU in a favorable light for all observers. Enhance the City's Economic Development opportunities using the strength of REU's electric utility service reliability as the primary platform.

*Goal*

Promote Economic Development and Economic Attraction Service for new and existing manufacturing and industrial businesses.

*Objective*

Key REU staff actively assists the Economic Development Corporation of Shasta County and the City Manager's office in local efforts to promote Redding for business expansions and relocations. This includes attendance and representation at local and national trade shows and presentations to potential customers.

*Goal*

Work in coordination with the City Manager's office in support of Redding's Stillwater Business Park development, including promotion and attraction of select manufacturing jobs and specific entities.

*Objective*

REU will play a vital role in the Stillwater Business Park's attractiveness to outside companies and will help serve to bring new jobs and economic development opportunities to the community.

*Goal*

Manage Redding's Public Goods Program for the benefit of our customers and REU.

*Objective*

REU will look to continue to enhance its PBP to most cost-effectively meet the state requirements and standards, as well as to provide the greatest benefit to our customers, the City and REU.

*Goal*

Develop and implement REU's Earth Advantage® Green Building Program.

*Objective*

REU is striving to encourage customers, developers and builders to build environmentally responsible homes that are more energy efficient, promote healthier indoor air quality and use resources wisely in the planning, construction and occupancy/operation of the residence.

*Goal*

Continue to enhance media relationships affording the best and most positive exposure for REU and Citywide programs.

*Objective*

REU labors to maintain a positive interface with all media promoting the programs and services both from the perspective of REU and also enlightens the press and media on the positions the City takes on relevant issues.

*Goal*

Assist the Director on ongoing legislative matters that have major impacts on local control and ensuring that REU's customer base has the most reliable and most affordable energy delivered while ensuring cost effectiveness for our community.

*Objective*

Energy Service staff, when appropriate and directed, interfaces with legislative bodies and other concerns ensuring that Public Power initiatives are heard and understood protecting the sovereignty of REU and other municipalities.

**Customer Service**

*Goal*

Develop and implement performance standards and measurements for Customer Service employees.

*Objective*

To provide fair, equitable and consistent business practices and processes to staff that will assist them in providing exceptional customer service to our customers.

*Goal*

Improve the handling of our communications to both internal and external customers in the best and fastest way possible.

*Objective*

Work with Power Control to streamline existing procedures and establish new processes and tools for Redding Municipal Utilities, which will improve the timeliness and accuracy of notification of outages and/or emergencies.

*Goal*

Continue to enhance our billing system to expand our Group Billing Program and accommodate Solar Billing for Renewable Resource Net Metering Service.

*Objective*

Provide a streamlined process to prevent customers from receiving multiple bills at different times of the month.

Provide an accurate and fair means of measuring energy generated by the customer and to comply with California law regarding residential and small commercial customers with Renewable Resource generation.

**Field Service**

*Goal*

Increase efficiency, safety, and productivity within Utility Field Service.

*Objective*

Continue to recognize and eliminate access and safety hazards with the installation of Electronic Read Transmitter (ERT) meters.

*Goal*

Develop and implement a comprehensive revenue protection program.

*Objective*

Reduce the amount of revenue loss by theft of utilities through an effective training and identification program.

*Goal*

Increase and improve productivity while reducing the costs associated with the service order process.

*Objective*

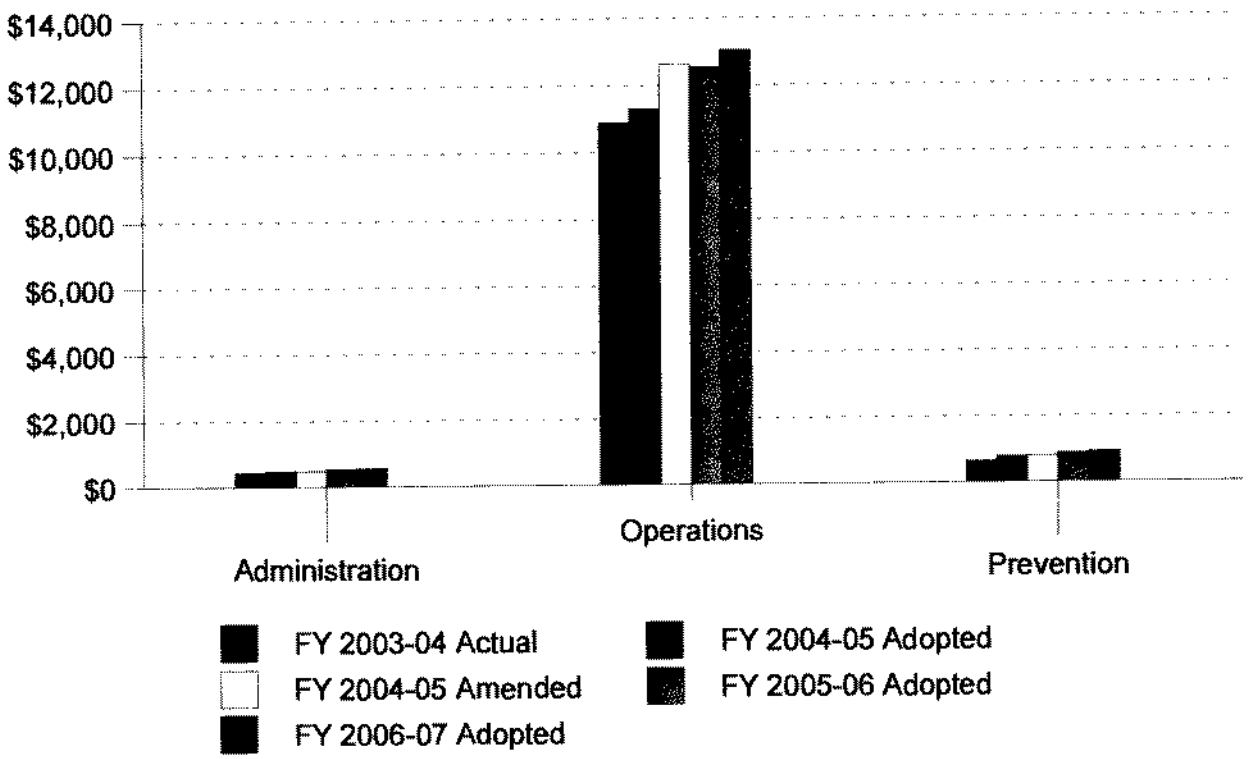
Research, identify, and evaluate systems to process service orders using a wireless system.

FIRE

# Fire Department

## Expenditure Comparisons

(In Thousands)



## FIRE DEPARTMENT

### Overview

The Fire Department's adopted budget for FY 2005-06 totals $13,954,830 which is $45,980 more than the amended budget for FY 2004-05 of $13,908,850. The increase is related to an increase in salaries, the City's contribution to the California Public Employees Retirement System, health insurance costs, SHASCOM expense, special equipment, internal service fund charges and capital facilities repairs. The requested budget for FY 2005-06 is less than the amended budget for 2004-05 in the specific areas of capital outlay and debt service due to transfers from the rolling stock fund to cover the purchase of and debt service payments for fire engines. For FY 2006-07, the requested budget totals $14,518,150 which is $563,320 over the FY 2005-06 requested budget of $13,954,830. The increase is related to salaries, overtime expense, the City's contribution to the California Public Employees Retirement System, SHASCOM expense and internal service fund charges.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carry Overs | FY 2005-06 Adopted | Change | FY 2005-06 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Administration | $ 440,763 | $ 478,680 | $ 479,210 | $ 537,310 | $ 58,100 | $ 559,790 | $ 22,480 |
| Operations | 10,885,269 | 11,301,750 | 12,634,060 | 12,543,640 | (90,420) | 13,040,040 | 496,400 |
| Prevention | 638,072 | 772,170 | 795,580 | 873,880 | 78,300 | 918,320 | 44,440 |
| Total | $ 11,964,104 | $12,552,600 | $ 13,908,850 | $ 13,954,830 | $ 45,980 | $ 14,518,150 | $ 563,320 |

The following table displays how the Department's budget is broken down between the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Administration | FY 2006-07 Adopted | $ 410,540 | $ 149,250 | $ 0 | $ 0 | $ 559,790 |
| | FY 2005-06 Adopted | $ 391,330 | $ 145,980 | $ 0 | $ 0 | $ 537,310 |
| | FY 2004-05 Amended Excluding Carry Overs | $ 338,690 | $ 139,490 | $ 1,030 | $ 0 | $ 479,210 |
| Operations | FY 2006-07 Adopted | 11,037,910 | 1,997,730 | 0 | 4,400 | 13,040,040 |
| | FY 2005-06 Adopted | 10,577,950 | 1,961,520 | 0 | 4,170 | 12,543,640 |
| | FY 2004-05 Amended Excluding Carry Overs | 9,867,670 | 1,941,440 | 604,700 | 220,250 | 12,634,060 |
| Prevention | FY 2006-07 Adopted | 805,510 | 112,810 | 0 | 0 | 918,320 |
| | FY 2005-06 Adopted | 761,870 | 112,010 | 0 | 0 | 873,880 |
| | FY 2004-05 Amended Excluding Carry Overs | 674,670 | 92,650 | 28,260 | 0 | 795,580 |

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Total | FY 2006-07 Adopted | $ 12,253,960 | $ 2,259,790 | $ 0 | $ 4,400 | $ 14,518,150 |
| | FY 2005-06 Adopted | $ 11,731,150 | $ 2,219,510 | $ 0 | $ 4,170 | $ 13,954,830 |
| | FY 2004-05 Amended Excluding Carry Overs | $ 10,881,030 | $ 2,173,580 | $633,990 | $220,250 | $ 13,908,850 |

**Personnel**

The Department is requesting no additional staff.

The staffing from existing Fire Engine 7 will be relocated from Station No. 7 to Station No. 8 upon its opening in the fall of 2005. The County Fire Department will respond to the calls for service in the southeastern portion of the City under an existing agreement. At some point in the future the increased calls for service will dictate that the City restores the staffing to Engine 7; however, that is not anticipated during this budget period.

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Administration | F/T | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 | 3.00 | 0.00 |
| | P/T | 1.23 | 1.23 | 1.23 | 1.23 | 0.00 | 1.23 | 0.00 |
| | Total | 4.23 | 4.23 | 4.23 | 4.23 | 0.00 | 4.23 | 0.00 |
| Operations | F/T | 69.00 | 89.00 | 72.00 | 72.00 | 0.00 | 72.00 | 0.00 |
| | P/T | 3.13 | 3.13 | 3.94 | 3.94 | 0.00 | 4.05 | 0.11 |
| | Total | 72.13 | 72.13 | 75.94 | 75.94 | 0.00 | 76.05 | 0.11 |
| Prevention | F/T | 6.00 | 8.00 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| Total | F/T | 78.00 | 78.00 | 81.00 | 81.00 | 0.00 | 81.00 | 0.00 |
| | P/T | 4.36 | 4.36 | 5.17 | 5.17 | 0.00 | 5.28 | 0.11 |
| | Total | 82.36 | 82.38 | 86.17 | 86.17 | 0.00 | 86.28 | 0.11 |

**Significant Issues**

1. Overtime has been reduced by $35,470. When coupled with the increase in pay rates, this reduction results in the complete elimination of the "Critical Situation Staffing" which has been utilized for the previous three years and cost the Department approximately $170,000 in FY 2004-05. Off duty personnel have been called back to cover relief engines during periods of high wind/low humidity and when the other fire agencies in the county are not able to assist the City of Redding with large wildland fires.
2. SHASCOM costs have increased by $21,530 in fiscal year 2005-06 and $61,690 in fiscal year 2006-07. This increase in materials, supplies and services has been partially offset by a decrease

in accounts that will affect the purchase of safety clothing, personal protective equipment and fire hose.

## 2003-2005 Goals and Accomplishments

### Administration Division

*Goal*

Complete new fire station construction in northeast area of City.

*Accomplishments*

1. Fire station off site improvements including widening of Churn Creek Road, installation of sidewalk, curb, gutter, street lights completed August 2004.
2. Fire station design plans and specifications completed October 2004; construction bid awarded to Ken Gifford Construction in January 2005. Completion and occupancy of fire station November/December 2005.
3. New fire engine designed and ordered with projected delivery date of June 2005.
4. Automatic aid agreement modified with the Shasta County Fire Department to facilitate the relocation of the staffing at Station No. 7 (Airport) to the new Station No. 8 upon its opening.
5. Reached labor contract side letter agreement with Firefighters to allow only one person on the Aircraft Rescue Firefighting (ARFF) vehicle at Redding Municipal Airport. Hired three new employees and began to staff full-time the ARFF unit in November 2004.

*Goal*

Incorporate elements of 20-year facilities, apparatus and staffing financial plan into the City's 10-year plan for the General Fund.

*Accomplishments*

Completed an accurate and comprehensive Rolling Stock plan. Significant additional funding will be required to fully fund this plan. The objective is to incrementally increase the necessary funding annually until fiscal year 2007-08 to achieve the required level of funding.

*Goal*

Complete new fire station construction in southeast area of the City.

*Accomplishments*

1. City staff and Council have been discussing methods to finance the needs of public safety.
2. Fire Station No. 7, located at the Redding Municipal Airport, will be replaced with a new facility to be located at the east end of Flight Avenue on the Airport property. This will initially only have the ARFF equipment, as the Engine 7 staff will be relocated to the new Fire Station No. 8.
3. The architectural firm of Mead and Hunt have been selected to design Fire Station No. 7. Our target is to have the station completed by the end of 2006.

*Goal*

Complete upgrade of station computer network.

*Accomplishments*

1. Improvements have been made with the acquisition of new computers for some of the fire stations and capacity (except at Station No. 7 which will be resolved with the construction of the new station).
2. An internet-based incident reporting management system, which includes applications which have improved training scheduling and communications, was initiated January 2004. This electronic reporting system provides the Department with accurate information for management decisions and complies with the Federal grant agencies' prerequisite for accepting grant applications.

**Operations and Training Division**

*Goal*

Implement and maintain training of Operational personnel relevant to Federal Homeland Security guidelines.

*Accomplishments*

1. All Department personnel successfully completed National Incident Management System training.
2. All Department personnel have completed training involving chemical, biological, radiological and nuclear weapons of mass destruction. This training continues to be ongoing.
3. All Department personnel have completed mass decontamination training. Training with area hospitals, public health agencies and the general public is ongoing.

*Goal*

Immunization of personnel.

*Accomplishments*

1. Conduct smallpox immunization program in cooperation with Shasta County Public Health. Monitoring of this protocol is ongoing.

*Goal*

Improve training methodology.

*Accomplishments*

1. Due to budget issues, the Safety/Training Officer's position continues to be a critical unmet need.
2. The Department has made improvements in scheduling and use of training resources.
3. Computer-based training applications have been tested and evaluated. This process is ongoing.
4. Several members of the Department have been assigned training responsibilities.

*Goal*

Reduce job-induced injuries and associated time loss.

*Accomplishments*

1. Conduct annual health screening of all employees. *Completed annually.*
2. Conduct annual fitness evaluations. *Completed annually.*

3. Conduct annual FIT testing for Self-Contained Breathing Apparatus (SCBA) and respirators. *Completed annually.*
4. Conduct injury reduction training by health care and risk management professionals. *Ongoing.*
5. Conduct mandatory safety meetings. Completed every other month. *Ongoing.*
6. Train all supervisors in the concept of "hot coaching." *Completed.*
7. Conduct safety inspections of all facilities and equipment. *Completed - repairs made and new equipment purchased.*

*Goal*

Increase certification level of all Division employees.

*Accomplishments*

1. All personnel assigned to drive fire apparatus certified to NFPA 1021 standard. *Completed and ongoing when new vehicles are placed in service.*
2. All officers obtain CSFM Fire Officer Certification commensurate with their rank and assignment. *Completed and ongoing with additional courses.*

*Goal*

Hand-held radio replacement.

*Accomplishments*

1. Purchased hand-held radios in accordance with a seven-year replacement plan to complete conversion to digital communications and to ensure compatibility with associated fire agencies. *Ongoing budget commitment.*

*Goal*

Improve condition of capital assets.

*Accomplishments*

1. Station No. 1 - bathroom remodel - *in progress.*
2. Station No. 5 - replacement of showers - *in progress.*
3. Station No. 1 - re-roof - *in progress.*
4. Station No. 1 - paint apparatus room - *in progress.*
5. Station No. 1 - apparatus room heaters - *in progress.*
6. Station No. 6 - seal exterior walls - *in progress.*

**Fire Prevention Division**

*Goal*

Reduce the threat of wildland fires in the City of Redding.

*Accomplishments*

1. Executed contracts to conduct fuel mitigation work.
2. Worked with California Department of Forestry (CDF) in providing fire mitigation work.
3. Worked with developers in efficiently reducing fuel loads surrounding new subdivisions.

4. Worked with Resource Conservation District in coordinating effective vegetation mitigation plans.
5. Worked with homeowners in educating and enforcing fire hazard mitigation.

*Goal*

Conduct timely and effective fire and life safety inspections.

*Accomplishments*

1. Hired a Fire Inspector to perform timely inspections, within a 12-month period, on those State-required facilities.
2. Ensured new businesses were inspected in a timely manner for fire and life safety hazards.
3. Implemented a new computerized tracking system utilizing Palm devices, reducing the paperwork for two Inspectors and office staff.

*Goal*

Become efficient in the new 2001 Fire Code and other related codes.

*Accomplishments*

1. Certified a Fire Inspector in the 2001 California Fire Code.
2. Attended training seminars on 2001 Fire Code and other related codes.

*Goal*

Maintain the Emergency Operations Center (EOC) and Emergency Operations Plan.

*Accomplishments*

1. Worked with Shasta County and received grant to update Emergency Operations Plan.
2. Performed training of EOC members.
3. Conducted a training exercise for EOC members.

*Goal*

Support and participate on City of Redding committees, such as Planning, Pre-Bar, C-SET, Permit Center, Safety Team.

*Accomplishments*

1. Attended 90 percent of these meetings.

*Goal*

Ensure efficient and timely plan reviews are completed for structural and built-in fire protection systems.

*Accomplishments*

1. Completed plan review within established time frames.
2. Attended training sessions, keeping up-to-date with the most current standards.

*Goal*

Manage the outdoor backyard burning regulations.

*Accomplishments*

1. Responded to burning complaints.
2. Worked with Shasta County Air Quality Resource Board and modified burning regulations.
3. Worked with City Council and citizens at large in trying to maintain a balance with smoke and odor control while limiting backyard burning. Adopted modified burning ordinances.

*Goal*

Provide the best public fire safety programs in the most economical ways.

*Accomplishments*

1. Educated developers and public on fire prevention tools, i.e., residential sprinklers, public education for controlling fires.
2. Provided information at public events, providing up-to-date information regarding fire safety.

*Goal*

Investigate all fires to determine origin and cause.

*Accomplishments*

1. Participated in Shasta Arson Task Force.
2. Participated in training opportunities for fire investigation.
3. Assisted in Shasta County Fire Department and California Department of Forestry when additional personnel were needed for determining origin and cause of arson fires adjacent to City properties.

**Performance Measures and Workload Indicators**

**Operations and Training Division**

The following table displays workload indicators for the budget period. Average response times have increased by 1.9 minutes (41%) since 1996. Last year calls for service increased by 2,765 incidents (38%). Two major factors contributed to this increase. The Fire Department has adopted a philosophy of providing enhanced customer service that has impacted the number of responses. However, the most significant cause for the increase is due to continued escalation in population and population density.

It is projected that the overall average response time may initially decrease when Station No. 8 opens; however, one Captain and the Fire Engineer currently assigned to Station No. 7 will be moved to open and staff Station No. 8. Studies indicate that Station No. 8 will absorb approximately 18% of the total call volume in the northeast area of the City. Currently responses to this area of the City are routinely more than 10 minutes. Many of these calls will be handled by Station No. 8 and the response times will be reduced to three to seven minutes.

While the response time issue in the northeast quadrant will be relieved, continued development in other areas of the City, particularly the southeast quadrant, will become problematic. Effective December 9, 2004, Federal Aviation Administration (FAA) requirements became more restrictive by mandating coverage for all scheduled and charter passenger aircraft arrivals and departures, thus not allowing responses off the Airport. A modification in the Automatic Aid Agreement with the California

Department of Forestry (CDF)/Shasta County Fire Department will provide coverage from an engine assigned to their fire station on Airport Road. These resources will respond to incidents in the southeast quadrant. It is anticipated that approximately 20% of the time no resources will be available, requiring a response from Station No. 5. Responses to this area from Station No. 5 average between 15 to 17 minutes. This, coupled with the reallocation of resources from Station No. 7, will defer the response time issue from one area of the City to the repidly growing southeast quadrant.

Response times to several other areas of the City will continue to exceed acceptable standards as identified by the Insurance Services Office (ISO) and the National Fire Administration.

| **Workload Indicators** | 2003 Actual | 2004 Actual | 2005 Estimated | 2006 Projected |
|---|---|---|---|---|
| Calls for Service | 7,092 | 9,857 | 10,500 | 11,350 |
| Average Response Times in Minutes | 6.5 | 6.5 | 6.0 | 6.0 |
| Total Training Hours Completed | 23,800 | 23,800 | 24,520 | 24,520 |
| Total Number of Company Inspections | 2,600 | 2,192 | 1,325 | 1,350 |

**Fire Prevention Division**

The following table displays some of the workload indicators for the past, present and projected future of the Fire Prevention Division:

| **Workload Indicators** | **2002 Actual** | **2003 Actual** | **2004 Actual** | **2005 Projected** |
|---|---|---|---|---|
| Arson Fires | 55 | 59 | 50 | 50 |
| Fire Investigations | 151 | 165 | 145 | 150 |
| Fire Inspections (Bureau) | 950 | 938 | 1,885 | 2,000 |
| Fire Inspections (Company) | 2,600 | 2,192 | 1,325 | 1,350 |
| Plans Reviewed | 435 | 379 | 563 | 575 |
| Weed Complaints | 363 | 296 | 300 | 250 |
| Public Education Requests | 128 | 161 | 74 | 80 |
| Vegetation Management Inspections | 5,450 | 5,500 | 5,500 | 500 |
| Burn Permits | 1,846 | 2,748 | 1,383 | 1,200 |

Arson fires, along with other investigated fires, have remained fairly level. We average approximately four arson fires each month which take a significant amount of time for the investigator. Additionally, 12 investigations occur each month on fires which are considered non-criminal for the origin and cause.

The Fire Prevention Division has increased its inspections by 100 percent due to the mandated State-required inspections.

The weed complaints will remain approximately the same and we will not be mailing out the Bates Bill for self-inspections on vegetation management, thereby, reducing the number of vegetation management inspections. Burn permits have significantly dropped since we have limited open burning for backyard vegetation to the months of November and April.

Construction still remains very strong and the number indicates we will continue to be challenged in getting all new construction projects' plan reviewed and inspected in a timely manner.

**2005-2007 Goals and Objectives**

**Administration Division**

*Goal*

Complete new fire station construction in northeast area of the City.

*Objectives*

1. Complete station for occupancy by December 2005.
2. Staff station by relocation of personnel from Airport Fire Station No. 7.

*Goal*

Complete new fire station construction in southeast area of the City.

*Objectives*

1. Complete Station No. 7 for occupancy by December 2006.

*Goal*

Develop a reasonable revenue source to assist in funding future fire stations.

*Objectives*

1. Revise fire facilities impact fee schedule for Council consideration summer 2005.

*Goal*

Assist with the negotiation of the labor contract which expires June 2006.

*Objectives*

1. Correct any ambiguous language which has created operational issues.
2. Serve as operational advisor to the City's labor negotiator.
3. Ensure a fair and reasonable contract is negotiated for the City and the Fire Department employees.

*Goal*

Incorporate elements of 20-year facilities, apparatus and staffing financial plan into the City's 10-year plan for the General Fund.

*Objectives*

1. Ensure adequate fire protection for the future growth of the City of Redding.

**Operations and Training Division**

*Goal*

Continue to improve training methodology.

*Objectives*

1. Continue to improve scheduling and use of training resources.
2. Continue to increase use of computer-based training applications.
3. Assign personnel to additional training responsibilities.

*Goal*

Reduce job-induced injuries and associated time loss.

*Objectives*

1. Conduct annual health screening of all employees.
2. Conduct annual fitness evaluations. Completed annually.
3. Conduct annual FIT testing for SCBA and respirators.
4. Conduct injury reduction training by health care and risk management professionals.
5. Conduct mandatory safety meetings.
6. Conduct safety inspections of all facilities and equipment.

**Fire Prevention**

*Goal*

Reduce the threat of wildland fires in the City of Redding.

*Objectives*

1. Reduce vegetation fuel loads by developing and executing contracts to conduct mitigation work.
2. Work with California Department of Forestry (CDF) in providing fire mitigation work.
3. Work with developers in efficiently reducing fuel loads surrounding new subdivisions, and maintaining the vegetation management plan utilizing the Vegetation Management District or homeowners' association.
4. Work with other agencies in developing effective vegetation mitigation standards for the City of Redding and Shasta County.
5. Work with homeowners in educating and enforcing fire hazard mitigation.

*Goal*

Conduct timely and effective fire and life safety inspections.

*Objectives*

1. Conduct fire inspections of State-required facilities within a 12-month period.
2. Ensure new businesses are inspected in a timely manner for fire and life safety hazards.
3. Enhance the use of the tracking system, utilizing Palm devices, reducing the paperwork for inspectors and office staff.

*Goal*

Become efficient in the new Fire Code and other related codes.

*Objectives*

1. Certification for Fire Inspectors in the new Fire Code.
2. Attend training seminars on new Fire Code and other related codes.

*Goal*

Maintain the Emergency Operations Center (EOC) and Emergency Operations Plan.

*Objectives*

1. Continue to update time-sensitive data in the Emergency Plan.
2. Perform training for EOC members.
3. Conduct a training/exercise for EOC members.
4. Complete the Local Hazard Mitigation Plan for the City.

*Goal*

Support and participate on City of Redding committees, such as Planning, Pre-Bar, C-SET, Permit Center, Safety Team.

*Objective*

1. Attend 90 percent of these meetings.

*Goal*

Ensure efficient and timely plan reviews are completed for structural and built-in fire protection systems.

*Objectives*

1. Complete plan review within established time frames.
2. Attend training sessions, keeping up-to-date with the most current standards.

*Goal*

Manage the outdoor backyard burning regulations and fire mitigation projects.

*Objectives*

1. Monitor and respond to complaints.

2. Work with Shasta County Air Quality Resource Board.
3. Work with City Council and citizens at large in trying to maintain a balance with smoke and odor control while limiting backyard burning.
4. Work with the public in conducting wildland mitigation projects.

*Goal*

Provide the best public fire safety programs in the most efficient and economical way.

*Objectives*

1. Continue to research and develop effective fire prevention tools, i.e., residential sprinklers, public education for controlling fires.
2. Provide information at public events and schools, providing up-to-date information regarding fire safety.

*Goal*

Investigate all fires to determine origin and cause.

*Objectives*

1. Participate in the Shasta Arson Task Force.
2. Participate in training opportunities for fire investigation.
3. Participate with Shasta County Fire Department and California Department of Forestry when additional personnel are needed for determining origin and cause, or conducting investigations for a serial arsonist.

## Unmet Needs

**Deferred maintenance of City-owned fire facilities continues to be an issue. Major unfunded projects are as follows:**

| | | |
|---|---|---|
| 1. | Remodel storage building - Station No. 5 | $29,500 |
| 2. | Replace single pane windows at multiple stations | 40,000 |
| 3. | Re-pave fire engine approaches at Stations No. 2 and 3 | 57,960 |
| 4. | Fire Station No. 1 roll up bay doors | 13,000 |
| 5. | Fire Station No. 1 electrical panel replacement | 6,430 |
| | Total Buildings and Grounds Based on 10-year Plan | 146,890 |
| **Capital Improvement Projects** | | |
| 1. | Area network, Fire Stations/City Hall | 35,000 |
| 2. | New storage building at Station No. 4 | 320,000 |
| 3. | Fire Station No. 9 | 3,200,000 |
| 4. | Adequate funding of Rolling Stock Plan | 150,000 |
| 5. | Fire Training Facility | 3,500,000 |
| | Total Capital Improvements Projects | 7,205,000 |
| **Materials, Supplies and Services** | | |
| 1. | Safety clothing, personnel protective equipment and fire hose | 40,000 |
| 2. | Training funding | 55,000 |
| | Total Materials, Supplies and Services | 95,000 |
| **Personnel** | | |
| 1. | Staffing for third person on duty | 939,690 |
| 2. | Fire Training Officer | 164,670 |
| 3. | Seasonal Firefighter Program | 312,000 |
| 4. | Staffing Fire Station No. 7 | 1,118,380 |
| 5. | Fire Investigator | 121,300 |
| | Total Personnel | 2,656,040 |
| **Total Unmet Needs** | | $10,102,930 |

# GENERAL GOVERNMENT

# GENERAL GOVERNMENT

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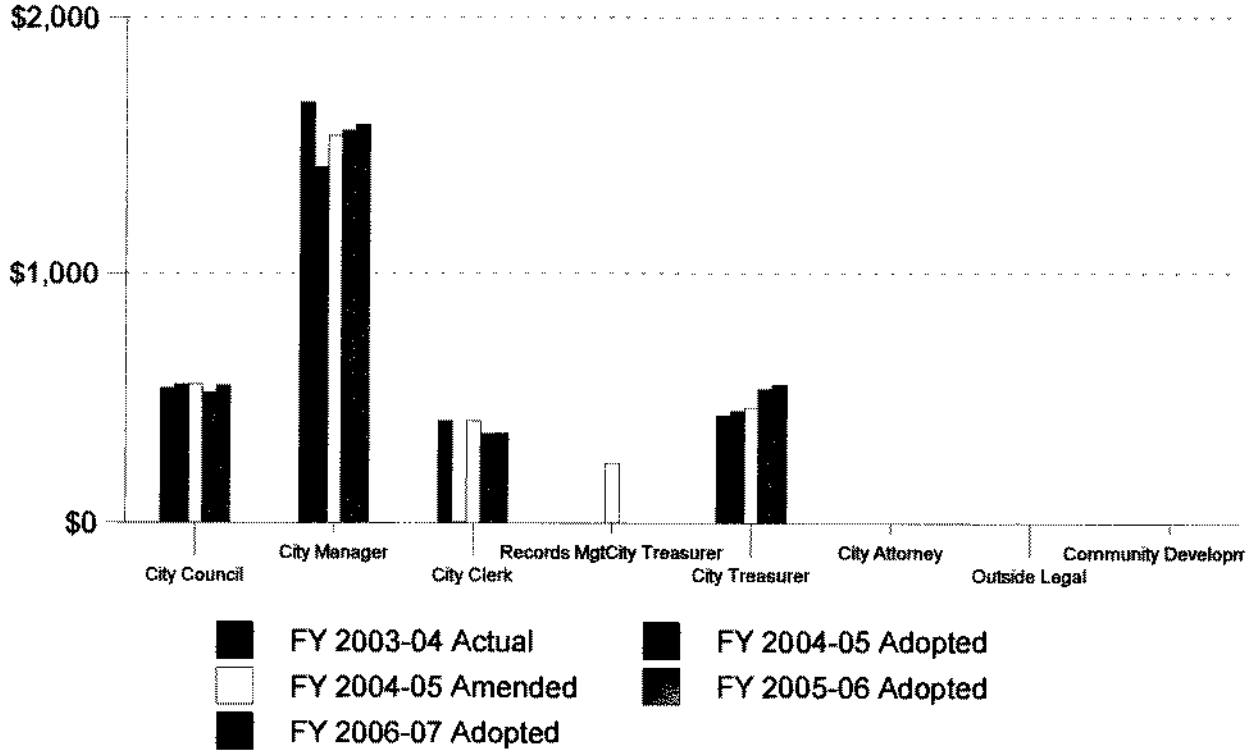
# General Government

## Expenditure Comparisons

(In Thousands)



# CITY COUNCIL

## Overview

The City Council is the elected governing body of the City of Redding municipal corporation. The City Council's budget accounts for personnel expenses related to five part-time City Council members and the operating materials and supplies necessary to operate the office. The adopted budget for the City Council totals $148,060 for fiscal year 2005-06, an increase of $15,575 from fiscal year 2004-05 amended budget and $155,210 for fiscal year 2006-07, an increase of $7,150 from the adopted fiscal year 2005-06 budget. The increase in both fiscals years is primarily due to an increase in group health costs and retirement costs. The following table outlines the budget in comparison to the previous year.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carry Overs | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| City Council | $ 126,820 | $ 126,850 | $ 132,485 | $ 148,060 | $ 15,575 | $ 155,210 | $ 7,150 |

The following table displays how the budget is broken down between the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| City Council | FY 2006-07 Adopted | $ 130,920 | $ 24,290 | | | $ 155,210 |
| | FY 2005-06 Adopted | 123,890 | 24,170 | | | 148,060 |
| | FY 2004-05 Amended | $ 105,960 | $ 26,525 | | | $ 132,485 |

## Capital Outlay

There is no capital outlay in this budget.

## Significant Issues

There are no significant issues.

## Goals and Objectives

The City's goals and objectives are outlined in the budget message and in each section of this document.

## Unmet Needs

None.

# CITY MANAGER

## Overview

The City Manager's Office is responsible for the overall management of the City of Redding municipal corporation. The adopted budget for fiscal year 2005-06 totals $871,230, a increase of $9,120 from fiscal year 2004-05 amended budget and for fiscal year 2006-07 totals $920,740, an increase of $49,510 from fiscal year 2005-06 adopted budget. The increase in the fiscal year ending 2005-06 and 2006-07 pertains primarily to an increase in retirement and group health costs. The following table outlines the budget in comparison to the previous fiscal year.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carry Overs | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| City Manager | $ 774,399 | $ 876,060 | $ 862,110 | $ 871,230 | $ 9,120 | $ 920,740 | $ 49,510 |

The following table displays how the department's budget is broken down between the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| City Manager | FY 2006-07 Adopted | $ 762,870 | $ 157,870 | | | $ 920,740 |
| | FY2005-06 Adopted | $ 715,800 | $ 155,430 | | | 871,230 |
| | FY 2004-05 Amended | $ 659,200 | $ 202,910 | | | 862,110 |

## Capital Outlay

No capital outlay in this budget

## Personnel

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopteda | Change |
|---|---|---|---|---|---|---|---|---|
| City Manager | F/T | 9.00 | 9.00 | 9.00 | 9.00 | 0.00 | 9.00 | 0.00 |

**Significant Issues**

There are no significant issues.

**Goals and Objectives**

The City's goals and objectives are outlined in the budget message and in each section of this document.

**Unmet Needs**

Economic Development Director position.

# COMMUNITY DEVELOPMENT
# (Divisions 993, 994, and 996)

## Overview

The Community Development budget is funded through grants from the Community Development Block Grant (CDBG) program and the Home Investment Partnerships (HOME) program. Each year the amount of grant funding varies. Grant amounts for the 2005-2006 fiscal year have already been awarded, while the grant amounts for the 2006-2007 fiscal year are not yet known. Grant amounts for the 2006-2007 fiscal year are assumed based on 2005-2006 awards, minus, in CDBG, the reallocation of funds and, in HOME, a reduction in anticipated program income. For fiscal year 2005-2006, the adopted budget totals $2,422,660 and for the fiscal year 2006-2007, the adopted budget totals $2,337,120. The following table outlines the budget in comparison to the previous fiscal year.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carryovers | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| CDBG | $ 941,425 | $ 1,320,020 | $ 1,529,480 | $ 1,286,500 | $ (242,980) | $ 1,213,380 | $ (73,120) |
| HOME | $ 2,143,925 | $ 1,054,230 | $ 1,304,140 | $ 1,136,160 | $ (167,980) | $ 1,123,740 | $ (12,420) |
| Community Development Totals | $ 3,085,350 | $ 2,374,250 | $ 2,833,620 | $ 2,422,660 | $ (410,960) | $ 2,337,120 | $ (85,540) |

The following table displays how the Division's budget is broken down between the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Total |
|---|---|---|---|---|---|
| Community Development | FY 2006-07 Adopted | $ 394,180 | $ 156,990 | $ 1,785,950 | $ 2,337,120 |
| | FY 2005-06 Adopted | $ 408,600 | $ 154,990 | $ 1,859,070 | $ 2,422,660 |
| | FY 2004-05 Amended Excluding Carryovers | $ 451,220 | $ 141,570 | $ 2,240,830 | $ 2,833,620 |

## Capital Outlay

Capital expenditures for fiscal years 2005-2007 include expenditures for CDBG and HOME projects and programs and allocations to the Rolling Stock Replacement Fund of $2,000 each year.

## Personnel

Currently, the Division anticipates no new personnel during the 2005-2006 and 2006-2007 budget years.

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Community Development | F/T | 18.00 | 18.00 | 18.00 | 18.00 | 0.00 | 18.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

**Significant Issues**

None.

**Status of 2003-2005 Goals and Objectives**

Goal #1: Broaden and diversify staff capabilities through cross-training, education, and other mechanisms designed to improve staff abilities to recognize opportunities and needs, and to perform complex tasks.

Accomplishments: Ongoing cross-training and education efforts for Housing Division staff over the past two years have benefitted the organization in several ways: (1) Back-up resources are now available for all job duties including loan servicing, program monitoring and rental/owner-occupied activities; (2) The bulk of statistical management has been successfully transferred over to the Management Analyst and clerical staff; (3) Continuing education and training has improved staff knowledge and performance in data entry capability, asbestos and lead-based paint regulations, and neighborhood new development projects and tracking; and (4) team field inspections utilizing various specialized staff has increased our efficiency in provision of a more comprehensive, professional assessment package for large-scale housing development projects.

Goal #2: Focus on CDBG, HOME, and to the extent possible, other program funding to accomplish City objectives with an emphasis on Downtown revitalization, neighborhood revitalization, and development partnerships.

Accomplishments: Over the past two years, $98,012 in private and local dollars were leveraged through the HOME Rental Program, while $1.37 million was leveraged through the Downpayment Assistance Program. Approximately $9.48 million in private and other State and Federal dollars were also leveraged through twenty-five CDBG activities. Ten of the sixteen activities were designated in either the Downtown area or in target neighborhoods.

Goal #3: Become more of an active participant in large-scale developments, recapturing and/or redirecting developer fees and profits toward additional housing efforts when feasible.

Accomplishments: To date the Housing Division has partnered with the Redding Redevelopment Agency (RRA) and several housing nonprofit organizations to facilitate the development of eleven large-scale development projects. One project has been complete, while the others are in various stages of development. They are listed below:

| Project Name or Address | Project Amount | Status |
|---|---|---|
| 5887 - 5931 Cedars Road (10 Units) | $792,000 | in progress |
| Eugenia/Milo (6 units new construction) | $730,000 | in progress |
| 1969 Eighth Street (7 units) | $455,000 | complete |
| 844 & 854 Fell Street/2739 Akard Avenue (3 units) | $205,000 | in progress |
| End Times/Kenyon (15 beds) | $216,200 | in progress |
| Leland/Junior Focus Area | $2-3 million | in progress |
| Mountain Vistas II - 202 Project | $4.3 million | pending |
| St. Francis Court (12 units) | $2 million | pending |
| CHIP Multi-family Project (30 units) | $4.5 million | pending |

Goal #4: Coordinate with the Redding Redevelopment Agency (RRA) to develop a unified, efficient response to large-scale housing development opportunities and neighborhood revitalization efforts.

Accomplishments: Large-scale, housing development proposals are regularly evaluated by an assessment team consisting of the Assistant City Manager, Housing Division staff and Redevelopment personnel to facilitate a coordinated response.

Goal #5: Aggressively seek new funding from Federal, State, and other sources which complement City housing, community development, and preservation efforts.

Accomplishments: In the two-year period, the Housing Division has secured $1.2 million from the Federal-administered Home Investment Partnerships Program, and $2.02 million from the Federal Community Development Block Grant Program.

Goal #6: Work to empower target neighborhoods with both the skills and resources to manage quality of life issues in the community.

Accomplishments: The Housing Division, in cooperation with the RRA staff has built upon previous years experience with its VISTA (Volunteers In Service To America) members to facilitate the Parkview and Martin Luther King (MLK) Jr. Neighborhood Revitalization Strategies to strengthen and expand partnerships between local government, nonprofit organizations, businesses and the neighborhood committees. Newsletter articles, flyers, mail outs, and resident meetings are used to promote ongoing discussion and interaction to promote sustained neighborhood involvement which will likely ensure that the renewal process is a community-driven effort.

Goal #7: Work with nonprofit service organizations to develop capacities to respond to community needs.

Accomplishments: The 2003 and 2004 program years witnessed increased cooperation and capacity-building between the City and local nonprofit groups. These efforts focused on formation of the MLK Advisory Committee, improved teamwork between Parkview Neighborhood residents and City/Agency staff to implement ongoing action steps, and updating of the Continuum of Care Plan to address community homelessness issues. In depth workshops and liaison between city/county staff and local nonprofits helped to identify community needs and consensus of funding priorities.

Goal #8: Proactively respond to housing and neighborhood needs by facilitating development partnerships which are competitive in pursuit of highly leveraged Federal and State programs.

Accomplishments: The City currently uses this strategy in formulating funding applications for local housing projects. The City has been successful in partnering on three projects (Mountain Vistas I and II, and Mercy Oaks) through the HUD 202 -Seniors Program and Saint Clare Court through the Federal Supportive Housing Program under McKinney-Vento Act funding. The City has currently extended reservation of $3.5 million in state-administered HOME funds for a 30-unit multi-family new construction project designed for the MLK neighborhood in conjunction with preparation of federal and state tax credit applications for the 2005 program year.

**Goals and Objectives for Fiscal Years Ending June 30, 2006 and 2007**

*Housing Division Goals*

- To promote a wide range of quality housing opportunities in the City of Redding.
- To develop and implement strategies to preserve and enhance neighborhoods, especially those with a significant number of low- and moderate-income households.

*Housing Division Objectives*

1. Broaden and diversify staff capabilities through cross-training, education, and other mechanisms designed to improve staff abilities to recognize opportunities and needs, and to perform complex tasks.

*Housing and Community Development Section Objectives*

2. Utilize CDBG, HOME, and, to the extent possible, other program funding to accomplish City objectives with an emphasis on Downtown revitalization, neighborhood revitalization, and development partnerships.

3. Coordinate with the Redding Redevelopment Agency (RRA) to develop a unified, efficient response to large-scale housing development opportunities and neighborhood revitalization efforts.

4. Aggressively seek new funding from Federal, State, and other sources which complement City housing, community development, and preservation efforts.

5. Work to empower target neighborhoods with both the skills and resources to manage quality of life issues in the community.

6. Work with nonprofit housing and service organizations to develop capacities to respond to community needs with an emphasis on special needs projects.

7. Proactively respond to housing and neighborhood needs by facilitating development partnerships.

**2005-2007 PERFORMANCE MEASURES**

1. Access Federal entitlement monies through the U.S. Department of Housing and Urban Development's (HUD) Home Investment Partnerships Program (HOME) as a Participating Jurisdiction (PJ).

2. Consistent with the Consolidated Plan goals, rehabilitate a minimum of 20 low-income rental units and 15 low- income homeowner units; construct a minimum of 50 low-income rental units; and assist a minimum of eight low-income first-time homebuyers.

3. Assist at least two applicants in their submission of applications for tax credits, HUD 202, HUD 811, or related "stand alone" development programs.

4. The City's CDBG Program will meet HUD's annual timeliness of expenditure rate (entitlement grant funds on hand shall not exceed 1.5 of the current entitlement amount); Public Services projects will be completed within 12 months, and all other activities will be completed within 18 months of contract execution.

5. Assist a minimum of 112 low-income households through the Senior Minor Repair Program; and eight low-income households through the Emergency Repair Program.

6. 100 percent of all HOME funded rental units shall be monitored for contract compliance.

7. All residential housing units assisted with Federal funds will be assessed and mitigated for lead-based paint hazards, as applicable.

# CITY CLERK

## Overview

The City Clerk's Department consists of two divisions - City Clerk and Records Management. The adopted budget for FY 2005-06 totals $945,320, an increase of $7,680 over FY 2004-05 amended budget. The increase is attributed to escalating costs for Group Insurance, Public Agency Retirement System and Retirement Program line items which combined, increased $80,000 over FY 2004-05 costs, and due to significant increases in Interdepartmental charges ($7,270 over 2004-05). The adopted budget for FY 2006-2007 totals $988,270 an increase of $42,950 over FY 2005-06 adopted budget due to necessary funding for the 2006 General Municipal Election in the amount of $10,000, and for the aforementioned reasons.

| | FY2003-04 Actual | FY2004-05 Adopted | FY2004-05 Amended Excluding Carryovers | FY2005-06 Adopted | Change | FY2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| City Clerk | $530,315 | $582,090 | $586,780 | $672,540 | $85,760 | $710,000 | $37,460 |
| Records Management | $218,584 | $247,940 | $350,860 | $272,780 | <$78,080> | $278,270 | $5,490 |
| Total | $748,899 | $830,030 | $937,640 | $945,320 | $7,680 | $988,270 | $42,950 |

The following table displays how the Department's budget is broken down among the major expenditure groups.

| | Budget Year | Personnel | Materials Supplies & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| City Clerk | FY 2006-07 Adopted | $544,070 | $159,930 | *$6,000 | $0 | $710,000 |
| | FY 2005-06 Adopted | $517,600 | $148,940 | *$6,000 | $0 | $672,540 |
| | FY 2004-05 Amended | $421,230 | $159,550 | *$6,000 | $0 | $586,780 |
| Records Management | FY 2006-07 Adopted | $187,240 | $91,030 | $0 | $0 | $278,270 |
| | FY 2005-06 Adopted | $181,270 | $91,510 | $0 | $0 | $272,780 |
| | FY 2004-05 Amended | $152,240 | $95,020 | $103,600 | $0 | $350,860 |
| Total | FY 2006-07 Adopted | $731,310 | $250,960 | *$6,000 | $0 | $988,270 |
| | FY 2005-06 Adopted | $698,870 | $240,450 | *$6,000 | $0 | $945,230 |
| | FY 2004-05 Amended | $573,470 | $254,570 | $109,600 | $0 | $937,640 |

*Budgeted for State Mandated Animal Fines revenue. No capital projects.

## Capital Outlay

The City Clerk's Department, including Record's Management Division, has no Capital Outlay requests for FY 2005-07.

## Personnel

The following table displays total personnel for each division.

| Division | | FY 2003-04 Actual | FY 2004/05 Adopted | FY 2004/05 Amended | FY 2005/06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| City Clerk | F/T | 7.00 | 7.00 | 7.00 | 7.00 | 0.00 | 7.00 | 0.00 |
| | P/T | 0.48 | 0.48 | 0.75 | 0.75 | 0.00 | 0.75 | 0.00 |
| | Total | 7.48 | 7.48 | 7.75 | 7.75 | 0.00 | 7.75 | 0.00 |
| Records Management | F/T | 2.00 | 2.00 | 2.00 | 2.00 | 0.00 | 2.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 2.00 | 2.00 | 2.00 | 2.00 | 0.00 | 2.00 | 0.00 |
| Totals | F/T | 9.00 | 9.00 | 9.00 | 9.00 | 0.00 | 9.00 | 0.00 |
| | P/T | 0.48 | 0.48 | 0.75 | 0.75 | 0.00 | 0.75 | 0.00 |
| | Total | 9.48 | 9.48 | 9.75 | 9.75 | 0.00 | 9.75 | 0.00 |

## Significant Issues

As business license revenue increases, it may be necessary (at some point in the near future) to increase personnel resources in the Licensing Section.

The Record's Division has no significant issues.

## Status of 2003-05 Goals and Objectives

*Goal*

Complete Records Retention Policy.

*Accomplishment*

While significant progress was made on the Records Retention Policy project, additional work is required, training of new staff and work on higher priority projects pre-empted completion of the project. Work has resumed, however, and completion is anticipated in 2005.

*Goal*

Plan for the Consolidated General Municipal Election in November 2004.
*Accomplishments*

1. Completed preliminary election work; prepared Candidate's packets, issued/received candidates' nomination papers and Fair Political Practices Commission (FPPC) forms. With assistance from the GIS Division, the City's precinct map was updated and distributed to candidates.
2. Assisted the Shasta County Elections Department on election night.
3. Prepared and submitted a Report to City Council regarding Certification of Elections Results and assisted with Council reorganization at the regular meeting of December 7, 2004. Oaths of Office for two new City Council Members (Dick Dickerson and Ken Murray) and incumbent City Treasurer Allyn Clark were administered during the meeting.
4. Election results were published on the City's web page.

*Goal*

Increase business license revenue, and enforce compliance measures in accordance with the Municipal Code.

*Accomplishments*

1. The Commercial/Residential Property Owner Business License Mapping program generated $6,208 in 2003-04, and projected revenue using this program for 2004-05 is $7,000.
2. Staff conducted research and held discussions with IT and the City Attorney's Office personnel to add a business license search option to the City's website which provides the public with the ability to research (by business name, owner name, business type and business address) public record business license information. A list of the previous week's newly-issued business licenses is also available. This option reduced phone calls to the department and the information is available 24 hours per day.
3. When staffing changes at the Redding Police Department (RPD) in 2004 caused a drop in delinquent business license enforcement and collection, City Clerk staff prepared a letter to delinquent businesses for signature by an RPD Community Services Officer. The Business License Specialist now tracks responses to the letters and notifies RPD which businesses are not in compliance. RPD staff follows up with phone contact to delinquent business owners if necessary. The new procedure has resulted in 100% of delinquents being collected.
4. After a lengthy review process and discussing options and logistics with IT, the new PC-generated business license application (implemented in March 2005) was developed. The new application form will eliminate the need to order NCR duplicate forms, eliminate the antiquated and unreliable tractor-feed printers, eliminate the need to order expensive special order window envelopes, the single sheet form will reduce postage costs and provide more opportunity to utilize automated mailing equipment, streamline the renewal process, provide more departmental control over processing timelines, and eliminate multiple license categories on the licensing application to reduce customer confusion.
5. Modified the business license cover letter to "bullet" format to more clearly delineate customer options and developed a worksheet used for Fictitious Business Name and Sales Tax inquiry letters.
6. Continued monitoring legislation affecting business licensing.

*Goal*

Install credit card swipe equipment in the City Clerk's Department.

*Accomplishments*

In cooperation with IT Division and City Treasurer's Department, the credit card swipe machines were installed in the City Clerk's 1st and 3rd floor offices in May 2003 to provide customer convenience by allowing the use of credit cards when purchasing business and dog licenses, parking permits, documents, and Community Room rental fees.

*Goal*

Improve efficiencies of processes through automation.

*Accomplishments*

1. In March 2003 the Community Room brochure was published on the City's Web Page and a link was provided to download the application and rental regulations.

2. Purchased and installed new laser printer for the first floor Licensing Section in September of 2003 which enabled staff to assume responsibility for printing the August "reminder" letter to dog owners regarding the impending deadline to purchase dog licenses prior to assessing a late penalty. Following that, the notice of violation for failure to purchase or renew dog licenses was produced by City Clerk staff utilizing the new printer. This provides staff with more control and flexibility on both the business and dog license programs processes.
3. In September 2003, City Clerk and I.T. staff began investigating the possibility of linking staff reports to the online City Council agenda for viewing and downloading by the public and City employees. On January 2, 2004, that project went live for the January 6, 2004, regular City Council Meeting agenda. Staff reports are scanned via LaserFiche and linked to the agenda with DreamWeaver software to an HTML version of the agenda. A tutorial was developed to assist viewers in downloading PDF copies of staff reports. This has resulted in a dramatic decline of requests for hard copy staff reports from staff and the public, a reduction in the number of agenda packets prepared and distributed from 33 to 14, and it is easy and convenient to access via a personal computer.
4. The City Council Policy Manual was published on the City's Intranet in September 2003 to provide quick access to City Council Policies for employees. Hard copy distribution was eliminated, significantly reducing paper.
5. In October 2003, the Redding ReachOut departmental messages were posted to City's Intranet and as the automated message text is reviewed and modified by departments, an electronic message is automatically sent alerting the City Clerk's Department that a new message is ready for processing and recording to the voice activated ReachOut Program available via the telephone. A significant reduction in paper and time was realized and greater flexibility was given to departments to access and modify messages as needed rather than once per year.
6. The Pending Contracts Program project was completed in March 2004 wherein new or renewed contracts and amendments are indexed into the AS400 along with all pertinent information and contract status such as "completed," "pending signatures" or "bonds," etc. City staff can now track contracts from their workstation via the computer.
7. In June of 2004, a list of City Commissions, Committees and Boards including purpose, meeting dates, times, locations and requirements for service was published on the City's Web Page. The application for service on said commissions, committees and boards was also published and is available to the public for downloading.
8. In December 2004, the Special Event/Parade Application was added to the City's website for review by the public and downloading. The application can be filled out in advance, eliminating a second trip to City Hall or having to fill it out at the counter.

*Goal*

Increase the number of spay/neuter vouchers issued.

*Accomplishments*

1. In June 2003 and 2004, the City Clerk's Department designed and staffed a booth during the ***Services and Energy Fair 2003*** and ***2004.*** The booth themes and games vary from year-to-year, but contestants are invited to toss die or spin a roulette-type wheel to win gift baskets and pet-related prizes sporting slogans or messages encouraging kindness to animals and supporting spay and neuter programs to stop pet overpopulation. All promotional items are purchased with State-mandated Animal Fines (SMAF) revenue. The booth is a continuing favorite at the fair.
2. Conducted two rabies vaccination clinics in May and June of 2003 and 2004. These low-cost clinics are not only a well-received public service but provide an added incentive for the public to license and vaccinate their dogs. Information regarding the City's spay/neuter assistance voucher is provided.

3. In order to broaden public awareness of dog licensing regulations and promote the spay/neuter campaign, staff purchased telephone-shaped post-it notes in July 2003 using SMAF revenue as hand-outs to business owners purchasing a business license. The post-it notes are printed with a slogan developed by staff, "Spay & neuter your pets, it's good business!"
4. At the request of Haven Humane, $3,000 in SMAF funds were donated to Haven Humane in September 2003 to cover the cost of spaying/neutering a large number of feral cats. In cooperation with Haven Humane, Licensing staff developed a system to separately track SMAF funds received for dogs and cats to ensure that future monies received are allocated appropriately. To date, SMAF has received no cat fine monies making future donations unlikely.
5. The City again participated in National "Spay & Neuter Month" in February 2004 and 2005 by displaying a large banner across Pine Street during the first week of February announcing the event and inviting citizens to contact the City Clerk's Office for information on low-cost spay/neuter promotions and discounts. In addition, the City spay/neuter voucher was increased from $30 to $40 for the month of February 2004 and 2005.

*Goal*

Improve staff development and training

*Accomplishments*

1. The Assistant City Clerk attended the *Managing Overlapping Leave Laws and the Discipline Process* seminar by Liebert/Cassidy/Whitmore.
2. The City Clerk attended the California Clerks' Association of California (CCAC) conference in April 2003 and 2004, and attended her first International Institute of Municipal Clerks (IIMC) conference in Whistler, British Columbia in May 2004.
3. The City of Redding hosted the Northern California City Clerk's Association (NCCCA) Division meeting. Vice Mayor Mary Stegall welcomed the attendees and presented a Mayor's Proclamation for ***Municipal Clerk's Week, May 2, 2004 through May 8, 2004.*** The featured speaker was Rex Osborne of Manteca Police Department who gave a presentation regarding stereotyping

4. The Assistant City Clerk attended the first and second year sessions of Continuing Education for Public Officials (CEPO) in August of 2003 and 2004 respectively, in pursuit of Certified Municipal Clerk (CMC) certification.
5. The Business License Specialist attended the quarterly meetings of California Municipal Revenue Tax Association (CMRTA) held throughout California in 2003 and 2004 and the Annual Conferences held each year in October. As the First Vice President at the state level, the Business License Specialist was responsible for coordinating the 2004 Annual State Conference which was very successful.
6. The Records Specialist attended the Association of Records Managers and Administrators (ARMA) International Conference in October 2003.

*Goal*

Complete Inactive Records Center Shelving and Relocation Project

*Accomplishments*

The shelving project and relocation to the new Records Storage facility was completed May 6, 2003.

*Goal*

Increase interdepartmental commitment and utilization of the City's subject code index and City-wide Records' Management Program and increase City staff knowledge to improve efficiencies in City Council processes.

*Accomplishments*

Some progress is being made in this area on a case-by-case basis. City Clerk staff continue to work with departments regarding the proper and appropriate use of subject coding for City Council agenda items and other miscellaneous correspondence. However, additional instruction is needed and workshops are being planned for this year. *Refer Goals and Objectives for 2005-07.*

*Goal*

Reduce number of inactive records at Secured Storage in Lake Tahoe

*Accomplishments*

The City Clerk and Records Specialist traveled to the City's Secured Storage in Tahoe City in June 2003 to review and purge microfilm stored at the facility. A second trip was made in July 2003, by Records staff to complete the project. Eighty-two boxes of microfilm, determined to be non-permanent, were retrieved and the rented storage space at the facility was reduced by 41 cubic feet for an annual savings of approximately $2,600. It is important to point out that review and purging of these stored records had never been performed.

*Goal*

Implement second phase of document imaging pilot project.

*Accomplishments*

1. In May 2003, the Records Management Division began a new pilot imaging project processing Personnel Department's active employee files ("A" through "P") and Worker's Compensation files.

2. At the conclusion of the pilot project, LaserFiche software was working well and it was determined that it would meet the needs of the City-wide Document Imaging Program. In addition to the pilot project, the following City Clerk legislative filing system files have been incorporated in the imaging program:

| | | |
|---|---|---|
| Administration | Federal | Ordinances (2003 thru current year) |
| Building Construction Files | Grant | Payroll Records |
| Purchasing Bids | Housing Authority | Resolutions (2003 thru current year) |
| Contracts | Land Use | Storm Drains |
| Codes/Communication | Legislation | Variances |
| Debt Records | Library | |

*Additional Accomplishments*

1. Provided myriad services, assistance and staff support to the Mayor and Council Members such as: Responded to voluminous public inquiries regarding action taken by Council, responded to or redirected concerns and complaints to appropriate departments, prepared responses to letters requesting general information about the City or City Council and composed other forms of

correspondence as requested, coordinated Council Members' Fair Political Practices Commission (FPPC) filings, reviewed proclamation requests and prepared appropriate responses, scheduled Mayor and Council Members' appearances at community functions and events and maintained calendars, reviewed and distributed mail determining appropriate follow-up and monitoring resolution, and scheduled mail deliveries to the City Council.

2. In June 2003, Records staff met with Housing staff regarding the retention and destruction of Housing loan case files. It was agreed that these records, which have a 4-year legal retention after closure, will no longer be microfilmed or imaged but will be maintained at City Hall until final payoff and then be transferred to the Inactive Records Center facility for an additional five years. This change will save personnel time prepping and imaging these documents.
3. On April 20, 2004, City Clerk staff met with I.T. and Building Division staff regarding outsourcing large format documents for imaging. The current vendor, Omni, provides aperture cards which require significant manual processing and filing and they do not image originals which results in poor quality. A presentation was received on April 27, 2004, from SoftFile to prep and image the original plans for imaging which will eliminate this labor-intensive task for Record's staff and free up their time for other projects. After imaging, SoftFile will provide a C.D. to be loaded onto the City's Map Server by I.T. and GIS staff. The cost is approximately .08 cents more per page than that currently being paid to Omni for aperture cards. However, soft cost savings through elimination of the duplicate aperture cards, verification and filing, and prepping plans prior to imaging, will save approximately 40 hours per month of staff time. Currently SoftFile is performing this service on a temporary basis pending circulation of a request for proposal (anticipated in late Spring of 2005) to determine if other interested vendors exist who can meet the City's specifications at comparable prices.
4. In June 2004, California cities and counties were invited to participate in compiling a Condolence Book in recognition of the death of former President Ronald Reagan. The City Clerk's Office coordinated with the GIS Division to reproduce the large format signature pages, arranged for placement of documents on all three floors at City Hall and several other city locations, developed a press release inviting the community to come to City Hall and sign the book, and an e-mail message was sent to all employees. The signed documents were collected and forwarded to the Office of Protocol in Sacramento for permanent placement in the Ronald Reagan Library in Simi, California.
5. In July 2004, the City Clerk's Department purchased a Soni Memory Stick, Wave Pedal and Microphone for recording and transcribing minutes. Because the equipment plugs directly into the P.C., it eliminates a bulky transcription machine and allows the transcriber to move through the recorded information via the computer mouse. Copies of the recorded meetings can be made from the desktop (burned onto C.D.'s) rather than having to go the Council Chambers and duplicate taped recordings.
6. In November 2004, budgetary savings in Records Division O&M budget allowed the purchase of a second scanning station and related equipment. The second scanning station provides the ability for both staff members to scan simultaneously, thus increasing productivity.
7. The Business License Specialist testified in a local criminal case as an expert witness regarding City business licensing regulations.

**Performance Measures and Workload Indicators**

The following table displays the City Clerk's office workload indicators for the upcoming fiscal years.

| Workload Indicator | 2003-04 Actual | 2004-05 Estimate | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Business Licenses | 7,931 | 8,300 | 8,400 | 8,800 |
| Business License Revenue | $735,369 | $780,000 | $780,000 | $800,000 |
| Dog Licenses | 5,303 | 5,350 | 5,400 | 5,450 |
| Spay/Neuter Vouchers | 210 | 216 | 225 | 232 |

| Workload Indicator | 2003-04 Actual | 2004-05 Estimate | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Proclamations, Ceremonial Certificates & Resolutions | 48 | 35 | 40 | 42 |
| Legislative Indexing | 1,560 | 1,600 | 1,660 | 1,700 |
| Bids | 199 | 200 | 215 | 225 |
| Contracts - New/Renewed/Amended/Extended | 382 | 275 | 300 | 300 |
| Minutes of Meetings | 40 | 46 | 48 | 48 |

The steady increase in business license numbers and revenue over the past five years is the product of detailed research and review, impeccable record keeping, ongoing, application of vigorous compliance measures by the licensing staff, and increased work hours for the Clerk II which enables the Business License Specialist to devote more time to pursuing leads and improving compliance and collection methods. The increase in revenue can only be sustained and the projected revenue achieved, if the Business License Specialist is allowed to focus on license revenue enhancement and compliance efforts and not be diverted to less complex duties performed by the Clerk II (i.e., filing, mail sorting, public telephone and front counter inquiries, data entry etc.). Current staffing (2.75 employees) does not provide the Department with the ability to pursue all available avenues to increase revenue at the level desired.

The increase in dog licenses issued is largely due to increased population and increased public awareness of licensing requirements through the City's many outreach efforts such as: 1) two annual, convenient, low-cost Rabies Vaccination Clinics where City residents also purchase dog licenses, 2) promotional give-away items, dog licensing regulation pamphlets, and informational handouts with the purchase of a dog license, 3) a banner display across Pine Street each February announcing and supporting Spay & Neuter month which includes an increased spay/neuter assistance voucher of $40 for the month of February only, [$30 vouchers are provided for the remainder of the year] 3) the City Clerk's game/prize booth at the City's annual ***Services and Energy Fair*** where the public is invited to participate in games and prizes and also receive educational information regarding spay/neuter assistance programs, responsible pet ownership, and licensing requirements. All promotional items are paid for using State Mandated Animal Fine revenues which also supplement the City's spay/neuter voucher fund eliminating the necessity to establish a voucher waiting list when City funding is depleted.

***Records Management***

| Workload Indicator | 2003-04 Actual | 2004-05 Estimate | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Documents/Maps Prepped/Processed/Stored | 863,474 | 922,000 | 980,547 | 1,042,812 |

As earlier reported under Goals and Accomplishments, the Records Management Division began imaging City documents using LaserFiche software (determined, after extensive review, to meet the needs of the City-wide Document Imaging Program.) Imaging technology has replaced microfilming and microfiche as the preferred method to record and preserve the City's records. While document imaging processes match microfilming and microfiche in terms of processing time, research and retrieval have been streamlined and significantly modernized by allowing research to be conducted from employee workstations or by the public via the personal computer.

Over the past few years, the City has experienced substantial growth and completed many capital projects. This growth creates a "trickle-down" effect for all City Departments, including Records Management. Document processing increased by 6.3% in 2004-05 over 2003-04 numbers and projections are for similar increases for 2005-06 and 2006-07.

**2005-07 Goals and Objectives**

*Goal*

Prepare for the General Municipal Election of November 2006.

*Objective*

Plan and perform related tasks for the November 2006 Consolidated General Municipal Election. Begin preparations in June 2006.

*Goal*

Develop a citizens' educational program regarding City services.

*Objective*

1. In cooperation with the City Manager and Mayor, research feasibility of Program
2. Submit to City Council for consideration at the Priority Workshop in April 2005.
3. With City Council endorsement, the trial Program will be offered for six (6) consecutive weeks beginning in September 2005, to approximately 25-30 citizen participants.
4. Determine success and affordability of the Program for possible continuation.

*Goal*

Enhance research capabilities of the City's historical records, 1979 and prior.

*Objectives*

(SoftFile recently imaged the microfilm of the City Clerk's old Remington Rand legislative index and burned it to a C.D. for uploading to the AS400).

4. Upload the C.D. containing the City Clerk's old Remington Rand legislative index to the AS400.
5. Catagorize and build appropriate HTML links to access the information. City staff will be able to access the old indexing system at their own computers to research legislative history and records created prior to 1980, in lieu of going to the Records Division to view the index on microfilm. Completion expected in 2005

*Goal*

Relocate filing unit in Records Management Division containing active City employee files to a more secure environment.

*Objective*

1. Move the TabTrack filing unit containing active employee files from the storage room located between the Records Management Division and the City Treasurer's offices to the area occupied by the 16mm camera. This area is fully enclosed and secured with locking doors.

2. Surplus the antiquated 16mm microfilm camera. Completion in Spring 2005.

*Goal*

Complete Records Retention Policy for City Council consideration and adoption.

*Objective*
Finalize the Records Retention Policy for City Attorney and other departments' review in May 2005.

*Goal*

Increase interdepartmental commitment and utilization of the City's subject code index and City-wide Records' Management Program and increase City staff knowledge to improve efficiencies in City Council processes.

*Objective*

In cooperation with the City Attorney's Office, provide an in-house training workshop covering various procedural processes relating to agenda preparation and staff reports, resolutions, contracts, and effective use of the City-wide subject code index in Spring 2005.

*Goal*

Increase business license revenue and enforce compliance measures in accordance with the Municipal Code. (Ongoing).

*Objective*

1. Provide interactive business license application on the City's web site, with payment by credit card by Summer of 2006.
2. Continue to pursue a high level of compliance by following up on delinquent accounts and work with the police department for enforcement.
3. Continue to process leads obtained through GIS Program for commercial/residential rental property and educate the public regarding same.
   a) Develop a pamphlet explaining the requirements for commercial and residential property rental which will accompany a letter to area real estate agents and title companies asking that the pamphlets be made available to their clients. The cost would be minimal; paper and postage for approximately 100 real estate offices and title companies.
4. Continue to monitor legislation affecting business licensing.

*Goal*

Redesign the Business License issued to businesses.

*Objectives*

1. Use a heavier weight paper in order to utilize the envelope stuffing machine and reduce staff time processing and mailing 8,000 + business licenses annually.

2. Provide more Departmental control over timelines for mailing printed licenses by printing the newly-designed license in the Licensing Section instead of I.T. so that licenses can be printed more timely. It will also provide the ability to accommodate customers who need a reprinted license. Completion anticipated for 2006. G-20

*Goal*

Research and design new informational pamphlets for Taxi Services, Limo Services and Vehicles for hire explaining the process to obtain a business license. Completion in 2005.

*Objective*

1. Review applicable Redding Municipal Code sections to ensure necessary regulations are included in pamphlet.
2. Access the CMRTA "Exchange of Expertise" data base to review results of studies performed for this issue.

*Goal*

Improve efficiencies of processes through automation. (Ongoing)

*Objective*

1. With I.T. Division staff assistance, develop an automated retention/destruction schedule for closed contracts. Currently, staff must sort through all contracts on the shelf to locate closed contracts. Anticipated completion in 2006.
2. Continue to explore additional opportunities to convert services, programs, and information resources to the City web-page or Intranet to enhance public and internal convenience, efficiency, and to reduce paper.

*Goal*

Improve efficiencies in the Dog Licensing Program and increase the number of spay/neuter vouchers issued. (Ongoing)

*Objective*

1. Redesign the dog license applications for production on the laser printer eliminating the need for NCR paper and begin phasing out the old tractor-fed printers. Late 2005
2. Increase the number of spay/neuter vouchers issued by increasing the voucher amount commensurate with available State Mandated Animal Fines funds and the $2 surcharge per license.
3. Continue to promote spaying and neutering through public education efforts such as the Annual Spay/Neuter Month campaign event in February of each year, participation in the City's Services & Energy Fair, and promotional give-aways purchased with State-mandated Animal Fines revenue.

*Goal*

Improve staff development and training. (Ongoing)

*Objective*

Broaden and diversify staff knowledge with educational opportunities, with sufficient funding, by attendance at seminars, conferences, and other professional training courses. The return on investment is invaluable because it empowers employees to serve our citizens and the City at an optimum level.

*Goal*

Continue cross-training efforts.

*Objective*

1. Provide coverage during vacations or other absences.
2. Provide timely service to the public and completion of daily tasks.

**Unmet Needs**

City Clerk and Records Management

| | | |
|---|---|---|
| 1. | Additional full time position for first floor Licensing Section | $35,000 |
| 2. | Restoration of old City Council Minute Books | 6,000 |
| | **TOTAL** | $41,000 |

# CITY TREASURER'S OFFICE

## Overview

The City Treasurer's adopted budget for fiscal year 2005-06 totals $532,330, an increase of $73,730 from the fiscal year 2004-05 amended budget of $458,600. The increase represents a significant increase in personnel related costs. For fiscal year 2006-07, the adopted budget totals $551,010, which is $18,680 over the fiscal year 2005-2006 adopted budget. The increase is also due primarily to a change in personnel related costs.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended, Excluding Carryovers | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| City Treasurer | $425,049 | $444,710 | $458,600 | $532,330 | $73,730 | $551,010 | $18,680 |

The following table displays how the Department's budget is broken down between the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| City Treasurer | FY 2006-07 Adopted | $457,340 | $93,670 | $0 | $0 | $551,010 |
| | FY 2005-06 Adopted | $436,860 | $95,470 | $0 | $0 | $532,330 |
| | FY 2004-05 Amended, | $341,500 | $117,100 | $0 | $0 | $458,600 |

## Capital Outlay

There are no capital outlay expenses planned in the budget.

## Personnel

There are no new positions contained in the budget.

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| City Treasurer | F/T | 5.00 | 5.00 | 5.00 | 5.00 | 0.00 | 5.00 | 0.00 |

## Significant Issues

Personnel costs have risen significantly due to the increase in charges related to PERS and PARS costs, as well as group insurance expenses. The Treasurer's office has reduced its request for various operating accounts by $2,360 in FYE 2006 and $5,670 in FYE 2007 from the adjusted adopted FYE 2005 budget.

Because the City Treasurer was able to cure delinquencies in all Assessment Districts for the first time in eight years, costs associated with the administration of those districts were eliminated. Further cuts were accomplished through the reduction of travel and training expenses, the elimination of replacement computers, and the elimination of service contracts on existing equipment.

**Status of 2003 – 2005 Goals and Objectives**

*Goal*

Department Support and Customer Service

*Objectives*

- Transition Clerk, Convention Center and Solid Waste to electronic payment processing **Fully implemented.**
- Coordinate with Convention Center to implement automated ticketing system **Fully implemented.**
- Provide training to Housing, RABA, Redevelopment, and Finance staff for the use of new web based electronic banking information options **Fully implemented.**
- Coordinate with Community Non-Profits, Housing, Redevelopment and Banking community to implement Financial Literacy Program **Not Implemented.**
- Implement Sports Complex and Aquatic Center revenue processing system **Fully implemented.**
- EFT Payment services expanded to include:
  - Hanger rentals **Partially Implemented.**
  - HUD payments for Housing **Partially Implemented.**
  - Accounts Payable Expanded **Fully implemented.**
  - Childcare payments for Recreation **Partially Implemented.**

*Accomplishment*

City Clerk, Convention Center and Solid Waste Transfer Station have been successfully transitioned to accepting credit card payments, which have become a significant portion of the revenue generated through these departments.

Treasurer staff worked closely with the Convention Center Box Office Supervisor to successfully implement the MAXTIX automated ticketing system effective September 2004. This system also allows for web-based ticket purchasing which is a valuable service to customers who have difficulty with transportation and/or mobility.

The Financial Literacy Program has not been implemented due to reprioritization with limited staffing in the City Treasurer's Office.

The Aquatic Center has come on line during the past two summer seasons. City Treasurer staff continue to work very closely with Aquatic Center supervisory staff, Community Services analyst staff and IT staff to support the revenue processing system.

Expansion of the Electronic Funds Transfer (EFT) system is in progress. To date, the expansion for accounts payable is complete. Treasurer's staff are working with Finance, Housing and Recreation to determine the cost/benefit relationship for expanding EFT for hangar rentals, HUD payments and childcare payments.

*Goal*

Investments

*Objectives*

- Obtain Bloomberg subscription to better monitor credit fluctuations on corporate bonds held in portfolio and better manage the portfolio in order to reduce the risk of loss **Fully implemented.**

*Accomplishment*

Bloomberg Investment Subscription was purchased in 2003 and is utilized daily to analyze and monitor current security market values, agency and corporate credit ratings and other industry trends and research materials. To date, the City has saved over $202,000 by anticipating the potential for market loss and implementing changes before losses occur.

*Goal*

Policy and Procedures

*Objectives*

- Set up web based payment system for accounts receivable and parking citations **Partially implemented.**
- Add web based parking citation appeal application **Fully implemented.**
- Develop investment procedure manual **Partially implemented.**
- Implement internal audit and internal control review procedures **Fully implemented.**

*Accomplishments*

Encryption software for the web based payment system for accounts receivable and parking citation is in place. The Information Technology Program Request for this project is on file. We estimate completion of the project within six to nine months.

The City Treasurer's web page has been updated and contains a link to a downloadable parking citation appeal form. The form, once downloaded and completed, can be delivered, faxed or mailed to the City Treasurer's Office for processing.

The City Treasurer's Management Analyst has begun developing the Investment Procedural Manual by incorporating newly created tools with the established Investment Policy. Completion of the manual is projected by the end of the 2005 calendar year.

Internal audit and internal control review procedures have been implemented with the addition of the Management Analyst position. City Treasurer's staff analyze revenue data for all City departments and prepare quarterly analytical reports for utilization by department managers. Internal control procedures have been enhanced by the separation of duties and control allowed by the additional management position. Treasurer's staff continue to review cash handling procedures on site annually.

*Goal*

Reporting

*Objective*

Reevaluate Treasurer's monthly report to council **Fully implemented.**

*Accomplishment*

The City Treasurer, in collaboration with the Investment Advisory Committee, has revised the monthly Treasurer's Report. The complete Treasurer's Report is submitted to Council quarterly, with the condensed version of the report submitted in the interim months of the quarter.

*Goal*

Staff Development, Education and Supervision

*Objectives*

- Reconfigure workflow using analyzed results from time study **Fully implemented.**
- Add Management Analyst position to support and enhance management activities **Fully implemented.**
- Develop education plans with each staff member **Fully implemented.**
- Encourage further management skill development with Deputy Treasurer **Fully implemented.**

*Accomplishments*

As a result of the annual time study process, workflow has been reassigned to better utilize the staffing classifications in the City Treasurer's Office. Daily remittance work has been removed from the workload of the Deputy Treasurer to allow for more supervisory and management assignments, and investment exposure.

The Management Analyst position was approved for the FY2003/04 budget, and the position was filled in December 2003. The Management Analyst provides daily investment analysis, cash flow analysis, assessment district administration and back up to the City Treasurer and Deputy City Treasurer for signature authority over payables, wires and investment activities.

City Treasurer's staff each has developed an education plan for the current budget cycle time frame. The education plans are focused on career development within the City organization, as well as within current job assignments.

The Deputy Treasurer has attended several supervisory/management training sessions.

## Performance Measures and Workload Indicators

| Workload Indicators | 2002-03 Actual | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| **Delinquent Assessments & Penalties Collected** | $ 222,129 | $149,167 | **$1,338,271** | $95,000 | $ 95,000 |
| **Micro-encoded Check Savings** | $ 11,401 | $11,827 | $7,420 | $4,355 | $3,960 |
| **Investment Interest Earnings Average Yield** | 3.568% | 2.988% | 3.0% | 3.3% | 3.6% |
| **Number of Checks Deposited** | 382,485 | 394,237 | 348,678 | 330,000 | 300,000 |
| **Number of Returned Checks** | 599 | 574 | 582 | 550 | 500 |
| **No. of Credit Card Transactions** | 23,712 | 51,207 | **65,036** | 70,000 | 75,000 |
| **Credit Card Charges Processed** | $6,392,965 | $9,632,290 | **$ 11,566,812** | $12,500,000 | $13,400,000 |
| **Number of Electronic Funds Transfers** | 20,811 | 23,559 | **26,922** | 28,500 | 30,000 |
| **Electronic Fund Transfer Charges Processed** | $3,055,334 | $3,849,629 | **$5,205,272** | $5,500,000 | $5,800,000 |
| **Number of Wires Processed** | 1,171 | 1,593 | **1,952** | 2,000 | 2,000 |
| **Department Reports Receipted & Processed** | 2,853 | 3,174 | **4,144** | 4,500 | 4,500 |
| **Pneumatic Tubes Sent & Received** | 17,898 (projection) | 20,168 | **19,568** | 20,000 | 20,000 |

## Summary of Workload Indicator Analysis

Delinquent Assessments & Penalties Collected: Due to the diligent efforts of the City Treasurer, two assessment districts with substantial delinquencies (Tierra Oaks and Churn Creek II) have been paid, bringing the Delinquent Assessments and Penalties collected in FY 2004/05 to over $1.2 million. For the last ten fiscal years, the delinquency rate for the Assessment Districts averaged 14.7%. With Tierra Oaks and Churn Creek II districts paid to current, we expect the delinquency rate to drop to 2.0%.

Number of Credit Card Transactions, Number of Electronic Fund Transfers, and Number of Wires Processes: These workload indicators continue to point out the tremendous growth in customers' use of

electronic payment options. Credit card volume increased 174%, EFT volume increased 29%, and federal wire transactions increased 67% since the last budget projections.

Department Reports Receipted & Processed: Department reports receipted and processed have increased by 45% since the last budget projections. This is due to the opening of the Aquatic Center and addition of Airport parking revenue collection.

Pneumatic Tubes Sent & Received: As demonstrated by the volume of pneumatic tubes sent and received, the image of the Treasurer's office customer has drastically changed. In the past, the customers were lined up at the Treasurer's Office reception window to be served. Now, the majority of the transactions are handled through the pneumatic tube system, as customers make payments directly to the departments from whom they receive service. No longer are City staff and customers transporting cash through the hallways, stairwells and elevators of City Hall, resulting in a much safer environment for employees.

These workload indicators reflect an amazing increase in workload accomplished by the City Treasurer staff. Staff have continued to seek out further efficiency efforts to allow for the continued assumption of increased workload. New ideas for efficiency are becoming scarce, yet staff continue to focus on the overall goal of improving customer service.

Recently, the Treasurer's Office made a change in procedures that is an excellent example of implementing staff ideas to enhance efficiency. Encoding checks was a time consuming daily process that was a struggle due to time constraints and repetitive motion issues. The equipment used by the Treasurer's staff to encode checks was quite old and was in need of replacement at a minimum cost of $6,000. After an analysis of costs and savings, the City Treasurer decided to stop encoding Treasurer's deposit checks. The net annual cost savings due to this change is $4,691. Customer Service performs a similar encoding function for the checks they receive through the mail. There remains to be a cost benefit for encoding checks in the utility deposit due to the volume and the dual purpose of input. Customer Service supervisory staff readily agreed to assume the encoding responsibility for the over-the counter utility checks that were being encoded by Treasurer's staff. Therefore, this is not only an excellent example of efficiency and cost savings, but an admirable example of departments working together toward the common goal of cost savings.

**Goals and Objectives for FY 2006 & 2007**

The City Treasurer's Office goals and objectives are broken down by activity center as noted below:

Departmental Support and Customer Service

*Objectives*

To provide the citizens of Redding and fellow departments with payment options that meet their needs in the most efficient manner and are current with industry standards. To receipt payments in a secure, timely, accurate and efficient manner. The Treasurer's office plans to accomplish their objectives by implementing the following goals.

- Develop the revenue analysis program further with individual departments resulting in a revenue management-consulting relationship.
- Continue to explore EFT expansion:
  - Hangar rentals
  - HUD payments for Housing
  - Childcare payments for Recreation

- Finalize the fully integrated web based payment system for accounts receivable and parking citations.

Investments

*Objectives*

To invest the City funds in the most secure and efficient manner in accordance with Investment policy 408. To accurately project cash flow needs of the City, and to meet those needs in a timely and efficient manner. The Treasurer's office plans to accomplish their objectives by implementing the following goals.

- Obtain Bloomberg certification through 2 year training program for Treasurer, Management Analyst and Deputy Treasurer.
- Continue investment training for the Management Analyst and Deputy Treasurer as budgets allow.

Policy and Procedures

*Objectives:*

To implement tested procedures that ensure the consistent application of policy and provide adequate guidance and stability to processes. The Treasurer's office plans to accomplish our objectives with the implementation of the following goals.

- Develop investment procedure manual.

Staff Development, Education/Training, and Supervision

*Objective:*

To provide a developmentally friendly environment for employees who desire to expand their knowledge basis and increase their skill levels. To provide constructive guidance, feedback, and communicative environment for a positive work experience our customers benefit from.

- Evaluate the need for a classification change due to the growth of more complex accounting functions to accommodate the expanding electronic payment types including web-based payment systems.
- Encourage further education development.
- Encourage further management skill development.
- Encourage further computer and writing skills development.

**Unmet Needs 2005/06**

| **Unmet Needs** | **Requested Budget** |
|---|---|
| Replacement Computer | $ 1,968 |
| Digital security camera system upgrade installed | 3,670 |
| Staff Training & Travel | 2,285 |
| Total Unmet Needs | $ 7,923 |

## Unmet Needs 2006/07

| Unmet Needs | Requested Budget |
|---|---|
| Replacement Computers/Network Printers | $ 3,577 |
| Office furnishings/replacement equipment | 4,000 |
| Staff Training & Travel | 2,750 |
| Total Unmet Needs | $ 10,327 |

# CITY ATTORNEY

## Overview

The City Attorney's adopted budget for fiscal year 2005-06 totals $1,124,560, which is $24,870 over the fiscal year 2004-05 amended budget of $1,099,690. The increase is primarily related to a increase in personnel costs. The adopted budget for fiscal year 2008-07 totals $1,159,200 which is $34,640 over the fiscal year 2005-06 adopted budget. The increase is primarily related to an increase in indirect personnel costs.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carry Overs | FY 2005-06 Adopted | Changa | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| City Attorney | $499,805 | $541,330 | $574,690 | $610,110 | $35,420 | $640,450 | $30,340 |
| Outside Legal Services | 224,091 | 525,000 | 525,000 | 514,450 | (10,550) | 518,750 | 4,300 |
| Total | $ 723,896 | $ 1,066,330 | $ 1,099,890 | $ 1,124,560 | $ 24,870 | $ 1,159,200 | $ 34,640 |

The following table displays how the Department's budget is broken down between the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| City Attorney | FY 2006-07 Adopted | $ 519,620 | $ 120,830 | $ 0 | $ 0 | $ 640,450 |
| | FY 2005-06 Adopted | 491,040 | 119,070 | 0 | 0 | 610,110 |
| | FY 2004-05 Amended | 436,450 | 138,240 | 0 | 0 | 574,890 |
| Outside Legal Services | FY 2006-07 Adopted | 150,550 | 368,200 | 0 | 0 | 518,750 |
| | FY 2005-06 Adopted | 150,550 | 363,900 | 0 | 0 | 514,450 |
| | FY 2004-05 Amended | 134,420 | 390,580 | 0 | 0 | 525,000 |
| Total | FY 2006-07 Adopted | 670,170 | 489,030 | 0 | 0 | 1,159,200 |
| | FY 2005-06 Adopted | 641,590 | 482,970 | 0 | 0 | 1,124,560 |
| | FY 2004-05 Amended | $ 570,870 | $ 548,630 | $ 0 | $ 0 | $,119,500 |

## Capital Outlay

There are no requests for Capital Outlay for the budget years fiscal year 2005-06 and fiscal year 2006-07.

**Personnel**

There are no new positions contained within this budget.

| Division | | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Attorney's Office | F/T | 5.00 | 5.00 | 5.00 | 5.00 | 0.00 | 5.00 | 5.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 5.00 | 5.00 | 5.00 | 5.00 | 0.00 | 5.00 | 5.00 |

**SIGNIFICANT ISSUES**

A legal assistant position (which became vacant in the last budget year) is being leff unfilled for this budget cycle.

**2003-2005 STATUS OF GOALS AND OBJECTIVES**

*Goal*

Continue to provide timely response to all departments seeking legal support services.

*Accomplishment*

Assisted departments in performing their functions at the highest skill level and provided timely service to the community. Worked with Engineering and capital projects on all phases of public works contracting such as: bidding, awards, implementation, and dispute resolution.

*Goal*

Continue updating the Redding Municipal Code.

*Accomplishment*

Work has commenced on a major overhaul of the administrative remedy provisions in the Municipal Code es a means to make City code enforcement efforts more efficient and effective.

*Goal*

Provide informative training sessions for City Council, Planning Commission, and all depertments, as necessary and appropriate.

*Accomplishment*

Assured that City officials remained informed and well trained on legal issues affecting their roles and the legal requirements affecting the duties they are swom to carry out.

**Performance Measures and workload Indicators**

All matters in which the City Attomey's office is involved, including litigation, are tracked using two computerized calendaring systems. New litigation filed during the year, short-term and long-term projects and their aging are workload indicetors which the office uses to continuously prioritize its workload.

The City Attomey supports the City Council and the City organization with legal edvice and services such as: providing legal advice and information to the Council and staff; preparing legislation and legal documents; reviewing contracts, leases, and agreements; providing legal defense for the City in a manner that minimizes City liebility and exposure; providing legal advice to the City Council, City Manager, Departments, Boards and Commissions; and supporting staff in enforcing community standards and codes fairly.

In addition, the City Attorney's office has been responsible for, participated in, or provided review in the following areas:

- *Real Property Issues*

  The City Attorney's office provides direct support to departments for real property matters. This includes purchase and sale agreements, easements and licenses, deeds, leases, abandonment proceedings, escrow instructions, option agreements, development agreements, loan transaction documents and related correspondence and consultations. In addition, numerous property acquisitions for pipelines, redevelopment projects and flood control projects have been accomplished or are in progress. The number of real estate transactions has continued to increese and is expected to trend upward at the seme rete during the next two fiscal years.

- *Legal Opinions*

  A core function of any municipal lew office is to render legal opinions. A new system has been implemented to document and catalog the written work product of the City Attomey's Office through the issuance of Memorandums of Law. These opinions ere reserved for matters of importance where it is anticipated that having written work product will have precedentiel velue to City staff, the public, and future lawyers working in the City Attomey's Office. These Memorandums are reserved for opinions which become public record and therefore are not used to confidentially communicate with the constituent parts of the organization. Other opinions are rendered in writing, verbally, or by use of e-mail. The City Attorney's office maintains an open-door policy and answers as meny verbal requests for opinions and assistance as possible.

- *Contrects, Ordinences and Resolutions*

  Another core function of this office is assisting in the drafting of and review of the many contracts the City and the Redevelopment Agency enter into. It is expected thet this area of City Attorney involvement will continue to be very active during the next budget cycle. The preparation of ordinances and resolutions will continue at the same rate.

- *Litigetion end Miscellaneous Court Appearances*

  The City Attorney's office has lead responsibility for a variety of litigation cases. This includes representing the City in matters such as *Pitchess* motions (motions for discovery of police officer personnel files), petitions for determination of retum of fireerms, motions to suppress production of police depertment incident reports, unlawful detainer actions, real estate litigation, construction

litigation, contract dispute litigation, eminent domain litigation,
trials resulting from Redding Municipal Code violations including animal control matters, and appeals of parking citations.

Personal injury cases are referred to outside counsel but supervised and monitored by the City Attorney.

**2005-2007 Goals and Objectives**

*Goal*

Provide timely response to all departments seeking legal support services. Look for opportunities to partner with City departments and programs to engage in proactive lewyering as a means of avoiding disputes.

*Objective*

Expand scope of services offered with early intervention and proactive lawyering.

*Goal*

Finish major overhaul of administrative remedy provisions in the Municipal Code.

*Objective*

Complete administrative remedy update by middle of fiscal year 05/06.

*Goal*

Assist Development Services with an effort to clarify and consolidate administrative appeal processes set forth in the Municipal Code for development projects.

*Objective*

Commence this project after administrative remedy update and complete no later than the middle of fiscal year 06/07.

*Goal*

Partner with City Clerk to provide informative training sessions for City departments on the docketing process and process for obtaining Council action.

*Objective*

Have this program in place by October 2005.

*Goal*

Complete an Internet web page for the City Attorney's Office.

*Objective*

Complete no later than August 2005.

**Unmet Needs**

There are no unmet needs contained in this budget.

# NON-DEPARTMENTAL

## Overview

This budget includes the following: Animal Regulation, Non Departmental Division, General Fund Debt Service, General Fund Capital Projects, and General City Projects. These budgets for fiscal year 2005-06 total $4,961,220, a decrease of $787,470 from fiscal year 2004-05 amended budget. The Non Departmental budget was increased in fiscal year 2005-06 by $600,000 to cover one time retirement costs and by $200,000 for additional one time library capital cost. This increase was offset by a reduction in capital outlay of approximately $1,100,000 and land development of $100,000. The General City Projects are budgeted as projects are approved by Council outside of this budget process. For fiscal year 2006-07, these budgets total $4,271,860, a decrease of $689,360 from fiscal year 2005-06 adopted budget. This reduction is primarily due to only providing funding for one time retirement costs in fiscal year 2005-06.

| | FY2003-04 Actual | FY2004-05 Adopted | FY2004-05 Amended Excluding Carry Overs | FY 2005-06 Adopted | Change | FY2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Animal Regulation | 413,368 | 430,000 | 439,000 | 440,000 | $1,000 | 477,000 | $37,000 |
| Non-Departmantal | 3,964,702 | 1,635,000 | 2,166,440 | 2,354,870 | $188,430 | 1,588,290 | ($766,580) |
| General Fund Debt Service | 1,979,025 | 2,402,150 | 2,402,150 | 2,143,310 | ($258,840) | 2,182,970 | $39,660 |
| Capital Projects Division | 235,009 | 15,680 | 15,680 | 23,040 | $7,360 | 23,600 | $560 |
| General Fund subtotal | 6,592,104 | 4,482,830 | 5,023,270 | 4,961,220 | ($62,050) | 4,271,860 | ($689,360) |
| General City Projects | $11,723,460 | $0 | $741,100 | $0 | ($741,100) | $0 | $0 |
| Total | $18,315,564 | $4,482,630 | $5,764,370 | $4,961,220 | ($803,150) | $4,271,860 | ($689,360) |

The following table displays how the Department's budget is broken down among the major expenditure groups.

| | | Personnel | Materials, Supplies & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Animal Regulation | FY2006-07 Adopted | 0 | 477,000 | 0 | 0 | $477,000 |
| | FY2005-06 Adopted | 0 | 440,000 | 0 | 0 | $440,000 |
| | FY2004-05 Amended | 0 | 439,000 | 0 | 0 | $439,000 |
| Non-Departmental | FY2006-07 Adopted | 400,000 | 1,002,690 | 185,000 | 0 | $1,588,290 |
| | FY2005-06 Adopted | 1,000,000 | 866,770 | 468,100 | 0 | $2,354,870 |
| | FY2004-05 Amended | 400,000 | 966,220 | 800,220 | 0 | $2,166,440 |

| | | Personnel | Materials, Supplies & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| General Fund Debt Service | FY2006-07 Adopted | 0 | 12,000 | 0 | 2,170,970 | $2,182,970 |
| | FY2005-06 Adopted | 0 | 12,000 | 0 | 2,131,310 | $2,143,310 |
| | FY2004-05 Amended | 0 | 15,000 | 0 | 2,387,150 | $2,402,150 |
| Capital Projects Division | FY2006-07 Adopted | 18,600 | 5,000 | 0 | 0 | $23,600 |
| | FY2005-06 Adopted | 18,040 | 5,000 | 0 | 0 | $23,040 |
| | FY2004-05 Amended | 15,680 | 0 | 0 | 0 | $15,680 |
| General City Projects | FY2006-07 Adopted | 0 | 0 | 0 | 0 | $0 |
| | FY2005-06 Adopted | 0 | 0 | 0 | 0 | $0 |
| | FY2004-05 Amended | 0 | | 741,100 | 0 | $741,100 |
| Total | FY2006-07 Adopted | $418,600 | $1,496,690 | $185,600 | $2,170,970 | $4,271,860 |
| | FY2005-06 Adopted | $1,018,040 | $1,343,770 | $468,100 | $2,131,310 | $4,961,220 |
| | FY2004-05 Amended | $415,680 | $1,420,220 | $1,541,320 | $2,387,150 | $5,764,370 |

## Significant Issues

*Non Departmental*

Included in this budget for fiscal year 2005-06 are funds to remove substandard housing on property previously purchased by the City.

Also included in this budget is $25,000 for art in public places. In the past, the City has encouraged art in public places by offering places to display art. The City has also included art works in some of its projects. This appropriation is used each year to partnership with citizens willing to invest in art in places available for public viewing. This program will augment the City's efforts to beautify and improve the City.

## Community Special Events

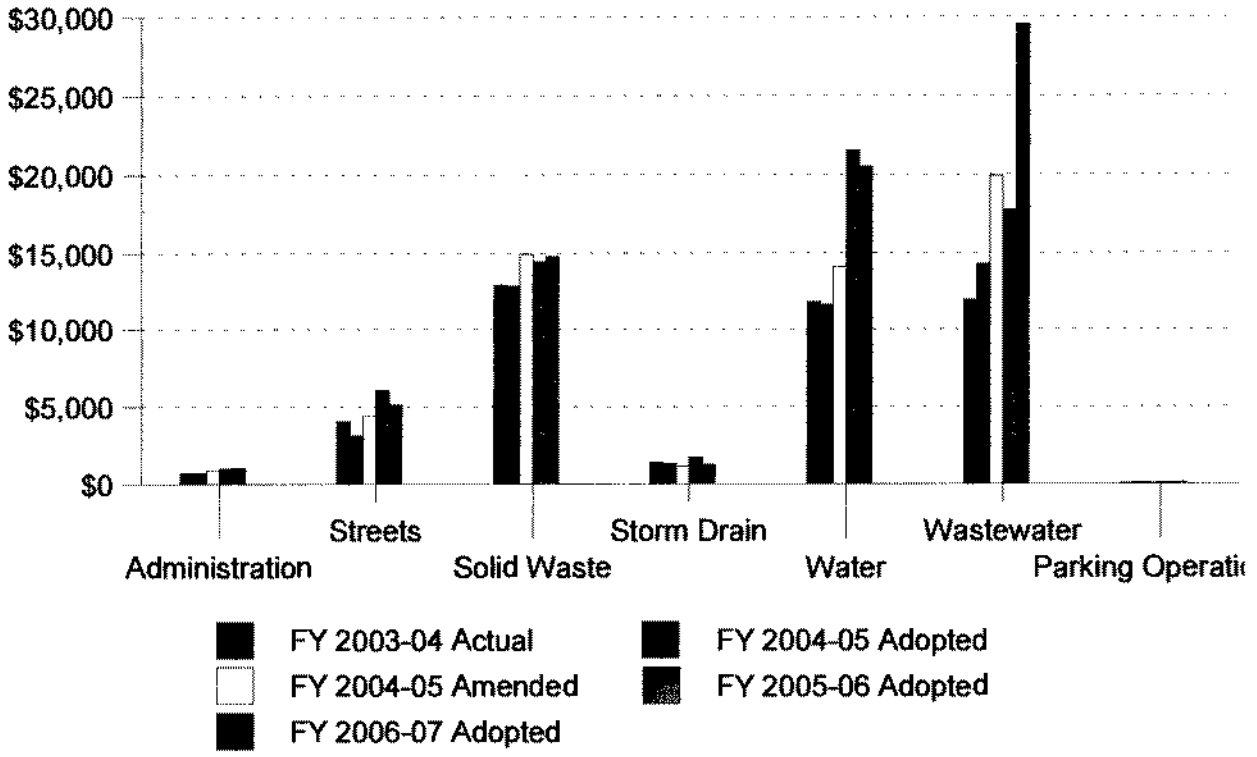
Community special events were funded at the same basic levels during this budget process, as those seen in previous budgets. The proposed funding does not provide for any new community special events. The following is a list of community special events funded in this budget:

| | FY 2005-06 | FY 2006-07 |
|---|---|---|
| Marketfest | 14,615 | 14,945 |
| Banner program | 11,020 | 11,020 |
| Ducky Derby | 1,975 | 2,005 |
| Christmas Parade | 5,135 | 5,220 |
| Christmas Tree | 260 | 260 |
| Kool April Nites | 39,960 | 40,760 |
| Rodeo | 11,765 | 12,165 |
| Rodeo Parade | 9,370 | 9,565 |
| Air Show | 25,000 | |
| 4th of July - Fireworks | 34,000 | 34,360 |
| Big Bike Weekend - Streets | 18,600 | 18,900 |
| 3 on 3 Basketball | 11,400 | 11,400 |
| Total | 183,100 | 160,600 |

# Municipal Utilities

## Expenditure Comparisons

(In Thousands)



# REDDING MUNICIPAL UTILITIES

## Overview

The Municipal Utilities Dapartment's adopted budget for fiscal year 2005-06 totals $62,701,530, an increase of $7,186,941 from the fiscal year 2004-05 amanded budget (excluding carry-ovars). This increase is primarily due to adjustments in retirement and health benefits, and the scheduling of construction projects. The adopted budget for fiscal year 2006-07 totals $72,443,680, an increase of $9,742,150 from fiscal yaar 2004-05 budget. This incraase is primarily due to adjustments in retirement and health benefits, and the scheduling of construction projects.

The Municipal Utilities Department consists of six oparating divisions: Administration; Solid Waste Utility; Streets/Parking/Traffic Devices;.Storm Drain Utility; Water Utility; and Wastewater Utility. The main charge of the Department is to plan, construct and maintain the assigned infrastructure to accommodate a growing urban area. Coupled with the needs of growth is the challenges of maintaining various components of the underground systems that are continually againg. The four utility divisions are termed Enterprise funds since they operate entirely with self-supporting revenues and require no General Fund support. Each is essentially a stand-alone budget and 10 year financial plan. The balance of the Department receives revenue support from the General Fund, with a portion of their operating budget ravenue from outside funding sources.

The following table depicts the Municipal Utilitias Department's net budget for the various operating divisions:

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended (Excluding Carryovers) | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Administration | $ 716,485 | $ 781,100 | $ 900,390 | $ 1,019,480 | $ 119,090 | $ 1,061,680 | $ 42,200 |
| Streets | 4,057,232 | 3,151,230 | 4,403,530 | 6,064,740 | 1,661,210 | 5,138,540 | (926,200) |
| General Fund Subtotal | 4,773,717 | 3,932,330 | 5,303,920 | 7,084,220 | 1,780,300 | 6,200,220 | (884,000) |
| Solid Waste Utility | 12,917,934 | 12,844,190 | 14,939,304 | 14,457,620 | (481,684) | 14,819,220 | 361,600 |
| Storm Drain Utility | 1,408,346 | 1,322,780 | 1,149,645 | 1,731,180 | 581,535 | 1,276,630 | (454,550) |
| Water Utility | 11,796,620 | 11,611,290 | 14,117,200 | 21,546,910 | 7,429,710 | 20,527,270 | (1,019,640) |
| Wastewater Utility | 11,912,233 | 14,287,960 | 19,910,690 | 17,763,510 | (2,147,180) | 29,523,320 | 11,759,810 |
| Enterprise Funds Subtotal | 38,035,133 | 40,066,220 | 50,116,839 | 55,499,220 | 5,382,381 | 66,148,440 | 10,647,220 |
| Parking Operations | 76,398 | 93,530 | 93,830 | 118,090 | 24,260 | 97,020 | (21,070) |
| Special Revenue Subtotal | 76,398 | 93,530 | 93,830 | 118,090 | 24,260 | 97,020 | (21,070) |
| Total | $ 42,885,248 | $ 44,092,080 | $ 55,514,589 | $ 62,701,530 | $ 7,186,941 | $ 72,443,680 | $ 9,742,150 |

This budget is predicated upon the City Council continuing with rate increases enacted in 2003 for Water and Wastewater based on a five-year plan. The budget reflacts these increases. In addition, to maintain its ten-year financial plan, tha Solid Wasta Utility will need to do three percent rate increases for residential customers and slightly higher increases for commercial customers due to a smaller customer base. If rates are not increased, these budgets will need to be amended to keep expenditures within revenues or the reserve will need to be used. Either of these options could cause a higher rata increase later.

Beginning with this budget, the Wastewater Utility is beginning to fund some activities that otherwise would be funded by the Storm Drain Utility. Last year, street sweeping was transferred from the Storm Drain Utility to the Solid Waste Utility. Both of these actions reflect a Storm Drain Utility that has inadequate funding.

The following table displays how the Department's budget is broken down between the major expenditure groups within each operating division.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Administration | FY 2006-07 Adopted | $ 777,270 | $ 184,410 | $ 100,000 | $ - | $ 1,061,680 |
| | FY 2005-06 Adopted | 741,000 | 172,780 | 105,700 | - | 1,019,480 |
| | FY 2004-05 Amended | 584,870 | 215,820 | 99,900 | - | 900,390 |
| Streets | FY 2006-07 Adopted | 1,621,070 | 1,997,670 | 1,477,800 | 42,000 | 5,138,540 |
| | FY 2005-06 Adopted | 1,556,060 | 2,064,680 | 2,403,000 | 41,000 | 6,064,740 |
| | FY 2004-05 Amended | 1,298,880 | 1,460,550 | 1,803,100 | 41,000 | 4,403,530 |
| Solid Waste Utility | FY 2006-07 Adopted | 5,700,590 | 7,758,470 | 456,380 | 903,780 | 14,819,220 |
| | FY 2005-06 Adopted | 5,414,580 | 7,424,120 | 716,520 | 902,400 | 14,457,620 |
| | FY 2004-05 Amended | 4,690,350 | 7,067,820 | 1,922,604 | 1,258,530 | 14,939,304 |
| Storm Drain Utility | FY 2006-07 Adopted | 263,100 | 659,380 | 354,150 | - | 1,276,630 |
| | FY 2005-06 Adopted | 257,980 | 642,050 | 794,050 | 37,100 | 1,731,180 |
| | FY 2004-05 Amended | 253,650 | 476,820 | 345,000 | 74,175 | 1,149,645 |
| Water Utility | FY 2006-07 Adopted | 3,270,070 | 6,665,320 | 9,373,980 | 1,217,900 | 20,527,270 |
| | FY 2005-06 Adopted | 3,091,780 | 8,557,200 | 10,891,430 | 1,206,500 | 21,546,910 |
| | FY 2004-05 Amended | 2,512,110 | 5,652,210 | 4,350,280 | 1,802,600 | 14,117,200 |
| Wastewater Utility | FY 2006-07 Adopted | 3,580,950 | 5,292,450 | 17,572,920 | 3,077,000 | 29,523,320 |
| | FY 2005-06 Adopted | 3,320,900 | 5,404,450 | 5,956,060 | 3,082,100 | 17,783,510 |
| | FY 2004-05 Amended | 2,733,710 | 4,489,320 | 9,623,660 | 3,064,000 | 19,910,890 |
| Parking Operations | FY 2006-07 Adopted | 77,560 | 19,460 | - | - | 97,020 |
| | FY 2005-06 Adopted | 98,550 | 19,640 | - | - | 118,090 |
| | FY 2004-05 Amended | 61,860 | 31,970 | - | - | 93,830 |
| TOTAL | FY 2006-07 Adopted | $ 15,403,200 | $ 22,464,570 | $ 29,335,230 | $ 5,240,680 | $ 72,443,680 |
| | FY 2005-06 Adopted | $ 14,593,440 | $ 22,172,230 | $ 20,666,760 | $ 5,269,100 | $ 62,701,530 |
| | FY 2004-05 Amended | $ 12,135,430 | $ 19,394,310 | $ 17,944,544 | $ 6,040,305 | $ 55,514,589 |

**Capital Outlay**

The capital outlay program for the Municipal Utilities Department for this budget cycle consists of three components: purchasing of new equipment, replacement of rolling stock, and infrastructure improvement projects. The rolling stock replacement program is developed in conformance with a set of criteria provided by the City and implemented utilizing funds made available annually to the Department. Capital projects are selected by need and review of master plans. A brief description of the major projects within each division is listed below by budget year:

**Capital Projects - 2005-2006**

*Solid Waste Utility* - Funds are budgeted for replacement of worn recycling and green waste carts and to purchase new carts to accommodate growth in the amount of $146,600. The budget also includes $43,600 for the purchase of new sanitation containers. The Utility is transferring $50,000 from the Sanitation Containers Fund to the Work Equipment Maintenance & Repairs Fund for the repair of containers.

*Wastewater Utility* - Funds are budgeted for minor line extensions and oversizing in the amount of $220,000, preliminary design and environmental study for the North Market Street Lift Station and force

main in the amount of $1,469,560 and $1,266,490 for the preliminary design of the Stillwater Treatment Plant Expansion.

*Water Utility* - Funds are budgeted for general system improvements in the amount of $404,410, continuation of the polybutylene replacement program in the amount of $386,650, and $5,289,633 for the construction of various water mains. Funds are also budgeted for the design and environmental study for the Buckeye Water Plant, transmission main, and Reservoir Replacement project in the amount of $4,523,800.

*Storm Drain Utility* - Capital Improvements are budgetad in the amount of $337,800 for minor system improvements ralated to growth. There is also $250,000 budgeted for the completion of the Storm Drain Utility Mastar Plan, and an additional $200,000 for the Detention Pond portion of the study. This plan, upon its completion, will be the basis of a capital improvement program which will be submitted to the City Council for consideration.

*Straets* - The budgat includes $2,800,000 for slurry sealing and asphalt overlays. This includes the $200,000 for asphalt overlays of streets from the Solid Waste Utility.

**Capital Projects - 2006-2007**

*Solid Waste Utility* - Funds are budgeted for replacement of worn recycling and green waste carts and to purchase new carts to accommodate growth in the amount of $185,515. The budget also includes $44,300 for the purchase of new sanitation containers. The Utility is transferring $50,000 from tha Sanitation Containers Fund to the Work Equipment Maintenance & Repairs Fund for the repair of containers.

*Wastewater Utility* - Funds are budgeted for minor line extensions, oversizing and lina sealing/rehabilitation in the amount of $200,000, construction of the Mary Streat Sewer force main in tha amount of $5,951,230, and design for the Stillwater Interceptor and Lift Stations in the amount of $3,558,400. Funds are also budgeted for the design and environmental study of the Clear Creek Treatment Plant in the amount of $3,696,120.

*Water Utility* - Funds are budgeted for general system improvements in the amount of $346,360, continuation of the polybutylene replacement program in the amount of $398,250, construction of Buckeye Water Plant, associated transmission main and reservoir in the amount of $4,500,000 and various water line replacements in the amount of $4,098,120.

*Storm Drain Utility* - Capital Improvements are budgeted in the amount of $347,900 for minor system improvemants.

*Streets* - The budget includes $1,979,420 for slurry sealing and asphalt overlays. This includes the $204,620 for asphalt overlays of streets from Solid Waste.

## Personnel

The following table depicts the personnel assigned by division within the Municipal Utilities Department.

| Division | | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Administration | F/T | 8.00 | 8.00 | 8.00 | 9.00 | 1.00 | 9.00 | 0.00 |
| | P/T | 1.71 | 1.71 | 2.46 | 2.46 | 0.00 | 2.46 | 0.00 |
| | Subtotal | 9.71 | 9.71 | 10.46 | 11.46 | 1.00 | 11.46 | 0.00 |
| Streets | F/T | 18.00 | 18.00 | 18.00 | 18.00 | 0.00 | 18.00 | 0.00 |
| | P/T | 3.07 | 3.07 | 3.07 | 1.77 | -1.30 | 1.77 | 0.00 |
| | Subtotal | 21.07 | 21.07 | 21.07 | 19.77 | -1.30 | 19.77 | 0.00 |
| Parking | F/T | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 1.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Subtotal | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 1.00 | 0.00 |
| Solid Waste * | F/T | 62.00 | 63.00 | 66.00 | 66.00 | 0.00 | 66.00 | 0.00 |
| | P/T | 5.55 | 4.59 | 4.11 | 4.11 | 0.00 | 4.11 | 0.00 |
| | Subtotal | 67.55 | 67.59 | 70.11 | 70.11 | 0.00 | 70.11 | 0.00 |
| Storm Drain Utility | F/T | 5.00 | 5.00 | 4.00 | 4.00 | 0.00 | 4.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Subtotal | 5.00 | 5.00 | 4.00 | 4.00 | 0.00 | 4.00 | 0.00 |
| Water | F/T | 30.00 | 30.00 | 30.00 | 30.00 | 0.00 | 30.00 | 0.00 |
| | P/T | 3.20 | 3.20 | 3.80 | 3.80 | 0.00 | 3.80 | 0.00 |
| | Subtotal | 31.20 | 33.20 | 33.80 | 33.80 | 0.00 | 33.80 | 0.00 |
| Wastewater | F/T | 27.00 | 27.00 | 29.00 | 31.00 | 2.00 | 32.00 | 1.00 |
| | P/T | 2.40 | 2.40 | 3.15 | 3.15 | 0.00 | 3.15 | 0.00 |
| | Subtotal | 29.40 | 29.40 | 32.15 | 34.15 | 2.00 | 35.15 | 1.00 |
| Totals | F/T | 151.00 | 152.00 | 156.00 | 159.00 | 3.00 | 160.00 | 1.00 |
| | P/T | 15.93 | 14.97 | 16.59 | 15.29 | -1.30 | 15.29 | 0.00 |
| | Subtotal | 166.93 | 166.97 | 172.59 | 174.29 | 1.70 | 175.29 | 1.00 |

*Does not include 11 West Central Landfill (a quasi autonomous entity) positions

## Significant Issues

### Administration

Besides overall management, the focus here is on the following:

Implementing the adopted master plans and making sure capital projects are being done in a timely manner. To that end, the department is funding staff in engineering on a performance basis.

Improvement data. This pertains to asset management, useful life record keeping, mapping, repair records, work orders, inventory control and related topics that will let the divisions do a better job of managing and preventing failures.

Meeting the State and Federal NPDES requirements.

Preventing spills and other failures that could lead to fines.

Having a well-trained, efficient and safe workforce.

Maintaining the investment the City has in the infrastructure and resources essigned to the department.

**Solid Waste Utility**

The Solid Waste Utility manages and monitors Benton Landfill, the operations and equipment at the County owned West Central Landfill and City's Transfer Station facility. Daily activity includes a call center customer communication and billing, sales, refuse disposal, recycling, greenwaste, household hazardous waste, street sweeping, and public educetion. Significant issues for the Solid Waste Utility relate to the following:

Increase waste diversion.
Handle more recyclables and increase revenues.
Increase efficiency and minimize costs..
Handle more waste as a result of growth, perticularly construction waste.
Meet State mendates on materials banned from the landfill.

The following depicts the first five years of the ten-year plan for the Solid Waste Utility. As noted, this is predicated on rate increases.

| Solid Waste Utility (In Thousands) | FY 04-05 | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
|---|---|---|---|---|---|
| Beginning Balance | $ 8,438 | $ 6,704 | $ 5,398 | $ 4,793 | $ 4,464 |
| Revenues | 13,300 | 13,152 | 14,214 | 15,109 | 15,492 |
| Expenses | 15,034 | 14,458 | 14,819 | 15,438 | 16,436 |
| Net Income | (1,734) | (1,306) | (605) | (329) | (944) |
| Ending Balance | $ 6,704 | $ 5,398 | $ 4,793 | $ 4,464 | $ 3,520 |

**Storm Drain Utility**

This division is responsible for the meintenance of the catch basins, storm drains, roadside ditches, storm channels, end road crossings. The budget es developed remains in a positive position during the budget period as a result of transfer costs to other divisions. The significant issues for the division ere the inability to increase monthly service rates to maintain the system without a vote of the electorate as a result of Proposition 218 and the lack of staff to maintain an expanding storm drain system. The current monthly rate is the same today as it was when established in 1993. The Utility has little to no funding to meet NPDES requirements, emergencies, and funding to replace worn out capitel improvements. The focus will be on having property owners maintain detention basins and having developers install low maintenence channels for storm water runoff. Regulatory agencies continue to try to restrict use of mechanical equipment to clean channels that can become overgrown with weeds. Cleaning by hand labor is prohibitive on a City the size of Redding with this climate.

A significant tesk will be the update of the Storm Water Master Plan to provide for the orderly construction of storm water improvements to meet the needs of development and will provide additional overview regarding federal regulations that will become effective during this budget cycle and the development of a capital improvement plan for both maintenance and development needs.

The following tables illustrate the projected operating and capital fund balances for the next five years for the Storm Drain Utility.

| Storm Drainage Rate Fund (In Thousands) | FY 04-05 | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
|---|---|---|---|---|---|
| Beginning Balance | $ 267 | $ 262 | $ 212 | $ 185 | $ 140 |
| Revenues | 908 | 917 | 925 | 934 | 942 |
| Expenses | 913 | 967 | 952 | 979 | 970 |
| Net Income | (5) | (50) | (27) | (45) | (28) |
| Ending Balance | $ 262 | $ 212 | $ 185 | $ 140 | $ 112 |

| Storm Drainage Capital Fund (In Thousands) | FY 04-05 | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
|---|---|---|---|---|---|
| Beginning Balance | $ 1,821 | $ 700 | $ 268 | $ 393 | $ 625 |
| Revenues | 365 | 362 | 479 | 590 | 751 |
| Expenses | 1,486 | 794 | 354 | 358 | 369 |
| Net Income | (1,121) | (432) | 125 | 232 | 382 |
| Ending Balance | $ 700 | $ 268 | $ 393 | $ 625 | $ 1,007 |

**Water**

The Water Utility's focus is to provide clean, reliable water and fire flows to a growing City. The Water Utility maintains two treatment plants (Buckeye and Foothill), 14 wells, and their portion of the Corporation Yard facility. The Utility is responsible for the supply, treatment, distribution and storage of the City's potable water, as well as the fire flows, fire hydrant maintenance, and public education related to water and water conservation.

The table below indicates the estimated financial position for operations and capital over the next five-year period.

| Water Utility O&M Rate Fund (In Thousands) | FY 04-05 | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
|---|---|---|---|---|---|
| Beginning Balance | $ 12,590 | $ 9,822 | $ 4,724 | $ 290 | $ 427 |
| Revenues | 11,806 | 11,847 | 12,341 | 13,080 | 12,786 |
| Expenses | 14,574 | 16,945 | 16,775 | 12,943 | 12,830 |
| Net Income | (2,768) | (5,098) | (4,434) | 137 | (44) |
| Balance | $ 9,822 | $ 4,724 | $ 290 | $ 427 | $ 383 |

| Water Utility Capital Connection Fee (In Thousands) | FY 04-05 | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
|---|---|---|---|---|---|
| Beginning Balance | $ 1,450 | $ 82 | $ 1,364 | $ 235 | $ 1,097 |
| Revenues | 1,943 | 6,059 | 6,698 | 3,238 | 3,338 |
| Expenses | 3,311 | 4,777 | 7,827 | 2,376 | 2,771 |
| Net Income | (1,368) | 1,282 | (1,129) | 862 | 567 |
| Balance | $ 82 | $ 1,364 | $ 235 | $ 1,097 | $ 1,664 |

## Wastewater

The Wastewater Utility is focusing on new mandates for prevention of spills, protecting weter quality and reducing inflow and infiltration. These affect operations end reporting requirements related to minimizing fines. The major capital activity is the planning for the expansion and overhaul of the Clear Creek Treatment Plant. This budget cycle will cover environmental review, preliminary design and design of the plant.

The Wastewater Utility maintains two treatment plants (Clear Creek and Stillwater), 14 lift stations, and their portion of the Corporation Yard facility. The Utility is responsible for the collection, treatment, and discharge of the City's sewage, as well as State mandated industrial discharge and water quality monitoring programs.

The tables below indicate the estimated financial positions for expenditures and revenues over the next five-year period:

The tebles below indicate the estimeted financial positions for expenditures and revenues over the next five year period:

| Wastewater Utility O&M Rate Fund (In Thousands) | FY 04-05 | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
|---|---|---|---|---|---|
| Beginning Balance | $ 5,721 | $ 4,916 | $ 2,473 | $ 3,725 | $ 4,461 |
| Revenues | 11,878 | 13,578 | 24,679 | 23,851 | 21,941 |
| Expenses | 12,683 | 16,021 | 23,427 | 23,115 | 22,061 |
| Net Income | (805) | (2,443) | 1,252 | 736 | (120) |
| Ending Balance | $ 4,916 | $ 2,473 | $ 3,725 | $ 4,461 | $ 4,341 |

| Wastewater Utility Capital Improvement Fund (In Thousands) | FY 04-05 | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
|---|---|---|---|---|---|
| Beginning Balance | $ 11,091 | $ 10,513 | $ 1,651 | $ 51 | $ 3,034 |
| Revenues | 2,622 | 5,061 | 7,578 | 12,649 | 13,407 |
| Expenses | 3,200 | 13,923 | 9,178 | 9,666 | 12,709 |
| Net Income | (578) | (8,862) | (1,600) | 2,983 | 698 |
| Ending Balance | $ 10,513 | $ 1,651 | $ 51 | $ 3,034 | $ 3,732 |

## Parking and Streets

The Parking Fund is status quo pending completion of further studies and direction from the City Council. For Streets, the budgeted funding is proposed to be used to maintain as much street infrastructure as possible.

Both of these funds are linked to the ten year financial plan for the General Fund and do not have separate financial plans.

Street maintenance, sidewalk repair, street marking and signing are all underfunded in terms of what should be done. This problem continues to compound over time. Hopefully, the State will release additional funds to help address this issue. However, this budget reflects over $3.7 million more for the two year period than the prior adopted budget for street overlay, slurry, striping, and sidewalk repair.

## Performance Measures and Workload Indicators/Goals and Accomplishments/Goals and Objectives/Unmet Needs

### Administration/Transportation

### Parking

### Performance Measures and Workload Indicators

The Parking System consists of operation and maintenance of 540 parking meters, the collection of meter revenue, the cleaning of seven municipal parking lots and two downtown demonstration blocks. There is one employee dedicated to this work task.

| WORKLOAD AND PERFORMANCE MEASURES | 2002-03 | 2003-04 | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| Number of On Street Parking Meters | 436 | 436 | 436 | 436 | 436 |
| Number of Off Street Parking Meters | 111 | 111 | 111 | 111 | 111 |
| Number of Parking Spaces | 2977 | 2977 | 2977 | 2,942* | 2,942* |
| Number of Parking Lots | 7 | 7 | 7 | 7 | 7 |
| Number of Meter Complaints | 5 | 8 | 6 | 6 | 6 |

### Goals and Accomplishments for Fiscal Years Ending June 30, 2004 and 2005

*Goal*

Maintain and manage parking structure and offsite parking facilities owned by the City.

Accomplishment

- Due to limited funding for the parking operation, parking lots and meters were maintained in a status-quo condition.
- Completed a Parking Utility Study which forecast needed expenditures and revenues over the next ten years. This study was submitted to the City Council. As a result, a companion study is underway to further define maintenance issues, replacement costs, operational loan repayments.

### Goals and Objectives for Fiscal Years Ending June 30, 2004 and 2005

*Goal*

Maintain and manage parking structure and offsite parking facilities owned by the City.
Objective

- Develop written inventory program that exhibits square feet, existing striping and pavement markings, parking meters, planter boxes and signs.
- Work with property owners / business owners in the downtown core to define the level of parking facility maintenance and how to fund it.

**Unfunded Needs for Fiscal Years Ending June 30, 2006 & 2007**

- Funds to provide repair of the parking utility infrastructure. This would include metering devices, sealing of parking facilities, repainting of parking facilities, landscaping.
- Funding to do increased parking lot cleaning, either through the addition of another staff person or through contract services.
- Acquisition of a parking lot sweeper. In the alternative, there would be a need to be funding allocated for contract sweeping of the parking facilities and the demonstration blocks to an outside firm.
- Resolve the direction of the parking program in downtown. Will meters remain or be removed.

Due to the age of the currently used parking meters, the manufacturer no long provides parts or maintenance services. As a result, a different type of metering devices will need to be acquired should a fee continue to be charged.

**Streets**

**Performance Measures and Workload Indicators**

The Street Division provides city-wide maintenance associated with streets, alleys, traffic signs, street name signs, street striping, pavement markings, sidewalks, curbs/gutters, weed-abatement, special parades/projects, parking structure / lots and metered and un-metered parking. In addition, Electrical Technician support is provided to the internal City Departments and various off-site locations including Water and Wastewater Treatment facilities, Solid Waste, Convention Center, Parks, Community Projects, Redding/Benton Airports and the maintenance associated with Traffic Signals. There are nine employees dedicated to the maintenance of the streets and sidewalks, four employees dedicated to the maintenance of the various signs and striping, one employee dedicated to the parking facilities and two employees dedicated to electrical support / traffic signal maintenance within the City.

| WORKLOAD AND PERFORMANCE MEASURES | 2002-03 | 2003-04 | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| Miles of Streets Maintained | 437 | 448 | 450 | 453 | 456 |
| Miles of Street Striping | 390 | 392 | 394 | 397 | 400 |
| Number of Painted Legends | 3,310 | 3,330 | 3,340 | 3,350 | 3,365 |
| Number of Regulatory Signs | 3,627 | 3,659 | 3,680 | 3,700 | 3,730 |
| Number of Warning Signs | 2,103 | 2,118 | 2,150 | 2,180 | 2,200 |
| Number of Guide/Service Signs | 483 | 485 | 490 | 500 | 510 |
| Number of Traffic Signals | 69 | 74 | 78 | 83 | 85 |
| Miles of Sidewalk | 570 | 575 | 580 | 585 | 588 |
| Number of Sidewalk Locations Repaired by Contract / Field Crews | | 77 / 16 | 50 /46 | 50 / 50 | 50 / 50 |
| Miles of Roadway Resurfaced by Contract / Field Crews | 3 / 1 | 3 / 1 | 2 / 2.5 | 2 / 3.6 | 1 / 3 |
| Miles of Roadway Slurry Sealed by | 0 | 18.7 | 2 | 7 | 7 |
| Miles of Roadway Crack Sealed by City Crews | 0 | 0 | 0 | 2 | 3 |

Street maintenance continues to be the major challenge for the Streets Division. The current Pavement Management System (PMS) classifies the condition of the various street segments and provides a rating. This rating system is then used, in part, in the determination of which street segment is paved or sealed. The current pavement condition index is 79. The rating system is based on a 0 to 100 scale. The 79 rating would place the overall pavement condition within the City at a AC@ rating. The current dollar amounts for repair assigned by the PMS totals $43 million. Of this amount, the breakdown is as follows:

| | |
|---|---|
| Overlay | $22,386,093 |
| Reconstruction | $12,127,258 |
| Seal Coats | $ 7,321,614 |
| Routine Maintenance / Crack sealing | $ 1,183,189 |

**Goals and Accomplishments for Fiscal Years Ended June 30, 2004 & 2005**

*Goal*

Manage and maintain roadways and related activities in the most cost efficient manner possible with available resources.

*Accomplishments*

- Reviewed and updated operational procedures to increase efficiency and reduce costs.
- Updated Pavement Management System to reflect new street segments and improvements made on the existing system.
- Utilized the Pavement Management in determining selection for streets to be resurfaced and/or slurry sealed.
- Developed written operational procedures for inclusion in a maintenance and operations plan.
- Replaced / repaired 62 sidewalk locations.
- Restriped 15 miles of streets.

*Goal*

With approved funding improve the pavement rating status of City roadways with the funding levels proposed in the budget presented by staff.

*Accomplishments*

- Slurry Sealed approximately (20) twenty miles of roadways.
- Re-surfaced approximately (8.5) eight and one-half miles of streets.

*Goal*

Develop various inventories and cost estimates to assist future budget and maintenance plan development.

*Accomplishments*

- Inventoried street stripping and legends and input into a computer database.
- Updated inventory of traffic control devices (signs, signals). Began a program utilizing hand held data collectors to reduce staff time requirements.
- Established a program to provide identifier signs of creeks along major arterial and collector streets throughout the City.
- Designed and installed specialty signage at the Sportsplex.
- Provided storm water monitoring of the future soccer field portion of the Sportsplex.

*Goal*

Enhance public safety on public streets.

*Accomplishments*

- Worked with the Police Traffic Unit regarding citizen requests for additional traffic controls.

**Goals and Objectives for Fiscal Years Ending June 30, 2006 & 2007**

*Goal*

Manage and maintain roadways and related activities in the most cost efficient manner possible with available resources.

*Objectives*

- Continue to review and update existing operational procedures to increase efficiency and reduce costs.
- Update Pavement Management System on an ongoing basis with current information.
- Utilize the Pavement Management in determining selection for roadways to be resurfaced and/or slurry sealed (if there are available funds) .
- Increase routine maintenance pertaining to pothole patching; crack sealing and selective removal and replacement of failed sections of asphalt.
- Finalize maintenance and operations plan.

*Goal*

Improve the pavement rating status of City roadways with the funding levels approved by the City Council.

*Objectives*

- Slurry Seal approximately (14) fourteen miles of streets.
- Crack seal (3) three to (5) five miles of streets.
- Re-surface approximately (3) three miles of streets.
- Seek additional funds for street maintenance that may become available during each of the fiscal years.

*Goal*

Develop various inventories and cost estimates to assist future budget and maintenance plan development.

*Objectives*

- Inventory sidewalk condition in commercial and residential sections of the City.
- Complete the inventory of street stripping and legends.
- Finalize the computerized inventory of traffic control devices (signs, signals).

*Goal*

Enhance public safety on public streets.

*Objectives*

- Work with Police, Traffic Operations and citizens to provide improvements which will enhance public safety.
- Maintain signage, striping and street markings as funding is aveilable.

**Unmet Needs for Fiscal Years Ending June 30, 2006 & 2007**

- Funding for street overlays and slurry seals. Based on the Pavement Management System, there is currently over $30 million of needed maintenance work.

- Additional maintenance positions - there are currently nine (9) maintenance workers for the entire City of Redding. Four are scheduled for retirement during this budget cycle. There have been no additional street positions added since 1978.

- Funding for additional sidewalk repair / replacement. Based on a staff estimate, there ere severel hundreds of thousands of dollars needed for sidewelk replacement due primarily from tree root upheaval.

- Funding to participate end fully implement a computerized management program within the Streets, Storm Drain, Water, and Wastewater Divisions of Municipal Utilities. This would be the basis for the provision and tracking of utility infrastructure information which is utilized in the land development process.

- Funding for street striping / marking upgrades. There is a need for $150,000 to $300,000 per year to maintain e status quo condition. To bring the total system up to current reflectivity standards would require an additional $150,000 to $300,000 per year over a five to ten year period. Programmed changes in signing and striping standards by the Federal Manual of Uniform Traffic Control Devices will require changes to be made relating to sign sizes, types and reflectivity standards.

- An additional electrical technician position. Increased number of traffic signals and the provision of assistance to other City operating units have required the two existing staff positions to begin a pattern of increased overtime to complete needed work tasks.

**Solid Waste**

**Performance Measures and Workload Indicators**

The Solid Waste Utility is part of the Municipal Utilities Department. The Utility provides mandatory, weekly solid waste collection end disposal services to occupied residences and recycling services to residences and businesses within the City limits of Redding. The Utility also operates a Solid Waste Transfer/Recycling Facility that accepts residential, commercial and construction waste and recyclable materials, and household hazardous wastes, from residents end businesses throughout the area. The Facility processes recyclable materials and preperes them for sale to recyclable commodities buyers and the public. Transfer trucks trensport waste from the transfer facility to Shasta County's Richard W. Curry West Central Landfill, which the City operetes by agreement with the County, for disposal. The Utility offers the following solid waste programs:

Residential
- Waste, recyclables and green waste collection.
- Household Hezardous Weste Facility for processing, reuse and disposal.
- Electronic waste processing, recycling and disposal.
- Voluntary Recyclables Drop-off Facility for processing and reuse.

Commercial
- Waste, recyclables and green waste collection.
- Cardboard collection, processing and recycling.
- Office paper collection, processing and recycling.
- Bottled glass collection, processing and recycling.
- Plastic bottles and jugs collection, processing and recycling.

Operations:
- Richard W. Curry West Central Landfill operation by agreement with the County.
- Compost Facility.
- Recyclables Sorting Facility.
- Household Hazardous Waste Facility.
- Voluntary Recyclables Drop-off Facility.
- Sale of recyclable materials.
- Transfer trucks.
- Street sweeping for residential and commercial streets.

The following table summarizes activity levels for various measures in the Division:

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

| REPORT CATEGORY | Actual 2001 2002 | Actual 2002 2003 | Actual 2003 2004 | Projected 2004-2005 | Projected 2005-2006 | Projected 2006-2007 |
|---|---|---|---|---|---|---|
| Solid Waste Collections/year | | | | | | |
| # Waste Wheelers | N/A* | 312,445 | 318,684 | 327,260 | 337,078 | 347,190 |
| # Dumpsters | 35,702 | 36,229 | 34,807 | 35,402 | 36,464 | 37,558 |
| # Roll-off Boxes/Trash | 3,236 | 3,353 | 3,360 | 3,434 | 3,537 | 3,643 |
| # Compactors/Trash | 973 | 935 | 1,218 | 1,056 | 1,088 | 1,120 |
| # Roll-off Boxes/Recycling | 1,132 | 1,291 | 1,689 | 1,616 | 1,664 | 1,714 |
| Waste Handled @ the Transfer Station | | | | | | |
| City Trucks (Tons) | 63,391 | 65,439 | 62,844 | 71,484 | 73,629 | 75,837 |
| City Self-haul (Tons) | 9,418 | 18,270 | 18,452 | 17,758 | 18,291 | 18,839 |
| Non City Self-haul (Tons) | 5,542 | 10,362 | 13,995 | 15,248 | 15,705 | 16,177 |
| Green Waste Buried (Tons) | 2,371 | 24 | 0 | 0 | 0 | 0 |
| Recycling Trash (Tons) | - | 1,519 | 1,587 | 1,236 | 1,273 | 1,311 |
| Total Waste Collected (Tons) | 80,722 | 95,614 | 95,858 | 104,522 | 107,658 | 110,887 |
| Diverted Waste (Tons) | 22,071 | 24,354 | 30,861 | 22,598 | 23,276 | 23,974 |
| Waste Handled @ the Landfill | | | | | | |
| City Waste Buried (Tons) | 89,105 | 92,267 | 91,059 | 91,616 | 94,364 | 97,195 |
| Non City Waste Buried (Tons) | 45,959 | 49,595 | 52,859 | 55,570 | 57,237 | 58,954 |
| Total Waste Buried | 135,064 | 141,862 | 143,918 | 147,186 | 151,602 | 156,150 |
| Recyclables | | | | | | |
| Recyclables Sales (Tons) | 7,627 | 9,198 | 11,031 | 10,376 | 10,687 | 11,008 |
| Compost Sales (Tons) | 2,061 | 2,479 | 4,400 | 1,240 | 1,277 | 1,316 |
| Compost Sales (Yards) | 3,435 | 4,131 | 7,334 | 2,068 | 2,130 | 2,194 |
| Wood Chips Sales (Tons) | 2,892 | 1,181 | 9,852 | 13,384 | 13,786 | 14,199 |
| Land Application-SC LF CB Ranch (Tons) | 3,401 | 6,572 | 5,452 | 244 | 251 | 259 |
| # Vehicle Trips | | | | | | |
| Total to Transfer Facility | 77,827 | 85,067 | 90,611 | 85,380 | 87,941 | 90,580 |
| Total Self-haul to Transfer Facility | 58,172 | 63,877 | 69,283 | 62,018 | 63,879 | 65,795 |
| Total to Landfill | 30,678 | 34,435 | 38,422 | 38,372 | 39,523 | 40,709 |
| Total Self-haul to Landfill | 20,134 | 22,892 | 25,453 | 25,750 | 26,523 | 27,318 |
| Transfer Station/Drop-off/HHWF | | | | | | |
| # HHW Customers | 2,077 | 2,393 | 3,276 | 3,160 | 3,255 | 3,352 |
| # HHW Tons Recycled/Destroyed | 72 | 75 | 95 | 88 | 91 | 93 |
| Drop-off Auction (Tons) | 120 | 120 | 144 | 144 | 148 | 153 |
| # Motors Removed | 4,452 | 4,971 | 5,383 | 6,036 | 6,217 | 6,404 |
| # Non COR Customers | 23,941 | 25,735 | 26,884 | 26,372 | 27,163 | 27,978 |
| Labor | | | | | | |
| # Hours Drivers Available | 68,640 | 68,640 | 76,960 | 76,960 | 79,269 | 81,647 |
| # Hours Illness/Injury/Lost Time | 7,768 | 10,268 | 7,158 | 8,530 | 8,786 | 9,049 |
| # Hours Overtime | 8,443 | 7,912 | 6,494 | 5,676 | 5,846 | 6,022 |
| Solid Waste Full-time Personnel | 59 | 59 | 59 | 66 | 66 | 66 |
| Tons of Litter Collected | 299 | 195 | 126 | 211 | 217 | 224 |
| Street Sweeping | | | | | | |
| Miles of Curb Swept | N/A** | N/A** | N/A** | 1,370 | 1,411 | 1,453 |
| # Times per Month Residential Streets Swept | N/A** | N/A** | N/A** | 1 | 1 | 1 |
| # Times per Month Commercial Streets Swept | N/A** | N/A** | N/A** | 2 | 2 | 2 |
| Total Waste Collected from Street Sweeping (Tons) | N/A** | N/A** | N/A** | 1,470 | 1,514 | 1,559 |
| Diversion Rate (For Calendar Years) | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| Waste Diversion Percentage | 30% | 34% | N/A | N/A | N/A | N/A |

N/A - Information not available due to a pending base year study approval by CIWMB.
* N/A - Information not available in fiscal year 2001/02 due to converting to the new CIS.
** N/A - Street Sweeping transferred to the Solid Waste Utility in FY 2004/05.

## Status of Goals and Accomplishments for Fiscal Years Ended June 30, 2004 and 2005

*Goal*

Obtain additional personnel to handle increased tonnages of waste and recyclables and reduce overtime and other costs.

*Accomplishments*

Customer requests for roll-off box service were met by hiring a new Solid Waste Truck Driver II in the Roll-off Collection Division.

The number of packer trips to the landfill and related overtime were reduced by adding a Transfer Station Operator and an additional transfer truck and trailer.

*Goal*

Reduce the cost of the recycling program by increasing sales revenue from recyclables.

*Objective*

Obtain the best available price for all commodities sold by competitive bidding.

*Accomplishment*

The staff aggressively obtained the best price for all recyclable materials through competitive bids. In fiscal year 2003/04, revenue from the sale of recyclable materials increased 1% from the previous fiscal year and was projected to increase 37% in fiscal year 2004/05. Market conditions, particularly in metals, remained strong during the budget year, but the Utility will take a late hit in fiscal year 2004/05 due to the breakdown of the baler.

*Goal*

Offset the cost of the green waste recycling program by increasing revenue from compost, mulch and wood chips sales and avoided burying green waste.

*Objectives*

Expand the sales market and increase sales of compost, mulch and wood chips. Purchase a new, more productive, horizontal grinder to reduce overtime.

*Accomplishments*

Overall revenue from the sale of compost and wood chips decreased from $109,044 in fiscal year 2003/04 to a projected $102,806 in fiscal year 2004/05, because the fiscal year 2003/04 revenue reflected the spiked December 2003 storm damage tonnages, and 2,500 tons of compost was used at the City's new Sports Complex to reduce the cost of the project. Green waste was not buried at the landfill. The purchase of a new and more efficient horizontal grinder resulted in a more efficient and productive compost operation, and the revenue for compost alone increased from $58,410 in fiscal year 2002/03 to $66,230 in fiscal year 2003/04 but decreased from $66,230 in fiscal year 2003/04 to a projected $24,700 in fiscal year 2004/05 due to sending more wood chips to Wheelabrator Shasta Energy Company, Inc. rather than producing compost. It is less expensive to sell wood chips than to produce compost.

*Goal*

Minimize the amount of waste going to the landfill.

*Objective*

- Divert excess tonnages of green waste from the landfill for land-application and find other alternatives for its use.
- Divert as much material as possible from the transfer station floor before transporting waste to the landfill.
- Seek other programs to enhance waste diversion.
- Increase the City's waste diversion rate.

*Accomplishments*

Total City waste tonnage buried at the landfill increased from 91,059 tons in fiscal year 2003/04 to a projected tonnage of 91,616 in fiscal year 2004/05. Land-applied green weste decreased 97% from 5,452 tons in fiscal year 2003/04 to a projected 244 tons in fiscal year 2004/05. This green waste was alternatively used for daily landfill cover material. In fiscal year 2004/05, the Utility hired two Solid Waste Truck Drivers I to sort recyclables from the waste pile. In fiscal year 2003/04, 1,059 tons of recyclable materials were sorted from the waste pile, and it is estimated that 1,059 tons will be sorted from the pile in fiscal year 2004/05. This saved epproximately $32,035 per year in avoided tipping fees. Two new waste diversion programs, Off-street Recyclebles and Green Waste Collection and Small Business and Multi-family Recyclables Collection, enhanced waste diversion by diverting waste from an additional 975 customers for the Off-Street Program and an additional 700 customers for the Small Business and Multi-family Recyclables Collection Program. Also, more customers heve increased the size of their recycling carts from 64-gallon to 96-gallon and decreased the size of their garbege carts from 96-gallon to 64-gallon, which accounts for increased tonnages at the MRF (Meterials Recovery Facility).

The City's waste diversion rate was increased from 33% in 2002 to 36% in 2003. Waste diversion rates are not available for 2004 and 2005, pending approval from the California Integrated Waste Management Board of the City's base year study. The Study estimeted the City's waste diversion rate at just over 50%.

*Goal*

Provide and maintain the current level of service to residential and commercial customers.

*Objective*

Purchase an appropriate number of carts, containers and roll-off boxes to replace worn and damaged containers and accommodate new customers.

*Accomplishment*

Each year, the Utility purchases an appropriate number of carts, containers and roll-off boxes to keep pace with growth and replace carts that may have been damaged. An increase in building permits and new construction has resulted in the need to purchese more new roll-off boxes to keep pace with the demand for service.

*Goal*

Enhance radio communication between the Solid Waste Utility's vehicles, ground stations and other City departments.

*Objectives*

- Replace the Utility's Type One radios that will be obsolete by 2006 with Type Two radios.
- Upgrade the communication tower on South Fork Mountain to improve communications.

*Accomplishments*

In fiscal year 2003/04, the Utility spent $100,000 to upgrade its radio system to Type 2 radios that improved radio communications for field crews. The Utility also contributed funds for the installation of a new radio signal repeater on South Fork Mountain.

*Goal*

Reduce the volume of discharge going to the sewer lift station from the compost area.

*Objective*

Create a gravity flow connection for the compost area to a new line being created in the Sports Complex.

*Accomplishments*

The volume of discharge from the compost area to the sewer lift station was reduced. A gravity flow connection was installed in the compost drainage pond, and the staff is working to install a debris trap and flow meter.

*Goal*

Redesign the office space in the Solid Waste Administration Building to provide a better working environment and to be able to better handle classroom tours.

*Objective*

Separate the call center from offices for the purpose of reducing noise levels. Develop a better room for public education.

*Accomplishments*

Plans for a new addition to the Administration Building have been drawn, approved and are out to bid. If the bid is favorable, bidding and construction will occur late in fiscal year 2004/05 and early in fiscal year 2005/06. This will add a new room for school tour groups and make available space to create a call center to reduce office noise levels.

*Goal*

Create a larger office space for the Household Hazardous Waste Division.

*Objective*

Move the soon-to-be-available scale house building to the existing Household Hazardous Waste Facility to create office space for two Hazardous Waste Specialists that is not adjacent to hazardous chemicals.

*Accomplishment*

The former scale house building was relocated to the entrance of the Household Hazardous Waste Drop-off Area to provide office space no longer adjacent to hazardous chemicals and enable Hazardous Waste Specialists to see customers entering the site.

*Goal*

Create additional loading and storage space on the Household Hazardous Waste Facility's paved asphalt area.

*Objective*

Eliminate a large, unpaved area south of the transfer facility's main processing building to accommodate loading of commodities onto semi trucks and create potential, additional, storage area. Provide better turning radii for large trucks and reduce congestion with the gate house approach.
*Accomplishment*

Rather than adding additional loading and storage space, this goal was accomplished by making better use of existing storage boxes and roll-off boxes to store recyclable scrap metals and electronic waste until recyclable commodity buyers transport them off the site. A large, unpaved area east of the main processing building was paved to accommodate semi trucks and traffic entering scale house lanes. A second entrance lane was constructed to promote better traffic flow to the scale house by eliminating some landscaping east of the Household Hazardous Waste Facility's main processing building. An island at the south end of the main processing building was narrowed to create more paved area.

*Goal*

Maximize the payload of transfer trucks going to the landfill.

*Objective*

Repair or replace the knuckleboom crane, a key piece of equipment that loads transfer trucks.

*Accomplishment*

Replacement of the knuckleboom crane resulted in Transfer Station Operators being able to more efficiently compact transfer loads. Average payloads increased from 20.25 tons to 21.50 tons per trip. This can save a trip to the landfill each day.

*Goal*

Broaden the customer base for residential recycling and green waste collection.

*Objective*

Provide off-street collection for approximately 1,100 households currently not receiving recycling and green waste collection services due to their locations, using vehicles larger than the current automated trucks.

*Accomplishment*

Two fully automated 10-yard trucks were purchased to provide recycling and green waste collection services to 1,100 new, off-street customers. These trucks are larger than the 6-yard trucks but smaller than the 28-yard, automated trucks, which are used on regular streets. Approximately 975 households chose to participate in the recycling and green waste programs.

*Goal*

Develop recycling opportunities for small businesses and multi-family apartment complexes.

*Objective*

Implement a recycling program for small businesses and multi-family apartment complexes to offer recycling opportunities to up to 700 new locations.

*Accomplishment*

Another fully automated, 10-yard truck was purchased to provide recycling service to small businesses and multi-family apartment complexes. A brochure, explaining the new service was sent to 700 prospective businesses and multi-family apartment complexes, and about 200 new customers were added to this route.

*Goal*

Improve air quality in the main processing building.

*Objective*

Enhance the dust control or air exchange system in the main processing building to ensure better air quality for workers inside the building.

*Accomplishment*

This goal was deferred to a future year do to other needs.

*Goal*

Create additional storage space for the Household Hazardous Waste Facility.

*Objective*

Purchase additional, approved, secondary containment units to properly store lab-packed drums of household hazardous waste.

*Accomplishment*

This goal was accomplished by relocating the Haz Cat lab in the space previously used as a Household Hazardous Waste office, which created space for about twelve additional lab-packed drums of household hazardous waste.

*Goal*

Augment the Resource Recovery Division's Litter Abatement Program and increase tonnages of collected litter.

*Objective*

Hire a full-time Solid Waste Truck Driver I position to work with the Police Department's Community Cleanup Program to complete more litter abatement projects.

*Accomplishment*

A full-time employee was hired to operate the new crane truck, acquired last fiscal year. This resulted in a significant increase in litter abatement tonnage collected by this new employee and the Police Department's Community Cleanup Program. It resulted in126.65 tons collected, including 811 tires, 45 electronic items and133 appliances, at a cost of $12,045.

*Goal*

Improve the transfer station site's appearance and minimize maintenance.

*Objective*

Landscape along the south fence to minimize maintenance and improve litter collection.

*Accomplishment*

The non-landscaped area along the south fence of the transfer station was landscaped to minimize the necessity for weed control and facilitate litter collection. The east fence near Big League Dreams was landscaped to create an attractive buffer between the two neighboring facilities.

Other Accomplishments

1. The Utility implemented an electronic waste diversion program and later modified the program to provide free e-waste disposal to residents of the City and Shasta County.

2. The Utility reached an agreement with other agencies in the County to fund the Household Hazardous Waste Facility and the E-waste Program for use by all County residents.

3. The Utility completed a waste diversion rate study and submitted it to the State for approval. The study shows the City's waste diversion rate is 55%, but it will be subject to a challenge by the California Integrated Waste Management Board.

4. The Utility acquired 7.5 acres across the street from the Solid Waste Transfer/Recycling Facility, on Abernathy Lane, for future expansion of the transfer station.

5. The Utility installed new directional signs at the transfer station to better direct customers to services.

6. The Utility continued to mitigate the impact of bears at the Richard W. Curry West Central Landfill by erecting an electric fence.

7. The Utility assumed operation and responsibility of the street sweeping operation from the Storm Drain Utility and doubled the frequency of sweeping residential streets to comply with NPDES requirements.

8. The Utility implemented requirements to cover loads coming to the Solid Waste Transfer/Recycling Facility and the Richard W. Curry West Central Landfill to reduce litter along roads.

9. The Utility readjusted collection routes to maximize and balance the number of residences served by each Solid Waste Truck Driver.

**Goals and Objectives for Fiscal Years Ending June 30, 2006 and 2007**

*Goal*

Provide waste, recycling and green waste collection services for the City of Redding's residential solid waste customers.

*Objective*

Collect waste, recyclables and green waste from all City of Redding residential customers in a timely and efficient manner, utilizing well-balanced routes and a minimum of overtime.

*Goal*

Provide waste and commercial recycling collection services for the City of Redding's commercial solid waste customers.

*Objective*

Collect waste, mixed recyclables, cardboard, and office paper from all City of Redding commercial and roll-off customers in a timely and efficient manner, utilizing well-balanced routes and a minimum of overtime. Process increasing amounts of waste and construction waste.

*Goal*

Process all incoming waste from City collection trucks and the public.

*Objective*

Daily process and transfer all incoming waste from City collection trucks and the public in the cleanest and most efficient manner possible with a minimum of overtime. Assume a 2% increase in waste through the Solid Waste Transfer/Recycling Facility.

*Goal*

Process and sell all recyclables collected through City of Redding recycling programs.

*Objective*

Sort and sell for the best price all recyclables collected by the Solid Waste Utility through its recycling programs. Materials sorted should be as contaminate free as possible to achieve the best possible price.

Seek to maximize revenue from the sales of recyclables. Assume a 5% increase in materials with a goal of a reduction in trash sorted from recyclables.

*Goal*

Avoid burying green waste at the landfill.

*Objective*

Divert processed green waste tonnage by means of selling wood chips to Wheelabrator Shasta Energy Company, Inc., producing compost, land applying it to local ranches, and using it as an alternative to daily landfill cover.

*Goal*

Implement a free disposal opportunity for City residents in lieu of the Spring Clean-a-thon.

*Objective*

Issue a coupon for one free load of trash, valued at $18, to all single-family residences within the City of Redding.

*Goal*

Sweep streets once per month in residential areas and once per week in commercial areas.

*Objective*

Purchase and plan the replacement of street sweepers to provide monthly sweeping of residential streets, curbs and gutters and weekly sweeping of commercial areas to comply with NPDES requirements.

*Goal*

Process customers' transactions at the scale house in an expedient and efficient manner.

*Objective*

Use the scale house software to quickly and efficiently charge customers for services provided at the Facility.

*Goal*

Provide Household Hazardous Waste (HHW) services, including electronic waste and appliance recycling, for customers using these services at the Solid Waste Transfer/Recycling Facility.

*Objective*

Serve HHW customers by accepting, lab packing and arranging for the disposal of all collected hazardous waste. Also accept and process all electronic waste brought to the HHW Facility according to the rules and guidelines set forth by the State of California. Collect Freon and used motor oil from appliances that need purging and recycle as much of the materials as possible.

*Goal*

Reduce the number of drivers' at-fault vehicle incidents.

*Objective*

Raise drivers' safety awareness through the use of regular safety meetings and progressive discipline.
*Goal*

If a bid is awarded, complete the building addition and begin planning for a new call center.

*Objective*

Provide a better and less noisy working environment and allow for continued growth.

*Goal*

Review all operations for ADA (Adults with Disabilities Act) compliance.

*Objective*

Provide the ability to serve all customers.

**Unmet Needs.**

Making sure rates cover expenses. Rate increases will be needed.

Meeting the states rules to replace or retrofit solid waste trucks for air emissions and being able to sell surplus vehicles for maximum return.

Expanding the ability to meet the demand for drop box/trash compactor requests for service.

Planning ahead for the following:

Expanding the number of routes from 8 to 9 as the community continues to grow.

Relocating the household hazardous waste facility to the other side of Abnerathy Lane.

A quieter office working environment.

Increasing public education on recycling and items banned from the landfill.

Monitoring disposal needs of commercial operations in the City if they are not met by others.

Opportunities to remove re-useable construction debris from what is buried at the landfill.

**Storm Drains**

**Performance Measures and Workload Indicators**

The Storm Drain Utility is responsible for maintenance of ditches, culverts, pipes and catch basins; and capital improvements needed to maintain / upgrade the existing facilities. The system consists of156 miles of open ditches/channels, 200 miles of storm drain pipe, 8,691 inlets, and 3 detention basins.

There are four employees assigned to the maintenance of the storm drain system. During the 2004-2005 fiscal year, street sweeping was transferred to the Solid Waste Division. This has allowed for an increase in the sweeping operation from one sweeper to two sweepers.

| WORKLOAD AND PERFORMANCE MEASURES | 2002-03 | 2003-04 | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| Miles of Storm Drain Pipe | 129 | 150 | 200 | 220 | 240 |
| Miles of Ditches/Channels | 156 | 156 | 156 | 156 | 156 |
| Number of Maintained Drainage Basins | 3 | 3 | 3 | 3 | 3 |
| Miles of Ditches/Channels to be Maintained | 43.8 | 43.8 | 43.8 | 43.8 | 43.8 |
| Percentage of Maintained Ditches/Channels to be Inspected Annually | | 100% | 100% | 100% | 80% |
| Percentage of Inspected Ditches/Channels to be Maintained Annually | | 3% | 9% | 9% | 10% |
| Number of Inlets | 5,220 | 5,883 | 7,183 | 7,901 | 8,891 |
| Percentage of Inlets Inspected Annually | | 100% | 100% | 100% | 75% |
| Percentage of Inspected Inlets Requiring Maintenance/Cleaning | | 17.80% | 18.20% | 18.50% | 18.80% |
| Percentage of Inlets Cleaned/Maintained Annually | | 2.70% | 3.50% | 5.00% | 10.00% |

## Goals and Accomplishments for Fiscal Years Ended June 30, 2004 & 2005

*Goal*
Maintain the City's Storm Drain System in the most efficient manner possible and continue to improve service to the public.

*Accomplishments*

- Began implementation of the Storm Drain Maintenance Operational Plan.
- Purchased a computerized Storm Drain Maintenance Program for better accountability.
- Continued working with Water Quality Control on issues pertaining to N.P.D.E.S. Phase 2 requirements.
- Working closely with Engineering Division to finalize the Storm Drain Master Plan for the City.
- Submitted Stream Bed Alteration/Maintenance permit through the Departments of Fish and Game and Army Corp of Engineer's. The application was approved and a five (5) year permit was granted from Fish and Game. There was no response, either positive or negative for the Army Corp of Engineer's.

## Goals and Objectives for Fiscal Years Ended June 30, 2006 & 2007

*Goal*

Maintain the City's Storm Drain System in the most efficient manner possible and continue to improve service to the public.

*Objective*

- Continue implementation of the Storm Drain Maintenance Operational Plan.
- Investigate and/or purchase a computerized Storm Drain Maintenance Program for better accountability.
- Continue working with Water Quality Control on issues pertaining to N.P.D.E.S. Phase 2 requirements.
- Work closely with Engineering Division to finalize the Storm Drain Master Plan for the City.
- Search of additional funding opportunities for increased maintenance of the system.
- Inventory the number of driveway culverts and street crossings to assist in the development of future maintenance needs.

**Unmet Needs for Fiscal Years Ending June 30, 2006 & 2007**

- Additional maintenance positions - there are currently four (4) maintenance workers for the entire City of Redding. There have been no additional positions added since the Utility was formed in 1993.

- Increased maintenance funding for facility replacement and upgrade, both by contract and with utility staff.

- Funding for the implementation of the NPDES regulations, capital projects that relate to maintenance of the existing system and funding for emergency repair projects. There are currently no funding identified for these work tasks. NPDES implementation alone is estimated to be $ 1 million +/- annually.

In a recent study of six California Cities published in January 2005, the cost of compliance with NPDES requirements was estimated to average about $38 per household with a range from $29 to $46 per household. Most of these Cities have lower rainfall amounts than Redding. The costs for NPDES compliance break down into 10 categories. These are shown below along with which City department will be responsible:

| | |
|---|---|
| Construction Site Runoff Control | DSD |
| Illicit Discharge Detection and Elimination | RMU |
| Watershed Management | DSD and SS |
| Industrial and Commercial Programs | RMU and DSD |
| Overall Stormwater Program Management | DSD and RMU |
| Pollution Prevention | RMU |
| Good Housekeeping for Municipal Operations | All Departments |
| Public Education Outreach, Involvement | RMU and DSD |
| Water Quality Monitoring | RMU |
| Post Construction Monitoring for new development | DSD and RMU |

DSD - Development Services Department
RMU - Redding Municipal Utilities
SS - Support Services

The bulk of these costs will past to RMU with field operations and maintenance obligations and will need to be absorbed by the General Fund, the Storm Drain Utility, the Solid Waste Utility or the Wastewater Utility.

Assuming, the City is spending about $1,350,000 per year on current programs, it is spending about $32 per year per residence assuming 42,000 residences in the City. The comparable range for the six other cities

surveyed amounts from $1,218,000 to $1,932,000. The main shortfalls are public education, monitoring, commercial and industrial programs, and construction and post construction management.

Regulatory issues will fall to Development Services and will need to be paid for with fees or monitoring deposits.

Municipal Utilities will need to add about $100,000 in 2005-06 and $200,000 in 2006-07 to help cover costs for increased public education, cleaning, monitoring and illicit discharge compliance. For lack of funds in the Storm Drain Utility, this will be done in the Wastewater Utility.

**Water**

**Performance Measures and Workload Indicators**

The Water Utility provides domestic water and fire flows to the community and parts of Shasta County outside the city limits. Water sources are the Sacramento River, Whiskeytown Lake via the Spring Creek Conduit, and groundwater wells. The Water Utility Staff has labored hard to meet the goals established during the last budget session as listed below. The majority of the workload objectives were accomplished. Performance indicators are as follows:

| ACTIVITY | 2002-03 | 2003-04 | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| Number of customers/services | 26,269 | 26,619 | 26,969 | 27,026 | 27,390 |
| Number of new meter sets | 526 | 350 | 330 | 360 | 370 |
| Quantity of water produced (acre feet) | 27,404 | 29,186 | 30,060 | 30,800 | 31,500 |
| Percentage of days water quality met standard | 100% | 100% | 100% | 100% | 100% |
| Number of service calls | | | | | |
| (Includes water quality) | 681 | 1,125 | 1,150 | 1,180 | 1,210 |
| Miles of water mains | 465 | 466 | 467 | 468 | 469 |
| Number of main and water service failures/disruptions per year | 447 | 655 | 661 | 670 | 677 |
| Miles of substandard mains | 76 | 73.5 | 72.5 | 71.5 | 70 |
| Number of PB* service breaks | 106 | 109 | 105 | 100 | 95 |
| Number of PB scheduled replacement | 99 | 114 | 120 | 125 | 130 |
| Number of PB services remaining | 2,465 | 2,037 | 1,812 | 1,587 | 1,362 |
| Total O & M expenditures (x $1,000) | $6,443 | $7,154 | $7,115 | $7,790 | $7,894 |
| O & M cost per acre foot produced | $235 | $245 | $236 | $252 | $250 |
| Customers/services per employee | 973 | 918 | 899 | 901 | 913 |

* Polybutylene service lines

**Goals and Accomplishments for Fiscal Years ended June 30, 2004 & 2005**

*Goal*

Provide clean potable water to the citizens of the City.

*Accomplishments*

Met all water quality standards established by the United States Environmental Protection Agency and the State Department of Health Services - Division of Drinking Water.

Continued to improve the monitoring and control system for water treatment plants, pumping stations and groundwater wells.

*Goal*

Provide water information and education to the public.

*Accomplishments*

Mailed to all water customers the new enhanced Consumer Confidence Report to enhance public awareness on water quality.

Obtained a $35,000 grant form the Bureau of Reclamation to expand the Water Education Program, working in conjunction with Public Schools.

Completed 5 year update for the Federal mandated Water Management Plan and Water Conservation Plan for the Bureau of Reclamation.

*Goal*

Maintain the City's water facilities and provide improvements when necessary.

*Accomplishments*

1. Completed the contract negotiations with the Bureau of Reclamation for the City's CVP Buckeye water contract No. 14-06-200-5272A-LTR1.

2. Completed the contract negotiations with the Bureau of Reclamation for the City's Redding Settlement water contract No. 14-06-200-2871A-R-1.

3. Completed the Security Vulnerability Assessment and Emergency Response Plan and Guidelines as required by the Public Health Security and Bioterrorism Preparedness and response Act.

4. Completed the federal required Business Plan for hazardous chemicals for Shasta County Environmental Health Department.

5. Water Treatment personnel along with Wastewater personnel are continuing to train as HAZMAT Industry Technicians for emergency responses to hazardous chemical releases at the City's water and wastewater treatment plants.

6. Continued working with Shasta County Water Agency to complete the continued phases of the Groundwater Management Plan.

7. Installed two (2) new 18-inch control valves in the 30-inch transmission main from the Buckeye Water Treatment Plant to the Buckeye Pressure Zone at Quartz Hill Road and Keswick Dam Road.

8. Completed the rehabilitation and painting of the Redding Ranchettes 2 million gallon reservoir.

9. Completed the construction of the 3,000 gallon per minute Goodwater Booster Pump Station to pump additional water from the Enterprise Pressure Zone to the Hilltop/Dana Pressure Zone.

10. Completed the replacement and installation of two, twenty-four year old, air compressors and air dryers used in valve control and water filtration process at the Foothill Water Treatment Plant.

11. Working with the developer, completed the installation of an additional 75 horsepower, 1,000 gallon-per-minute pump to boost distribution system pressure located in the Mary Lake area of the Hill 900 pressure zone.

12. Completed the installation of new electrical soft starts for two (2) 500 horsepower motors at Pump Station #1.

13. Completed the installation of a new 200 gpm, 3 stage turbine pump at the Buckeye Water Treatment Plant.

14. Completed the installation of automatically controlled shut off valves for four (4) of the one ton chlorine cylinders in service at the Foothill Water Treatment Plant.

15. Completed the installation of 2,500 feet of 8-inch water main along Eureka Wey, from Court Street to Orange Avenue.

16. Completed the installation of 5,170 feet of 12-inch water main on Caterpillar Road from Beltline Road to Highwey 273.

17. Completed the installation of 1,235 feet of 8-inch water main on Market Street from Tehama Street to Trinity Street.

18. Completed the installation of 1,335 feet of 8-inch water main on Heather Lane from Cypress Street to Minor Street.

19. Completed the installation of 500 feet of 6-inch water main on Sacramento Street from Magnolia Avenue to Willis Street.

20. Completed the installation of 1,810 feet of 8-inch water main on Shaver Lene from Paradise Lane to Glenwood Drive.

21. Completed the installation of 800 feet of 6-inch weter main on Olive Street from Gold Street to Oak Ridge Drive.

22. Completed the installation of 1,150 feet of 6-inch water main on Logan Street from West Street to Railroad Avenue.

23. Completed the installetion of 275 feet of 12-inch water main and 225 feet of 8-inch water main under Highway 273 at Canyon Creek from Eastside Road to Westside Road.

24. Completed the installation of 4,150 feet of 12-inch water main on Westside Road between Olney Creek end Clear Creek Road.

25. Completed the installation of 980 feet of 8-inch water main on Rosemary Avenue and 344 feet of 6-inch water main on Grove Street.

26. Completed the installation of 1,366 feet of 8-inch water main on Oxford Street between Cypress Avenue and Minor Street.

27. Completed the instellation of 1,100 feet of 8-inch water main on Scott Roed off of Oasis Road.

28. Relocated the 24-inch Cross-town Water Main Control Valve which supplies weter from the Foothill Water Treatment Plant to the Enterprise Pressure Zone, from under the Cypress Street Bridge flood plain to 760 Parkview Avenue.

29. Replaced 400 polybutylene water services in the Polybutylene Replecement Program.

30. Funded additionel engineers in Development Services to accomplish Capital Improvement Plan projects.

## Goals and Objectives for Fiscal Years Ending June 30, 2006 & 2007

*Goal*

To provide clean potable water to the citizens of the City.

*Objectives*

1. Meet all water quality standards established by the U.S.E.P.A. and the State Department of Health Services - Division of Drinking Water.

2. Improve the monitoring and control system for water treatment plants, pumping stations and groundwater wells.

*Goal*

Provide public information and education on water issues.

*Objectives*

1. Provide water quality information through the Consumer Confidence Report to enhance public awareness.

2. Continue to provide water conservation information to conserve energy during the high electrical demand periods of the summer.

3. Continue to update, meet and increase the Best Management Practices for the Bureau of Reclamation Water Conservation Plan.

*Goal*

Improve and maintain the City's existing water facilities.

*Objectives*

1. Perform Particle Count study at the Foothill Water Treatment Plant to determine if the filters will meet effluent turbidity requirements without the use of pre-sedimentation during the months in which the filter plant is not in the conventional filtration operation.

2. Continue to work with Shasta County Water Agency to complete the Groundwater Basin Management Plan.

3. Complete particle count study on Foothill Water Treatment Plant treated water filter effluent required by the State Department of Health Services - Division of Drinking Water.

4. Complete the five (5) year update of the Watershed Sanitary Survey for the City's Whiskeytown Lake and Sacramento River water treatment facilities required by the State Department of Health Services - Division of Drinking Water.

5. Continue to upgrade and replace aging equipment at the water treatment plants for improved control, energy efficiency and to meet current federal and state water quality regulations.

6. Continue to upgrade and improve the ongoing program to prepare for emergency operations.

7. Replace 225 polybutylene water services per year in the Polybutylene Replacement Program.

8. Repair and paint the Buckeye Water Treatment Plant 0.186 million gallon washwater reservoir.

9. Repair and paint the Buckeye 2 million gallon reservoir located off of Williamson Road in the northern end of the Buckeye Pressure Zone.

10. Complete the demolition of the two (2) Foothill 1.5 million gallon reservoirs and replace with the new construction of a four (4) million gallon reservoir located at Foothill Blvd. and Hillcrest Place.

11. Complete the installation of environmentally friendly fish screens on the pump intakes at Pump Station #1 on the Sacramento River.

12. Complete the engineering and construction of a maintenance building at the Foothill Water Treatment Plant.

13. Complete the installation of new electrical soft starts for one (1) 400 horsepower motor and (2) 500 horsepower motors at Pump Station #1.

14. Improve management capability with inventory control and work orders with Computerized Maintenance Management System (CMMS).

**Water Utility - Capital Projects**

*Goal*

Begin engineering and construction of CIP projects to be completed within budget and on schedule.

*Objective*

1. Complete the engineering and environmental planning, and start the construction to expand the Buckeye Water Treatment Plant from 7 million gallons per day to 14 million gallons per day.

2. Complete the construction of Enterprise Groundwater Wells #14 & #15.

3. Complete the engineering and installation of 8,500 feet of 30-inch transmission water main on Keswick Dam Road from Quartz Hill Road to Lake Blvd.

4. Complete the engineering and installation of 4,550 feet of 12-inch transmission water main from 17120 Clear Creek Rd. (Redding Power) to 16855 Clear Creek Rd., to provide an intertie with the Centerville Community Service District water main.

5. Complete the engineering and installation of 3,000 feet of 16-inch water main from Lockheed Dr. on Knighten Road to the west city limit. This new water main will provide water service to the new Veterans Home site and a future groundwater well site.

6. Complete the engineering and installation of 200 feet of 12-inch water main under Highway 44 from Butte St. to the Civic Auditorium to replace an existing cast-iron water main that is over 45 years old. This project will work in conjunction with Cal-Trans' Dana to Downtown project.

7. Complete the engineering and start construction of deficient water main projects within the water system to improve water supply and fire flows. Those projects include:

   a. Irish Rd./Peterson Ln. 6-inch water main replacement between Lake Blvd. and Roca Ln.

b. Pine Cone Drive 6-inch water main replacement from Lake Blvd. to end of street.

c. Court Street 8-inch water main replacement between Gold Street and Sheridan Street.

d. Second Street 6-inch watar main replacement batween C Street and Bechelli Lane.

e. Third Street 6-inch water main replacament between C Street and Bechalli Lane.

f. Fourth Street 6-inch water main replacement between A Street and C Street.

*Goal*

Promota a safe working environment while maintaining and operating facilities

*Objectives*

1. Maintain and repair equipment before premature failures.

2. Continue to train for hazardous chemical spills at water and wastewater facilities.

3. Continue to provide training on equipmant and employee safety.

4. Implement Vulnerability Assassment security recommendations.

**Unmet Needs for Fiscal Years Ending June 30, 2006 & 2007**

1. Funding for relocation of Pump Housa No. 1 and addition of fish screens to meet National Marine Fisheries Sarvice criteria.

2. Funding for treatment facilities to remove arsenic and boron from Enterprise Groundwater Well No. 13 as required by U.S. Environmental Protaction Agency (EPA).

3. Funding for 24-inch water main replacament/relocation for Cypress Street Bridge project.

4. Funding for Foothill Water Treatment Plant pre-treatmant facilities to meet the Interim Enhanced Surface Water Treatment Regulations as required by EPA (dependent on the outcome of our demonstration study required by State Departmant of Health Services).

5. Funding for removal of Westwood Manor surface water well system and raservoirs.

6. Additional funding to incraase replacement of cast-iron and steel water mains within the water distribution system.

**Wastewater Utility**

**Performance Measures and Workload Indicators**

The Wastewater System consists of the domestic and industrial sewage collection, treatment, and disposal facilities sarving the City, including ovar 381 miles of intercaptor and trunk sewers, fourteen sewage lift stations, and two secondary wastewater and effluent filtration treatment plants. The entire

Wastewater Utility Staff worked hard to meet the goals established during the last budget term as listed below. The majority of the workload objectives were either accomplished or are in progress. The haavy

workload to maintain an aging system and the funding of system rehabilitation and expansion are the major challenges.

| | 2002-03 | 2003-04 | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|
| No. of Residential HEs * | 26,296 | 26,840 | 27,299 | 27,818 | 28,296 |
| No. of Commercial/Industrial HEs | 10,903 | 11,316 | 11,510 | 11,728 | 11,930 |
| Total HEs Served | 37,199 | 38,156 | 38,809 | 39,546 | 40,266 |
| % Annual Growth Rate | 2.36% | 2.57% | 1.71% | 1.90% | 7.72% |
| Clear Creek Plant MGD** Dry Flow | 7.85 | 7.73 | 7.29 | 7.34 | 7.39 |
| Stillwater Plant MGD Dry Flow | 2.5 | 2.6 | 2.4 | 2.52 | 2.65 |
| Total Peak MGD Flows *** | 48 | 49 | 49 | 49 | 49 |
| Total gpd **** Dry Flow per Total HEs | 278 | 271 | 250 | 249 | 249 |
| Miles of Sewer Main | 381 | 393 | 400 | 408 | 415 |
| Total FTE Utility Staff | 29 | 30.25 | 31.75 | 33.25 | 34.75 |
| Total HEs served per Total Staff | 1,283 | 1,261 | 1,222 | 1,189 | 1,159 |

Notes:

* 1 HE = household equivalent = 300 gallons per day average residential household wastewater production.

** MGD = million gallons per day.

*** Total peak wet weather flows are limited because the Clear Creek Interceptor currently can only handle 37MGD, until the future Phase 2 Westside Interceptor is constructed. Clear Creek plant flows beyond 37 backup and surcharge the interceptor, and total peak flows listed above 37 are from the Stillwater plant.

**** gpd = gallons per day.

**Goals and Accomplishments for Fiscal Years ended June 30, 2004 & 2005**

*Goal:*

Begin construction of Capital Improvement Projects (CIP) so that they will be completed within budget and on schedule.

*Accomplishments:*

1. Preliminary Design is in progress to replace the force main over the Sacramento River for the North Market Lift Station.

2. Completed the design and construction of improvements to the Pond Aerators, the Boiler and one Digester Mixing System at the Clear Creek Treatment Plant and began the design for a second Digester mixing improvement and to rebuild the Dual-Media Filters.

3. Finishing the Clear Creek Plant Facility Plan and Mixing Zone Study.

4. Beginning the Preliminary Design to expand the Boulder Creek Interceptor.

5. Preparing to begin the Preliminary Design to expand the Mary Street Lift Station and Trunk Sewers.

6. Resolved an overflow situation, for which we received a Notice of Violation from the Regional Water Quality Control Board, by replacing the sewer main and portions of the house connection sewers in the Deerfield, Derby and Oxford neighborhood area of east Redding.

*Goal:*

Improve the reliability and cost-effectiveness of the Wastewater Collection System operation.

*Accomplishments*:

1. Hydrocleaned about 23% of the mainlines annually.

2. Continued with an annual private house-lateral repair program for 45 properties to reduce the Infiltration and Inflow (I/I) into the sewer.

3. Continue with an annual repair and replacement of old neighborhood sewer mains to reduce the Infiltration and Inflow (I/I) into the sewer, including Leland Avenue and Deerfield Avenue, totaling about one mile in length.
4. .
5. Inspected and repaired about 1,250 remote manholes and reinforced 175 that are subject to vandalism.

6. Responded to 79 sewer stoppage calls, of which 49 were for the City system and 30 were private property responsibility.

7. Utilized our remote control underground video system to inspect ten miles of sewer pipe and about one-half mile of storm drain pipe.

*Goal:*

Improve the reliability and cost-effectiveness of the Wastewater Treatment Plants operation.

*Accomplishments:*

1. Operated both the Stillwater and Clear Creek Plants to achieve a good compliance record, with six discharge permit violations, in spite of the growing challenge keeping treatment operations stable with unreliable aging equipment.

2. Continued to upgrade the aging equipment throughout the treatment plants for improved control, energy efficiency and to meet current safety standards, such as the Boiler, Pond Aerators and Digester Mixing Improvements noted above for the Clear Creek Treatment Plant.

3. Improved disaster preparedness by expanding the Redding Municipal Utilities Hazardous Materials Emergency Response Team capabilities to include providing decontamination and support services to the Shasta Cascade Hazardous Materials Response Team throughout the Redding Fire Response Area, including hosting a weapons of mass destruction training program at the convention center, participating in two emergency response exercises with Redding Fire Department and the California Department of Forestry, and accepting a federal Department of Homeland Security grant for a RMU Hazmat Trailer.

*Goal*:

Improve industry tracking and environmental compliance while maintaining a business-friendly atmosphere.

*Objectives:*

1. Finaling Mixing Zone Study for the Clear Creek Treatment Plant in an attempt to justify stable discharge standards to the Sacramento River.

2. Audited of all food preparation accounts to document appropriate billing categories and prepared revenue program restructuring proposal to bring the City of Redding wastewater rates into compliance with requirements of the State Water Resources Control Board.

3. Established on-going review process for new utility accounts to ensure proper NAICS classification for accurate billing.

4. Responded to customer billing questions regarding the proposed rate restructuring based on sewage strength.

5. Fulfilled environmental monitoring requirements for the Big League Dreams Sports Park.

6. Received a complementary Pretreatment Compliance Inspection Report from the Regional Water Quality Control Board, stating good progress with:

   a. Implementing federal pretreatment requirements
   b. Thorough knowledge of industrial users in Redding
   c. Updated industrial discharger permits to current requirements
   d. Performed slug discharge control plan evaluations for industrial users

7. Assisted with the development of the required City of Redding Stormwater Quality Improvement Plan in compliance with the federal NPDES Phase II Storm Water regulations.

**Goals and Objectives for Fiscal Years Ending June 30, 2006 & 2007**

*Goal:*

Begin construction of Capital Improvement Projects (CIP) so that they will be completed within budget and on schedule.

*Objectives:*

1. Design and bid the replacement force main for the North Market Lift Station, and complete the feasibility study for continuation of this project though the Auditorium Lift Station and Highway 44 to Butte Street.

2. Complete the design and construction of improvements to the Digester Mixing System and Dual-Media Filters at the Clear Creek Treatment Plant.

3. Complete the Preliminary Design, Environmental Study and receive financing approval for the Phase 1 upgrade and expansion of the Clear Creek Treatment Plant, and begin the final design for this project.

4. Design and construct the expansion of the Boulder Creek Interceptor.

5. Design the expansion of the Mary Street Lift Station and Trunk Sewers.

6. Design and construct interim improvements to the Stillwater Treatment Plant, including wet weather flow equalization basin and sludge drying beds.

*Goal*:

Improve the reliability and cost-effectiveness of the Wastewater Collection System operation.

*Objectives*:

1. Hydroclean 30% of the mainlines annually.

2. Conduct intensive flow monitoring and leak detection in the drainage basins tributary to Mary Street Lift Station on the west side of town and then replace, repair and rehabilitate the system as needed.

3. Replace about 3,000 feet of old clay sewer main and portions of the sewer connections in west Redding.

4. Conduct flow monitoring and flow isolation in the Buckeye area and then repair, replace and rehabilitation the system needed.

5. Continue with an annual private house-lateral repair program to reduce the Infiltration and Inflow (I/I) into the sewer.

6. Upgrade150 manholes, located in our street right of ways, with newer frames and covers to prevent unauthorized access and vandalism.

*Goal:*

Improve the reliability and cost-effectiveness of the Wastewater Treatment Plants operation.

*Objectives:*

1. Operate both the Stillwater and Clear Creek Plant to achieve a 100% compliance record with no discharge permit violations.

2. Continue to upgrade the aging equipment throughout the treatment plants for improved control, energy efficiency and to meet current safety standards.

3. Successfully host the California Water Environment Association Northern Regional Training Conference at the convention center on September 14-16, 2005, to provide local access to technical training on water environment issues and encourage tourism in Redding.

*Goal:*

Improve industry tracking and environmental compliance while maintaining a business-friendly atmosphere.

*Objectives:*

1. Implement restructured wastewater rate schedule based on both sewage flow and strength that complies with requirements of the State Water Resources Control Board.

2. Implement ongoing account audit procedures to ensure that businesses are classified and billed properly.

3. Implement updated local limits with all significant industrial users.

4. Assist with the implementation of the City of Redding Stormwater Quality Improvement Plan which is required by the federal NPDES Phase II Storm Water regulations, as follows:

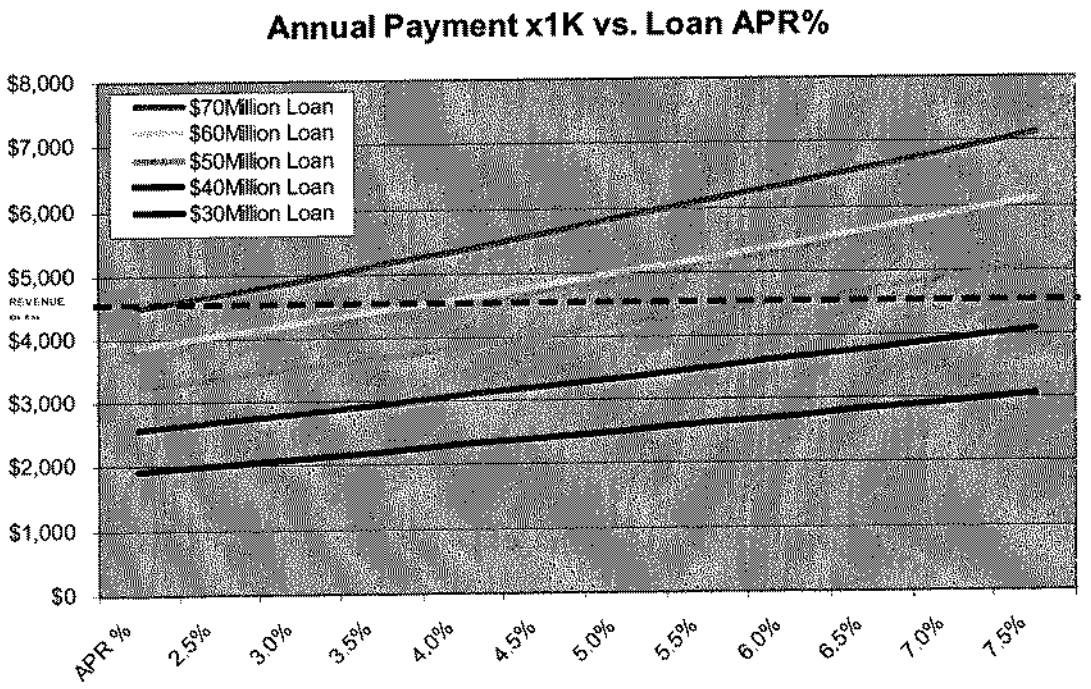
   a. Implement an illicit discharge detection and elimination program, including notification of unpermitted industrial sites
   b. Perform industrial site inspections
   c. Public education regarding illicit storm water discharges and best management practices to minimize storm water impacts
   d. Implement a regular storm drain piping inspection program utilizing the Wastewater Collection Division remote control underground video inspection system.

## Unmet Needs for Fiscal Years Ending June 30, 2006 & 2007

1. Full funding for the preferred alternative to upgrade and expand the Clear Creek Treatment Plant.

   The new Facility Plan documents that the recommended $45 million alternative will take care of the current deficiencies but require additional upgrades immediately thereafter to provide additional treatment capacity for future growth. In contrast, the $66 million preferred alternative, will both upgrade the existing plant and provide growth capacity for the next 10 years. The recommended $45 million alternative in 2004 dollars is projected to cost $52 million in 2008 at the time of construction. The preferred alternative is estimated to cost about $66 million in 2004 dollars, which would equate to about $76 million in 2008 dollars. The wastewater utility revenue plan has been adjusted to provide about $11 million in cash plus $48 million in municipal revenue bond financing in 2008 to fund the recommended alternative plus some components of the preferred alternative. The cost difference between the revenue plan funding and the preferred alternative can be made up by a combination of tight design controls to reduce the project contingency amount, low interest rate loan through the State Water Resources Control Board which is one-half the rate (2.7-3.5%) of traditional municipal revenue bonds (5.5-7.0%), and delaying the construction some components to a later phase.

   The value of the low interest SWRCB loan is shown in the chart below, where the current revenue programs allocated annual financing payment for 2010 of about $4.4 million is shown. This annual payment would support a $48 million municipal revenue bond at 6.7% APR for the recommended alternative or a $65 million SWRCB loan at 3.3% APR to fund the preferred alternative with the addition of the scheduled $11 million from the utility reserve fund. The low interest SWRCB loan is only available to the City if the City implements both a wastewater revenue program and a water conservation plan in compliance with state regulations.



2. Implementation of restructured wastewater billing rates.

The State Water Resources Control Board is requiring the City of Redding to restructure the billing rates based on both wastewater flow and strength. This is required by the City's 1999 loan contract with the SWRCB to fund the $16.8 million Westside Sewer Interceptor project which was completed in 2003. In addition, as noted above, having access to these low interest funds are critical for funding the upcoming $66 million Clear Creek Plant upgrade and expansion. A restructured rate proposal to meet these requirements is scheduled for a public hearing with the City Council on June 21, 2005.

The intent of the state requirement is to ensure that each customer class pays for their fair share of operating, maintaining and replacing the utility system. In general, single-family residents currently fund about 57% of the utility revenue and they should only be funding 49%, whereas food preparation facilities and multiple-family residents are currently funding only 5% and 16% respectively of the utility revenue and they should be funding 11% and 20% respectively. The result will be a reduction future wastewater rates for single-family customers and an increase for both food preparation facilities and multiple-family customers.

A newsletter and survey has been distributed to all food preparation facilities in Redding and staff are preparing a survey of other wastewater agencies for comparison and will invite these customers to a workshop to provide information and discuss their concerns with them.

3. Maintenance Engineer for RMU Field Operations.

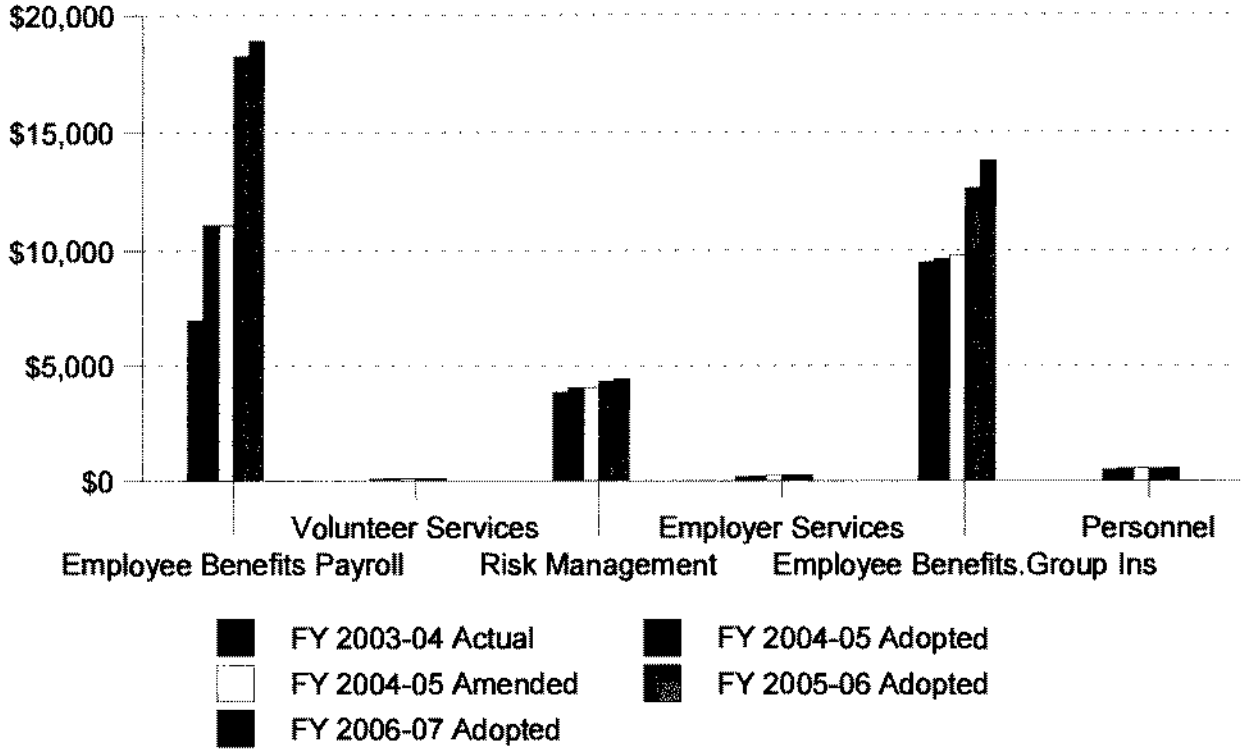
Small capital projects and maintenance contracts are required by state law to be administered as public works projects, which require engineering and legal support services. Many of these projects are also difficult to preplan two years ahead with the 2-year budget because utility systems fail unexpectedly as they age and corrections are needed immediately. Since the Engineering Division has a heavy workload serving all City Departments, they have always had difficulty shutting down the large "high profile" projects they are working on to perform the essential utility maintenance projects on a timely basis. The result has been delayed corrections that aggravate environmental compliance issues and cost the utility considerable time and money waiting for action. The only reasonable solution is for RMU Field Operations to house a maintenance engineer position that is 100% dedicated to performing these small but critical and time-sensitive projects when they are needed. The funds for the Wastewater Utility portion of this proposed shared position is included in the wastewater utility financial plan.

The Clear Creek Plant Facility Plan also documents that the high construction cost of the upcoming plant upgrade and expansion can be minimized if several small upgrades are accomplished ahead of time using local contractors separate from the primary construction contract later. These separate projects include such items as: levee construction, pond lining, digester mixing improvements and access road construction. Depending upon the workload in the Engineering Division, these projects could also be performed by the Maintenance Engineer.

# Personnel Department

## Expenditure Comparisons

(In Thousands)



# PERSONNEL DEPARTMENT

## Overview

The Personnel Department adopted budget for fiscal year 2005-06 totals $36,088,240, an increase of $10,263,100 from the fiscal year 2004-05 amended budget. This increase is primarily due to increased costs in group health insurance and Retirement System contributions. (Citywide cost for these programs are accumulated and paid out of these funds.) The adopted budget for fiscal year 2006-07 totals $38,058,330, an increase of $1,970,090 from the fiscal year 2005-06 adopted budget. This increase is also due primarily to increases in group health insurance and PERS.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended Excluding Carryovers | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Personnel | $ 504,077 | $ 549,140 | $ 561,980 | $ 532,540 | (29,440) | $ 555,720 | 23,180 |
| General Fund Subtotal | 504,077 | 549,140 | 561,980 | 532,540 | (29,440) | 555,720 | 23,180 |
| Volunteer Services | 86,885 | 93,180 | 93,420 | 99,420 | 6,000 | 105,770 | 6,350 |
| Employer Services | 183,970 | 201,580 | 226,580 | 260,330 | 33,750 | 274,110 | 13,780 |
| Employee Benefits Group Insurance | 9,486,630 | 9,641,000 | 9,789,250 | 12,612,500 | 2,823,250 | 13,774,720 | 1,182,220 |
| Employee Benefits Payroll | 6,972,003 | 11,100,400 | 11,100,400 | 18,249,640 | 7,149,240 | 18,911,420 | 661,780 |
| Risk Management | 3,829,686 | 4,045,950 | 4,053,510 | 4,333,810 | 280,300 | 4,436,590 | 102,780 |
| Internal Service Fund Subtotal | 20,559,174 | 25,082,110 | 25,263,160 | 35,555,700 | 10,292,540 | 37,502,610 | 1,946,910 |
| Totals | $21,063,251 | $25,631,250 | $25,825,140 | $36,088,240 | $10,263,100 | $38,058,330 | $1,970,090 |

The following table displays how the Department's budget is broken down between the major expenditure groups. **The 2004-05 amended amount excludes carryovers.**

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Personnel | FY 2006-07 Adopted | 436,060 | 119,680 | 0 | 0 | 555,720 |
| | FY 2005-06 Adopted | 414,860 | 117,880 | 0 | 0 | 532,540 |
| | FY 2004-05 Amended | 384,660 | 177,320 | 0 | 0 | 561,980 |
| Volunteer Services | FY 2006-07 Adopted | 92,600 | 13,170 | 0 | 0 | 105,770 |
| | FY 2005-06 Adopted | 85,810 | 13,610 | 0 | 0 | 99,420 |
| | FY 2004-05 Amended | 69,850 | 18,570 | 5,000 | 0 | 93,420 |
| Employer Services | FY 2006-07 Adopted | 75,910 | 198,200 | 0 | 0 | 274,110 |
| | FY 2005-08 Adopted | 73,730 | 186,600 | 0 | 0 | 260,330 |
| | FY 2004-05 Amended | 66,130 | 160,450 | 0 | 0 | 226,580 |
| Employee Benefits - Group Insurance | FY 2006-07 Adopted | 86,840 | 13,688,080 | 0 | 0 | 13,774,720 |
| | FY 2005-06 Adopted | 83,510 | 12,528,990 | 0 | 0 | 12,612,500 |
| | FY 2004-05 Amended | 75,000 | 9,714,250 | 0 | 0 | 9,789,250 |
| Employee Benefits Payroll | FY 2006-07 Adopted | 0 | 18,911,420 | 0 | 0 | 18,911,420 |
| | FY 2005-06 Adopted | 0 | 18,249,640 | 0 | 0 | 18,249,640 |
| | FY 2004-05 Amended | 0 | 11,100,400 | 0 | 0 | 11,100,400 |
| Risk Management | FY 2006-07 Adopted | 496,300 | 3,940,290 | 0 | 0 | 4,436,590 |
| | FY 2005-06 Adopted | 474,580 | 3,839,230 | 20,000 | 0 | 4,333,810 |
| | FY 2004-05 Amended | 289,300 | 3,764,210 | 0 | 0 | 4,053,510 |
| Total | FY 2006-07 Adopted | 1,177,510 | 36,870,820 | 0 | 0 | 38,058,330 |
| | FY 2005-08 Adopted | 1,132,490 | 34,935,750 | 20,000 | 0 | 36,088,240 |
| | FY 2004-05 Amended | 884,940 | 24,935,200 | 5,000 | 0 | 25,825,140 |

**Capital Outlay**

The Personnel Department's Capital Outlay request is for $20,000 to cover costs associated with bringing Workers' Compensation Claims management in house. These costs include remodel of the Risk Management office area to accommodate personnel as well as the purchase of computer and phone equipment.

**Personnel**

Beginning in fiscal year 2005-06, the Risk Management Division will bring worker's compensation claims management in house, as approved by City Council, Resolution 2005-57. This includes promoting a current employee and hiring one new full-time employee and one new half-time employee. It is estimated that this program will save the City approximately $300,000 over the next five years due the rising costs of third party Claims Administration fees.

The reduction in the Personnel Division is due to transferring the Deputy city Manager/Administrative Services Director position to the City Manager's budget.

The following chart gives a breakdown of personnel in the various divisions of the Personnel Departments which have employees:

| Division | | FY 2003-04 Actual | FY 2004/05 Adopted | FY 2004/05 Amended | FY 2005/06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Personnel | F/T | 8.00 | 8.00 | 8.00 | 7.00 | (1.00) | 7.00 | 0.00 |
| | P/T | 0.75 | 0.75 | 0.75 | 0.75 | 0.00 | 0.75 | 0.00 |
| | Total | 8.75 | 8.75 | 8.75 | 7.75 | (1.00) | 7.75 | 0.00 |
| Volunteer Services | F/T | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 1.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 1.00 | 0.00 |
| Risk Management | F/T | 3.00 | 3.00 | 3.00 | 5.00 | 2.00 | 5.00 | 0.00 |
| | P/T | 0.75 | 0.75 | 0.75 | 0.48 | (0.27) | 0.48 | 0.00 |
| | Total | 3.75 | 3.75 | 3.75 | 5.48 | 1.73 | 5.48 | 0.00 |
| Totals | F/T | 12.00 | 12.00 | 12.00 | 13.00 | 1.00 | 13.00 | 0.00 |
| | P/T | 1.50 | 1.50 | 1.50 | 1.23 | -0.27 | 1.23 | 0.00 |
| | Total | 13.50 | 13.50 | 13.50 | 14.23 | 0.73 | 14.23 | 0.00 |

**Status of the 2003-04 and 2004-05 Goals and Objectives**

*Goal*

Improve the skills of supervisory and management staff.

*Accomplishments*

Implemented a Supervisory Training Academy and conducted training on Completing Performance Evaluations and Getting Started as a Successful Supervisor. Also continued to participate in the Liebert Cassidy Whitmore training consortium - classes included First Line Supervisor/Manager, Reference Checks, Retaliation, Managing Grievance Issues, and Managing Overlapping Leave Laws and the Discipline Process.

Continued to work with departments, the City Attorney, and outside Council on personnel issues. (discipline issues, side letters, policy language, etc.)

*Goal*

Continue to improve the efficiency and responsiveness of the Personnel Division.

*Accomplishments*

Filled the Executive Secretary position at the level of Office Services Supervisor when the incumbent retired which provided the department with another supervisor and a budget officer.

Continued ongoing workstation training and cross-training program to provide maximum efficiency and responsiveness to our customers. Employees volunteered to take various computer program training, learned more about the new Workers' Compensation laws, CalPERS regulations, etc.

*Goal*

Continue the comprehensive review and update of Personnel, City Council, and City Manager Policies.

*Accomplishments*

Revised the Modified Duty Policy, the Nepotism Policy, and wrote the City's first Discipline Policy which included bargaining and approval by all labor groups.

With assistance from several departments, added a new policy to the City Manager's Policies entitled Hazardous Materials Cleanup. This policy ensures an effective, safe, efficient and coordinated response to all hazardous materials incidents occurring within the City of Redding.

*Goal*

Continue to review and update job titles, specifications, and wage/salary ranges to meet the needs of the City workforce.

*Accomplishments*

Analyzed current job titles, classification specifications, and salary ranges of particular classifications within the SEIU bargaining unit. The following classifications were addressed during this period: clerical/secretarial series, engineer series, customer service representatives series, deputy city treasurer, assistant city clerk. We also revised salary ranges for various management positions that were greater than 10% behind the survey average.

Obtained City Council approval to amend salary schedules for various classifications.

*Goal*

Prepare for and successfully complete contract bargaining with applicable represented employee groups.

*Accomplishments*

Established City Council goals and strategies for all contract negotiations prior to beginning the negotiations process.

Successfully negotiated new contracts with the Service Employees International Union–Clerical, Technical and Professional Employees' Unit and Supervisory/Confidential Employees' Unit and with the Peace Officers Association of Redding–Miscellaneous Employees Unit.

Ensured that the new contracts were consistent with City Council direction.

*Goal*

Reduce or contain the spiraling health and welfare benefits costs to the City.

*Accomplishments*

Continued to monitor and improve the Citywide Employee Wellness Program, which currently includes a physical fitness program (added several new physical fitness centers to the program - Buf-Fit Men's Fitness Center, Fitness 19, Fit-N-Fifty, Ladies Workout Express, etc.), weight reduction program (Jenny Craig and Weight Watchers), wellness newsletter, and general wellness education.

Continued to supervise and monitor the re-energized Citywide safety program to provide optimum job safety training lectures and record keeping. Senior Personnel Analyst worked to facilitate and/or assisted supervisors in the facilitation of the following (partial list) employee safety training: Crime Prevention Training (Crime Stop USA)

- all City employees; Blood borne Pathogen Training - Airports, Parks and Solid Waste; CHP Driver Log Book and safe driver training - Electric, Municipal Utilities, Solid Waste, Parks; First Aid/CPR - Fleet Maintenance, Municipal Utilities, Electric, Power Plant, Parks; Traffic Control and Flagger Training - Parks, Municipal Utilities and Electric; Ergonomics Training - Development Services, Housing and Recreation; Code of Safe Practices - all City employees and OSHA Employee Training Requirements - all department directors, managers, and supervisors.

**Risk Management**

*Goal*

Continue to improve the efficiency and responsiveness of the Risk Management Division.

*Accomplishments*

Through telephone calls, email messages, and meetings, maintained regular contact with claims administrator and injured workers while off work. Due to the changes in the Workers' Compensation laws and our growing concern about the claims administrators work with our employees, we have requested proposals for bill review/payment services to determine if it would be more cost efficient and we would have a more effective program for injured workers, if we brought the Workers' Compensation administration inside the City.

Staff continued to train supervisors on the appropriate way to complete all necessary paperwork to reduce the errors and continually reminded supervisors about the importance of reporting injuries and accidents in a timely manner.

*Goal*

Reduce or contain Workers' Compensation and Liability claims involving City employees.

*Accomplishments*

Continued the work safety program in accordance with SB 198, including ongoing job safety training and record keeping.

Continued to utilize the Employee Wellness Program to provide strength, cardiovascular and mobility training; and promote weight reduction with the latest segment of the program.

Provided training and a system of accountability as dictated by nature of liability claims (i.e., backing accidents or other types of vehicle accidents).

*Goal*

Take action to ensure that the appropriate City staff is competent in the fast-changing regulations and laws regarding Workers' Compensation processes and procedures.

*Accomplishments*

Scheduled Risk Management Division staff to attend formal conferences and workshops as appropriate to be fully proficient in administering all changes in Workers' Compensation regulations and laws. The workshops included such topics as: Workers Compensation Procedures and Litigation; Workers' Compensation Law and Policy; Rating Permanent Disabilities; Managing Disabilities in the Work Place; and Workers' Compensation in California.

The Personnel Technician assigned to the Workers' Compensation program began attending the Accident Review Committee meetings. She seized this opportunity to continue training supervisors to ensure compliance with procedural changes, and provide them with a clear understanding of their responsibilities associated with completing the appropriate forms, documentation, and process.

## Work Load Indicators

### Personnel

| | 2001-02 Actual | 2002-03 Actual | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|---|
| Recruitments conducted | 60 | 48 | 43 | 50 | 50 | 50 |
| Employment applications processed | 2,098 | 2,462 | 2,864 | 2,800 | 2,600 | 2,600 |
| Employment interest cards processed | 2,934 | 2,853 | 2,490 | 2,500 | 2,700 | 2,700 |
| Orientations conducted | 192 | 126 | 230 | 240 | 240 | 240 |
| Employee training sessions conducted/facilitated by Personnel | 21 | 12 | 10 | 10 | 9 | 9 |
| Labor contracts negotiated | 3 | 3 | 2 | 3 | 2 | 2 |
| Personnel transactions | 495 | 511 | 415 | 450 | 450 | 450 |
| Retirements processed | 13 | 27 | 16 | 23 | 24 | 20 |
| Labor/management meetings outside negotiation process | 34 | 35 | 32 | 29 | 40 | 40 |
| Exit interviews conducted | 73 | 50 | 55 | 70 | 80 | 80 |

### Risk Management

| | 2001-02 Actual | 2002-03 Actual | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|---|---|
| Workers' compensation indemnity claims opened | 70 | 70 | 98 | 67 | 79 | 79 |
| Workers' compensation medical only claims opened | 85 | 57 | 80 | 73 | 73 | 73 |
| Liability claims opened | 161 | 196 | 180 | 123 | 160 | 160 |
| Liability claims closed without payment | 56% | 60% | 60% | 60% | 60% | 60% |

**Employer Services**

| | 2002-03 Actual | 2003-04 Actual | 2004-05 Actual | 2005-06 Estimated | 2006-07 Estimated |
|---|---|---|---|---|---|
| Service Awards | 129 | 148 | 149 | 190 | 162 |
| DMV Physicals | 113 | 107 | 109 | 123 | 122 |
| Fire & Safety Physicals | 50 | 55 | 60 | 123 | 122 |

## 2005-06 and 2006-07 Goals and Objectives

### Personnel

*Goal*

Continue to improve the efficiency and responsiveness of the Personnel Department.

*Objectives*

Implement updated Personnel Internet Web page to include classification specifications and salary ranges and afford applicants the ability to complete Interest Cards for various positions and Job Applications on line.

Implement and train department timekeepers on new timekeeping system.

Work with Information Technology to improve the Applicant Tracking System.

Add appropriate signage and provide alphabetical salary ranges to salary binder to make the job seeking process more user friendly.

*Goal*

Prepare for and successfully complete contract bargaining with applicable represented employee groups.

*Objectives*

Establish City Council goals and strategies for contract negotiations prior to beginning the negotiations process.

Successfully negotiate new contracts with the Redding Police Officers Association Employees' Unit and the International Association of Fire Fighters Employees' Unit.

Ensure that the new contracts are consistent with the City Councils' direction.

*Goal*

Prepare for significant turnover due to retirements and attrition (due to hiring freeze).

*Objectives*

The Personnel Department will need to creatively work with departments to efficiently administer their succession planning programs, especially for key management positions. This could include reorganizing the department to meet the needs of the customers with fewer employees and without the depth of knowledge currently realized.

Continue to provide supervisory/management training through the Supervisory Training Academy and the Liebert Cassidy Whitmore training consortium.

**Risk Management**

*Goal*

Continue to improve the efficiency and responsiveness of the Risk Management Division

*Objectives*

Continue to analyze whether it would be more cost effective and efficient to stop contracting out the Workers' Compensation program including weighing the pros and cons of bringing the program inside the City.

Ensure that all paperwork involving Workers' Compensation claims, Liability claims, Insurance Certificates, etc. are completed accurately and turned in on time.

*Goal*

Reduce the budget for Workers' Compensation and Liability claims account funds
*Objectives*

Continue the safety training and emphasis on working safely in a safe work environment.

Provide training and a system of accountability as dictated by the nature of Liability claims (i.e., backing accidents or other types of vehicle accidents) and Workers' Compensation claims (i.e., Back Safe training, Personal Safety Training, etc.).

**Volunteer Services**

*Goal*

Work to maximize the efficiency and responsiveness of the Volunteer Division

*Objectives*

Work to increase the number of skilled volunteers in the program, especially the Police Department.

Schedule periodic meetings between the Volunteer Coordinator and the departments to obtain information about the ongoing needs of the departments.

Survey the volunteers to obtain innovative ideas on how to improve the Volunteer Program.

*Goal*

Recognize volunteers for their service

*Objectives*

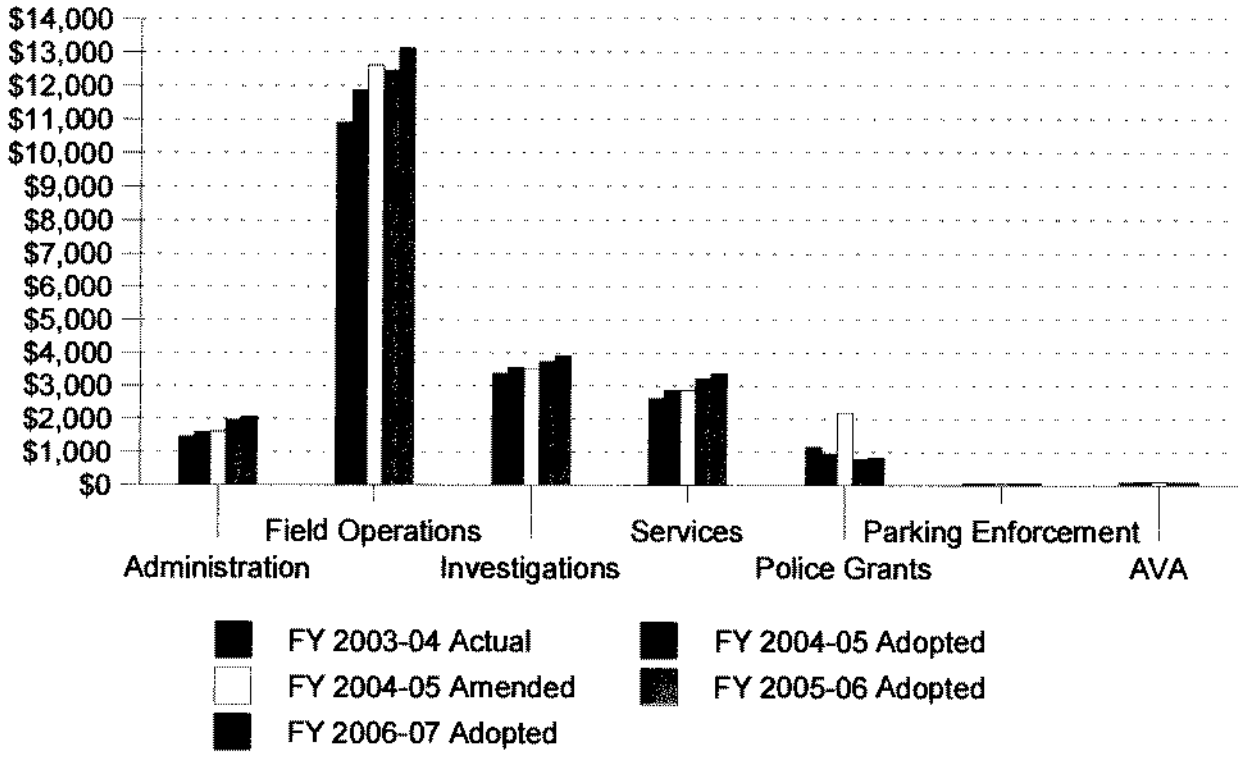
Survey volunteers to find out how they like to be recognized for their contributions to the City.

Make a concerted effort to get more public officials and managers to attend the annual Volunteer Recognition dinner (if it is held during the next two-year budget cycle).

# Police Department

## Expenditure Comparisons

(In Thousands)



# POLICE DEPARTMENT

## Overview

The Police Department's adopted budget for fiscal year 2005-2006 totals $22,325,990, a decrease of $613,380 from the fiscal year 2004-05 amended budget of $22,939,370. The adopted budget for fiscal year 2006-2007 totals $23,460,460 an increase of $1,134,470 over the fiscal year 2005-06 adopted budget. The fiscal year 2005-06 budget has decreased due to grant funds being lowar than prior years' amanded budget. In both fiscal years the increases are related to the rise in personnel and SHASCOM costs.

In this budget, all grants are budgetad in a saparate division. The Police Grants Division assists in tracking the numerous grants the Department receives, particularly tha grant funded personnel.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended less carryovers | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Administration | $ 1,464,545 | $ 1,603,040 | $ 1,613,100 | $ 1,970,950 | $ 357,850 | $ 2,055,370 | $ 84,420 |
| Field Operations | 10,895,266 | 11,877,410 | 12,614,720 | 12,458,660 | (156,060) | 13,134,480 | 675,820 |
| Investigations | 3,367,074 | 3,548,580 | 3,524,260 | 3,732,350 | 208,090 | 3,914,250 | 181,900 |
| Services | 2,622,451 | 2,868,800 | 2,837,600 | 3,225,650 | 388,050 | 3,375,680 | 150,030 |
| Police Grants | 1,157,590 | 949,150 | 2,191,380 | 784,660 | (1,406,720) | 821,990 | 37,330 |
| General Fund Subtotal | 19,506,926 | 20,846,980 | 22,781,060 | 22,172,270 | (608,790) | 23,301,770 | 1,129,500 |
| Parking Enforcement | 53,650 | 54,680 | 54,930 | 61,870 | 6,940 | 66,800 | 4,930 |
| Abandoned Vehicle | 95,349 | 103,380 | 103,380 | 91,850 | (11,530) | 91,890 | 40 |
| Special Revenue Subtotal | 148,999 | 158,060 | 158,310 | 153,720 | (4,590) | 158,690 | 4,970 |
| Total | $ 19,655,925 | $ 21,005,040 | $ 22,939,370 | $ 22,325,990 | $ (613,380) | $ 23,460,460 | $ 1,134,470 |

The following table displays how the Department's budget is broken down between the major expenditure groups.

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Administration | FY 2006-07 Adopted | $ 1,642,970 | $ 412,400 | $ 0 | $ 0 | $ 2,055,370 |
| | FY 2005-06 Adopted | $ 1,566,110 | $ 404,840 | $ 0 | $ 0 | $ 1,970,950 |
| | FY 2004-05 Amended | $ 1,204,660 | $ 378,730 | $ 29,710 | $ 0 | $ 1,613,100 |
| Field Operations | FY 2006-07 Adopted | 11,681,410 | 1,453,070 | 0 | 0 | 13,134,480 |
| | FY 2005-06 Adopted | 11,177,400 | 1,281,260 | 0 | 0 | 12,458,660 |
| | FY 2004-05 Amended | 10,619,710 | 1,340,900 | 654,110 | 0 | 12,614,720 |
| Investigations | FY 2006-07 Adopted | 3,600,240 | 314,010 | 0 | 0 | 3,914,250 |
| | FY 2005-06 Adopted | 3,477,340 | 255,010 | 0 | 0 | 3,732,350 |
| | FY 2004-05 Amended | 3,205,000 | 317,840 | 1,420 | 0 | 3,524,260 |

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Services | FY 2006-07 Adopted | 1,880,810 | 1,480,870 | 0 | 14,000 | 3,375,680 |
| | FY 2005-06 Adopted | 1,781,230 | 1,430,420 | 0 | 14,000 | 3,225,650 |
| | FY 2004-05 Amended | 1,427,990 | 1,364,490 | 31,120 | 14,000 | 2,837,600 |
| Police Grants | FY 2006-07 Adopted | 819,490 | 2,500 | 0 | 0 | 821,990 |
| | FY 2005-06 Adopted | 782,210 | 2,450 | 0 | 0 | 784,660 |
| | FY 2004-05 Amended | 1,123,640 | 37,590 | 1,030,150 | 0 | 2,191,380 |
| Parking Enforcement | FY 2006-07 Adopted | 45,970 | 20,830 | 0 | 0 | 66,800 |
| | FY 2005-06 Adopted | 43,640 | 18,230 | 0 | 0 | 61,870 |
| | FY 2004-05 Amended | 34,120 | 20,810 | 0 | 0 | 54,930 |
| Abandoned Vehicle Abatement | FY 2006-07 Adopted | 70,000 | 21,890 | 0 | 0 | 91,890 |
| | FY 2005-06 Adopted | 70,000 | 21,850 | 0 | 0 | 91,850 |
| | FY 2004-05 Amended | 69,800 | 33,580 | 0 | 0 | 103,380 |
| Total | FY 2006-07 Adopted | $ 19,740,890 | $ 3,705,570 | $ 0 | $ 14,000 | $ 23,460,460 |
| | FY 2005-06 Adopted | $ 18,897,930 | $ 3,414,060 | $ 0 | $ 14,000 | $ 22,325,990 |
| | FY 2004-05 Amended | $ 17,684,920 | $ 3,493,940 | $ 1,746,510 | $ 14,000 | $ 22,939,370 |

## Capital Outlay

**Capital outlay Police Grants reflects program cost. The Police Department is also requesting $40,000 for each fiscal year for our Equipment Replacement fund, and $376,000 in fiscal year 2005-06 and $387,500 in fiscal year 2006-07 in the Rolling Stock Fund. This will allow us to replace and repair aging mobile data computers, other equipment and rolling stock..**

## Personnel

RABA will fund $50,000 toward a police officer, with the General Fund paying the difference. Two police officers were hired in 2003/2004 with Universal Hiring Grant funds. They have been moved from the Police Grant Division to Field Operations. Two employees have been transferred from Information Technology to the Police Administration Division.

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Administration | F/T | 10.00 | 10.00 | 12.00 | 12.00 | 0.00 | 12.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 10.00 | 10.00 | 12.00 | 12.00 | 0.00 | 12.00 | 0.00 |
| Field Operations | F/T | 89.00 | 89.00 | 89.00 | 92.00 | 3.00 | 92.00 | 0.00 |
| | P/T | 7.21 | 8.65 | 7.69 | 7.69 | 0.00 | 7.69 | 0.00 |
| | Total | 96.21 | 97.65 | 96.69 | 99.69 | 3.00 | 99.69 | 0.00 |
| Investigations | F/T | 28.00 | 28.00 | 28.00 | 28.00 | 0.00 | 28.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 28.00 | 28.00 | 28.00 | 28.00 | 0.00 | 28.00 | 0.00 |
| Services | F/T | 25.00 | 25.00 | 25.00 | 25.00 | 0.00 | 25.00 | 0.00 |
| | P/T | 3.42 | 3.42 | 3.42 | 3.42 | 0.00 | 3.42 | 0.00 |
| | Total | 28.42 | 28.42 | 28.42 | 28.42 | 0.00 | 28.42 | 0.00 |

| Division | F/T P/T | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Police Grants | F/T | 11.00 | 9.00 | 12.00 | 9.00 | (3.00) | 9.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 11.00 | 9.00 | 12.00 | 9.00 | (3.00) | 9.00 | 0.00 |
| Parking Enforcement | F/T | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 1.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 1.00 | 0.00 |
| Total | F/T | 164.00 | 162.00 | 167.00 | 167.00 | 3.00 | 167.00 | 0.00 |
| | P/T | 8.71 | 0.00 | 11.11 | 11.11 | 0.00 | 11.11 | 0.00 |
| | Total | 172.71 | 162.00 | 178.11 | 178.11 | 3.00 | 178.11 | 0.00 |

**Significant Issues**

Funding for 5 support positions has not been included in this budget, even though the positions are reflected in the above personnel positions. Two lieutenant positions will also be held open for part of the budget period.

*Uncertain Status of Grant Funding*

The Police Department relies heavily on grant funding and other outside sources to finance essential programs, special projects, technology, equipment and personnel. This includes seven police officers and two information technology employees, as well as bulletproof vests, traffic equipment and overtime funding.

Grant funding is uncertain at this time based on recent changes in Federal grant funding policies and the budget crisis is California. In recent years our previously reliable grant funds have been reduced or eliminated. Funding for our School Resource Officers has been reduced and could be completely cut by June 2005. Should current grant funding sources be reduced or eliminated, the quality of many programs, as well as essential equipment for front-line officers, would be jeopardized.

**Status of Fiscal Year 2003-2005 Goals and Objectives:**

*Goal*

Continue to maintain Departmental staffing levels.

*Accomplishment*

During FY 2002/2003 and 2003/2004 the Administrative Division worked in conjunction with Personnel to conduct 24 separate recruitments for 13 different job classification openings. A total of 37 backgrounds were completed and 32 personnel were hired. Staffing levels were maintained throughout the Department.

*Goal*

Develop and replace our current radio system.

*Accomplishment*

During 2003/2005, $150,000 was added to the Information Technology (I/T) budget to assist in defraying and studying future funding. The Police Department worked in conjunction with Redding Fire, Municipal Utilities, Finance and I/T to develop the specifications for radio proposals in both the 150 Mhz and 800 Mhz radio spectrum. Two separate proposals were developed which consisted of a new fully interoperable 150 Mhz radio system for approximately $9 million and a refresh of the current system for approximately $3 million. Due to budget constraints the system has not yet been replaced.

*Goal*

Upgrade the local area network system in Investigations and the Police Department.

*Accomplishment*

During the 2003/2004 budget year we used budgeted funds to complete the full upgrade of the local area network to Ethernet topology.

*Goal*

Promote traffic safety and continue to improve effectiveness of traffic enforcement and traffic safety education programs.

*Accomplishment*

1. Monthly public service announcements were provided to the local media. The Department has used a mix of police officers and community leaders to meet this goal. Television, radio and print media have been utilized.

2. Twelve DUI checkpoints were completed each year. To complete this goal the Department partnered with other local law enforcement agencies and CHP to enhance our effectiveness and reach areas outside the city limits.

3. Two child safety seat inspections were conducted each year. The loss of the traffic CSO will make this difficult to maintain in the future.

*Goal*

Reduce injury traffic collisions by reducing hazardous traffic violations.

*Accomplishment*

1. GIS reports were used to identify high collision locations and direct enforcement to these locations. Utilizing these methods has increased the number of hazardous citations with a corresponding reduction in the number of injury collisions.

2. The Department reduced injury collisions by almost 10% in 2004.

3. Traffic and Field Operations personnel have teamed to provide directed enforcement. The Traffic Unit has worked on a daily basis with Field Operations Supervisors to deploy resources to high collision areas. The majority of injury and fatal collisions have been investigated by the Traffic Unit.

*Goal*

Develop long-term solutions to ongoing problems using available resources, including governmental agencies, public organizations, local businesses and private citizens.

*Accomplishment*

The Neighborhood Policing Unit (NPU) has maintained working partnerships with the Homeless Coalition, Shasta College, the Crime Free Multi-Housing Program, and CSET. Bi-weekly CSET meetings have been regularly attended. NPU assisted code enforcement with approximately fifteen stand-bys in lock-out situations.

*Goal*

Continue to develop long-term cooperation and assistance to improve the Parkview and Martin Luther King Jr. (MLK) neighborhoods.

*Accomplishment*

Officers attend monthly meetings with the MLK Board of Directors and Parkview neighborhood representatives. Officers continue to provide support for revitalization efforts in the Parkview neighborhood and Smile Place Park.

*Goal*

Bring Field Operations staffing up to authorized levels.

*Accomplishment*

During the FY 2003/2005 budget years we completed testing, backgrounds and hiring of 19 new police officers to bring us to full staffing levels as of February 2005 (113 total sworn).

*Goal*

Continue focus on the critical issue of reducing juvenile crime.

*Accomplishment*

During 2003/2004 DARE instruction was provided to all 5th grade students within 15 Redding schools. DARE reinforcement instruction was provided to 7th grade students in three area middle schools. During 2003/2004 the Redding and Enterprise School Districts contacted the Chief of Police advising they could no longer continue DARE instruction in the classroom. The State Department of Education informed the districts that Title IV funding cannot support the DARE program.

*Goal*

Reduce the number of unsolved homicide cases

*Accomplishment*

During the 2003/2005 fiscal years the Investigations Division re-opened two unsolved homicide cases. Redding Police Department is coordinating prosecution of one case with the State Attorney General's office, Lassen County Sheriff's detectives and the Lassen County District Attorney. Prosecution of the second case is being handled by the Shasta County District Attorney's office.

*Goal*

Expand training and use of computer voice stress analyzer (CVSA)

*Accomplishment*

During the 2003/2005 fiscal years the Investigations Division trained one additional investigator in the use of CVSA, with 25 CVSA examinations completed.

*Goal*

Provide enhanced career development opportunities in the Investigations Division

*Accomplishment*

During the 2003/2005 fiscal years there was significant movement within the Investigations Division due to numerous retirements. Seven investigators, one sergeant and one captain were re-assigned for career development into Investigations.

*Goal*

Increase community awareness and reduce the number of crimes through community education and participation

*Accomplishment*

In 2003 the Redding Police Department Crime Prevention Unit facilitated 99 educational presentations to businesses and citizens in the community. In 2004 there were 103 presentations made to businesses and citizens in the community. During both fiscal years, the Crime Prevention Unit provided 120 man hours in the preparation and presentation of the Drug Store Program, a multi agency drug prevention program presented to over 2,000 eighth grade students.

*Goal*

Change the current System 38 Report Writing System to Word

*Accomplishment*

Integrated Public Safety staff worked with Redding Police Department technology staff completed the design, testing and implementation of the Word-based report writing system in December 2004.

**OTHER SIGNIFICANT ACCOMPLISHMENTS**

1) Starting in February 2004, Chief Moty initiated the Shasta Anti-Gang Enforcement (SAGE) Unit, which is operated out of the Investigations Division. SAGE is a cooperative effort of all law enforcement agencies in Shasta County to educate the community and eliminate gang activity in Shast County and the cities of Redding, Anderson and Shasta Lake. As of December 1, 2004, SAGE officers participated in 26 hours of training, made 296 arrests for various crimes and contacted 1,447 people during 33 anti-gang operations.

2) The Redding Police Investigations Division, along with police officers from numerous other agencies, investigated the Heather Carpenter missing person case. After an intensive four month investigation, Patrick Larmour was arrested for the homicide of Heather Carpenter.

3) Beginning in August 2003, a significant number of critical incidents involving multi-agency investigations and homicides began. The Redding Police Department investigated several critical events, including two in-custody prisoner deaths at the Shasta County jail and another in-custody death at Win River Casino. Redding Police Investigations Division also investigated the death of a CHP officer at his residence, five homicide cases and two officer involved shooting cases.

4) The Redding Police Department maintains an overall 90% plus clearance rate for homicides occurring between 1969 and 2004, compared to the national rate of 67%.

5) The Financial Crime Unit added one additional investigator to work with the increasing identity theft problem. The following cases show the positive impact on identity theft and embezzlement cases in Redding: Five separate investigations resulted in arrests for identity theft, counterfeit drivers licenses and counterfeit checks which caused a loss of $56,000 to the victims. Arrests were made in four separate embezzlement cases totalling a loss of $323,000.

6) During 2004 through community donations the Redding Police Department purchased and trained two new police dogs to assist in the tracking and apprehension of criminal suspects and to provide increased officer safety. These are in addition to the two existing dogs trained in the detection of illegal drugs.

## WORKLOAD AND PERFORMANCE INDICATORS

The projections listed below are based on data from 1995-2004, with two (2) exceptions:

1) Total Response Time used 1998-2004 data.
2) Major Crimes projections used 1989-2004 data.

| Workload Indicators | 2000 Actual | 2001 Actual | 2002 Actual | 2003 Actual | 2004 Actual | 2005 Projected | 2006 Projected |
|---|---|---|---|---|---|---|---|
| Total Response Time (High Priority Calls) | 11:54 | 12:33 | 13:36 | 14:31 | 14:04 | 14:26 | 14:46 |
| Felony Arrests | 2,162 | 1,949 | 1,991 | 2,228 | 2,253 | 2,102 | 2,098 |
| Total Booked | 4,574 | 4,294 | 4,329 | 4,663 | 4,817 | 4,474 | 4,435 |
| Major Crimes | 3,040 | 3,246 | 3,390 | 3,549 | 4,151 | 3,443 | 3,349 |
| Crime Prevention Presentations | 117 | 139 | 129 | 99 | 103 | 85 | 85 |
| Calls for Service | 73,171 | 73,670 | 77,658 | 77,344 | 82,037 | 77,003 | 76,879 |

1) The *per capita* rates for Part 1 Crimes in the year 2004 (476 per 10,000) is the highest since 1999 (426 per 10,000); however, it is lower than any year from 1970 to 1998.
2) The *per capita* rates for Violent Crime in the year 2004 (54 per 10,000) is the highest since 1999 (47 per 10,000); however, it is lower than any year from 1976 to 1998.
3) Calls for Service for the year 2004 were 6.1% higher than 2003, and in 2003 they were 0.4% lower than 2002.

**Goals and Objectives**
**Fiscal Year 2005/2006 and Fiscal Year 2006/2007**

*Goal*

Continue to maintain Department staffing levels

*Objective*

Work with internal and external agencies to recruit sufficient staffing

*Goal*

Develop and replace our current radio system

*Objective*

Replace the system on Hill 900 and transition to a new radio system. Continue to transition to a switch to obtain radio interoperablitiy

*Goal*

Complete upgrade of desktop personal computers and mobile data computers

*Objective*

Complete and coordinate the rotation and replacement on a 5-year schedule

*Goal*

Work toward a shared and secure law enforcement network

*Objective*

Complete work with Integrated Public Safety System (IPSS) agencies to develop resources

*Goal*

Upgrade our intranet capabilities

*Objective*

Obtain or program a google-type search engine for our General Orders, Instructions and other documents

*Goal*

Upon obtaining additional manpower, reduce response times to emergency calls for service by five percent

*Objective*

Respond to emergency calls for service (priorities 0, 1 and 2) within 13 minutes, 18 seconds on average, which would be a five percent reduction from the current average of 14 minutes

*Goal*

Enhance the effectiveness of the canine unit, thereby increasing the overall efficiency of patrol officers to locate criminal suspects and drugs

*Objective*

Increase the number of police canine teams deployed in the field in addition to increasing and enhancing canine training

*Goal*

Continue to enhance traffic safety and reduce injury collisions through enforcement, engineering, education and equipment

*Objectives*

1. Maintain a high level of proactive and problem-solving style of traffic enforcement
2. Implement objectives of various traffic safety grants regarding seatbelt compliance, DUI enforcement, underage drinking and automated citation equipment
3. Educate the public via the local media, the Traffic Safety Committee and presentations to high school students

*Goal*

Continue focus on the critical issue of reducing juvenile crime

*Objective*

1. Expand coordination of probation checks of youths at high risk schools and group homes by Gang Investigators and Juvenile Probation and Neighborhood Police Officers
2. Implement training of teachers and administrators on gang behavior and trends by Gang Investigators and School Resource Officers

*Goal*

Reduce the number of unsolved homicide cases

*Objective*

Continue to re-open unsolved cases at a rate of one per year

*Goal*

Increase community awareness on elder abuse

*Objective*

Provide public service announcements and training for officers on elder abuse issues

*Goal*

Develop a system to electronically transfer police reports to the District Attorney's Office for filing

*Objective*

Reduce costs and personnel time by imaging reports to the District Attorney and the Courts

*Goal*

Schedule requests for records release, copies of reports and background check and develope a records release procedure to reduce time spent processing requests

*Objective*

Improve customer service accuracy of released records and use staff time more efficiently

*Goal*

Develop a new Juvenile Arrest Procedure

*Objective*

Develop consistency, accountability and improve follow-up between the Police Department, Courts, Parole and Juvenile Probation

**Unmet Needs**

*Additional Police Officers and Support Staff -*

The Department added eight new police officer positions to our unmet needs list. These officers are needed based on the Department's manpower study completed in 2002, which concluded that more field personnel are needed if the Department is to effectively handle the increased number of calls for service and to reduce response times. The City of Redding has grown significantly over the past several years. While the State average for officers to population is approximately two officers per 1,000 citizens, Redding has 1.2 officers per 1,000 citizens. Further reductions in personnel or population increases will additionally impact that ratio.

Also on the unmet needs list is a Secretary I position for Investigations (the only Division without a secretary), a Records Technician for Services and an Information Technology Supervisor (currently grant-funded).

*New Police Building - $30,000,000*

The Police Department has been housed in our current facility since 1978. Due to overcrowding the Investigations Division moved to a remote site in 1988, leasing office space several blocks south of the Department. Investigations moved again in 1994 to another, larger location in the Downtown Mall. This separation causes hardships ranging from fiscal increases for rental payments to the loss of efficiency and communications between Investigations and the other divisions.

Other issues with the current facilities are lack of space for essential equipment storage, DNA evidence storage, available office space for employees, and lack of parking for police vehicles. We also lack proper parking facilities for the large public safety vehicles such as the prisoner transport van, community clean-up van, the reader board and SMART trailers, the SWAT van and the mobile command center.

Below is a list of the Police Department's Unmet needs:

Administration Division

| | | |
|---|---|---|
| 1. | New Police Facility | 30,000,000 |
| 2. | Mobile Data Computers | 50,000 |
| 3. | I/T Supervisor (move from grant funding) | 108,000 |
| 4. | Network Technician (grant funding) | 69,000 |
| 5. | Chaplain coordinator 1/2 time to 3/4 time | 10,000 |
| 6. | Janitor 3/4 time to full-time | 20,000 |
| 7. | Computer replacement | 18,869 |

Field Operations

| | | |
|---|---|---|
| 1. | Four officers each year | 760,000 |
| 2. | Safety vest match | 12,000 |
| 3. | Computer replacement | 27,026 |
| 4. | Defensive Tactics Training Course | 11,000 |
| 5. | Misc. equipment | 37,612 |

Investigations

| | | |
|---|---|---|
| 1. | Secretary | 65,000 |
| 2. | Women's Refuge Support | 5,000 |
| 3. | Special Cases Fund | 30,000 |
| 4. | Computer replacement | 29,508 |

Services

| | | |
|---|---|---|
| 1. | Records Technician | 55,000 |
| 2. | Computer replacement | 24,775 |
| 3. | Voice Recorder | 10,000 |

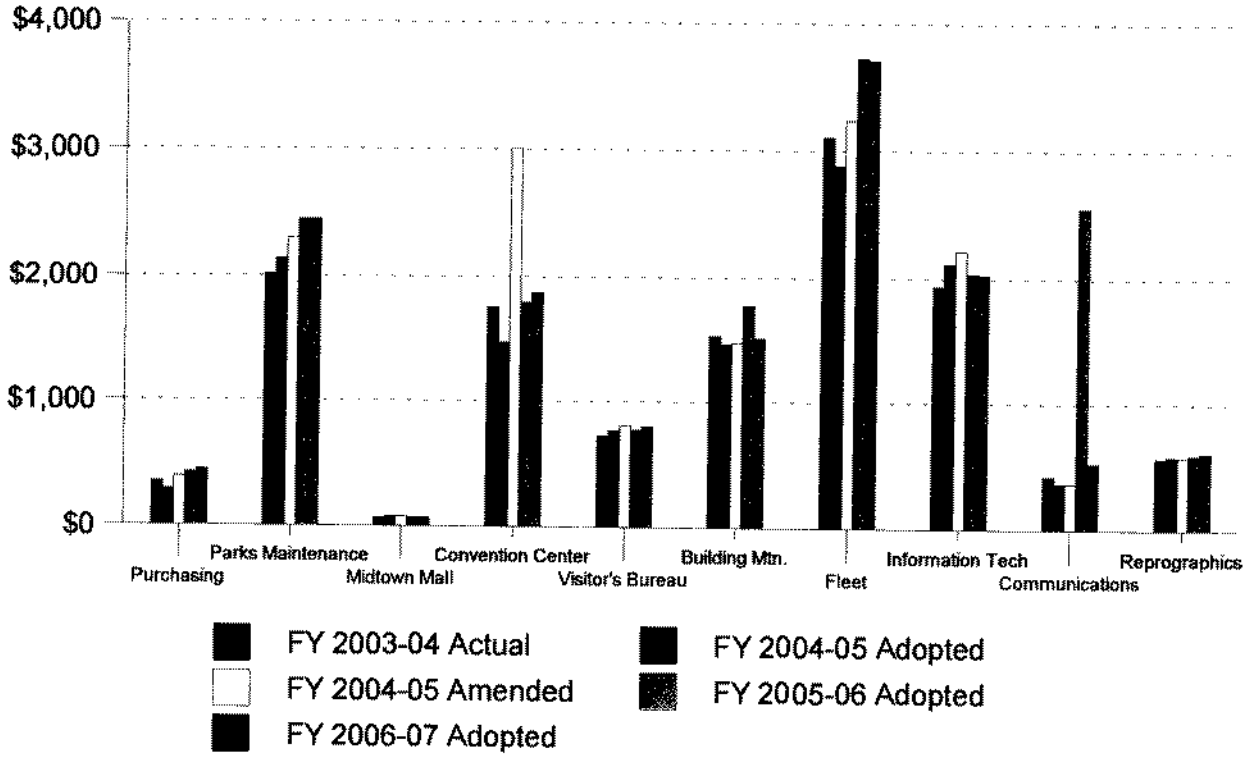
**Total Unmet Needs ..... 31,342,790**

# SUPPORT SERVICES

# Support Services

## Expenditure Comparisons

(In Thousands)



# SUPPORT SERVICES DEPARTMENT

## Overview

The Support Services Department adopted budget for FY 2005-06 totals $16,197,760, an increase of $1,754,130 from the FY 2004-05 amended budget. This increase is primarily due to an increase in capital projects in the Communication Division. The adopted budget for FY 2006-07 totals$14,014,450, a decrease of $2,183,310 from the FY 2005-06 adopted budget. This decrease is primarily due to a reduction in capital outlay in the Communication Division.

| Division | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended excluding carryovers | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|
| Purchasing | $ 347,429 | $ 283,650 | $ 386,080 | $ 421,980 | $ 35,900 | $ 443,840 | $ 21,860 |
| Parks Maintenance | 2,018,065 | 2,140,120 | 2,297,500 | 2,446,720 | 149,220 | 2,445,920 | (800) |
| Midtown Mall | 65,107 | 74,130 | 74,130 | 68,260 | (5,870) | 68,260 | - |
| Subtotal | 2,430,601 | 2,497,900 | 2,757,710 | 2,936,960 | 179,250 | 2,958,020 | 21,060 |
| Convention Center | 1,750,919 | 1,470,460 | 3,005,630 | 1,792,090 | (1,213,540) | 1,869,830 | 77,740 |
| Visitor's Bureau | 723,862 | 768,210 | 807,700 | 775,190 | (32,510) | 801,550 | 26,360 |
| Funds Subtotal | 2,474,781 | 2,238,670 | 3,813,330 | 2,567,280 | (1,246,050) | 2,671,380 | 104,100 |
| Building Maintenance | 1,530,034 | 1,463,480 | 1,473,270 | 1,773,430 | 300,160 | 1,513,000 | (260,430) |
| Fleet Maintenance | 3,104,565 | 2,880,530 | 3,237,920 | 3,727,690 | 489,770 | 3,710,330 | (17,360) |
| Information Technology | 1,937,599 | 2,120,660 | 2,218,670 | 2,041,330 | (177,340) | 2,028,470 | (12,860) |
| Communication | 418,664 | 362,730 | 363,500 | 2,556,030 | 2,192,530 | 523,310 | (2,032,720) |
| Reprographics | 568,489 | 577,960 | 579,230 | 595,040 | 15,810 | 609,940 | 14,900 |
| Internal Service Funds Subtotal | 7,559,351 | 7,405,360 | 7,872,590 | 10,693,520 | 2,820,930 | 8,385,050 | (2,308,470) |
| Totals | $ 12,464,733 | $ 12,141,930 | $ 14,443,630 | $ 16,197,760 | $ 1,754,130 | $ 14,014,450 | $ (2,183,310) |

The following table displays how the Department's budget is broken down between the major expenditure groups.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

| Division | | Personnel | Materials, Supplies, & Services | Capital Outlay | Debt Service | Total |
|---|---|---|---|---|---|---|
| Purchasing | FY 2006-07 Adopted | $ 351,400 | $ 92,440 | $ - | $ - | $ 443,840 |
| | FY 2005-06 Adopted | $ 331,680 | $ 90,300 | $ - | $ - | $ 421,980 |
| | FY 2004-05 Amended | $ 305,480 | $ 80,600 | $ - | $ - | $ 386,080 |
| Parks Maintenance | FY 2006-07 Adopted | 1,509,750 | 936,170 | - | - | 2,445,920 |
| | FY 2005-06 Adopted | 1,497,780 | 948,940 | - | - | 2,446,720 |
| | FY 2004-05 Amended | 1,427,690 | 884,690 | 5,120 | - | 2,297,500 |
| Midtown Mall | FY 2006-07 Adopted | - | 53,260 | 15,000 | - | 68,260 |
| | FY 2005-06 Adopted | - | 53,260 | 15,000 | - | 68,280 |
| | FY 2004-05 Amended | - | 54,130 | 20,000 | - | 74,130 |
| Convention Center | FY 2006-07 Adopted | 993,970 | 778,900 | - | 96,960 | 1,869,830 |
| | FY 2005-06 Adopted | 951,060 | 752,020 | - | 89,010 | 1,792,090 |
| | FY 2004-05 Amended | 787,670 | 599,190 | 1,526,780 | 91,990 | 3,005,630 |
| Visitors Bureau | FY 2006-07 Adopted | 369,630 | 431,920 | - | - | 801,550 |
| | FY 2005-06 Adopted | 350,270 | 424,920 | - | - | 775,190 |
| | FY 2004-05 Amended | 235,140 | 572,560 | - | - | 807,700 |
| Building Maintenance | FY 2006-07 Adopted | 465,050 | 1,047,950 | - | - | 1,513,000 |
| | FY 2005-08 Adopted | 530,360 | 1,243,070 | - | - | 1,773,430 |
| | FY 2004-05 Amended | 454,170 | 1,009,100 | 10,000 | - | 1,473,270 |
| Fleet | FY 2006-07 Adopted | 1,384,600 | 2,325,730 | - | | 3,710,330 |
| | FY 2005-06 Adopted | 1,385,170 | 2,342,520 | - | | 3,727,690 |
| | FY 2004-05 Amended | 1,180,590 | 2,033,730 | 23,800 | - | 3,237,920 |
| Information Technology | FY 2006-07 Adopted | 1,534,370 | 451,880 | 42,220 | - | 2,028,470 |
| | FY 2005-06 Adopted | 1,551,810 | 447,300 | 42,220 | - | 2,041,330 |
| | FY 2004-05 Amended | 1,540,480 | 445,590 | 197,980 | 34,820 | 2,218,670 |
| Communication | FY 2006-07 Adopted | 87,040 | 181,990 | 254,280 | - | 523,310 |
| | FY 2005-06 Adopted | 101,080 | 207,280 | 2,247,670 | - | 2,558,030 |
| | FY 2004-05 Amended | 171,230 | 187,770 | 4,500 | - | 383,500 |
| Reprographics | FY 2006-07 Adopted | 357,060 | 142,880 | 110,000 | - | 609,940 |
| | FY 2005-06 Adopted | 342,430 | 142,610 | 110,000 | - | 595,040 |
| | FY 2004-05 Amended | 300,850 | 151,820 | 119,000 | 7,560 | 579,230 |
| Totals | FY 2006-07 Adopted | $ 7,052,870 | $ 6,443,120 | $ 421,500 | $ 96,960 | $ 14,014,450 |
| | FY 2005-06 Adopted | $ 7,041,640 | $ 6,652,220 | $ 2,414,890 | $ 89,010 | $ 16,197,760 |
| | FY 2004-05 Amended | $ 6,403,300 | $ 5,999,180 | $ 1,906,980 | $ 134,170 | $ 14,443,630 |

**Capital Outlay**

**Midtown Mall**

The Midtown Mall Division is requesting $15,000 each year for minor mall projects including maintaining the pavers.

**Information Technology**

The Information Technology Division has requested $42,220 each year for capital outlay. In addition to routine upgrades, $7,220 of this amount will be used to support technology needs of emergency operation center.

**Communications**

The Communications Division is requesting $2,247,670 in capital outlay for fiscal year 2005-06 and $4,280 in fiscal year 2006-07. In fiscal year 2005-06 $2,243,390 is requested to replace the 800 mhz radio system. In each fiscal year, $4,280 is requested for communication needs for the emergency operations center.

**Personnel**

Parks

The Parks Division's requested budget reflects a reduction of 1.85 full time equivalents for public works maintenance workers. This reduction was necessary to help insure appropriations matched available resources.

Other Personnel Issues

In fiscal year 2005-06, several employees will retiring from the Support Services Department. While these positions have not been eliminated they are not funded in the next budget cycle. One management position will remain vacant in the following divisions: Building Maintenance, Information Technology, and Communications Division.

| Division | | FY 2003-04 Actual | FY 2004-05 Adopted | FY 2004-05 Amended | FY 2005-06 Adopted | Change | FY 2006-07 Adopted | Change |
|---|---|---|---|---|---|---|---|---|
| Purchasing | F/T | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| Parks Maintenance | F/T | 18.00 | 18.00 | 18.00 | 18.00 | 0.00 | 18.00 | 0.00 |
| | P/T | 4.73 | 4.73 | 4.73 | 2.88 | (1.85) | 2.88 | 0.00 |
| | | 22.73 | 22.73 | 22.73 | 20.88 | (1.85) | 20.88 | 0.00 |
| Convention Center | F/T | 9.00 | 10.00 | 10.00 | 10.00 | 0.00 | 10.00 | 0.00 |
| | P/T | 3.76 | 4.95 | 5.58 | 5.58 | 0.00 | 5.58 | 0.00 |
| | | 12.76 | 14.95 | 15.58 | 15.58 | 0.00 | 15.58 | 0.00 |
| Visitors Bureau | F/T | 4.00 | 3.00 | 3.00 | 3.00 | 0.00 | 3.00 | 0.00 |
| | P/T | 0.48 | 0.48 | 0.75 | 0.75 | 0.00 | 0.75 | 0.00 |
| | | 4.48 | 3.48 | 3.75 | 3.75 | 0.00 | 3.75 | 0.00 |
| Reprographics | F/T | 5.00 | 5.00 | 5.00 | 5.00 | 0.00 | 5.00 | 0.00 |
| | P/T | 1.71 | 1.71 | 1.23 | 1.23 | 0.00 | 1.23 | 0.00 |
| | | 6.71 | 6.71 | 6.23 | 6.23 | 0.00 | 6.23 | 0.00 |
| Information Technology | F/T | 21.00 | 21.00 | 17.00 | 17.00 | 0.00 | 17.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 21.00 | 21.00 | 17.00 | 17.00 | 0.00 | 17.00 | 0.00 |
| Communications | F/T | 2.00 | 2.00 | 2.00 | 2.00 | 0.00 | 2.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 2.00 | 2.00 | 2.00 | 2.00 | 0.00 | 2.00 | 0.00 |
| Building Maintenance | F/T | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 | 6.00 | 0.00 |
| Fleet Maintenance | F/T | 16.00 | 16.00 | 16.00 | 16.00 | 0.00 | 16.00 | 0.00 |
| | P/T | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 16.00 | 16.00 | 16.00 | 16.00 | 0.00 | 16.00 | 0.00 |
| Total | F/T | 87.00 | 87.00 | 83.00 | 83.00 | 0.00 | 83.00 | 0.00 |
| | P/T | 10.68 | 11.87 | 12.29 | 10.44 | (1.85) | 10.44 | 0.00 |
| | | 97.68 | 98.87 | 95.29 | 93.44 | (1.85) | 93.44 | 0.00 |

**Significant Issues**

Parks Maintenance

The Parks Maintenance Division continues to face the difficult challenge of maintaining additional facilities including parks, landscape medians, water features and other landscaped areas. This adopted budget reflects a reduction in seasonal workers that help maintain the parks during the peak spring and summer months. This reduction will impact how the facilities are maintained.

Communications

The requested budget for the Communications Division includes funding to replace the 800 mhz radio system. The current system is over 15 years old and is at risk of experiencing catastrophic failure impacting the City's ability to effectively communicate. This new system will cost approximately $2.2 million.

Convention and Visitor's Bureau Fund

While the Convention and Visitor's Bureau Enterprise Fund is projected to have a positive cash flow through out the five year planning period, it does so with just slightly over $1,000 by FY 2009-10. This issue will be one of the Department's primary concerns over the next several years. The Department will continue exploring ways to increase the Fund's cash reserves.

Fund 140 Five-Year Financial Plan

| | FY 2004-05 Estimated | FY 2005-06 Proposed | FY 2006-07 Proposed | FY 2007-08 Projected | FY 2008-09 Projected | FY 2009-10 Projected |
|---|---|---|---|---|---|---|
| Beginning Cash | $ 155,910 | $ 132,130 | $ 92,400 | $ 38,370 | $ 13,990 | $ 1,340 |
| Revenue | 2,468,840 | 2,527,550 | 2,617,350 | 2,705,710 | 2,797,770 | 2,893,670 |
| Expenses | (2,492,620) | (2,567,280) | (2,671,380) | (2,730,090) | (2,810,420) | (2,893,880) |
| Ending Cash | $ 132,130 | $ 92,400 | $ 38,370 | $ 13,990 | $ 1,340 | $ 1,130 |

**Status of FY 2003-05 Goals and Objectives**

**Redding Convention Center**

*Goal*

Adopt a capital improvement plan to prioritize and schedule necessary equipment replacement and building renovations.

*Accomplishments*

1. Identify and prioritize Convention Center capital needs for the next 10 years, particularly those needs critical to the generation of revenue. Completed capital 10 year plan in 2003.

2. Investigate and develop funding options to address these capital needs. Established a "line of credit" with the city to borrow up to $1.5 million for capital improvements. This amount funds less than ½ of the ten year projected needs. Completed 2004.

3. Develop and execute a preventative maintenance schedule to minimize future capital improvement costs. Comprehensive preventative maintenance schedule and plan are in place and being executed. Completed 2004.

*Goal*

Adopt a rental rate plan that supports the ongoing and long-term costs of the Convention Center.

*Accomplishments*

1. Identify ongoing and long-term operating and capital costs of the Convention Center. 10 year capital plan and 5 year operating budget plans are in place.
2. Comparative study of regional and local competition rates. completed 2003.
3. User focus groups conducted. 2003 & 2004.
4. Propose modifications for City Council consideration. Rate increases put before the council and passed during 2004.

*Goal*

Develop a procedural manual for Convention Center operations.

*Accomplishments*

1. Improve staff training, particularly in the area of cross training. Staff training line item added to budgets and training for all staff has occurred and continues on a regular basis.
2. Increase staff awareness of safe, clean and efficient work practices. Safety training is conducted on a monthly basis for all staff with special programs occurring throughout the year, as available.
3. Ensure consistency in the execution of Convention Center operations. Training and procedure manuals have been created and are in place. These manuals are reviewed and revised regularly.
4. Adopt standards for emergency planning. Convention Center and CVB operate with improved efficiency and safety. Emergency safety manuals and procedures have been created and are followed and practiced throughout the year.
5. Staff has improved internal budget awareness and accountability.

*Goal*

Enhance the Convention Center ticketing system.

*Accomplishments*

1. The entire software package for the ticketing system has been replaced. Additionally, redundant backup systems are in place as well. Training and operating procedures manuals have been created and are well taught and maintained.
2. Training programs in customer service have been initiated and are conducted regularly.
3. All day of sales, end of event and event management systems and procedures have been improved. Example: Daily deposits taking weeks are now accomplished in minutes.
4. On line purchasing has been added to ticketing option.

*Goal*

Coordinate the development of an improved online Convention Center event calendar that incorporates a community event calendar component.

*Accomplishment*

On line calendars available on both the Convention Center and CVB web sites. Both calendars are updated regularly.

**Redding Convention and Visitors Bureau**

*Goal*

Increase City revenues generated through collection of Transient Occupancy Tax.

*Accomplishment*

Transient Occupancy Tax collections increased $248,736 from the end of fiscal 2001 -2002 to the end of 2003 -2004. Projections for the remainder of this fiscal year show an increase of an additional $28,000.

*Goal*

Assist Turtle Bay Museum in developing short-term and long-term marketing plans.

*Accomplishments*

1. Improved communications and relations with Turtle Bay administration and marketing staff including regular joint staff meetings. Many cooperative efforts and programs are in place and underway.
2. Turtle Bay is highlighted in almost every promotion the CVB conducts.
3. Sundial Bridge featured heavily in re-branded CVB. materials, video, website and printed promotional materials.

*Goal*

Coordinate the development and usage of an online community event calendar that includes Convention Center events.

*Accomplishment*

Calendars for both city-wide and convention center events are available on line and are updated regularly.

*Goal*

Redesign, re-launch and continue to improve the Convention and Visitors Bureau website.

*Accomplishments*

1. Website has been redesigned with new look and ease of use.

2. Additional links have been and will be added when practical and beneficial to the CVB. Providing interactive elements on the website was an initial objective, while interactive elements are fun for those with high speed connections, it is necessary to remain cognizant that many users do not access the internet with high speed connections, yet. This objective has proven to be less practical than was originally anticipated.
3. Tracking at present is limited to the amount of visitors and hits on the website. Visitor feedback is solicited and reviewed regularly.
4. Improvements are made continuously as budget and time permit.

*Goal*

Develop and distribute a visitor promotional package that includes a DVD/video of Redding attractions.

*Accomplishment*

New video package completed and distribution package available in April, 2005.

**Purchasing**

*Goal*

Continue to consolidate the numerous versions of terms and conditions used by the City.

*Accomplishment*

Worked with Risk Management and the City Attorney's office for input and approval on changes to specific clauses. Staff then inserts changed language into all versions of the terms & conditions that use that particular clause. Changes are not tracked via a formal log, however, revision dates are incorporated into the documents.

*Goal*

Broaden the approved methods of disposal of surplus materials.

*Accomplishment*

The Municipal Code has not been changed formally to try and offer flexibility to donate to non-profits. Purchasing has worked at establishing a fair market value for surplus items when there has been interest from another agency or non-profit to purchase surplus property. This helps expedite the process of disposing of surplus product, while generating some revenue, and being of assistance to area agencies and non-profits.

*Goal*

Revise and reconstruct the Purchasing Manual, to make it a more user friendly.

*Accomplishment*

The entire Purchasing Manual has not been overhauled as of yet. However, a hand-out has been developed for employees describing all the basic elements for making purchases and working with the AS400. The feedback on this shortened version has been very positive.

*Goal*

Improve the level of assistance offered by Purchasing to our internal customers.

*Accomplishment*

The purchasing officer has attended some divisions' staff meetings to go discuss purchasing, and have had reviews with other divisions in an effort to improve on the service Purchasing provides.

**Parks Maintenance**

*Goal*

To ensure that the City receives a quality project that will enhance the beauty of the boat ramp areas and to ensure that maintenance issues are addressed on all boat ramp renovation projects.

*Accomplishment*

The following projects have been completed:

1. Turtle Bay Boat Ramp Renovation Project.

2. Lake Redding Boat Ramp Renovation Project. Phase one of this project will include a new restroom facility and new boarding floats. Phase two will include a new boat ramp, pylons, parking lot improvements, landscaping and a shade structure.

The City received a quality project that enhances the beauty of the area. The new docks, restroom and gazebo are all heavily used. The parking lot landscaping at Lake Redding Boat Ramp was also a great addition to the facility.

*Goal*

To ensure that the City receives a quality trail improvement project that will enhance the beauty of the area and to ensure that maintenance issues are addressed for all trail improvement projects.

1. Gold Run Creek and Buenaventura Boulevard Trail (estimated cost $875,000)
2. River Trail to Rail Trail (estimated cost $233,000)
3. Jenny Creek and Westside Trail Connection Trail (estimated cost $395,000

*Accomplishment*

These projects are still in the design stage.

*Goal*

Ensure that all maintenance issues are addressed and the best quality ball field is provided for the community on the renovation of Tiger Field. It is estimated that this project will cost $2,100,000.

*Accomplishment*

The Parks Division is still working closely with the Community Services Department on the improvement plans for Tiger Field.

*Goal*

To ensure that the City receives a quality project for the Turtle Bay Pedestrian Bridge Project that will enhance the beauty of the area and to ensure that maintenance issues are addressed

*Accomplishment*

The Parks Division worked closely with Turtle Bay, the Public Works Department and the Kiewit Pacific Company on the Turtle Bay Pedestrian Bridge Project. The project was dedicated on July 4, 2004. It is a very popular addition to our city!

*Goal*

Ensure that the City receives a quality project on the Parkview Riverfront Park and Trail Project that will enhance the beauty of the area and to ensure that maintenance issues are addressed.

*Accomplishment*

The Parks Division worked closely with the Redevelopment Department to ensure that the City received a quality project. It was dedicated on October 28, 2004.

*Goal*

Replace the Timberform play structure at Alta Mesa Park.

*Accomplishment*

Funding has not been made available for this project, therefore, the playground equipment will be removed in the summer of 2005.

*Goal*

Ensure that the City receives a quality project on the Sports Complex that will enhance the beauty of the area and to ensure that maintenance issues are addressed.

*Accomplishment*

The Parks Division worked closely with the Recreation Division, Community Services Department, Public Works Department and Dale Construction to ensure that the City received a quality project. The project was dedicated on Saturday, July 31, 2004. The facility is heavily used and well accepted by the community.

*Goal*

Ensure that the City receives a quality project on all landscape median projects that will enhance the beauty of the area and to ensure that maintenance issues are addressed.

*Accomplishment*

The Parks Division continues to work closely with the Redevelopment Department , the Public Works Department and Cal Trans. to ensure that the City receives a quality project that will enhance the beauty of the area and to ensure that maintenance issues are addressed.

Ensure that the City receives a quality project on the Plunge Renovation that will enhance the beauty of the area and to ensure that maintenance issues are addressed.

*Accomplishment*

The Parks Division worked closely with Recreation Division, Community Services Department and Public Works Department to ensure that the City received a quality project. On January 27, 2003, the Parks Division assumed the responsibility for the maintenance at the Aquatic Center.

*Goal*

Ensure that the City receives a quality project on Clover Creek project that will enhance the beauty of the area and to ensure that maintenance issues are addressed.

*Accomplishment*

The Parks Division continues to work closely with the Engineering Division to ensure that the City receives a quality project that will enhance the beauty of the area and to ensure that maintenance issues are addressed. This project has been delayed due to weather. It is now scheduled to be completed in the spring of 2005.

*Goal*

Ensure that the City receives a quality project with the Mayor's Memorial Fountain Project that will enhance the beauty of the area and to ensure that maintenance and safety issues are addressed.

*Accomplishment*

The City received a quality project that enhances the beauty of the area. This project was dedicated on Tuesday, July 15, 2003.

*Goal*

Replace the playground equipment at Bobwhite Park.

*Accomplishment*

A new Timber Form play structure was completed at Bobwhite Park on April 8, 2003.

*Goal*

Ensure that the City receives a quality project on the Caldwell Park Playground Project that will enhance the beauty of the area and to ensure that maintenance and safety issues are addressed.

*Accomplishment*

The Parks Division continues to work closely with the Community Services Division to ensure that the city receives a quality project that will enhance the beauty of the area and to ensure that maintenance and safety issues are addressed. This project is scheduled for completion in the spring of 2005.

*Goal*

To ensure that the City receives a quality project with the Caldwell Memorial Project that will enhance the beauty of the area and to ensure that maintenance and safety issues are addressed. This project was scheduled for completion in the summer of 2003.

*Accomplishment*

The City Parks Division continues to work closely with the Community Services Division To ensure that the City receives a quality project that will enhance the beauty of the area and to ensure that maintenance and safety issues are addressed. This project is scheduled for completion in the summer of 2005.

**Building Maintenance**

*Goal*

Continue to maintain the Civic Center in "like new" condition and reduce cost related to utility usage.

*Accomplishment*

1. Continued maintenance schedules with contractors - window washing, carpet cleaning and janitorial services.
2. Adjusted HVAC system controls for more efficient operations.
3. Completely outsourced all HVAC maintenance and repairs including equipment replacement for a fixed cost.

*Goal*

Reduce the number of work orders that were generated during safety inspections.

*Accomplishment*

Building Maintenance has completed those work orders that were of highest priority.

*Goal*

Continue to work with the Midtown Mall Benefit Corporation to maintain the safety and cleanliness of the common areas of the Midtown Mall at the lowest possible cost.

*Accomplishment*

Building Maintenance has worked closely with all personnel responsible for the revitalization of the Midtown Mall.

*Goal*

Be able to measure the energy savings through the use of the energy management system.

*Accomplishment*

Although a balance has been achieved between comfort and efficient operation of HVAC systems, only minor progress has been made to measure true energy savings.

**Fleet Maintenance**

*Goal*

Continue the City's compliance with mandated State, County, and City regulations.

*Accomplishments*

1. Continued to comply with the Stete-mandated gasoline smog program.
2. Continued to comply with the State-mandeted diesel particulate matter smog program.
3. Performed and kept records of the State-mandated B. I. T. inspection program.
4. Performed and documented the OSHA-mandated 90-day crane inspections.
5. Coordinated the annual crane inspections.
6. Performed the 3,000-miles safety inspections on all police pursuit vehicles.
7. Performed a trailer preventative maintenance and inspection program.
8. Created and perform new solid waste, state mandeted retrofit particulate matter and NOX Smog program.
9. Created a program, mandated by Shasta County Air Resources District for location, description, and inspection, of City owned diesel powered stationary emergency generators.
10. Prepare a Hazardous Materials Business Plan mandated by Shasta County Hazardous Materials Management for Fleet Maintenance.
11. Made repairs to Fleets hazardous waste oil containment area, to comply with state pollution requirements.

*Goal*

Provide department driver treining.

*Accomplishment*

Continued to provide classes for all departments that utilized both medium and heavy trucks.

*Goal*

Continue to reduce Fleet Maintenance costs.

*Accomplishments*

1. Provided technical treining for mechanics.
2. Continued to work with departmental lieisons to eliminate underutilization of equipment.
3. Continued to track costs of equipment to identify and replace those pieces of equipment with excessive maintenance and repair costs.

*Goal*

Maintain all City vehicles in compliance with safety requirements.

*Accomplishments*

1. Completed all aerial bucket truck inspections punctually and as required by OSHA.
2. Performed sefety inspections of all police pursuit vehicles every 3,000 miles.
3. Preformed mandated National Fire Protection Association Safety inspections, repairs and required maintenance to fire equipment.
4. Performed safety inspections all City vehicles and equipment at each oil change.

*Goal*

Help reduce the number of vehicle accidents.

*Accomplishments*

Departments continued to reduce their number of accidents.

*Goal*

Eliminate underutilized equipment.

*Accomplishments*

1. Continued to work with department liaisons to identify underutilized/obsolete equipment.
2. Eliminated old, high-cost vehicles by selling them as surplus equipment.
3. Worked with the Purchasing Division to receive the highest salvage value for surplus equipment.

**Information Technology/Communications**

*Goal*

Assist and or provide leadership for new technology projects for all City departments.

*Accomplishment*

1. Provided project management and integration support for new applications.
2. Worked with Record's staff to implement a document imaging solution. The initial project provided for the electronic storage of personnel records. Additional imaging projects have been completed to provide online access to council staff reports.
3. Completed the migration to a new email/calendar system. A complete migration to Microsoft exchange has been made.
4. Completed various payroll projects including new W-2 forms and pay stub redesign.
5. Completed new banking interface with ACH/EFT processing.
6. Enabled animal control reports to interface with PDA's.
7. Installed PEN Systems for fire inspection processing and performed integration with existing systems.
8. Enabled online burn permit processing.
9. Expanded network access to City employees at various locations including but not limited to Fire Stations, Parks/Recreation, Visitor Bureau and Convention Center.
10. Assisted with new Cable Franchise agreement, which will result in a greatly enhanced city-wide network.
11. Installed spam filtering server.
12. Installed Aquatic Center point of sale system and integrated it with existing City applications.
13. Enable credit card processing for Clerk's office and Transfer Station.
14. Installed online convention center ticketing system and integrated it with existing City applications.

15. Provided technical specifications for the implementation of the internal voice and data network at Big League Dreams.

*Goal*

Redesign City of Redding Access Line (CORAL) City of Redding home page.

*Accomplishment*

1. Completely redesigned web sites using modern graphic designs.
2. Added additional online services - bum permits, local site search.
3. Implemented a new method for individual departments to update web content.

*Goal*

Implement project plan to upgrade 800MHz trunked radio system.

*Accomplishment*

1. Funding for upgrade was not available, but an alternate plan was developed to purchase used equipment that is functioning as a backup system.
2. Upgraded Municipal utilities radios from type I to type II.
3. Coordinated programming of all 800 MHz radios to work with backup system.

**Reprographics Division**

*Goal*

Provide the City of Redding with the highest quality copying at the least cost.

*Accomplishment*

The current pool of copiers were installed in October 2001. After the transition and training there have been few complaints, with the exception of the Police Department's large machine which has been replaced. In 2003 we purchased two table top copy machines to be used and not included in the pool, one for Records and one for Redding Power Plant. In 2004 Redding Municipal Utilities upgraded their 32 copies per minute machine to a 55 copies per minute machine. The Division is in the process of connecting several copiers to the City's network to be used as both printers and photocopiers.

*Goal*

Provide inserting of utility bills into envelopes to provide a better service at a lower cost.

*Accomplishment*

The equipment has been installed and the inserting is being done by Reprographics staff.

*Goal*

Continue to provide the best mailing service for the City at the least cost.

*Accomplishment*

1. The Division has stayed current with the U.S. Postal Service regulations.

2. The Division continues to evaluate costs of acquiring equipment to provide mail metering "in house" versus utilizing vendor services.

*Goal*

Continue to provide the City with high quality, creative graphic design services.

*Accomplishment*

Upgraded technology to include the latest hardware and software available.

*Additional Accomplishment*

Procured used offset printer to replace an older printer than was unable to be repaired, at a significant savings.

**Performance Measures and Workload Indicators**

**Redding Convention Center & Convention & Visitors bureau**

**Convention Attendance and Economic Impact**

| | 2001 Actual | 2002 Actual | 2003 Actual | 2004 Actual | 2005 Projected | 2006 Projected |
|---|---|---|---|---|---|---|
| Number of Conventions | 33 | 37 | 39 | 40 | 37 | 38 |
| Number of Delegates | 19,900 | 18,691 | 21,793 | 19,901 | 21,568 | 22,215 |
| Delegate Days | 67,399 | 66,673 | 83,691 | 106,333 | 86,819 | 89,424 |
| Average Delegates | 603 | 502 | 559 | 497 | 586 | 604 |
| Room Nights | 17,031 | 17,522 | 21,793 | 20,102 | 20641 | 21,260 |
| Economic Impact | $8,830,000 | $8,346,825 | $10,461,375 | $13,291,625 | $10,852,375 | $11,177,950 |

NOTE: This data has historically been tracked by calendar year, not fiscal year. The final numbers for 2003 exceed anticipated targets in all categories. As did the actual numbers for 2004 except in the "average delegates" category.

**Transient Occupancy Tax Collected**

| Fiscal Year | TOT Collected | Increase |
|---|---|---|
| 2000-2001 | $2,741,191 | 4.16% |
| 2001-2002 | $2,981,048 | 8.75% |
| 2002-2003 | $3,239,739 | 8.68% |
| 2003-2004 | $3,229,784 | - 3.00% |
| 2004-2005 (Projection) | $3,458,200 | 7.00% |
| 2005-2006 (Projection) | $3,586,000 | 1.0% |
| 2006-2007 (Projection) | $3,729,440 | 4.0% |

**Purchasing**

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Standard P.O. Transactions | 2,680 | 2,639 | 2,660 | 2,718 |
| Blanket P.O. Transactions | 16,024 | 15,996 | 18,315 | 16,642 |
| Quotation Requests Distributed | 1,954 | 1,835 | 1,938 | 1,976 |
| Formal Bids and RFP's Opened | 97 | 90 | 85 | 85 |
| Value of Standard and Blanket P.O.'s | 21,218,562 | 18,241,830 | 18,806,667 | 18,978,800 |
| Value of Cal Card Purchases | 2,701,734 | 2,692,525 | 2,746,378 | 2,801,303 |
| Total Value of Acquisitions | $21,918,296 | $20,934,355 | $21,353,043 | $21,780,103 |

## Parks

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Improved Park Sites | 33.00 | 33.00 | 34.00 | 34.00 |
| Improved Acres | 201.10 | 201.10 | 213.10 | 273.10 |
| Unimproved Park Sites | 32.00 | 33.00 | 33.00 | 33.00 |
| Unimproved Acres | 345.47 | 345.47 | 345.47 | 474.47 |
| Tennis Courts | 16.00 | 16.00 | 16.00 | 16.00 |
| Miles of Trails | 15.98 | 15.98 | 16.91 | 23.45 |
| Aquatic Facilities | 2.00 | 2.00 | 2.00 | 2.00 |
| Athletic Facilities* | 8.00 | 8.00 | 8.00 | 9.00 |
| Acres of Athletic Facilities* | 19.25 | 19.25 | 54.25 | 54.25 |
| Landscaped Areas (other than park sites) | 30.00 | 30.00 | 34.00 | 35.00 |
| Acres of Landscaped Areas (other than park sites) | 12.90 | 12.90 | 14.39 | 18.59 |
| Soccer Fields* | 3.00 | 3.00 | 3.00 | 7.00 |
| BMX Parks | 1.00 | 1.00 | 1.00 | 1.00 |
| Skateboard Parks | 1.00 | 1.00 | 1.00 | 1.00 |
| Disk Golf Courses | 1.00 | 1.00 | 1.00 | 1.00 |
| City Facilities (grounds around City buildings) | 9.00 | 9.00 | 9.00 | 9.00 |
| Acres of City Facilities | 80.33 | 80.33 | 80.33 | 80.33 |
| Landscape Maintenance Districts | 38.00 | 43.00 | 48.00 | 50.00 |
| Boat Ramp Facilities | 3.00 | 3.00 | 3.00 | 3.00 |
| Ponds/Lakes | 1.00 | 1.00 | 2.00 | 2.00 |
| Utility Accounts | 164.00 | 171.00 | 178.00 | 186.00 |
| Bridges | 1.00 | 1.00 | 2.00 | 2.00 |
| Water Features | 3.00 | 3.00 | 4.00 | 6.00 |

*Increase due to completion Sports Complex for which City maintenance is limited oversight only

## Building Maintenance

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Area (sq. Ft) Serviced/Maintained | 454,9275 | 454,927 | 454,927 | 454,927 |
| Major Repair/Maintenance Work Orders | 500 | 500 | 500 | 500 |
| Number of Buildings | 35 | 35 | 35 | 36 |
| Number of A/C Units Maintained | 171 | 171 | 250 | 250 |

**Fleet**

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Repair Orders (All) | 10,775 | 10,569 | 10,000 | 10,000 |
| Number - City Units | 928* | 950* | 964* | 966* |
| Special Equipment Training | 4 | 4 | 4 | 4 |
| Supervisory Training Classes | 2 | 2 | 2 | 2 |

*Includes non-licensed vehicles and other gas-powered equipment that the Fleet Maintenance Division maintains.

**Information Technology/Communication**

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| COR400 - 24hr/day | 99+% | 99+% | 99+% | 99+% |
| RPD400 - 24hr/day | 99+% | 99+% | 99+% | 99+% |
| IPS400 - 24hr/day | 99+% | 99+% | 99+% | 99+% |
| Network Domain Controllers - 24hr/day | 99+% | 99+% | 99+% | 99+% |
| Internet Service - 24hr/day | 99+% | 99+% | 99+% | 99+% |
| Number of e-mail accounts | 550 | 600 | 600 | 625 |
| Number of Service Calls | 1,536 | 1,750 | 1,850 | 1,800 |

**Reprographics**

| Workload Indicators | 2003-04 Actual | 2004-05 Estimated | 2005-06 Projected | 2006-07 Projected |
|---|---|---|---|---|
| Photocopies Reproduced | 2,380,322 | 2,800,000 | 3,500,000 | 3,700,000 |
| Press Impressions | 3,257,000 | 3,300,000 | 3,300,000 | 3,300,000 |

**Goals and Objectives for FY 2005-07**

**Convention Center**

*Goal*

Continue to enhance the ticketing system that will help to save expenses and create additional revenue.

*Objective*

1. Ticketing solutions to add scanning technology.
2. Recruit new ticketing clients.

*Goal*

Enhance the Convention Center programming to provide a variety of events that appeal to a broad audience.

*Objectives*

1. Development of a new variety series - programming
2. Renegotiate Broadway series agreement.
3. Develop teen events.
4. Continue to develop relationships with regional promoters and agents

*Goal*

Continue to follow the capital improvement plan to make necessary equipment replacement and building renovations.

Objective

Manage ongoing projects and add new projects as time and money allow.

*Goal*

Continue to explore all possibilities to enhance revenue.

*Objective*

1. Explore signage and sponsorship revenue streams
2. Issue a food and beverage request for proposals with the goal of improving revenues.
3. Explore other revenue possibilities. Example: Parking
4. Finalize long term pouring rights for soft drinks agreement.

*Goal*

Create and improve electronic marketing plan and tools.

*Objective*

1. Explore the possibility of a new message center marquee. I - 5 or Hwy 44 visible.
2. Upgrade marketing materials. Printed and electronic.

*Goal*

Continue on staff development, to ensure safe work environment and team building.

*Objective*

1. Continue preventative maintenance and safety programs
2. Continue staff training, as budget permits.
3. Finalize long term stage hand labor agreement.
4. Conduct familiarization tours of other city departments for staff.
5. Develop staff appreciation and incentive programs.
6. Complete long term/short term efficiency study, reports and recommendations

*Goal*

Improve contributions and participation in appropriate trade organizations.

*Objective*

Participate more fully in the International Association of Assembly Managers, budget allowing.

*Goal*

Improve utilization of city owned property including the Convention Center and surrounding areas.

*Objective*

Develop a long range master plan for the convention center and neighboring city owned property.

**Convention and Visitor's Bureau**

*Goal*

Increase City revenues generated through collection of Transient Occupancy Tax.

*Objective*

Improve over night stays by promoting and advertising city and regional attractions.

*Goal*

Continue to improve the marketing of the City and surrounding areas.

*Objective*

1. Develop a waterfalls brochure.
2. Develop a new marketing strategy for new meeting business. Include possible partners in the planning process.
3. Improve Channel 8 programming.
4. Create Sundial Bridge brochure and two color "In-City" Adventure Guide brochure for use at Redding conventions, meetings, and walk-in visitors.
5. Develop procedures for communicating with writers and for sharing press release information about local and regional story ideas and upcoming events.
6. Work on a press trip or FAM tour for writers to the area.
7. Develop and improve promotional items.

*Goal*

Continue to develop electronic marketing tools by using the latest technology available.

*Objective*

1. Convert all offered brochures in a downloadable electronic format.
2. Digitize and organize photo library
3. Coordinate efforts with Information Technology to track user sessions on the CVB website.
4. Complete entry/input of all data/info to CVB website including dining information, changing event page, and completing "attractions" and "media" pages.
5. Research and develop various electronic marketing strategies for possible inclusion of paid placement of website information.

6. Complete Convention Center, Film, and CVB "business card" CD project; CVB's CD/DVD video piece; and electronic press kit.

*Goal*

Continue to develop good working relationships with other agencies and local business.

*Objective*

1. Assist Turtle Bay with the Public relation for the Arboretum.
2. Continue to develop Big Bike Weekend.
3. Continue working with BLM on marketing of the Sacramento River National Recreation Trail, specifically to highlight completion of the trail to Shasta Dam. This would include revamp of the existing trails brochure to include this new section of trail.
4. Create an Emergency Housing Plan to help with I - 5 closures.

*Goal*

Continue on staff development, to ensure safe work environment and team building.

*Objective*

1. Continue staff training including training of front-office staff regarding local and regional tourism attractions.
2. Conduct familiarization tours of other city departments for staff.
3. Develop staff appreciation and incentive programs.

**Purchasing**

*Goal*

Create a condensed set of core Purchasing Policies and Procedures, to be available on the City's Intranet.

*Objective*

Develop a short, two page document that offers all employees a solid foundation for understanding how the purchasing process and what key issues need to be taken into consideration prior to a bid award. This document will be made available on the Intranet, and easily printed for an employee to use as a desk reference. Key items to be addressed: dollar threshold levels, methods of obtaining competitive offers, methods of purchasing (blanket orders, credit cards, purchase orders, etc), when insurance is needed, when a State Contractor's License is required, and when Prevailing Wages are required.

*Goal*

Develop a tool for City-wide use to assist in consistent, and correct release of formal contracts.

*Objective*

Create a check list that can be made available on the Intranet. The check list will include issues such as rationale for vendor selection, job estimate and job order (proof of available funds), proof of approved insurance certificates, contractor's license (when applicable), etc.

*Goal*

Work with Finance and Information Technology Divisions to reduce the size of the "vendor database," currently over 40,000 entries.

*Objective*

1. Establish parameters that would allow for the deletion of files that have been inactive.
2. Perform sample tests to verify program.
3. Additionally, only input new vendor applications representing products and services for which the City would truly be likely to use.
4. Keep hard copy applications for one year of companies that are not input right away (in case a future need arises).

*Goal*

Continue to work to consolidate the numerous versions of Terms and Conditions used by the Cify.

*Objective*

1. Reduce the number of documents in the City's database.
2. Request a city attorney review and approval of any changes in order to achieve a higher level of consistency within these documents.

**Parks**

*Goal*

To ensure that the City receives a quality project that will enhance the beauty of the area and to ensure that maintenance issues are addressed.

*Objective*

The Parks Division will work closely with the Community Services Division on the construction of the following trails:

1. Old 99 Trail, River Trail to Rail Trail
2. Mary Lake Trail Extension
3. Buenaventura Trail
4. Buenaventura Trail phase 2.

*Goal*

The Parks Division will work closely with the Planning Division and the Engineering Division on the construction of the medians proposed for Dana Drive and Cypress Avenue.

*Goal*

The Parks Division will work closely with the Planning Division ,Engineering Division and Community Services Division on the construction of the following:

1. Sculpture Park that is to be constructed on the north east side of the Civic Center. Construction may start in the summer of 2005.

2. Hope's Garden that is to be constructed on the south east side of the Civic Center. Construction may start in the spring of 2005.

*Goal*

The Parks Division will work closely with the Planning Division, Engineering Division and developers on the construction of several new Landscape Maintenance Districts that are to be constructed in the next two years.

*Goal*

To improve the security in Caldwell Park and Enterprise Park.

*Objective*

The Parks Division is requesting funds in the 2005-07 budget to improve security in Caldwell Park and Enterprise Park. New cameras systems would be installed and vandalism would be reduced.

*Goal*

Continue efforts in improving the quality of Mary Lake and the surrounding area.

*Objective*

The Parks Division is requesting funds in the 2005-07 budget to continue its efforts in improving Mary Lake and the surrounding area. Approximately $10,000 per year is needed to continue with our established maintenance program.

**Building Maintenance**

*Goal*

Ensure that future maintenance needs are addressed the construction of Fire Station #8.

*Objective*

1. Work with Fire Administration on the construction and future maintenance needs of Fire Station #8.
2. Obtain all operating and maintenance manuals to facility proper maintenance in the future.

*Goal*

Reduce the number of work orders that were generated during safety and ADA inspections.

*Objective*

1. Continue to work on the backlog of safety work orders and correct the highest priority items as soon as possible.
2. Address ADA issues as prioritized by the ADA committee.

*Goal*

Work with Purchasing on the final resolution of the HVAC contract.

*Objective*

Be able to evaluate, choose and monitor the HVAC contractor during the term of the contract.

*Goal*

Monitor the progress of the demolition of the north end of the mall for the safety and satisfaction of the mall tenants.

*Objective*

Work with Redevelopment in the preparation for the demolition of the north end of the Midtown Mall.

**Fleet Maintenance**

*Goal*

Continue the City's compliance with required State and County programs.

*Objectives*

1. Continue to comply with the state mandated gasoline smog program.
2. Continue to comply with the state mandated diesel smog program.
3. Perform and keep records of the state mandated B.I.T. inspection program.
4. Perform and document the OSHA-mandated 90-day crane inspections.
5. Coordinate the annual crane inspections.
6. Perform the 3,000-miles safety inspections on all police pursuit vehicles.
7. Perform Trailer Inspections
8. Create new Smog programs as they become State or Air Resources Board mandates.

*Goal*

Ensure safety of city employees who utilize city vehicles.

*Objective*

1. Continue to hold equipment inspection classes for all departments that utilize both medium and heavy trucks.
2. Continue to have department driver training.

*Goal*

Continue to reduce fleet maintenance costs.

*Objectives*

1. Provide more technical training for mechanics.
2. Continue to work with departmental liaisons to eliminate underutilized equipment.
3. Continue to perform new police and fire radio equipment installations cost effectively.

## Information Technology/Communications

*Goal*

Provide leadership for new technology projects for all City departments.

*Objectives*

1. Provide project management and integration support for new applications.
2. Continue to work with Record's Department staff to implement a document imaging solution.
3. Provide new applications systems using modem client server graphical user interface programming methods.
4. Complete the installation of a new fiber optic network connecting seventeen city facilities (iNet).
5. Continue to maintain and upgrade existing system.
6. Continue to provide end user support and training.
7. Develop a new cashiering system for the Treasurer's Office.
8. Provide the necessary support to implement solutions required by the Development Services Department.

*Goal*

Implement project plan to upgrade 800MHz trunked radio system.

*Objectives*

1. Coordinate orderly migration to upgraded system.
2. Work with departments to verify interoperability requirements are met by upgraded system.
3. Work with SHASCOM and RABA to mitigate outages during upgrade.

## Reprographics

*Goal*

Provide the City of Redding with the highest quality copying and off-set printing at the least cost.

*Objective*

Beginning May 2006: Prepare RFP, and procure and install new digital photocopiers to replace the City's current pool of machines, for which the contract expires October 2006.

*Goal*

Reduce the cost of laser printing the utility bills.

*Objective*

Beginning March 2005, Reprographics is taking over printing of the utility bills for Customer Service from the Information Technology Division. This will add 100,000 copies per month in volume. Migrating the copies from a laser printer to the photocopier, it will save an estimated two cents per print.

**Unmet Needs**

Convention Center

| | |
|---|---|
| Administrative Assistant | $ 50,000 |
| P/W Maintenance Worker | 20,000 |
| Additional operating materials and supplies | 45,000 |
| Capital Improvements | 1,800,000 |
| Subtotal | $1,915,000 |

Visitor's Bureau

| | |
|---|---|
| Administrative Assistant | $50,000 |
| Additional operating materials and supplies | 30,000 |
| Subtotal | $ 80,000 |

Purchasing

| | |
|---|---|
| Computers and Software | $ 2,500 |
| Training | 5,000 |
| Subtotal | $ 7,500 |

Parks

| | |
|---|---|
| Resurface the parking lot at T.R. Woods Park | $ 40,000 |
| Repair asphalt and concrete on the Sacramento River Trail | 30,000 |
| Resurface the tennis courts at Alta Mesa Park | 25,000 |
| Additional tree trimming crew (one tree Trimmer, one Public Works Maintenance Worker, one aerial lift truck and one brush chipper) | 250,000 |
| Replacement of five playground structures the do not meet ADA accessibility requirements. | 130,000 |
| Curb replacement in Lake Redding Park | 25,000 |
| Road repair in Caldwell and Lake Redding Parks | 50,000 |
| New Soccer Goals for Caldwell Park | 4,000 |
| Ongoing Work @ Mary Lake | 10,000 |
| Fantasy Fountain Rubber Matting | 3,500 |
| Replace Of Lights @ Kiwanis # 2 Ballfield | 30,000 |
| Resurface the tennis courts at Buckeye Park | 40,000 |

**Unmet Needs (continued)**

| | |
|---|---|
| ADA Improvements for existing restroom facilities. | 40,000 |
| Resurfacing of parking lots at Alta Mesa Park | 35,000 |
| New Topdresser for the soccer fields | 20,000 |
| Resurface and stripe South City Parking lots | 50,000 |
| New Ballfield Prep Machine | 8,500 |
| Replacement Glass for the Sundial Bridge | 25,000 |
| Replacement of Maintenance Building in Caldwell Park | 40,000 |
| Subtotal | $ 856,000 |

Building Maintenance

| | |
|---|---|
| Parks and Facility Manager (unfunded position) | $ 125,000 |
| Additional Building Trades Maintenance Worker | 75,000 |

| | |
|---|---|
| Security | 30,000 |
| Slurry Seal Corp Yard Parking Log | 58,000 |
| Glass Replacement Civic Center | 6,000 |
| Subtotal | $ 294,000 |

Fleet

| | |
|---|---|
| Additional Equipment Mechanic | $ 85,000 |

Information Technology/Communications

| | |
|---|---|
| Funding for vacant Network Administrator | $ 100,000 |
| Funding for vacant Telecommunication Manager | 110,000 |
| Subtotal | $ 210,000 |

Reprographics

| | |
|---|---|
| Additional part-time Mail Courier | $ 12,000 |
| Department Total | $3,459,500 |

# NOTES

# APPENDIX

# APPENDIX

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# NOTES

# GLOSSARY

## GLOSSARY

**ACCRUAL BASIS OF ACCOUNTING:** A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

**ADOPTEO BUOGET:** The appropriations as they were original adopted by the City Council before any amendments were made to the budget.

**APPROPRIATION**: A legal authorization by the City Council to make expenditures and to incur obligations for specific purposes. An appropriation is limited in amount and the time when it may be expended.

**BASE BUDGET**: An estimate of the minimum resources required to maintain the current level of services, assuming no change in service demands.

**BPPM**: Budget Policies and Procedures Manual for the City of Redding.

**BUDGET OOCUMENT**: The instrument used by the City Manager to present a comprehensive financial program to the City Council.

**BUDGET MESSAGE**: A general discussion of the proposed budget as presented in writing by the City Manager to the City Council.

**BUDGET ACCOUNTS**: Accounts used to enter the adopted annual operating budget into the subsidiary ledgers as part of the management control process.

**BUDGET CONTROL**: The control or management of the City's resources in accordance with the adopted budget as amended by the City Council for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**CAPITAL BUOGET**: Funds that are used to account fro financial resources used for major capital improvements projects.

**CAPITAL IMPROVEMENT PLAN**: The document prepared on an annual basis that outlines what major capital projects and equipment will be purchased for a five year period.

**CAPITAL PROJECTS**: Major capital improvement projects which include the construction of streets, sewer lines, fire stations, and parks. These are one-time expenditures for projects that may take one or more years to complete.

**CASH BASIS OF ACCOUNTING:** Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

**CERTIFICATE OF PARTICIPATION**: A certificate which represents a proportionate participation in a tax-exempt lease agreement in which the lessee is a public entity. Rental payments are annually appropriated by the lessee.

**CHARGES FOR SERVICES**: Monies the City receives as payment for services provided, such as water, sewer, solid waste, and building permits.

**COSTS**: The amount of money or other consideration exchanged for property or services.

**COST ALLOCATION REIMBURSEMENT:** Charges assessed to enterprise funds for providing them administrative services, i.e., personnel services, finance services, attorney services etc.

**DEBT SERVICE**: The sum of all the interest payments in a period plus the dollar amounts of any bonds scheduled to mature in the period.

**DEPARTMENT**: A sub-unit of the City representing a functional grouping of services provided, such as Police, Fire, Public Works, and Development Services. In the 13-digit accounting code structure, the department is identified by the second three digit number, e.g., 000-XXX-000-0000.

**DIVISION**: A sub-unit of a department representing a specific grouping of activities within a department, like Administration, Operations, or Services. In the 13-digit accounting code structure, the division is identified by the third three-digit number, e.g. 000-000-XXX-0000.

**ENCUMBRANCES**: An obligation of the City related to unperformed (executory) contracts for goods and services.

**ENTERPRISE FUNDS**: Funds established to account for operations that are operated as private business enterprises from user charges that support City services such as Water, Convention Center, Airport, Electric, Wastewater, and Solid Waste.

**EXPENDITURES**: Current operating expenses which require the current or future use of net current assets, debt service and capital outlays. The term "expenditures" in the BPPM is intended to mean budgetary expenditures. Expenditures are identified in the 13 digit accounting code structure as the last four digits, e.g., 000-000-000-XXXX.

**FISCAL YEAR**: A 12 month period to which the annual operating budget applies and at the end of which the City determines its financial position and the results of its operations. The City defines the fiscal year as 12 month period from July 1 to June 30.

**FUND**: A fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitation. Fund is identified in the 13 digit accounting code structure as the first three digits, e.g., XXX-000-000-0000.

**GENERAL FUND**: The fund used to account for all financial resources except those required to be accounted for in another fund. Primary source of monies come from local property and sales taxes that are used to pay for general City Services.

**GENERAL GOVERNMENT**: The administrative departments of the City, including the City Council, City Clerk, City Treasurer, City Manager, City Attorney, Administrative Services, and Personnel.

**GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)**: An association of public finance professions founded in 1906 as the Municipal Finance Officer Association. The GFOA has played a major role in the development and promotion of GAAP for state and local government since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

**HUD**: Housing and Urban Development. The federal agency which oversees most community development and housing activities in which the city receives funding from the federal government.

**IMPACT FEES:** Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development (e.g., parks, sidewalks).

**IN LIEU PROPERTY TAXES:** A payment that a "property owner" not subject to taxation makes to a government to compensate it for services that the "property owner" receives that normally are financed through property taxes. An example of a "property owner" would be the Electric Utility Fund.

**INTERFUND TRANSFER**: Monies that are transferred from one fund to another fund as an accounting procedure.

**INTERNAL SERVICE FUNDS**: Funds which account for goods and services provided by on City department to another City department. Information Systems, Records Management, Risk Management, and Building Maintenance represent departments which are funded this way.

**LOCAL TAXES**: Monies the City receives from taxes levied and/or collected locally, primarily property, sales, and transient occupancy taxes.

**MODIFIED ACCRUAL BASIS OF ACCOUNTING:** Basis of accounting according to which (a)revenues are recognized in the accounting periods in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which be recognized when due.

**NON-DEPARTMENTAL EXPENDITURES**: Operating expenditures that are City-wide and/or multi-departmental in nature.

**OTHER REVENUE**: Monies not classified elsewhere, including miscellaneous revenue.

**OPERATING BUDGET**: Materials, supplies, and personnel costs for City services and activities conducted yearly.

**PERFORMANCE MEASURES:** Commonly used term for service efforts and accomplishments reporting.

**PUBLIC EMPLOYEES RETIREMENT SYSTEM:** A state or local governmental entity entrusted with administering one or more pension plans.

**RABA**: Redding Area Bus Authority.

**RCAC**: Redding Community Access Corporation

**RRA**: Redding Redevelopment Agency.

**REVENUES**: The total amount of funds received in the current year from taxes, fees, charges, grants, contributions, permits, licenses, etc.

**SHASCOM**: Shasta Area Communication Agency. This is the county wide area dispatch agency.

**SPECIAL ASSESSMENT FUNDS**: Revenues generated through the formation of an assessment district for the financing of public improvements or services to benefit properties against which assessments are levied, such as assessment for street construction or flood control.

**SPECIAL REVENUE FUNDS**: Funds used to account for the proceeds of specific revenue sources that legally are restricted to expenditures for specific purposes like funds from Community Development Block Grants (CDBG), gas tax, and other Federal and State funds granted for specific community programs.

**TRUST AND AGENCY FUNDS**: Monies which are held in trust by the City and whose use is restricted to the specific purpose for which the funds were received, such as park development funds and developer contributions.

# STATEMENT OF ESTIMATED REVENUES

# CITY OF REDDING BIENNIAL BUDGET
# FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| GENERAL FUND | | | | |
| TAXES | | | | |
| Property Taxes | $ 6,498,976 | $ 11,193,320 | $ 11,670,000 | $ 12,160,000 |
| Sales Tax-Nondedicated | 19,622,167 | 20,200,000 | 21,559,000 | 22,421,360 |
| Transient Occupancy Tax | 3,229,784 | 3,400,000 | 3,586,000 | 3,729,000 |
| Business License Tax | 734,771 | 735,000 | 780,000 | 811,200 |
| Real Property Transfer Tax | 394,563 | 330,000 | 468,000 | 486,000 |
| FRANCHISES: | | | | |
| Viacom Cablevision | 616,342 | 610,000 | 635,000 | 660,000 |
| Pacific Gas & Electric Co. | 212,598 | 250,000 | 230,000 | 250,000 |
| Total Taxes | 31,309,201 | 36,718,320 | 38,928,000 | 40,517,580 |
| LICENSES AND PERMITS | | | | |
| Animal Licenses | 63,577 | 65,000 | 68,000 | 70,700 |
| State Animal Fines Collected | 8,830 | 6,000 | 6,000 | 6,000 |
| Building Permits | 1,251,620 | 1,200,000 | 1,350,000 | 1,300,000 |
| Encroachment Permit | 73,056 | 70,000 | 65,000 | 67,000 |
| Electical Permits | 148,768 | 165,000 | 150,000 | 156,000 |
| Transportation Permit | 21,803 | 17,000 | 25,000 | 26,000 |
| Plumbing Permits | 124,121 | 147,000 | 130,000 | 135,000 |
| Mechanical Permit | 78,803 | 78,000 | 80,000 | 83,000 |
| Grading Permits | 18,766 | 26,500 | 25,000 | 26,000 |
| Total Licenses and Permits | 1,789,344 | 1,774,500 | 1,899,000 | 1,869,700 |
| FINES, FORFEITS, AND PENALTIES | | | | |
| Traffic Safety Fines | 690,657 | 410,000 | 540,000 | 560,000 |
| Code Enforcement Fines | 54,459 | 6,000 | 65,000 | 70,000 |
| Other Fines & Fees | 79,059 | 52,000 | 60,000 | 62,000 |
| Assessment District Deliquent Fines & Fees | 27,396 | 20,000 | 21,000 | 22,000 |
| Total Fines, Forfeits & Penalties | 851,571 | 488,000 | 686,000 | 714,000 |
| REVENUE FROM INTERNAL DEPARTMENTS | | | | |
| Overhead Administration Charge | 585,050 | 629,090 | 741,410 | 756,110 |
| Fixed Reimbursements | 2,153,670 | 2,219,050 | 2,250,130 | 2,317,180 |
| Posse Grandstand Repayment | 13,037 | - | 13,000 | 13,000 |
| In-lieu Payment from Div 520--Solid Waste | 357,820 | 266,650 | 187,000 | 265,000 |
| In-lieu Payment from 821--Muni Airport | 55,000 | 65,000 | 75,000 | 85,000 |
| In-lieu Payment from 801--Storm Drains | 194,200 | 173,190 | 198,000 | 198,000 |
| In-Lieu Payment from Division 854-Electric | 3,011,600 | 3,181,230 | 3,463,800 | 3,414,000 |
| In-Lieu Payment from 864--Water | 739,850 | 610,200 | 910,000 | 847,000 |
| In-Lieu Payment from Div 874--WWTR Collctn | 409,260 | 310,000 | 460,000 | 420,000 |
| In-lieu Payment from Div 875--WWTR Treatmt | 928,140 | 702,870 | 1,042,750 | 978,000 |
| In-Lieu Payment from Convention Center | 57,900 | 46,730 | 54,000 | 59,000 |
| Loan Repayment Interest | - | - | 50,960 | 50,900 |
| Total Revenue from Internal Departments | 8,505,527 | 8,204,010 | 9,446,050 | 9,403,190 |

# CITY OF REDDING BIENNIAL BUDGET
# FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| REVENUE FROM OTHER GOVERMENTAL AGENCIES | | | | |
| School District Contrib-Operating-Police | 297,684 | 82,000 | 82,000 | 135,000 |
| Redding Rancheria Payment | 50,000 | 174,000 | 200,000 | 200,000 |
| Contribution RABA - Operating - Police | 0 | 0 | 50,000 | 50,000 |
| RABA Contribution for Police Officer | 0 | 60 | 0 | 0 |
| Contribution RABA - Operating - Police | 0 | 71,600 | 0 | 0 |
| SHASCOM - Payroll | 31,148 | 26,000 | 26,000 | 27,000 |
| MPO Revenue-Operating-Public Works | 74,789 | 65,000 | 99,000 | 110,000 |
| FEDERAL: | | | | |
| HUD Grant - Capital - Public Works | 135,483 | 0 | 0 | 0 |
| Federal - Other Provisions | 0 | -27,189 | 0 | 0 |
| Federal Grant - Operating - Police | 186,967 | 107,000 | 0 | 0 |
| Federal Grant - Operating - Fire | 0 | 16,982 | 0 | 0 |
| Federal - Police Grant | 0 | 29,810 | 0 | 0 |
| STATE: | | | | |
| State Grant Operating for Police | 150 | 0 | 0 | 0 |
| State Grant Operating for Police | 429,490 | 1,259,150 | 0 | 0 |
| State Grant Capital for Police | 0 | 72,000 | 0 | 0 |
| State Grant | 0 | 55,000 | 0 | 0 |
| State Provisions - Other (Transit) | 0 | -1,132,000 | -1,132,000 | 0 |
| Reimbursement of Mandated Costs | -245 | 0 | 0 | 0 |
| P.O.S.T. Program | 0 | 93,000 | 0 | 0 |
| POST Grant - Operating - Police | 90,388 | 90,000 | 90,000 | 90,000 |
| POST Grant - Capital - Police | 1,097 | 0 | 0 | 0 |
| State - Booking Fees Revenue | 254,351 | 254,000 | 0 | 0 |
| Home Owner Property Tax Relief | 166,857 | 175,000 | 200,000 | 200,000 |
| Motor Vehicle In-Lieu Tax | 3,856,971 | 792,680 | 850,000 | 2,432,000 |
| State--Off Hwy Vehicle Fees | 2,492 | 1,000 | 3,000 | 3,000 |
| COUNTY: | | | | |
| Shasta County Grant - Operating - Police | 89,101 | 185,500 | 0 | 0 |
| Fire Response | 1,984 | 0 | 0 | 0 |
| Buckeye Fire Service Dist-Operating-Fire | 66,604 | 5,000 | 5,000 | 5,000 |
| Total Revenue - Other Government Agencies | 5,735,311 | 2,395,593 | 473,000 | 3,252,000 |
| | | | | |
| OTHER REVENUES | | | | |
| Mall - Air Conditioning & Heating | 139 | 42,000 | 25,000 | 25,000 |
| Contribution-McConnell Foundation | 0 | 80,000 | 0 | 0 |
| Contributions - Operating - General Gov't | 0 | 0 | 90,000 | 90,000 |
| Contributions-Operating-Rec & Culture | 180,810 | 22,610 | 0 | 0 |
| Contributions - Operating - Planning | 375,390 | 114,000 | 0 | 0 |
| Contributions - Operating - Police | 28,914 | 24,000 | 16,000 | 16,000 |
| Contributions - Capital - Public Works | 2,589 | 0 | 0 | 0 |
| Contributions-Operating-Rec & Culture | 26,096 | 0 | 0 | 0 |
| Contributions-Capital-Recreation & Culture | 117,665 | 0 | 0 | 0 |
| Sale of Property | 8,682 | 10,600 | 6,000 | 6,000 |
| Loan Proceeds | 0 | 290,900 | 0 | 0 |
| Spay/Neuter Surcharge | 2,380 | 2,000 | 2,000 | 2,000 |
| Compensation - Loss & Property Damage | 85 | 0 | 0 | 0 |
| Miscellaneous Receipts | 106,680 | 100,100 | 105,500 | 105,700 |
| Misc. RCAC Donations and Falcom Match $ | 131,659 | 0 | 0 | 0 |
| Miscellaneous Receipts | 231,813 | 187,160 | 120,000 | 125,000 |
| Total Other Revenues | 1,212,902 | 873,370 | 364,500 | 369,700 |

# CITY OF REDDING BIENNIAL BUDGET
# FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| CHARGES FOR CURRENT SERVICES | | | | |
| Assessment District Administration Fees | 5,512 | 2,000 | 5,000 | 5,000 |
| Land Use Permits & Zoning Fees | 235,600 | 171,000 | 550,000 | 660,000 |
| Building Plan - Record Fees | 14,065 | 12,500 | 12,000 | 12,500 |
| Building Plan - Check Fees | 627,499 | 675,000 | 700,000 | 680,000 |
| Fees for Outside Plan Checks | 2,226 | 3,000 | 3,000 | 3,000 |
| Plan Check Fees - Fire Department | 43,191 | 34,000 | 46,000 | 47,000 |
| Engineering Inspection Fees | 302,463 | 90,000 | 90,000 | 90,000 |
| Sale of Publications | 19,656 | 14,200 | 18,000 | 19,000 |
| Building Permit List | 2,551 | 2,800 | 3,000 | 3,000 |
| Animal Shelter Fees | 9,421 | 13,000 | 10,000 | 11,000 |
| Emergency Medical Response | 1 | 0 | 0 | 0 |
| Inspection Fees | 2,031 | 1,800 | 2,000 | 2,100 |
| Fingerprint Fees | 16,956 | 13,400 | 25,000 | 26,000 |
| Treasurers Fees | 495 | 1,200 | 1,000 | 1,200 |
| A/D Segregation Fees | 828 | 3,200 | 2,000 | 2,100 |
| Fire Permits & Fees | 38,132 | 118,500 | 105,000 | 106,000 |
| DUI - Emergency Response | 99,305 | 31,000 | 31,500 | 34,000 |
| Air Quality Fees | 0 | 30,000 | 0 | 0 |
| Swimming Pool Receipts | 98,244 | 147,000 | 140,000 | 144,000 |
| RAC SWIM SHOP / RENTAL | 32,856 | 0 | 34,000 | 35,000 |
| RAC ADMISSION | 97,533 | 40,000 | 100,000 | 104,000 |
| RAC SWIM TEAM | 18,596 | 0 | 19,000 | 20,000 |
| Swimming Pool Concession | 56,460 | 83,000 | 58,000 | 60,000 |
| Other Charges & Fees | 590,366 | 421,500 | 431,500 | 451,500 |
| Other Fees & Charges | 702 | 0 | 1,000 | 1,000 |
| Total Charges for Current Services | 2,314,689 | 1,908,100 | 2,387,000 | 2,517,400 |
| REVENUE FROM THE USE OF MONEY & PROPERTY | | | | |
| Rental - Land or Facility | 636,249 | 632,000 | 1,137,290 | 562,940 |
| SHASCOM Base Rent - Police Portion | 41,584 | 41,500 | 41,500 | 41,500 |
| SHASCOM Base Rent - Fire Portion | 41,584 | 41,500 | 41,500 | 41,500 |
| Investment Income | 461,327 | 680,000 | 450,000 | 400,000 |
| Fiscal Agent Investment Income | 150 | 0 | 1,000 | 1,000 |
| Total Revenue - Use of Money & Property | 1,180,894 | 1,395,000 | 1,671,290 | 1,046,940 |
| TOTAL GENERAL FUND | 52,899,439 | 53,756,893 | 55,854,840 | 59,690,490 |
| PARKING FUND | | | | |
| On-Street Parking Meters | 70,409 | 62,000 | 62,000 | 62,000 |
| Off-Street Parking Meters | 1,365 | 600 | 600 | 600 |
| Parking Meter Space & Hood Fees | 485 | 50 | 0 | 0 |
| Parking Space Rental & Permit Fees | 6,723 | 3,000 | 3,050 | 3,050 |
| Parking Fines & Fees | 49,086 | 35,000 | 45,000 | 45,000 |
| Fees for Services-Fines,Towing, Etc. | 85,130 | 84,000 | 90,000 | 90,000 |
| Investment Income | 813 | 2,800 | 0 | 0 |
| Interest on RRA Loan | 31,712 | 20,000 | 20,000 | 20,000 |
| TOTAL PARKING FUND | 245,723 | 207,450 | 220,650 | 220,650 |

# CITY OF REDDING BIENNIAL BUDGET
## FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| ROLLING STOCK REPLACEMENT | | | | |
| Sale of Property | 54,923 | 0 | 0 | 0 |
| Miscellaneous Receipts | 28,931 | 0 | 0 | 0 |
| Investment Income | 175,246 | 150,000 | 163,000 | 163,000 |
| TOTAL ROLLING STOCK REPLACEMENT | 259,100 | 150,000 | 163,000 | 163,000 |
| GAS TAX STREET IMPROVEMENT FUND | | | | |
| Federal - ISTEA | 698,129 | 500,000 | 1,049,890 | 1,049,890 |
| State of California - Section 2105 | 534,836 | 473,350 | 530,000 | 530,000 |
| Section 2106 | 498,508 | 415,530 | 500,000 | 500,000 |
| Section 2107 | 713,135 | 662,680 | 710,000 | 710,000 |
| Section 2107.5 | 7,500 | 7,500 | 7,500 | 7,500 |
| St AB 2928 (Chpt 91 10/00) AB438 CH113 01 | 58,149 | 0 | 0 | 0 |
| Investment Income | 35,832 | 0 | 30,000 | 30,000 |
| TOTAL GAS TAX IMPROVEMENT FUND | 2,546,089 | 2,059,060 | 2,827,390 | 2,827,390 |
| LOCAL TRANSPORTATION FUND | | | | |
| State Allocations - SB 325 | 1,591,144 | 400,000 | 0 | 0 |
| Investment Income | 37,876 | 0 | 0 | 0 |
| TOTAL LOCAL TRANSPORTATION FUND | 1,629,020 | 400,000 | 0 | 0 |
| CD BLOCK GRANT FUND | | | | |
| Federal-HUD-Operating-Community Developmnt | 1,018,739 | 1,022,000 | 1,028,400 | 955,280 |
| HOME Funds-Operating-Community Development | 885,840 | 623,730 | 665,810 | 653,390 |
| Miscellaneous Revenue | 800 | 0 | 0 | 0 |
| Miscellaneous Receipts | -125 | 0 | 0 | 0 |
| Loan Repayment-Principal | 1,191,432 | 758,210 | 570,000 | 570,000 |
| Loan Repayment-Interest | 608,106 | 188,750 | 150,000 | 150,000 |
| Late Payment Charges | 340 | 480 | 450 | 450 |
| Investment Income | 59,329 | 20,000 | 10,000 | 10,000 |
| TOTAL CD BLOCK GRANT FUND | 3,764,461 | 2,613,170 | 2,424,660 | 2,339,120 |
| SPECIAL DEVELOPMENT FUND | | | | |
| FEDERAL: | | | | |
| Federal Grant - Capital - Public Works | 1,162,447 | 0 | 0 | 0 |
| STATE: | | | | |
| State Grant Capital for Public Works | 2,743,905 | 160,050 | 0 | 0 |
| State Grant Operating for Rec & Culture | 10,033 | 0 | 0 | 0 |
| State Grant Capital for Rec & Culture | 400,000 | 0 | 0 | 0 |
| COUNTY: | | | | |
| Shasta County Grant-Capital-Rec & Culture | 30,000 | 0 | 0 | 0 |
| Contributions - Capital - General Gov't | 180 | 0 | 0 | 0 |
| Contributions - Capital - Public Works | 1,191,598 | 0 | 0 | 0 |
| Contributions-Capital-Recreation & Culture | 60,200 | 16,990 | 0 | 0 |
| Traffic Impact Fee | 1,777,341 | 1,636,830 | 1,600,000 | 1,700,000 |
| Dana Drive Traffic Impact Fees | 96,743 | 50,000 | 0 | 0 |
| Other Charges & Fees | -3,051 | 0 | 0 | 0 |
| Fire Facilities | 47,561 | 0 | 0 | 0 |
| Capital Improvement | 15,938 | 0 | 0 | 0 |
| Parks Development | 605,538 | 5,500 | 600,000 | 600,000 |
| Storm Drainage | 237,548 | 450,710 | 334,200 | 468,700 |
| Electric Service | 123,600 | 0 | 0 | 0 |
| Park In-Lieu Fees | 77,310 | 0 | 0 | 0 |
| Investment Income | 209,030 | 400,000 | 200,000 | 200,000 |
| Fiscal Agent Investment Income | 12,753 | 0 | 0 | 0 |
| TOTAL SPECIAL DEVELOPMENT FUND | 8,798,674 | 2,720,080 | 2,734,200 | 2,968,700 |

# CITY OF REDDING BIENNIAL BUDGET
# FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| GENERAL SPECIAL REVENUE | | | | |
| Sales Tax-Dedicated to Public Safety | 272,517 | 0 | 0 | 0 |
| TOTAL GENERAL SPECIAL REVENUE | 272,517 | 0 | 0 | 0 |
| TOURISM/CONVENTION FUND | | | | |
| In House Promotion | 346,924 | 149,760 | 319,300 | 328,880 |
| Repayment of Advances | 70,000 | -100,000 | -27,500 | -32,500 |
| Miscellaneous Receipts | 11,847 | 7,640 | 3,790 | 3,940 |
| Catering Fees | 54,434 | 42,640 | 51,500 | 53,050 |
| Rental Fees | 202,924 | 176,800 | 226,600 | 233,400 |
| Equipment Rental Fees | 0 | 2,080 | 0 | 0 |
| Ticket Surcharge on Ticket Sales | 65,298 | 57,200 | 63,860 | 65,780 |
| Other Fees & Charges | 103,816 | 47,840 | 103,000 | 106,090 |
| Investment Income | 467 | 0 | 0 | 0 |
| Fiscal Agent Investment Income | 185 | 0 | 0 | 0 |
| TOTAL TOURISM/CONVENTION FUND | 855,895 | 383,960 | 740,550 | 758,640 |
| STORM DRAIN UTILITY FUND | | | | |
| Storm Drainage - Monthly Fee | 905,574 | 899,300 | 907,300 | 916,700 |
| Street Cleaning Contract | 16,680 | 0 | 0 | 0 |
| Investment Income | 60,508 | 92,100 | 38,000 | 20,000 |
| TOTAL STORM DRAIN UTILITY FUND | 982,762 | 991,400 | 945,300 | 936,700 |
| MUNICIPAL AIRPORT FUND | | | | |
| Hangar Rent | 361,483 | 373,000 | 385,440 | 393,200 |
| Tie-Down Rent | 17,826 | 16,560 | 22,480 | 22,980 |
| Facilities/Ground Rent | 247,741 | 283,350 | 308,160 | 312,380 |
| Ground Lease | 124,092 | 119,000 | 149,000 | 164,000 |
| Fuel Concession | 114,643 | 177,840 | 132,000 | 132,000 |
| Landing Fees | 126,164 | 187,300 | 197,800 | 200,500 |
| Car Rental Concession Fee | 171,337 | 195,000 | 205,500 | 212,000 |
| Restaurant & Concession | 25,079 | 34,000 | 34,000 | 36,000 |
| Permit Fees | 21,964 | 18,020 | 23,520 | 23,520 |
| Automobile Parking | 189,222 | 333,170 | 425,980 | 430,000 |
| Miscellaneous Operating Revenue | 6,642 | 2,000 | 2,000 | 2,000 |
| Airport Security Fees | 1,864 | 1,600 | 2,120 | 2,190 |
| Federal Grant - FAA/ADAP Programs | 0 | -461,349 | 0 | 0 |
| Passenger Facility Charges | 205,690 | 353,500 | 300,000 | 300,000 |
| State Grant Operating for Transportation | 0 | 9,000 | 10,000 | 0 |
| State Grant Capital for Transportation | 0 | 53,340 | 13,500 | 67,500 |
| Federal Grant - Operating - Transportation | 315,748 | 170,500 | 208,000 | 214,000 |
| Federal Grant - Capital - Transportation | 285,026 | 6,117,095 | 2,566,240 | 1,092,500 |
| Federal Grant - Operating - Transportation | 23,541 | 0 | 0 | 0 |
| Federal Grant - Capital - Transportation | 2,947 | 756,870 | 285,000 | 1,425,000 |
| Contributions - Operating - Transportation | 0 | 2,400 | 0 | 0 |
| Sale of Property | 125,309 | 111,990 | 0 | 0 |
| Miscellaneous Receipts | 1,279 | 6,200 | 5,860 | 5,860 |
| Investment Income | 57 | 1,000 | 0 | 0 |
| Fiscal Agent Investment Income | 292 | 0 | 300 | 300 |
| TOTAL MUNICIPAL AIRPORT FUND | 2,367,946 | 8,861,386 | 5,276,900 | 5,035,930 |

# CITY OF REDDING BIENNIAL BUDGET
# FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| ELECTIC UTILITY FUND | | | | |
| Court Cost Reimbursement | 0 | 50 | 0 | 0 |
| Returned Check Fee | 13,168 | 17,000 | 15,000 | 15,000 |
| Service Reconnect Fee | 75,090 | 50,000 | 75,000 | 75,000 |
| Service Connect-Priority | 20,126 | 16,000 | 18,000 | 18,000 |
| Site Delivery-Delinquent | 409,143 | 152,000 | 400,000 | 400,000 |
| Transfer Fees | 32,320 | 40,000 | 30,000 | 30,000 |
| Late Fees | 1,226,381 | 1,100,000 | 1,100,000 | 1,100,000 |
| Credit Report Fees | 3,010 | 1,950 | 3,000 | 3,000 |
| Bad Debt Collections | 138,939 | 90,000 | 110,000 | 110,000 |
| Power Sales Retail | 67,937,052 | 72,610,000 | 75,111,542 | 79,542,649 |
| Power Sales Wholesale | 44,530,559 | 16,773,000 | 19,079,000 | 14,413,000 |
| Natural Gas Sales - Wholesale | 8,912,992 | 2,193,000 | 2,504,000 | 600,000 |
| Damaged Meter Charges | 612,479 | 562,060 | 397,100 | 397,100 |
| Transformer/12kv Cable Charges Service Pol | -30,992 | 0 | 0 | 0 |
| Field Service Meter Reading Allocation | 669,009 | 1,083,140 | 321,430 | 330,840 |
| Customer Service Allocation from Utilities | 0 | 0 | 915,130 | 979,640 |
| Federal Grant - Operating - Electric | 9,123 | 0 | 0 | 0 |
| Contributions - Operating - Electric | 0 | 4,000 | 0 | 0 |
| Sale of Property | 25,054 | 20,000 | 0 | 0 |
| MSR Revenue | 2,788 | 0 | 0 | 0 |
| Miscellaneous Receipts | 123,352 | 0 | 0 | 0 |
| Investment Income | 1,795,319 | 1,290,000 | 1,489,000 | 1,609,000 |
| TOTAL ELECTRIC UTILITY FUND | 126,504,912 | 96,002,200 | 101,568,202 | 99,623,229 |
| | | | | |
| WATER UTILITY FUND | | | | |
| Power Sales Retail | 11,888,157 | 10,894,400 | 11,850,000 | 12,500,000 |
| Damaged Meter Charges | 9,409 | 0 | 0 | 0 |
| Metered Sales - In City | 80,725 | 81,000 | 81,000 | 81,000 |
| Fire Service Revenue | 55,931 | 57,500 | 56,000 | 57,000 |
| Fire Hydrant Rental | 65,711 | 32,500 | 60,250 | 60,500 |
| Off-Site Charges | 1,506,985 | 1,341,760 | 1,800,000 | 2,000,000 |
| Service & Meter Installation Fees | 45,716 | 56,000 | 58,500 | 61,000 |
| Paving Cut Fees | 6,802 | 3,000 | 5,100 | 5,600 |
| Front Footage Charges | 6,851 | 6,500 | 7,000 | 7,000 |
| Miscellaneous Operating Revenue | 15,096 | 5,000 | 10,000 | 10,000 |
| Real Estate Rentals | 95,032 | 55,000 | 100,000 | 100,000 |
| State Grant Capital for Water | 24,999 | 0 | 0 | 0 |
| Federal Grant - Operating - Water | 0 | 49,500 | 0 | 0 |
| Buckeye Fire District Fire Hydrants | 0 | 5,000 | 0 | 0 |
| Sale of Property | 9,659 | 5,000 | 5,000 | 5,000 |
| Miscellaneous Receipts | 100 | 500 | 0 | 0 |
| Investment Income | 416,006 | 300,000 | 300,000 | 300,000 |
| Interest - 1977 Sewer Sinking Fund | 18,398 | 0 | 0 | 0 |
| TOTAL WATER UTILITY FUND | 14,245,577 | 12,892,660 | 14,332,850 | 15,187,100 |
| | | | | |
| WASTEWATER UTILITY FUND | | | | |
| Sewer Service Charges | 10,372,842 | 9,906,000 | 13,582,000 | 15,018,000 |
| Expansion/Improvmt Fees | 2,547,755 | 2,529,000 | 3,047,000 | 3,563,000 |
| Sewer Tap Fees | 3,356 | 2,000 | 5,000 | 5,000 |
| Front Footage Charges | 55,154 | 8,000 | 15,000 | 15,000 |
| Real Estate Rentals | 11,605 | 10,000 | 10,000 | 10,000 |
| State Grant Operating for Wastewater | 470 | 0 | 0 | 0 |
| Bond Proceeds | 0 | 4,650,000 | 0 | 0 |
| Miscellaneous Receipts | 16,190 | 0 | 0 | 0 |
| Investment Income | 511,813 | 80,000 | 420,000 | 200,000 |
| TOTAL WASTEWATER UTILITY FUND | 13,519,185 | 17,185,000 | 17,079,000 | 18,811,000 |

# CITY OF REDDING BIENNIAL BUDGET
# FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| SOLID WASTE COLLECTION AND DISPOSAL | | | | |
| Power Sales Fixed Usage | 4,961,387 | 5,303,080 | 5,371,780 | 5,716,160 |
| Commercial Containers | 4,391,124 | 4,598,040 | 4,771,580 | 5,239,600 |
| Drop Boxes | 1,387,659 | 1,374,100 | 1,486,250 | 1,631,850 |
| Revenue Charge for Closuer Cost | 779,526 | 0 | 0 | 0 |
| Revenue Set Aside for Monitoring Cost | 151,318 | 123,600 | 127,310 | 131,130 |
| Special Pickups | 14,491 | 3,100 | 8,000 | 8,180 |
| Landfill Charges | 207 | 0 | 0 | 0 |
| Transfer Charges | 1,223,096 | 990,000 | 1,015,540 | 1,020,000 |
| Litter - Clean-A-Thon | -18 | 100 | 0 | 0 |
| Miscellaneous Operating Revenue | 108,896 | 41,140 | 95,630 | 173,870 |
| Real Estate Rentals | 1,880 | 0 | 0 | 0 |
| State Grant | 0 | 23,790 | 0 | 0 |
| State Grant Operating for Solid Waste | 25,986 | 23,174 | 0 | 0 |
| State Grant Capital for Solid Waste | 23,838 | 0 | 0 | 0 |
| Freon Recovery Program | 10,999 | 2,400 | 2,440 | 2,490 |
| Cardboard | 246,900 | 184,200 | 200,000 | 204,620 |
| White Paper Recycling | 28,899 | 20,500 | 20,990 | 21,470 |
| Glass Recycling | 32,605 | 0 | 20,000 | 20,460 |
| Curbside Recycling | 549,856 | 399,000 | 500,000 | 511,550 |
| Multi-Family Recycling | 22,586 | 5,100 | 15,000 | 15,340 |
| Commercial Recycling | 15,213 | 5,100 | 10,000 | 10,230 |
| Battery Recycling | 286 | 500 | 250 | 260 |
| Volunteer Drop Off | 139,052 | 76,470 | 106,000 | 108,450 |
| Waste Oil | 11 | 1,820 | 0 | 0 |
| Revenue -- Collected Anti-Freeze | 497 | 250 | 240 | 250 |
| Special Handling Scrap Metal | 7,502 | 10,200 | 0 | 0 |
| Electronic Recycling Revenue | 24,971 | 0 | 0 | 0 |
| Miscellaneous Receipts | 58,654 | 10,000 | 10,230 | 10,460 |
| Investment Income | 472,305 | 200,000 | 241,140 | 256,440 |
| TOTAL SOLID WASTE COLLECTION & DISPOSAL | 14,679,726 | 13,395,664 | 14,002,380 | 15,082,810 |
| INFORMATION TECHNOLOGY | | | | |
| Data Processing Allocation | 1,754,830 | 1,884,110 | 1,936,310 | 2,002,590 |
| Revenue-Service to Outside Accounts | 0 | 1,500 | 1,500 | 1,500 |
| Viacom Cablevision | 0 | 90,000 | 0 | 0 |
| Miscellaneous Receipts | 8,100 | 0 | 0 | 0 |
| Investment Income | 16,303 | 13,270 | 9,630 | 5,950 |
| TOTAL INFORMATION TECHNOLOGY | 1,779,233 | 1,988,880 | 1,947,440 | 2,010,040 |
| FLEET MAINTENANCE | | | | |
| Equipment Rental Charges | 2,776,085 | 2,796,730 | 3,689,430 | 3,712,880 |
| Compensation - Vehicle Damage | 13,631 | 10,000 | 10,000 | 10,000 |
| Miscellaneous Receipts | 931 | 0 | 0 | 0 |
| Investment Income | 17,406 | 20,240 | 3,800 | 3,800 |
| TOTAL FLEET MAINTENANCE | 2,808,053 | 2,826,970 | 3,703,230 | 3,726,680 |
| BUILDING MAINTENANCE & CONSTRUCTION | | | | |
| Building Maintenance Allocation | 1,420,030 | 1,462,770 | 1,624,420 | 1,513,980 |
| Miscellaneous Receipts | 1,128 | 200 | 200 | 200 |
| Investment Income | 8,775 | 13,870 | 7,400 | 2,800 |
| TOTAL BUILDING MAINTENANCE & CONSTRUCTION | 1,429,933 | 1,476,840 | 1,632,020 | 1,516,980 |

# CITY OF REDDING BIENNIAL BUDGET
# FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| RECORDS MANAGEMENT | | | | |
| Records Management Allocation | 228,700 | 241,510 | 270,780 | 276,270 |
| Non-Recurring | 1,328 | 0 | 0 | 0 |
| Investment Income | 4,083 | 3,000 | 2,000 | 2,000 |
| TOTAL RECORDS MANAGEMENT | 234,111 | 244,510 | 272,780 | 278,270 |
| EMPLOYER SERVICES | | | | |
| Employer Services Allocation | 193,830 | 171,780 | 259,350 | 273,130 |
| Legal Services Allocation | 220,270 | 525,000 | 514,450 | 518,750 |
| Investment Income | 1,176 | 500 | 400 | 400 |
| TOTAL EMPLOYER SERVICES | 415,276 | 697,280 | 774,200 | 792,280 |
| GEOGRAPHIC INFORMATION SERVICES | | | | |
| Geographic Information Services Allocation | 585,360 | 585,360 | 662,000 | 681,140 |
| Sale of Publications | 1,309 | 900 | 900 | 900 |
| Investment Income | 2,900 | 1,350 | 1,600 | 1,600 |
| TOTAL GEOGRAPHIC INFORMATION SERVICES | 589,569 | 587,610 | 664,500 | 683,640 |
| COMMUNICATIONS | | | | |
| Communications User Charge Allocation | 576,240 | 521,700 | 275,350 | 526,280 |
| Sale of Property | 2,025 | 0 | 0 | 0 |
| Loan Proceeds | 0 | 0 | 1,943,387 | 0 |
| Miscellaneous Receipts | 2,200 | 500 | 500 | 500 |
| Investment Income | 5,749 | 3,200 | 13,680 | 5,250 |
| TOTAL COMMUNICATIONS | 586,214 | 525,400 | 2,232,917 | 532,030 |
| REPROGRAPHICS | | | | |
| Print Shop Allocation | 499,620 | 577,990 | 593,290 | 608,260 |
| Mail Room/Courier Allocation | 46,990 | 0 | 0 | 0 |
| Non-Recurring | 1,127 | 2,000 | 2,000 | 2,000 |
| Revenue-Service to Outside Accounts | 2,456 | 0 | 0 | 0 |
| Sale of Property | 350 | 0 | 0 | 0 |
| Miscellaneous Receipts | 2,129 | 0 | 0 | 0 |
| Investment Income | 1,864 | 2,310 | 2,580 | 2,710 |
| TOTAL REPROGRAPHICS | 554,536 | 582,300 | 597,870 | 612,970 |
| VOLUNTEER SERVICES | | | | |
| Volunteer Services Allocation | 82,090 | 77,820 | 98,070 | 104,350 |
| Miscellaneous Receipts | 150 | 200 | 0 | 0 |
| Investment Income | 93 | 500 | 15 | 15 |
| TOTAL VOLUNTEER SERVICES | 82,333 | 78,520 | 98,085 | 104,365 |
| RISK MANAGEMENT | | | | |
| W/C Reimbursement | 2,808,869 | 2,902,260 | 3,038,250 | 3,153,910 |
| Insurance Allocation | 1,243,050 | 998,680 | 1,380,265 | 1,487,195 |
| Repayment of Advances | 85,000 | 85,000 | 85,000 | 85,000 |
| Investment Income | 227,283 | 250,000 | 160,000 | 160,000 |
| TOTAL RISK MANAGEMENT | 4,364,202 | 4,235,940 | 4,663,515 | 4,886,105 |

# CITY OF REDDING BIENNIAL BUDGET
## FISCAL YEARS ENDING JUNE 30, 2006 AND 2007

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

| | Actual Revenue 2003-2004 | Budget Estimate 2004-2005 | Adopted 2005-2006 | Adopted 2006-2007 |
|---|---|---|---|---|
| EMPLOYEE BENEFITS PAYROLL | | | | |
| Retirement Allocation | 6,364,755 | 10,657,190 | 15,022,660 | 15,557,900 |
| Medicare Allocation | 521,916 | 514,580 | 574,460 | 598,250 |
| Social Security Allocation | 58,177 | 71,140 | 67,410 | 69,150 |
| Public Agency Retirement System (PARS) | 10,382 | 12,040 | 2,593,610 | 2,686,120 |
| TOTAL EMPLOYEE BENEFITS PAYROLL | 6,955,230 | 11,254,950 | 18,258,140 | 18,911,420 |
| | | | | |
| EMPLOYEE BENEFIT GROUP INSURANCE | | | | |
| Group Health Allocation | 9,200,444 | 9,375,140 | 11,486,350 | 12,526,130 |
| Group Health Contribution-Retired Employee | 900,741 | 750,000 | 1,100,000 | 1,200,000 |
| Investment Income | 4,249 | 2,500 | 2,500 | 2,500 |
| TOTAL EMPLOYEE BENEFIT GROUP INSURANCE | 10,105,434 | 10,127,640 | 12,588,850 | 13,728,630 |

# BUDGET POLICIES

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT: | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| APPROPRIATION TRANSFER OF FUNDS | 87-319 | 401 | 10/20/87 | 1 |

## BACKGROUND

At the Council meeting of September 29, 1987, tbe City Council considered a proposal to autborize the City Manager to administratively transfer budget appropriations. This proposal was referred to staff by Council and further information was requested.

## PURPOSE

The goal of the Administrative Transfer is to use tbe Budget document as a management plan by which to control expenditures and obligations of the City in advance.

## POLICY

1. The City Council does bereby authorize the City Manager to administratively transfer appropriations
2. Appropriations sball be transferred only for purposes previously approved by the City Council
3. Appropriations shall not be transferred between Funds
4. Appropriations sball not be transferred between departments
5. Appropriations of up to $5,000 may be transferred to effect an emergency repair or replacement of equipment (amended 12/5/89).
6. The number of positions authorized by the City Council shall not be changed administratively.

## PROCEDURE

The procedure for utilizing the Appropriation Transfer Request is provided in tbe City of Redding Budget Policies and Procedures Manual.

CITY OF REDDING
COUNCIL POLICY

| SUBJECT: | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| GENERAL BUDGET GOALS | 90-160 | 402 | 04/3/90 | 1 |

BACKGROUND

The City of Redding maintains an Annual Budget for Operating, Debt Service, and Capital improvements in accordance with the laws of the State of California.

PURPOSE

To establish purposes for utilizing an Annual Budget, as follows:

1. Maintain the fiscal integrity of the City's operating, debt service, and capital improvement budgets in order to provide services and to construct and maintain public facilities, streets, and utilities.

2. Maintain a responsible and prudent fiscal condition and high bond rating to minimize long-term interest expense when financing capital improvements with an ongoing, systematic bonding program.

3. Prepare and annually refine written goals and policies to facilitate preparation of financing, spending, and performance plans for the City.

4. Coordinate decision-making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining facilities.

5. Prepare budget data for elected officials in a form that will facilitate annual budget decisions.

6. Prepare and evaluate activity performance plans that relate to financing and spending plans in the annual City budget.

7. Encourage citizen involvement in the annual budget decision-making process through public hearings and informal meetings.

POLICY

The City will adhere to purposes stated for utilizing an Annual Budget.

PROCEDURE

Specific procedures to achieve the purposes stated above are provided in the City of Redding Budget Policies and Procedures Manual.

CITY OF REDDING
COUNCIL POLICY

| SUBJECT: | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| BUDGET FINANCING GOALS | 90-160 | 403 | 4/3/90 | 1 |

## BACKGROUND

To develop an Annual Budget, several specific assumptions need to he stated to facilitate the financing of the Annual Budget.

## PURPOSE

To establish the financing assumptions for the development of the annual Budget.

## POLICY

It is the policy of the City Council of the City of Redding:

1. To finance essential City services which have a city-wide benefit in the budget witb revenue sources which are generated from a hroad base (i.e., property taxes, State and Federal Aid, assessments, and franchise fees); finance responsive services with dedicated revenue and user fees which directly relate to the level of service provided; and minimize General Fund financing assistance to those responsive service activities which have a common-good community benefit but cannot totally finance expenses with user fees.

2. To minimize the need for property tax financing hy control-ling costs and by seeking alternative financing for City services which focus on user fees for responsive services and hy the upgrading and/or enhancement of the property tax hase.

3. To refine existing assessment financing formulas and user fee rate structures to more accurately charge the costs of service provided to the benefitting property owners and customers served.

4. To support Federal and State legislation that provides property tax relief and direct aid to cities, without reliance on regressive forms of taxation, while striving to eliminate funding of regional and State responsihilities at the local level. Oppose legislation which imposes local service mandates without Federal, State, or regional funding.

5. To direct resources to finance services provided hy the City and to minimize support for services primarily and appropriately financed by other levels of government.

CITY OF REDDING
COUNCIL POLICY

| SUBJECT: BUDGET SERVICE LEVEL GOALS | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| | 90-160 | 404 | 4/3/90 | |

BACKGROUND

To develop an Annual Budget, several specific assumptions need to he stated to facilitate the budget development process.

PURPOSE

To facilitate the hudget development process hy establishing hase-level procedures for the development of the Budget.

POLICY

It is the policy of the City Council of the City of Redding:

1. That hudget decisions to increase service levels or add a new program will he financed with either a new revenue source, rate adjustment, or hy a deliberate reduction in, or elimination of, existing services.

2. That decisions to reduce service levels or eliminate programs will be hased on city-wide priorities and needs when revenue sources are inadequate to maintain existing services at current program levels.

3. To maintain programming flexibility to address priority user needs hased on historical usage and demographic trends within service areas, if a service is provided at many facilities throughout the city and a service-level reduction is necessary.

4. To incorporate self-reliance in hoth day-to day operation of the City and the development of its long-range plans. A self-reliant City makes greater use of its own resources, takes care of its own, and creates its own opportunities for a hetter life. More specifically, "self reliance" should:

   - Encourage community involvement;

   - Foster economic development to enhance the tax hase and retain and create employment opportunities;

   - Strengthen our neighhorhoods through service delivery and cooperation with neighborhood groups; and

   - Strengthen City government as an organization dedicated to serving the people of Redding.

CITY OF REDDING
COUNCIL POLICY

| SUBJECT: BUDGET SERVICE LEVEL GOALS | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| | 90-160 | 404 | 4/3/90 | |

5. To avoid duplication of services with other units of government and seek joint-use opportunities for public facilities with both governmental units and non-profit organizations when effective service delivery can be provided at less cost or no cost to the City.

6. To recognize that City employees are City government's most valuable asset and that, as such, their concerns, participation, and morale are crucial to delivering high quality, efficient services to the residents and taxpayers of Redding.

7. To employ good management practices when planning for service delivery by including in budget requests money to pursue activities, such as:

Office automation and computer applications that increase productivity;

- Equipment modernization;
- Work-hour simplification;
- Risk management/employee safety;
- Preventive maintenance;
- Energy conservation;
- Life-cycle costing and purchasing of equipment;
- Lease-purchase options for high-cost equipment purchases which reduce operating expenses;
- Performance planning, reporting, and evaluation;
- Employee training; and
- Competitive bidding for services.

8. To modernize the physical and organization structure of the City departments and offices to facilitate better management of resources. Create an environment which encourages innovate problem-solving and pursuit of opportunities to improve service delivery within existing budgets.

CITY OF REDDING
COUNCIL POLICY

| SUBJECT: | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| ADOPTION OF THE ANNUAL BUDGET | 90-160 | 405 | 4/3/90 | 1 |

BACKGROUND

In accordance with State Law, the City has no legal ohligation to adopt a comprehensive financial plan. However, good business practice and sound financial prudence would indicate that the City of Redding adopt a comprehensive financial plan on an annual hasis.

The comprehensive financial plan for the City of Redding is composed of spending, financing, and performance plans for three types of hudgets: operating, deht service, and capital improvement. All hudgets must be sound: the spending plan (expenditures and transfers out) must equal or he less than the financing plan (revenues, transfers in, and use of fund halance).

PURPOSE

To establish an annual comprehensive financial plan.

POLICY

It is the policy of the City Council of the City of Redding:

That the City Manager shall propose to City Council at the first regular City Council meeting in June a comprehensive financial plan for the next fiscal year (July 1 to June 30). After considering the City Manager's recommendations, the Mayor and City Council shall adopt the annual hudget.

CITY OF REDDING
COUNCIL POLICY

| SUBJECT: BUDGET AMENDMENTS POLICY | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| | 90-160 | 405 | 4/3/90 | 1 |

BACKGROUND

From time to time, tbe Annual Budget may need adjustment to respond or meet changing conditions or circumstances. This is accomplished by amending the Budget, either administratively by the City Manager or by tbe City Council upon the recommendation of the City Manager.

PURPOSE

To amend the Annual Budget as may be required during the fiscal year.

POLICY

It is the policy of the City Council of the City of Redding:

1. Budgeted appropriations may be increased, decreased, or have the purpose for which they are provided changed by Council resolution.

2. The City Manager may move by appropriation transfer part or all of any unencumbered appropriation balance within a department, agency, or authority. Upon the recommendation of the City Manager, Council may by resolution transfer part or all of any unencumbered appropriation balance from one department, agency, or authority to another.

3. If the City Manager reports to Council that the revenue available will be insufficient to meet the amount appropriated, the Mayor and City Council shall take such aetions as they deem necessary to prevent or minimize any deficit, and or that purpose they may reduce by resolution one or more appropriations.

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT: REBUDGET OF PRIOR YEAR APPROPRIATIONS | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| | 91-275 | 409 | 7/16/91 | 1 |

## BACKGROUND

The City of Redding adopts an Annual Budget at the heginning of each fiscal year. Certain items hudgeted in the prior year are rehudgeted as a carryover. These items are difficult to identify for numerous reasons, and each year a eertain number are over- looked in the budget process. This policy would authorize the City Manager to routinely carry over items previously approved, hut not rehudgeted.

## PURPOSE

This policy would authorize the City Manager to rebudget previously approved and hudgeted items in accordance with Couneil guide- lines.

## POLICY

It is the policy of the City Council of the City of Redding to authorize the City Manager to rebudget certain items as follows:

1. The item(s) was previously considered and budgeted hy Couneil Resolution.

2 The item(s) was not rehudgeted through the adoption of the Annual Budget or by Exhibit A of the Resolution adopting the Annual Budget.

3. The amount of the appropriation does not ehange, nor does the amount of the funding source change.

4. There is no impaet upon fund reserves.

5. The purpose for whieh the item(s) was rebudgeted does not change.

In the event the item(s) does not meet these conditions, it must be approved hy the City Council and may not he rehudgeted as part of this policy.

## PROCEDURE

The procedure for utilizing the Rehudget of Prior Year Appropriations is provided in the City of Redding Budget Policies and Proeedures Manual.

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT: FISCAL IMPACT STATEMENTS | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| | 91-275 | 411 | 2/4/92 | 1 |

## BACKGROUND

Many actions taken hy the City government bave a fiscal impact, either positive or negative, and yet these impacts have not in the past always heen formally evaluated. Projects may be under- taken, commissions establisbed, studies assigned to staff, and workload otherwise affected without an attempt to measure the effect such action may have on the City financially. While this is not atypical of cities -- and governments generally -- a more responsible posture, generating grcater accountability to the puhlic we serve, would he to require more measurement or estimate of financial impact of every major action we take or consider.

## PURPOSE

The purpose of this policy is to ensure a bigher level of responsibility, accountahility, and fiscal integrity for the City government hy requiring a fiscal impact statement to accompany every major proposal considered by the City Council.

## POLICY

It is the policy of the Redding City Council to require the preparation of a fiscal impact statement to accompany every major proposal to be considered by the City Council. Affected hy this policy would he:

a. The best available estimate of the capital outlay cost of projects;

b. The hest available estimate of operating costs of capital projects, extended over ten years;

c. The operating cost (and revenues) of newly proposed programs;

d. The cost of servicing commissions;

e. Estimates of the cost of employee compensation packages heing negotiated or otherwise considered, including henefits;

f. Operating costs (and realistic lahor savings, if anticipated) of equipment proposed for acquisition.

## PROCEDURE

No prescribed and uniform format of such statements will fit all situations, and so none is prescrihed. The form of the statement should be tailored, however, to provide the City Council with tbe basic information necessary to reacb a sound decision.

It is anticipated that during the transitional period (tbe first year or two tbis policy is in effect), tbe City Council will he evaluating currently-existing programs with the objective of determining areas in which program costs that have developed over the years may no longer he justified.

CITY OF REDDING
COUNCIL POLICY

| SUBJECT: | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| ESTABLISHMENT OF UNRESERVED FUND BALANCE | 92-110 | 412 | 3/17/92 | 1 |

BACKGROUND

Fiscal stability is an important factor to any City. It is Council responsibility to maintain a sufficient level of unreserved fund balance to avoid or reduce budget cutbacks and tax increases if unexpected budget sbortfalls or increased community demands occur during a fiscal year.

PURPOSE

Establish a General Fund unreserved fund balance to maintain a stable tax and revenue structure and provide for tbe orderly provision of services to the citizens of Redding.

POLICY

It is tbe policy of tbe City Council of the City of Redding:

1. To establish an unreserved fund balance witbin tbe General Fund of not less tbree percent (3%) of tbe appropriations for any fiscal year.

2. Moneys set aside in tbe unreserved fund balance sball not be reduced below tbe three percent (3%) of appropriations level without prior approval of the City Council. This would take the form of a supplemental appropriation of resources from the unreserved fund balance account.

3. Each fiscal year during the budget process, the unreserved fund balance will be re-evaluated. An appropriate amount of resourccs will be transferred to be maintained at not less than three percent (3%) of appropriations.

4. City Council will evaluate during the annual budget process tbe unreserved fund balance to determine if adequate levels of reserve are maintained based on the economic conditions of the area.

PROCEDURE

Specific procedures to acbieve the purpose stated above are provided in tbe City of Redding Budget Policies and Procedures Manual

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT: ROLLING STOCK REPLACEMENT FUND | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| | 95-178 | 416 | 8/1/95 | 1 |

## BACKGROUND

The City has established a Rolling Stock Rcplacement Fuod to accumulate resources to purchase rolling stock (i.e., vehicles and related equipmcnt). The purpose of establishing the Rolling Stock Replaccment Fund was to manage rolling stock rcsources in the most efficient manner possihle. To provide departments with the mechanism to manage their rolliog stock the City needs to establish a formal policy regarding appropriation of funds for rolling stock.

## PURPOSE

This policy would authorize department heads, with the City Manager's approval, to transfer funds accumulated in the Rolling Stock Rcplacement Fund to the originating division's hudget where the funds could be expended for rolling stock.

## POLICY

Thc City of Redding has estahlished a Rolling Stock Replacement Fund to accumulate resources to purchase rolling stock. The Rolling Stock Replacement Fund shall accumulate rcsources from the sale of rolling stock, interest earnings and cash transfers from the various divisions of the City. All cash transfers to the Rolling Stock Replacement Fund need Council approval either in the annual oudget or hy amendment to the hudget. A separate accounting of each division's transfers in, sale of rolling stock, interest earnings and transfers out will he maintained for the Rolling Stock Replacement Fund.

No rolling stock will be purchased in the Rolling Stock Replace- ment Fund. To purchase rolling stock, cash will hc transferred from the Rolling Stock Replacement Fund to the originating division's hudget. All cash transfers to the Rolling Stock Replacement Fund, along with revenue generated from the sale of rolling stock and interest earnings, may he transferrcd hack to the originating division's hudget and expended for rolling stock in that division at the request of the department director. Council approval for the appropriation of funds is not necessary if the division's request does not exceed the cash accumulated in the Rolling Stock Replaccment Fund.

## PROCEDURE

Transfers from the Rolling Stock Rcplacement Fund to the originating division's budget via an appropriation transfer rcquest (refercnce Council Policy 401).

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT: SUPPLEMENTAL BUDGET APPROPRIATIONS | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| | 96-051 | 417 | 3/19/96 | 1 |

## BACKGROUND

Departments are authorized to make expenditures up to the amount appropriated by the City Council. If expenditures are anticipated to exceed the amount appropriated, departments must seek a supplemental appropriation from the City Council. There are times, however, when additional expenditures result in an equivalent amount of additional revenues (examples include donations, grants, and mutual aid to other jurisdictions that are reimbursable). In these instances, there is no **net** impact to the City's budget. Under these circumstances, it would be more efficient for the City Manager to amend the budget so long as the increase in expenditures will not exceed the amount of revenue to be generated.

## PURPOSE

The purpose of this policy is to authorize the City Manager to amend the budget in those instances where an increase in expenditures will be completely offset by the amount of revenue to be generated as a result of that increase.

## POLICY

It is the policy of the City Council of the City of Redding to authorize the City Manager to amend the budget in those instances where an increase in expenditures will be completely offset by the amount of revenue to be generated as a result of that increase.

## PROCEDURE

Budget amendments such as those described above shall be approved in the same manner as Appropriation Transfer Requests (reference Council Policy 401).

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| Appropriation Transfers Between Years | 99-94 | 420 | 7/1/99 | 1 |

## Background

Departments have been authorized to make expenditures up to the amount appropriated by the City Council. If expenditures are anticipated to exceed the amount appropriated usually the department must seek a supplemental appropriation from the City Council. Now that the City has adopted a two-year budget there may be times when it would be beneficial for a department to move an appropriation from the first year to the second year or to move an appropriation from the second year to the first year of the two-year budget. In these instances, there is no net impact to the City's budget.

## Purpose

To allow department directors to manage their budget in the most efficient and effective way, the following policy would authorize the department heads, with the City Manager's approval, to transfer appropriations between years of an adopted two-year budget.

## Policy

It is the policy of the City Council of the City of Redding to authorize the department heads, with the City Manager's approval, to administratively transfer appropriations between years of an adopted two-year budget. The following conditions shall be met for all administrative transfers between years:

1. Appropriations shall be transferred only for purposes previously approved by the City Council.

2. Appropriations shall not be transferred between funds.

3. Appropriations shall not be transferred between departments.

4. The number of positions authorized by the City Council shall not be changed administratively.

## Procedure

Appropriation transfers such as those described above shall be approved in the same manner as Appropriation Transfer Requests ( reference Council Policy 401).

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| Reserve Balances in Internal Service Funds | 99-94 | 421 | 7/1/99 | 1 |

## Background

The City of Redding has established internal service funds to provide a useful means of accounting where it is advantageous to centralize the provision of certain goods and services provided to City departments and divisions. An internal service fund should provide services to other departments and divisions on a cost-reimbursement basis.

## Purpose

Internal service funds are used to account for services provided on a cost-reimbursement basis (i.e., without profit or loss). Thus surpluses in an internal service fund may be an indiction that other departments and divisions were over charged for the goods or services they received. To insure departments and divisions are not over charged by internal service funds for goods and services received, the City has implemented the following policy:

## Policy

Internal service funds cash reserves will be reviewed by the Finance Division after the end of a fiscal year. Finance will journal voucher cash reserves in excess of 5.0% in internal service funds back to the originating division or department unless one of the following conditions applies:

1. The excess cash does not exceed $20,000.

2. A justification for retaining the excess balance has been included in the budget issues and approved by the City Manager.

2. A justification separate from the budget process bas been presented to and approved by the City Manager.

3. The fund is a self-insurance fund. Self-insurance funds have been established to account for potential risks and payments are not treated on a cash reimbursement basis. In the self insurance funds cash will be returned to the originating divisions when retained earnings is in excess of expected potential liabilities, as determined by the Finance Division and approved by the City Manager, plus a 5% reserve of current appropriations for unexpected expenditures. When funds in a self-insurance fund exceed the above criteria, cash shall be refunded to the originating divisions unless conditions 1, 2 or 3 above applies.

The adjustment to cash reserves sball not cause a deficit fund balance in any fund, unless the deficit is a result of depreciation and future assets will be replaced by contributions from other funds.

# CITY OF REDDING
# COUNCIL POLICY

| SUBJECT: | RESOLUTION NUMBER | POLICY NUMBER | EFFECTIVE DATE | PAGE |
|---|---|---|---|---|
| EQUIPMENT REPLACEMENT FUND | | 422 | | 1 |

## BACKGROUND

The City has established a Replacement Fund to accumulate resources to purchase certain equipment. The purpose of establishing the Equipment Replacement Fund is to manage equipment resources in the most efficient manner possible. In order to provide departments with the mechanism to manage their equipment and accumulate resources to replace certain equipment, the city needs to establish a formal policy regarding appropriation of funds for equipment.

## PURPOSE

This policy would authorize department heads, with the City Manager's approval, to transfer funds accumulated in the Equipment Replacement Fund to the originating division's budget where the funds could be expended for equipment.

## POLICY

The City of Redding has established an Equipment Replacement Fund to accumulate resources to purchase equipment. The Equipment Replacement Fund shall accumulate resources, interest earnings and cash transfers from the various divisions of the City. All cash transfers to the Equipment Replacement Fund need Council approval either in the annual budget or by amendment to the budget. A separate accounting of each division's transfers in, interest earnings and transfers out will be maintained for the Equipment Replacement Fund.

No equipment will be purchased directly from the Equipment Replacement Fund. In order to purchase equipment, cash will be transferred from the Equipment Replacement Fund to the originating division's budget. All cash transfers to the Equipment Replacement Fund, along with interest earnings, may be transferred back to the originating division's budget and expended for equipment in that division at the request of the department director. Council approval for the appropriation of funds

## PROCEDURE

Transfers from the Equipment Replacement Fund to the originating division's budget via an appropriation transfer request ( reference Council Policy 401)

# REDDING REDEVELOPMENT AGENCY

# REDDING REDEVELDPMENT AGENCY
## DEBT SERVICE
## BUDGET SUMMARY

| ACCOUNTS | 212-10-300 CANBY/HILLTOP/CYPRESS | | | 215-10-300 MARKET STREET | | | 195-10-300 MIDTOWN | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| Revenue and Reserves: | | | | | | | | | |
| Estimated Funds and Reserves | | | | | | | | | |
| **Beginning of Fiscal Year** | **2,208,593** | **2,208,593** | **2,208,593** | **419,280** | **419,280** | **419,280** | **0** | **0** | **0** |
| Estimated Revenue | 2,369,860 | 2,386,330 | 2,399,950 | 469,950 | 478,950 | 482,970 | 24,370 | 25,100 | 25,100 |
| **Total Revenue and Reserves** | **4,578,453** | **4,594,923** | **4,608,543** | **889,230** | **898,230** | **902,250** | **24,370** | **25,100** | **25,100** |
| Expenditure Appropriations: | | | | | | | | | |
| Materials, Supplies & Services | 150,000 | 167,470 | 177,540 | 57,310 | 65,200 | 69,110 | 1,000 | 1,000 | 1,000 |
| Debt Service | 2,219,860 | 2,218,860 | 2,222,410 | 412,640 | 413,750 | 413,860 | 287,910 | 21,200 | 24,100 |
| State Mandated Payments - ERAF | 0 | 0 | 0 | 0 | 0 | 0 | 2,900 | 2,900 | 0 |
| **Total Expenditure Appropriations** | **2,369,860** | **2,386,330** | **2,399,950** | **469,950** | **478,950** | **482,970** | **291,810** | **25,100** | **25,100** |
| **Remaining Restricted Funds** | **2,208,593** | **2,208,593** | **2,208,593** | **419,280** | **419,280** | **419,280** | **(267,440)** | **0** | **0** |
| Year End Adjustments (1) | 0 | 0 | 0 | 0 | 0 | 0 | 267,440 | 0 | 0 |
| **Year End Restricted Funds** | **2,208,593** | **2,208,593** | **2,208,593** | **419,280** | **419,280** | **419,280** | **(0)** | **0** | **0** |

(1) Return of funds plus interest on a prior year's contribution to the CDBG Revolving Loan Fund. The additional funds are applied to existing debt to the City of Redding's parking fund.

# REDDING REDEVELOPMENT AGENCY
## DEBT SERVICE
## REVENUE

| NUMBER | ACCOUNTS | 212-952 CANBY/HILLTOP/CYPRESS | | | 215-963 MARKET STREET | | | 195-960 MIDTOWN | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| 2-1110 | Tax Increment | 2,169,860 | 2,186,330 | 2,274,950 | 411,950 | 448,950 | 452,970 | 24,180 | 25,000 | 25,000 |
| 4-1400 | Property Tax Penalties | 0 | 0 | 0 | 0 | 0 | 0 | 40 | 30 | 30 |
| 9-9110 | Investment Income | 0 | 0 | 0 | 0 | 0 | 0 | 150 | 70 | 70 |
| 9-9170 | Fiscal Agent Interest | 200,000 | 200,000 | 125,000 | 58,000 | 30,000 | 30,000 | 0 | 0 | 0 |
| | **Total Revenue** | **2,369,860** | **2,386,330** | **2,399,950** | **469,950** | **478,950** | **482,970** | **24,370** | **25,100** | **25,100** |

# REDDING REDEVELOPMENT AGENCY
## DEBT SERVICE
## EXPENDITURES

| NUMBER | ACCOUNTS | 212-952 CANBY/HILLTOP/CYPRESS | | | 215-963 MARKET STREET | | | 195-960 MIDTOWN | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| | Materials, Supplies & Services: | | | | | | | | | |
| 2001 | Cost Allocation Reimbursement | 0 | 2,470 | 2,540 | 0 | 400 | 410 | 0 | 0 | 0 |
| 2254 | Specialized Services/Tech - Audit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2468 | Tax Administration Fees - County | 135,000 | 150,000 | 160,000 | 49,310 | 56,800 | 60,700 | 1,000 | 1,000 | 1,000 |
| 2911 | Fiscal/Paying Agent Fees | 15,000 | 15,000 | 15,000 | 8,000 | 8,000 | 8,000 | 0 | 0 | 0 |
| | **Total Materials, Supplies & Services** | **150,000** | **167,470** | **177,540** | **57,310** | **65,200** | **69,110** | **1,000** | **1,000** | **1,000** |
| | Debt Service - Bond Payments | | | | | | | | | |
| 6775 | Bond Market Street 2003 Interest | 0 | 0 | 0 | 242,640 | 238,750 | 233,860 | 0 | 0 | 0 |
| 6975 | Bond Market Street 2003 Principal | 0 | 0 | 0 | 170,000 | 175,000 | 180,000 | 0 | 0 | 0 |
| 6776 | Bond CHC Series A Interest | 1,179,860 | 1,158,860 | 1,137,410 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6976 | Bond CHC Series A Principal | 1,040,000 | 1,060,000 | 1,085,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| | City Loan Principal - Parking Fund | 0 | 0 | 0 | 0 | 0 | 0 | 247,980 | 0 | 0 |
| 6501 | City Loan Interest - Parking Fund | 0 | 0 | 0 | 0 | 0 | 0 | 39,930 | 21,200 | 24,100 |
| 6502 | Electric Fund Interest Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6757 | Lease Revenue Bond Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6957 | Lease Revenue Bond Principal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total Debt Service** | **2,219,860** | **2,218,860** | **2,222,410** | **412,640** | **413,750** | **413,860** | **287,910** | **21,200** | **24,100** |
| **4850** | **State Mandated Payments - ERAF** | **0** | **0** | **0** | **0** | **0** | **0** | **2,900** | **2,900** | **0** |
| | **TOTAL EXPENDITURES** | **2,369,860** | **2,386,330** | **2,399,950** | **469,950** | **478,950** | **482,970** | **291,810** | **25,100** | **25,100** |

# REDDING REDEVELOPMENT AGENCY
## CAPITAL PROJECTS
## BUDGET SUMMARY

| ACCOUNTS | CANBY/HILLTOP/CYPRESS | | | MARKET STREET | | |
|---|---|---|---|---|---|---|
| | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| Revenue and Reserves: | | | | | | |
| Estimated Funds and Reserves | | | | | | |
| **Beginning of Fiscal Year** | **17,431,690** | **8,898,560** | **6,689,270** | **4,725,060** | **2,130,330** | **609,780** |
| Estimated Revenue | 3,628,950 | 3,823,570 | 3,903,380 | 2,135,240 | 1,760,680 | 1,839,610 |
| **Total Revenue and Reserves** | **21,060,640** | **12,722,130** | **10,592,650** | **6,860,300** | **3,891,010** | **2,449,390** |
| Expenditure Program Appropriations: | | | | | | |
| Materials, Supplies & Services | 120,910 | 297,880 | 88,700 | 18,170 | 14,900 | 14,900 |
| Contract Services | 331,470 | 422,250 | 441,650 | 104,200 | 129,990 | 134,630 |
| Loans from C/H/C Surplus Property Proceeds | 0 | 0 | 0 | 0 | 0 | 0 |
| Interdepartmental Charges | 93,730 | 129,230 | 132,910 | 21,970 | 21,340 | 22,060 |
| Pass-Throughs | 1,884,980 | 2,000,000 | 2,100,000 | 1,122,700 | 1,200,000 | 1,300,000 |
| Capital Outlay Projects | 9,638,890 | 3,183,500 | 5,435,000 | 2,643,520 | 1,915,000 | 365,000 |
| Communication and Computer Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total Expenditure Programs** | **12,069,980** | **6,032,860** | **8,198,260** | **3,910,560** | **3,281,230** | **1,836,590** |
| **Unbudgeted Funds** | **8,990,660** | **6,689,270** | **2,394,390** | **2,949,740** | **609,780** | **812,800** |
| Year End Adjustments | | | | | | |
| Pass-Through Reserves (Previous Years) | (92,100) | | | (819,410) | | |
| Pass-Through Interest (Current Year) | | | | | | |
| Transfer from Debt Service | | | | | | |
| **Estimated Funds Available Year End** | **8,898,560** | **6,689,270** | **2,394,390** | **2,130,330** | **609,780** | **612,800** |

# REDDING REDEVELOPMENT AGENCY
## CAPITAL PROJECTS
## REVENUE

| NUMBER | ACCOUNTS | 194-950 CANBY/HILLTOP/CYPRESS | | | 196-961 MARKET STREET | | |
|---|---|---|---|---|---|---|---|
| | | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| 2-1110 | Property Tax Increment | 3,399,540 | 3,629,470 | 3,793,380 | 1,688,220 | 1,663,180 | 1,817,110 |
| 4-1400 | Property Tax Penalties | 10,000 | 10,000 | 10,000 | 4,000 | 2,500 | 2,500 |
| 5-3100 | Real Estate Rentals | 0 | 0 | 0 | 0 | 0 | 0 |
| 5-5020 | Fund Transfers | 0 | 0 | 0 | 0 | 0 | 0 |
| 6-1200 | State Grants - Grange Street Traffic Calming | 0 | 0 | 0 | 100,000 | 60,000 | 0 |
| 6-1300 | CDBG Funds | 0 | 0 | 0 | 0 | 0 | 0 |
| 6-1300 | Shasta County Grant - fiber optic relocation | 0 | 0 | 0 | 5,260 | 0 | 0 |
| 7-2010 | Downtown Business Association/Viva Downtown | 12,450 | 0 | 0 | 0 | 0 | 0 |
| 7-2100 | Contributions - Developers | 0 | 0 | 0 | 0 | 0 | 0 |
| 7-4100 | Miscellaneous Sale of Property - Buenaventura | 0 | 0 | 0 | 236,730 | 0 | 0 |
| 7-9100 | Miscellaneous Revenue | 2,500 | 0 | 0 | 16,000 | 0 | 0 |
| 9-3100 | Property Rentals - Pine Street | 0 | 0 | 0 | 40,030 | 0 | 0 |
| 9-7200 | Principal - Loan to Buckeye Project Area | 40,000 | 82,100 | 0 | 0 | 0 | 0 |
| 9-7220 | Loan Repayment - Pass Through | 0 | 0 | 0 | 0 | 0 | 0 |
| 9-7400 | Interest - Loan to Buckeye Project Area | 4,460 | 2,000 | 0 | 0 | 0 | 0 |
| 9-9110 | Interest on Investment | 160,000 | 100,000 | 100,000 | 45,000 | 35,000 | 20,000 |
| | **Total Revenue** | **3,628,950** | **3,823,570** | **3,903,380** | **2,135,240** | **1,760,680** | **1,839,610** |

# REDDING REDEVELOPMENT AGENCY
## CAPITAL PROJECTS
## EXPENDITURES

| NUMBER | ACCOUNTS | 194-950 CANBY/HILLTOP/CYPRESS | | | 196-961 MARKET STREET | | |
|---|---|---|---|---|---|---|---|
| | | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| | Materials, Supplies & Services: | | | | | | |
| 2253 | Professional Services | 35,550 | 30,000 | 30,000 | 5,000 | 5,000 | 5,000 |
| 2254 | Specialized Srvcs/Tech - Audit | 15,000 | 15,000 | 15,000 | 2,000 | 2,000 | 2,000 |
| 2256 | Consulting Services | 3,500 | 3,500 | 3,500 | 3,000 | 3,000 | 3,000 |
| 2281 | Office Equipment Maintenance Repair | 1,200 | 1,200 | 1,200 | 0 | 0 | 0 |
| 2311 | Communication Expense | 3,200 | 3,200 | 3,200 | 0 | 0 | 0 |
| 2442 | Postage/Mailing Expense | 500 | 500 | 500 | 100 | 100 | 100 |
| 2444 | Operating Material/Supplies | 5,020 | 5,000 | 5,000 | 2,000 | 2,000 | 2,000 |
| 2446 | Small Equipment/Furniture | 3,000 | 3,000 | 3,000 | 0 | 0 | 0 |
| 2472 | Advertising/Promotion | 4,500 | 4,500 | 4,500 | 1,300 | 1,300 | 1,300 |
| 2473 | Books/Dues/Subcriptions | 5,000 | 10,000 | 10,000 | 1,000 | 1,500 | 1,500 |
| 2475 | Insurance Expense | 5,640 | 0 | 0 | 3,770 | 0 | 0 |
| 2631 | Property Assessments | 500 | 500 | 500 | 0 | 0 | 0 |
| 2641 | Civic Center Rent | 25,150 | 209,180 | 0 | 0 | 0 | 0 |
| 2671 | Travel Expense | 7,000 | 7,000 | 7,000 | 0 | 0 | 0 |
| 2782 | Training Expense | 3,000 | 3,000 | 3,000 | 0 | 0 | 0 |
| 2791 | Computer Equipment | 3,150 | 2,300 | 2,300 | 0 | 0 | 0 |
| | **Total Materials, Supplies & Services** | **120,910** | **297,880** | **88,700** | **18,170** | **14,900** | **14,900** |
| | Loans from C/H/C Surplus Property Proceeds | | | | | | |
| 2902 | Principal | 0 | 0 | 0 | 0 | 0 | 0 |
| 2903 | Interest | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total Loans** | **0** | **0** | **0** | **0** | **0** | **0** |
| | **Contract Services - Staff** | **331,470** | **422,250** | **441,650** | **104,200** | **129,990** | **134,630** |
| | **Interdepartmental Services** | **93,730** | **129,230** | **132,910** | **21,970** | **21,340** | **22,060** |
| | **Capital Outlay and Other Programs** | **9,638,890** | **3,183,500** | **5,435,000** | **2,643,520** | **1,915,000** | **365,000** |
| 2249 | **Pass-throughs to Taxing Entities and Schools** | **1,884,980** | **2,000,000** | **2,100,000** | **1,122,700** | **1,200,000** | **1,300,000** |
| | **TOTAL EXPENDITURES** | **12,069,900** | **6,032,860** | **8,198,260** | **3,910,560** | **3,281,230** | **1,836,590** |

NOTE: The 2004-05 budget contains carryover funds from the 2003-04 fiscal year.

## REDDING REDEVELOPMENT AGENCY
## CAPITAL PROJECTS
## CONTRACT SERVICES

| NUMBER | ACCOUNTS | 194-950 CANBY/HILLTOP/CYPRESS | | | 196-961 MARKET STREET | | |
|---|---|---|---|---|---|---|---|
| | | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2005-06 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| | Contract Services | | | | | | |
| 1954 | Redevelopment Staff | 222,160 | 267,710 | 280,050 | 93,000 | 112,990 | 116,630 |
| 1963 | City Manager/Deputy City Manager | 85,000 | 117,500 | 122,500 | 0 | 0 | 0 |
| 1966 | Planning | 1,810 | 2,040 | 2,100 | 0 | 0 | 0 |
| 1967 | Finance Staff | 22,500 | 35,000 | 37,000 | 11,200 | 17,000 | 18,000 |
| | **Total Contract Services** | **331,470** | **422,250** | **441,650** | **104,200** | **129,990** | **134,630** |

## REDDING REDEVELOPMENT AGENCY
## INTERDEPARTMENTAL SERVICES

| NUMBER | ACCOUNTS | 194-950 CANBY/HILLTOP/CYPRESS | | | 196-961 MARKET STREET | | |
|---|---|---|---|---|---|---|---|
| | | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| | Inderdepartmental Charges: | | | | | | |
| 2001 | Cost Allocation Plan Reimbursement | 34,340 | 67,720 | 69,750 | 14,630 | 8,260 | 8,500 |
| 2101 | Fixed Charge - Bldg Maintenance | 9,230 | 9,910 | 9,880 | 0 | 0 | 0 |
| 2104 | Fixed Charge - Information System | 11,750 | 11,540 | 11,930 | 0 | 0 | 0 |
| 2105 | Fixed Charge - Print Shop | 10,600 | 11,430 | 11,730 | 0 | 0 | 0 |
| 2106 | Fixed Charge - Fleet Maintenance | 300 | 300 | 300 | 0 | 0 | 0 |
| 2107 | Fixed Charge - Risk Management | 0 | 10,980 | 11,690 | 0 | 5,480 | 5,840 |
| 2108 | Fixed Charge - Records Management | 2,660 | 3,020 | 3,050 | 0 | 0 | 0 |
| 2109 | Fixed Charge - Communication | 950 | 220 | 230 | 0 | 0 | 0 |
| 2116 | Fixed Charge - GIS | 12,830 | 3,840 | 4,050 | 2,340 | 2,600 | 2,720 |
| 2117 | Fixed Charge - Volunteer Services | 560 | 590 | 630 | 0 | 0 | 0 |
| 2118 | Fixed Charge - Employer Service | 1,510 | 330 | 420 | 0 | 0 | 0 |
| 2119 | Fixed Charge - Legal | 7,500 | 7,500 | 7,500 | 5,000 | 5,000 | 5,000 |
| 2162 | Variable Charge - Mail | 1,500 | 1,750 | 1,750 | 0 | 0 | 0 |
| | **Total Interdepartmental Charges** | **93,730** | **129,230** | **132,910** | **21,970** | **21,340** | **22,060** |

## REDDING REDEVELOPMENT AGENCY
## CAPITAL OUTLAY PROJECTS AND OTHER PROGRAMS

| NUMBER | ACCOUNTS | 194-950 CANBY/HILLTOP/CYPRESS | | | 196-961 MARKET STREET | | |
|---|---|---|---|---|---|---|---|
| | | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| | Capital Outlay Projects: | | | | | | |
| 3320 | Utility Pole Relocation | 0 | 0 | 0 | 10,000 | 0 | 0 |
| 4002 | Public Safety Facility | 50,000 | 0 | 0 | 0 | 0 | 0 |
| 4081 | Facade Program | 23,990 | 10,000 | 10,000 | 176,410 | 40,000 | 40,000 |
| 4190 | Property Management/Sales Expense | 3,500 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| 4316 | California/Placer Street Renovation | 0 | 0 | 0 | 0 | 510,000 | 0 |
| 4318 | SR273 & Parkview Avenue T/S (partnership with Caltrans) | 0 | 0 | 0 | 0 | 0 | 0 |
| 4451 | Development Partnership | 0 | 0 | 0 | 125,000 | 0 | 300,000 |
| 4460 | South Market Street Landscape (Phase 3) Corridor Improvements | 0 | 0 | 0 | 103,040 | 0 | 0 |
| 4501 | Building Improvements | 3,000 | 0 | 0 | 0 | 0 | 0 |
| 4503 | Open Space/River Access | 420,000 | 0 | 400,000 | 134,860 | 0 | 0 |
| 4533 | Preliminary Engineering Work - General | 23,250 | 15,000 | 15,000 | 25,000 | 15,000 | 15,000 |
| 4536 | Railroad Avenue Facade Program | 0 | 0 | 0 | 25,000 | 0 | 0 |
| 4539 | Parkview Facade Program | 0 | 0 | 0 | 25,000 | 0 | 0 |
| 4591 | Water Features | 250,000 | 0 | 0 | 0 | 0 | 0 |
| 4604 | North Market Corridor Improvements | 467,330 | 300,000 | 0 | 0 | 0 | 0 |
| 4610 | Library | 1,200,000 | 0 | 0 | 185,380 | 200,000 | 0 |
| 4613 | Entry Features | 9,340 | 0 | 0 | 0 | 100,000 | 0 |
| 4700 | Burn Dump Clean Up | 74,400 | 0 | 0 | 0 | 0 | 0 |
| 4717 | Property Acquisition - Gas-a-mat/Redding Kenworth/S Bonnyview | 2,173,500 | 0 | 0 | 150,000 | 0 | 0 |
| 4720 | Downtown Property Acquisition - Carl's Tire | 0 | 0 | 0 | 485,000 | 0 | 0 |
| 4776 | Court Street/Schley Intersection Realignment | 0 | 0 | 0 | 0 | 50,000 | 0 |
| 4783 | Dana Drive Streetscape | 615,000 | 0 | 0 | 0 | 0 | 0 |
| 4784 | Churn Creek Road Realignment | 2,190,690 | 2,308,500 | 0 | 0 | 0 | 0 |
| 4786 | Hilltop Drive Improvement | 32,450 | 0 | 2,000,000 | 0 | 0 | 0 |
| 4791 | State Route 273/Clear Creek Road - Traffic Signal | 0 | 0 | 0 | 150,000 | 0 | 0 |
| 4793 | Northeast Fire Station | 516,000 | 0 | 0 | 0 | 0 | 0 |
| 4819 | Grange Street Traffic Calming | 0 | 0 | 0 | 135,770 | 0 | 0 |
| 4826 | Downtown Mall/Shasta College Improvements | 0 | 0 | 0 | 037,600 | 600,000 | 0 |
| 4850 | State Mandated Payments - ERAF | 600,000 | 540,000 | 0 | 169,000 | 160,000 | 0 |
| 4877 | Hilltop/Hwy 44 Overcrossing | 911,440 | 0 | 0 | 0 | 0 | 0 |
| 4889 | Downtown Plan/Improvements | 0 | 0 | 0 | 21,460 | 230,000 | 0 |
| 4908 | Cypress Avenue Bridge | 0 | 0 | 3,000,000 | 0 | 0 | 0 |
| 4927 | Plan Amendment | 75,000 | 0 | 0 | 75,000 | 0 | 0 |
| | **Total Capital Outlay Projects** | **9,638,890** | **3,183,500** | **5,435,000** | **2,643,520** | **1,915,000** | **365,000** |
| | Capital Outlay Equipment Exceeding $5,000 | | | | | | |
| 5711 | Computers/Communication Projector | 0 | 0 | 0 | 0 | 0 | 0 |
| 5699 | Furniture & Office Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total Capital Outlay Equipment Expense** | **0** | **0** | **0** | **0** | **0** | **0** |
| | **Total Capital Outlay and Other Programs** | **9,638,890** | **3,183,500** | **5,435,000** | **2,643,520** | **1,915,000** | **365,000** |

NOTE: The 2004-05 budget contains carryover funds from the 2003-04 fiscal year

# REDDING REDEVELOPMENT AGENCY
## HOUSING
## BUDGET SUMMARY

| ACCOUNTS | 2004-05 | | | 2005-06 | | | 2006-07 | | |
|---|---|---|---|---|---|---|---|---|---|
| | C/H/C AMENDED BUDGET | MARKET ST. AMENDED BUDGET | COMBINED AMENDED BUDGET | C/H/C PROPOSED BUDGET | MARKET ST PROPOSED BUDGET | COMBINED PROPOSED BUDGET | C/H/C PROPOSED BUDGET | MARKET ST PROPOSED BUDGET | COMBINED PROPOSED BUDGET |
| Revenue and Reserves | | | | | | | | | |
| Estimated Funds and Reserves: | | | | | | | | | |
| **Beginning of Fiscal Year (1)** | **9,385,620** | **1,353,280** | **10,738,900** | **2,416,720** | **679,920** | **3,096,640** | **491,420** | **454,110** | **945,530** |
| Estimated Revenue | 2,235,820 | 564,310 | 2,800,130 | 2,291,440 | 562,940 | 2,854,380 | 2,041,550 | 602,420 | 2,643,970 |
| **Total Revenue and Reserves** | **11,621,440** | **1,917,590** | **13,539,030** | **4,708,160** | **1,242,860** | **5,951,020** | **2,532,970** | **1,056,530** | **3,589,500** |
| Expenditure Program Appropriations | | | | | | | | | |
| Materials, Supplies & Services | 103,840 | 19,500 | 123,340 | 141,020 | 21,700 | 162,720 | 91,700 | 26,700 | 118,400 |
| Debt Service | 773,270 | 0 | 773,270 | 774,560 | 0 | 774,580 | 772,500 | 0 | 772,500 |
| Contract Services - Staff | 572,890 | 0 | 572,890 | 734,580 | 0 | 734,580 | 764,550 | 0 | 764,550 |
| Interdepartmental Charges | 56,430 | 0 | 56,430 | 55,560 | 2,050 | 57,610 | 57,270 | 2,110 | 59,380 |
| Capital Outlay Projects and Programs | 8,165,440 | 1,218,170 | 9,383,610 | 2,511,000 | 765,000 | 3,276,000 | 643,000 | 765,000 | 1,408,000 |
| Communication and Computer Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total Expenditure Program Appropriations** | **9,671,670** | **1,237,670** | **10,909,540** | **4,216,740** | **788,750** | **5,005,490** | **2,329,020** | **793,810** | **3,122,830** |
| **Unbudgeted Funds** | **1,949,570** | **679,920** | **2,629,490** | **491,420** | **454,110** | **945,530** | **203,950** | **262,720** | **466,670** |
| Year End Adjustments (2) | 467,150 | | **467,150** | 0 | 0 | 0 | 0 | 0 | 0 |
| **Funds Available** | **2,416,720** | **679,920** | **3,096,640** | **491,420** | **454,110** | **945,530** | **203,950** | **262,720** | **466,670** |

(1) Beginning funds include bond proceeds held in Division 971, Special Projects.

(2) Year End Adjustments: C-H-C - Return of match funds from the HOME Program

# REDDING REDEVELOPMENT AGENCY
## HOUSING
## REVENUE

| NUMBER | ACCOUNTS | 2004-05 | | | 2005-06 | | | 2006-07 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 213-953 C/H/C REVISED ESTIMATE | 216-964 MARKET ST REVISED ESTIMATE | COMBINED REVISED ESTIMATE | 213-953 C/H/C PROPOSED BUDGET | 216-964 MARKET ST PROPOSED BUDGET | COMBINED PROPOSED BUDGET | 213-953 C/H/C PROPOSED BUDGET | 216-964 MARKET ST PROPOSED BUDGET | COMBINED PROPOSED BUDGET |
| 2-1110 | Tax Increment | 1,392,350 | 529,220 | 1,921,570 | 1,453,340 | 527,940 | 1,981,280 | 1,516,450 | 567,420 | 2,083,870 |
| 5-5012 | Return of Home Matching Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5-3100 | Real Estate Rentals | 0 | 860 | 860 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6-1300 | CDBG Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6-1320 | HOME Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6-2650 | Federal Grant fot Transitional Housing | 0 | 0 | 0 | 252,000 | 0 | 252,000 | 0 | 0 | 0 |
| 7-2010 | Developer Fees | 0 | 0 | 0 | 26,000 | 0 | 26,000 | 0 | 0 | 0 |
| 7-2100 | Contributions-Developers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7-4100 | Sale of Property - New Urban Builders | 7,600 | 4,230 | 11,830 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7-4300 | Bond Proceeds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7-9100 | Miscellaneous Revenue | 2,000 | 0 | 2,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9-7200 | Loan Repayment Principal - 2948 Leland Ave. | 121,820 | 0 | 121,820 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9-7400 | Loan Repayment Interest - 2948 Leland Ave. | 750 | 0 | 750 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9-7610 | Late Payment Charges | 100 | 0 | 100 | 100 | 0 | 100 | 100 | 0 | 100 |
| 9-7630 | Interest Payments on Housing/Rehab Loans | 12,000 | 0 | 12,000 | 20,000 | 0 | 20,000 | 20,000 | 0 | 20,000 |
| 9-7635 | Principal Payments on Housing/Rehab Loans | 70,000 | 0 | 70,000 | 70,000 | 0 | 70,000 | 70,000 | 0 | 70,000 |
| 9-7636 | Forgiveable Loan Principal | 4,200 | 0 | 4,200 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9-7640 | Interest Payments on Housing/DAP Loans | 215,000 | 0 | 215,000 | 125,000 | 0 | 125,000 | 125,000 | 0 | 125,000 |
| 9-7645 | Principal Payments on Housing/DAP Loans | 200,000 | 0 | 200,000 | 200,000 | 0 | 200,000 | 200,000 | 0 | 200,000 |
| 9-7646 | Mortgage Credit Cert. Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9-9110 | Interest on Investment | 60,000 | 30,000 | 90,000 | 60,000 | 35,000 | 95,000 | 60,000 | 35,000 | 95,000 |
| 9-9170 | Fiscal Agent Interest* | 150,000 | 0 | 150,000 | 85,000 | 0 | 85,000 | 50,000 | 0 | 50,000 |
| | **Total Cash In** | **2,235,820** | **564,310** | **2,800,130** | **2,291,440** | **562,940** | **2,854,380** | **2,041,550** | **602,420** | **2,643,970** |

*Interest Income from bond proceeds held in Special Projects, Division 971.

# REDDING REDEVELOPMENT AGENCY
## HOUSING
## EXPENDITURES

| NUMBER | ACCOUNTS | 2004-05 213-953 C/H/C AMENDED BUDGET | 2004-05 216-964 MARKET ST AMENDED BUDGET | 2004-05 COMBINED AMENDED BUDGET | 2005-06 213-953 C/H/C PROPOSED BUDGET | 2005-06 216-964 MARKET ST PROPOSED BUDGET | 2005-06 COMBINED PROPOSED BUDGET | 2006-07 213-953 C/H/C PROPOSED BUDGET | 2006-07 216-964 MARKET ST PROPOSED BUDGET | 2006-07 COMBINED PROPOSED BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| | Materials, Supplies & Services: | | | | | | | | | |
| 2253 | Professional Services/Consultant | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2254 | Specialized Services/Technical | 4,000 | 700 | 4,700 | 4,000 | 700 | 4,700 | 4,000 | 700 | 4,700 |
| 2281 | Office Equipment Maintenance/Repair | 500 | 0 | 500 | 500 | 0 | 500 | 500 | 0 | 500 |
| 2311 | Communication Expense | 1,200 | 0 | 1,200 | 1,200 | 0 | 1,200 | 1,200 | 0 | 1,200 |
| 2442 | Postage and Mailing Expense | 500 | 0 | 500 | 500 | 0 | 500 | 500 | 0 | 500 |
| 2444 | Operating Material Supplies | 4,010 | 0 | 4,010 | 4,000 | 0 | 4,000 | 4,000 | 0 | 4,000 |
| 2446 | Small Equipment/Furniture | 1,000 | 0 | 0 | 1,000 | 0 | 1,000 | 1,000 | 0 | 1,000 |
| 2467 | Loan Fees (U.S. Escrow) | 2,000 | 0 | 2,000 | 1,500 | 0 | 1,500 | 1,500 | 0 | 1,500 |
| 2468 | Tax Administration Fees | 55,000 | 17,800 | 72,800 | 55,000 | 20,000 | 75,000 | 60,000 | 25,000 | 85,000 |
| 2472 | Advertising/Promotion | 1,500 | 0 | 1,500 | 1,500 | 0 | 1,500 | 1,500 | 0 | 1,500 |
| 2473 | Books/Dues/Subscriptions | 1,000 | 0 | 1,000 | 2,000 | 0 | 2,000 | 2,000 | 0 | 2,000 |
| 2475 | Insurance Expense | 11,340 | 0 | 11,340 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2631 | Property Assessments | 500 | 1,000 | 1,500 | 500 | 1,000 | 1,500 | 500 | 1,000 | 1,500 |
| 2641 | Civic Center Rent | 6,290 | 0 | 6,290 | 52,320 | 0 | 52,320 | 0 | 0 | 0 |
| 2671 | Travel Expense | 3,000 | 0 | 3,000 | 3,000 | 0 | 3,000 | 3,000 | 0 | 3,000 |
| 2782 | Employee Training | 2,000 | 0 | 2,000 | 2,000 | 0 | 2,000 | 2,000 | 0 | 2,000 |
| 2791 | Computer Equipment | 0 | 0 | 0 | 2,000 | 0 | 2,000 | 0 | 0 | 0 |
| 2911 | Fiscal/Paying Agent Fees | 10,000 | 0 | 10,000 | 10,000 | 0 | 10,000 | 10,000 | 0 | 10,000 |
| | **Total Materials, Supplies & Services** | **103,840** | **19,500** | **122,340** | **141,020** | **21,700** | **162,720** | **91,700** | **26,700** | **118,400** |
| | Debt Service: | | | | | | | | | |
| 6755 | Series A Interest | 315,390 | 0 | 315,390 | 301,700 | 0 | 301,700 | 284,620 | 0 | 284,620 |
| 6756 | Series B Interest | 167,880 | 0 | 167,880 | 167,880 | 0 | 167,880 | 167,880 | 0 | 167,880 |
| 6955 | Series A Principal | 290,000 | 0 | 290,000 | 305,000 | 0 | 305,000 | 320,000 | 0 | 320,000 |
| | **Total Debt Service** | **773,270** | **0** | **773,270** | **774,580** | **0** | **774,580** | **772,500** | **0** | **772,580** |
| | **Contract Services - Staff** | **572,890** | **0** | **572,890** | **734,580** | **0** | **734,580** | **764,550** | **0** | **764,550** |
| | **Interdepartmental Services** | **56,430** | **0** | **56,430** | **55,560** | **2,050** | **57,610** | **57,270** | **2,110** | **59,380** |
| | **Capital Outlay and Other Programs** | **8,165,440** | **1,218,170** | **9,383,610** | **2,511,000** | **765,000** | **3,276,000** | **643,000** | **765,000** | **1,408,000** |
| | **TOTAL EXPENDITURES** | **9,671,870** | **1,237,670** | **10,908,540** | **4,216,740** | **788,750** | **5,005,490** | **2,329,020** | **793,810** | **3,122,830** |

NOTE: The 2004-05 budget contains carryover funds from the 2003-04 fiscal year.

## REDDING REDEVELOPMENT AGENCY
## HOUSING
## CONTRACT SERVICES

| NUMBER | ACCOUNTS | 2004-05 213-953 C/H/C AMENDED BUDGET | 2004-05 216-964 MARKET ST AMENDED BUDGET | 2004-05 COMBINED AMENDED BUDGET | 2005-06 213-953 C/H/C PROPOSED BUDGET | 2005-06 216-964 MARKET ST PROPOSED BUDGET | 2005-06 COMBINED PROPOSED BUDGET | 2006-07 213-953 C/H/C PROPOSED BUDGET | 2006-07 216-964 MARKET ST PROPOSED BUDGET | 2006-07 COMBINED PROPOSED BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| | Contract Services: | | | | | | | | | |
| 1954 | Redevelopment Staff | 239,190 | 0 | 239,190 | 275,460 | 0 | 275,460 | 284,260 | 0 | 284,260 |
| 1963 | City Manager's Office | 85,000 | 0 | 85,000 | 117,500 | 0 | 117,500 | 122,500 | 0 | 122,500 |
| 1966 | Planning | 3,500 | 0 | 3,500 | 5,620 | 0 | 5,620 | 5,790 | 0 | 5,790 |
| 1967 | Finance Staff | 11,200 | 0 | 11,200 | 16,000 | 0 | 16,000 | 17,000 | 0 | 17,000 |
| 1990 | Community Development Staff | 234,000 | 0 | 234,000 | 320,000 | 0 | 320,000 | 335,000 | 0 | 335,000 |
| | **Total Contract Services** | **572,890** | **0** | **572,890** | **734,580** | **0** | **734,580** | **764,550** | **0** | **764,550** |

## REDDING REDEVELOPMENT AGENCY
## HOUSING
## INTERDEPARTMENTAL SERVICES

| NUMBER | ACCOUNTS | 2004-05 213-953 C/H/C AMENDED BUDGET | 2004-05 216-964 MARKET ST AMENDED BUDGET | 2004-05 COMBINED AMENDED BUDGET | 2005-06 213-953 C/H/C PROPOSED BUDGET | 2005-06 216-964 MARKET ST PROPOSED BUDGET | 2005-06 COMBINED PROPOSED BUDGET | 2006-07 213-953 C/H/C PROPOSED BUDGET | 2006-07 216-964 MARKET ST PROPOSED BUDGET | 2006-07 COMBINED PROPOSED BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| | Interdepartmental Charges: | | | | | | | | | |
| 2001 | Cost Allocation Plan Reimbursement | 37,340 | 0 | 37,340 | 20,410 | 2,050 | 22,460 | 21,020 | 2,110 | 23,130 |
| 2101 | Fixed Charge - Bldg Maintenance | 6,160 | 0 | 6,160 | 6,610 | 0 | 6,610 | 6,580 | 0 | 6,580 |
| 2104 | Fixed Charge - Information System | 0 | 0 | 0 | 3,960 | 0 | 3,960 | 4,090 | 0 | 4,090 |
| 2105 | Fixed Charge - Print Shop | 2,710 | 0 | 2,710 | 1,230 | 0 | 1,230 | 1,250 | 0 | 1,250 |
| 2107 | Fixed Charge - Risk Management | 0 | 0 | 0 | 10,980 | 0 | 10,980 | 11,690 | 0 | 11,690 |
| 2116 | Fixed Charge - GIS | 4,220 | 0 | 4,220 | 4,790 | 0 | 4,790 | 4,970 | 0 | 4,970 |
| 2118 | Fixed Charge - Employer Service | 0 | 0 | 0 | 1,580 | 0 | 1,580 | 1,670 | 0 | 1,670 |
| 2119 | Fixed Charge - Legal Service | 4,000 | 0 | 4,000 | 4,000 | 0 | 4,000 | 4,000 | 0 | 4,000 |
| 2162 | Variable Charge - Mail | 2,000 | 0 | 2,000 | 2,000 | 0 | 2,000 | 2,000 | 0 | 2,000 |
| | **Total Interdepartmental Charges** | **56,430** | **0** | **56,430** | **55,560** | **2,050** | **57,610** | **57,270** | **2,110** | **59,380** |

# REDDING REDEVELOPMENT AGENCY
## HOUSING
## CAPITAL OUTLAY AND OTHER PROGRAMS

| NUMBER | ACCOUNTS | 2004-05 213-953 C/H/C AMENDED BUDGET | 2004-05 216-964 MARKET ST AMENDED BUDGET | 2004-05 COMBINED AMENDED BUDGET | 2005-06 213-953 C/H/C PROPOSED BUDGET | 2005-06 216-964 MARKET ST PROPOSED BUDGET | 2005-06 COMBINED PROPOSED BUDGET | 2006-07 213-953 C/H/C PROPOSED BUDGET | 2006-07 216-964 MARKET ST PROPOSED BUDGET | 2006-07 COMBINED PROPOSED BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| | Projects and Programs: | | | | | | | | | |
| 4190 | Property Management/Sales Expense | 0 | 23,640 | 23,640 | 0 | 15,000 | 15,000 | 0 | 15,000 | 15,000 |
| 4500 | Parkview Neighborhood Acquisition | 13,700 | 0 | 13,700 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4512 | Parkview Relocation Services | 0 | 124,930 | 124,930 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4519 | Predevelopment | 0 | 0 | 0 | 30,000 | 0 | 30,000 | 30,000 | 0 | 30,000 |
| 4522 | Downtown 300 | 0 | 0 | 0 | 0 | 750,000 | 750,000 | 0 | 750,000 | 750,000 |
| 4523 | Target Neighborhoods - Property Acquisition | 0 | 0 | 0 | 500,000 | 0 | 500,000 | 500,000 | 0 | 500,000 |
| 4524 | Lake Boulevard Planning | 0 | 0 | 0 | 75,000 | 0 | 75,000 | 0 | 0 | 0 |
| 4538 | Fern Property Acquisition | 0 | 150,000 | 150,000 | 1,000,000 | 0 | 1,000,000 | 0 | 0 | 0 |
| 4631 | First Time Homebuyer Counseling | 13,000 | 0 | 13,000 | 13,000 | 0 | 13,000 | 13,000 | 0 | 13,000 |
| 4756 | Other RRA Housing (foreclosures) | 100,000 | 0 | 100,000 | 100,000 | 0 | 100,000 | 100,000 | 0 | 100,000 |
| 4757 | Match for HOME Grant | 45,000 | 0 | 45,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4801 | Housing Rehabilitation | 71,200 | 0 | 71,200 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4802 | Downpayment Assistance Program | 200,000 | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4812 | Transitional Housing | 926,170 | 0 | 926,170 | 278,000 | 0 | 278,000 | 0 | 0 | 0 |
| 4829 | Redding Hotel | 190,280 | 0 | 190,280 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4885 | Substantial Rehab/New Development | 782,700 | 695,500 | 1,478,200 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4919 | Parkview Mixed Use Development | 621,440 | 0 | 621,440 | 500,000 | 0 | 500,000 | 0 | 0 | 0 |
| 4922 | Parkview Scattered Residential Infill | 476,320 | 0 | 476,320 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4923 | Parkview Area Traffic Improvements | 49,380 | 0 | 49,380 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4931 | Parkview Infrastructure Improvements | 275,180 | 0 | 275,180 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4933 | Parkview Incentives - Homeowner Rehab | 27,590 | 0 | 27,590 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4935 | Parkview Incentives - DAP Plus | 573,450 | 0 | 573,450 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4936 | Parkview Other Residential Incentives | 50,730 | 0 | 50,730 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4940 | Junior Street Residential Project | 759,310 | 163,940 | 923,250 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4943 | Residential Development - The Woods | 1,000,000 | 80,160 | 1,080,160 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4945 | MLK Planning | 21,090 | 0 | 21,090 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4946 | MLK Incentives - Homeowner Rehab | 213,500 | 0 | 213,500 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4947 | MLK Incentives - Rental Rehab | 137,670 | 0 | 137,670 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4948 | MLK Incentives - DAP Plus | 235,000 | 0 | 235,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4949 | MLK Other Residential Incentives | 26,380 | 0 | 26,380 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4950 | MLK Infrastructure Improvements | 50,000 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4952 | MLK Linden Avenue Development | 550,000 | 0 | 550,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4953 | MLK Residential Infill | 593,850 | 0 | 593,850 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4954 | MLK Land Acquisition | 95,000 | 0 | 95,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4955 | Parkview Housing Development | 7,500 | 0 | 7,500 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4961 | Residential Code Enforcement | 60,000 | 0 | 60,000 | 15,000 | 0 | 15,000 | 0 | 0 | 0 |
| | **Total Projects and Programs** | **8,165,440** | **1,218,170** | **9,383,610** | **2,511,000** | **765,000** | **3,276,000** | **643,000** | **765,000** | **1,408,000** |
| | Capital Outlay Equipment Exceeding $5,000 | | | | | | | | | |
| 5711 | Computer Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total Communication/Computer Equipment** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **0** |
| | **Total Capital Outlay and Other Programs** | **8,165,440** | **1,218,170** | **9,383,610** | **2,511,000** | **765,000** | **3,276,000** | **643,000** | **765,000** | **1,408,000** |

NOTE: The 2004-05 budget contains carryover funds from the 2003-04 fiscal year.

# REDDING REDEVELOPMENT AGENCY
## SHASTEC
## BUDGET SUMMARY

| ACCOUNTS | CAPITAL PROJECTS | | | HOUSING | | |
|---|---|---|---|---|---|---|
| | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| Revenue and Reserves: | | | | | | |
| Estimated Funds and Reserves | | | | | | |
| **Beginning of Fiscal Year** | **1,369,835** | **770,180** | **600,300** | **694,970** | **638,770** | **654,500** |
| Estimated Revenue | 6,047,275 | 1,074,430 | 1,153,400 | (70,400) | 280,730 | 310,480 |
| **Total Revenue and Reserves** | **7,417,110** | **1,844,610** | **1,753,700** | **624,570** | **919,500** | **964,980** |
| Expenditure Program Appropriations: | | | | | | |
| Materials, Supplies & Services | 27,750 | 43,000 | 48,000 | 10,000 | 15,000 | 20,000 |
| Contract Services | 31,700 | 29,790 | 30,420 | 0 | 0 | 0 |
| Interdepartmental Charges | 3,600 | 8,710 | 8,950 | 0 | 0 | 0 |
| Pass-Through Allocations | 150,000 | 180,000 | 200,000 | 0 | 0 | 0 |
| Capital Outlay Projects | 6,689,610 | 982,810 | 0 | 0 | 250,000 | 0 |
| **Total Expenditure Programs** | **6,902,660** | **1,244,310** | **287,370** | **10,000** | **265,000** | **20,000** |
| **Unbudgeted Funds** | **514,450** | **600,300** | **1,466,330** | **614,570** | **654,500** | **944,980** |
| Year End Adjustments (1) | 255,730 | 0 | 0 | 24,200 | 0 | 0 |
| **Estimated Funds Available Year End** | **770,180** | **600,300** | **1,466,330** | **638,770** | **654,500** | **944,980** |

(1) Year End Adjustments: Increase in Tax Increment Revenue $111,180 for Capital and $24,200 for Housing; an increase of $5,450 in capital expenditures for Shasta County Tax Administration Fees; return of $150,000 allocated to Airport Road/Meadowview Drive Traffic Signal.

# REDDING REDEVELOPMENT AGENCY
## SHASTEC
## REVENUE & EXPENDITURES

| NUMBER | ACCOUNTS | 197-965 CAPITAL PROJECTS 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 218-967 HOUSING 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
|---|---|---|---|---|---|---|---|
| | **REVENUE** | | | | | | |
| 2-1110 | Property Tax Increment | 856,060 | 1,042,930 | 1,121,000 | 217,600 | 260,730 | 280,480 |
| 4-1400 | Property Tax Penalties | 1,500 | 1,500 | 1,500 | 0 | 0 | 0 |
| 5-5068 | Funds Transferred from Housing to Capital | 300,000 | 0 | 0 | (300,000) | 0 | 0 |
| 6-1200 | State Grant Capital Public Works | 3,384,225 | 0 | 0 | 0 | 0 | 0 |
| 6-1300 | CDBG Funds | 334,490 | 0 | 0 | 0 | 0 | 0 |
| 7-2100 | Contribution - Developers Clover Creek Detention Improvements | 0 | 0 | 0 | 0 | 0 | 0 |
| 9-7235 | City of Redding Loan to SHASTEC | 1,141,000 | 0 | 0 | 0 | 0 | 0 |
| 9-9110 | Interest on Investment | 30,000 | 30,000 | 30,000 | 12,000 | 20,000 | 30,000 |
| | **Total Revenue** | **6,047,275** | **1,074,430** | **1,153,400** | **(70,400)** | **280,730** | **310,480** |
| | **EXPENDITURES** | | | | | | |
| | Materials, Supplies & Services: | | | | | | |
| 2253 | Professional Services | 1,000 | 1,000 | 1,000 | 0 | 0 | 0 |
| 2254 | Specialized Services/Tech - Audit | 1,000 | 1,000 | 1,000 | 0 | 0 | 0 |
| 2444 | Operating Material/Supplies | 750 | 1,000 | 1,000 | 0 | 0 | 0 |
| 2468 | County Tax Administration Fees | 25,000 | 40,000 | 45,000 | 10,000 | 15,000 | 20,000 |
| | **Total Materials, Supplies & Services** | **27,750** | **43,000** | **48,000** | **10,000** | **15,000** | **20,000** |
| | Contract Services | | | | | | |
| 1954 | Redding Redevelopment Staff | 19,700 | 17,790 | 18,420 | 0 | 0 | 0 |
| 2254 | Anderson Redevelopment Staff | 6,000 | 6,000 | 6,000 | 0 | 0 | 0 |
| 2254 | Shasta County Redevelopment Staff | 6,000 | 6,000 | 6,000 | 0 | 0 | 0 |
| | **Total Contract Services** | **31,700** | **29,790** | **30,420** | **0** | **0** | **0** |
| | **Interdepartmental Services** | | | | | | |
| 2001 | Cost Allocation Reimbursement | 3,100 | 8,210 | 8,450 | 0 | 0 | 0 |
| 2162 | Variable Charge - Mail | 500 | 500 | 500 | 0 | 0 | 0 |
| | **Total Interdepartmental Charges** | **3,600** | **8,710** | **8,950** | **0** | **0** | **0** |
| 2249 | **Pass-Through Allocations** | **150,000** | **180,000** | **200,000** | **0** | **0** | **0** |
| | Capital Outlay and Other Programs | | | | | | |
| 4513 | Fire Station No. 7 | 0 | 500,000 | 0 | 0 | 0 | 0 |
| 4516 | Airport Gateway Monument | 0 | 50,000 | 0 | 0 | 0 | 0 |
| 4537 | Airport/Hwy 44 Ramp T/S | 150,000 | 0 | 0 | 0 | 0 | 0 |
| 4821 | Veterans Home Property Loan | 299,800 | 0 | 0 | 0 | 0 | 0 |
| 4850 | State Mandated Payments - ERAF | 82,600 | 82,810 | 0 | 0 | 0 | 0 |
| 4885 | Mountain Vistas II | 0 | 0 | 0 | 0 | 250,000 | 0 |
| 4925 | Clover Creek Detention Improvements | 4,496,570 | 0 | 0 | 0 | 0 | 0 |
| 4927 | Plan Amendment | 10,400 | 0 | 0 | 0 | 0 | 0 |
| 4965 | Fig Tree Lane/Airport Road - Traffic Signal | 0 | 350,000 | 0 | 0 | 0 | 0 |
| 4968 | Airport Road Widening | 0 | 0 | 0 | 0 | 0 | 0 |
| 4990 | North St/Riverside Ave/Stingy Lane Improvements | 1,209,020 | 0 | 0 | 0 | 0 | 0 |
| 4993 | Airport Road at Rancho Road - Traffic Signal | 291,020 | 0 | 0 | 0 | 0 | 0 |
| 4994 | Old Oregon Trail/Old 44 Drive - Traffic Signal | 0 | 0 | 0 | 0 | 0 | 0 |
| 4995 | Airport Road/Meadowview Drive - Traffic Signal | 150,000 | 0 | 0 | 0 | 0 | 0 |
| | **Total Capital Outlay and Other Programs** | **6,689,610** | **982,810** | **0** | **0** | **250,000** | **0** |
| | **Total Expenditures** | **6,902,600** | **1,244,310** | **287,370** | **10,000** | **265,000** | **20,000** |

NOTE: The 2004-05 Amended Budget contains carryover funds from the 2003-04 fiscal year.

# REDDING REDEVELOPMENT AGENCY
## BUCKEYE
## BUDGET SUMMARY

| ACCOUNTS | CAPITAL PROJECTS | | | HOUSING | | |
|---|---|---|---|---|---|---|
| | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
| Revenue and Reserves: | | | | | | |
| Estimated Funds and Reserves | | | | | | |
| **Beginning of Fiscal Year** | **72,530** | **148,340** | **89,160** | **40,690** | **78,120** | **121,390** |
| Estimated Revenue | 109,930 | 180,700 | 209,600 | 28,233 | 45,770 | 53,600 |
| **Total Revenue and Reserves** | **182,460** | **329,040** | **298,760** | **68,923** | **123,890** | **174,990** |
| Expenditure Program Appropriations: | | | | | | |
| Materials, Supplies & Services | 6,570 | 10,690 | 12,700 | 1,270 | 2,500 | 3,000 |
| Contract Services | 3,640 | 4,440 | 4,610 | 0 | 0 | 0 |
| Loans from C/H/C Surplus Property Proceeds | 44,500 | 84,100 | 0 | 0 | 0 | 0 |
| Pass-Through Allocations | 16,800 | 35,000 | 40,000 | 0 | 0 | 0 |
| Capital Outlay Projects | 5,650 | 105,650 | 50,000 | 0 | 0 | 0 |
| **Total Expenditure Programs** | **77,160** | **239,880** | **107,310** | **1,270** | **2,500** | **3,000** |
| **Unbudgeted Funds** | **105,300** | **89,160** | **191,450** | **67,653** | **121,390** | **171,990** |
| Year End Adjustments (1) | 43,040 | 0 | 0 | 10,467 | 0 | 0 |
| **Estimated Funds Available Year End** | **148,340** | **89,160** | **191,450** | **78,120** | **121,390** | **171,990** |

(1) Year End Adjustments: Additional Tax Increment Revenue - Capital $42,040; Housing $10,467 and additional interest revenue in Capital $1,000.

# REDDING REDEVELOPMENT AGENCY
## BUCKEYE
## REVENUE & EXPENDITURES

| NUMBER | ACCOUNTS | 197-968 CAPITAL PROJECTS 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET | 218-970 HOUSING 2004-05 AMENDED BUDGET | 2005-06 PROPOSED BUDGET | 2006-07 PROPOSED BUDGET |
|---|---|---|---|---|---|---|---|
| | **REVENUE** | | | | | | |
| 2-1110 | Property Tax Increment | 108,930 | 177,000 | 204,400 | 27,233 | 44,270 | 51,100 |
| 4-1400 | Property Tax Penalties | 0 | 200 | 200 | 0 | 0 | 0 |
| 9-9110 | Interest on Investment | 1,000 | 3,500 | 5,000 | 1,000 | 1,500 | 2,500 |
| | **Total Revenue** | **109,930** | **180,700** | **209,600** | **28,233** | **45,770** | **53,600** |
| | **EXPENDITURES** | | | | | | |
| | Materials, Supplies & Services: | | | | | | |
| 2001 | Cost Allocation Plan Reimbursement | 0 | 190 | 200 | 0 | 0 | 0 |
| 2253 | Professional Services | 300 | 300 | 300 | 0 | 0 | 0 |
| 2254 | Specialized Services/Tech - Audit | 1,000 | 1,000 | 1,000 | 0 | 0 | 0 |
| 2444 | Operating Material/Supplies | 200 | 200 | 200 | 0 | 0 | 0 |
| 2468 | County Tax Administration Fees | 5,070 | 9,000 | 11,000 | 1,270 | 2,500 | 3,000 |
| | **Total Materials, Supplies & Services** | **6,570** | **10,690** | **12,700** | **1,270** | **2,500** | **3,000** |
| | Contract Services | | | | | | |
| 1954 | Redding Redevelopment Staff | 3,640 | 4,440 | 4,610 | 0 | 0 | 0 |
| | **Total Contract Services** | **3,640** | **4,440** | **4,610** | **0** | **0** | **0** |
| 2249 | **Pass-Through Allocations** | **16,800** | **35,000** | **40,000** | **0** | **0** | **0** |
| | Loans from C/H/C Surplus Property Proceeds | | | | | | |
| 2902 | Principal | 40,000 | 82,100 | 0 | 0 | 0 | 0 |
| 2903 | Interest | 4,500 | 2,000 | 0 | 0 | 0 | 0 |
| | **Total Loans** | **44,500** | **84,100** | **0** | **0** | **0** | **0** |
| | Capital Projects | | | | | | |
| 4850 | State Mandated Payments - ERAF | 5,650 | 5,650 | 0 | 0 | 0 | 0 |
| 4271 | Water Facilities Improvements | 0 | 50,000 | 50,000 | 0 | 0 | 0 |
| 4279 | Lake Blvd Sidewalk Improvements | 0 | 50,000 | 0 | 0 | 0 | 0 |
| | **Total Capital Projects** | **5,650** | **105,650** | **50,000** | **0** | **0** | **0** |
| | **Total Expenditures** | **77,160** | **239,880** | **107,310** | **1,270** | **2,500** | **3,000** |

# NOTES

# REDDING AREA BUS AUTHORITY

# REDDING AREA BUS AUTHORITY
# 2005-2006 BUDGET

| ACCOUNTS<br>Expenses | 2004-05<br>As Amended | 2005-06<br>Requested | 2005-06<br>+ (-) | EXPLANATION |
|---|---|---|---|---|
| 1950 Personnel | 283,100 | 228,420 | (54,680) | Director of Administrative Svcs, RMU, Finance, and Police staff |
| 2252 Security Contracts | 63,240 | 30,000 | (33,240) | Security services for Downtown Transit Center (DTC) |
| 2257 Landscape Maintenance | 20,000 | 25,000 | 5,000 | Landscape maintenance for DTC/Maintenance Facility |
| 2274 Vehicle Fuel/Lubricant | 500,000 | 570,000 | 70,000 | |
| 2276 Vehicle Repair/Maintenance | 20,000 | 20,000 | 0 | ***Accounts 2274 - 2279*** represent general repair for transit vans/ |
| 2277 Vehicle Tires/Tubes | 72,500 | 72,500 | 0 | coaches; age of fleet is requiring more maintenance |
| 2279 Vehicle Parts/Supplies | 165,000 | 225,000 | 60,000 | |
| 2291 Utility Expense | 50,000 | 60,000 | 10,000 | Maintenance Facility and DTC utilities |
| 2311 Communication Expense | 43,500 | 37,000 | (6,500) | Includes lease lines connecting the DTC and Maint Fac |
| 2331 Purchased Transportation | 2,308,600 | 2,533,970 | 225,370 | Contract Operator |
| 2332 Contract Services | 8,300 | 5,000 | (3,300) | Miscellaneous contracts for pest control, mats, etc. |
| 2443 Printing Outside | 28,000 | 28,000 | 0 | Route maps, transit brochures, passes, punchcards, etc. |
| 2444 Operating Materials/Supplies | 20,000 | 20,000 | 0 | Miscellaneous operating expenses |
| 2447 Software Upgrades | 3,700 | 3,700 | 0 | Software for RMU and Finance support staff |
| 2472 Advertising/Promotions | 85,400 | 85,400 | 0 | Media advertising--newspaper, radio, and television |
| 2473 Books/Dues/Subscriptions | 10,000 | 10,000 | 0 | Dues for transit organizations, subscriptions, etc. |
| 2475 Insurance Expense | 50,000 | 60,000 | 10,000 | Errors/omissions for Board and public liability/property damage for Maintenance Facility/DTC and other RABA improvements |
| 2480 Other Allowances | 2,000 | 2,000 | 0 | Allowance for Board members for monthly meetings |
| 2599 Building Repair/Maintenance | 5,000 | 5,000 | 0 | Miscellaneous building repairs--windows, minor repairs, etc. |
| 2641 Civic Center Rent | 16,110 | 16,110 | 0 | RABA allocated share |
| **City Interdepartmental Charges** | | | | |
| 2001 Cost Allocation Plan | 66,640 | 54,820 | (11,820) | Interdepartmental charges; City allocation general support |
| 2104 Fix Charge - Infor Systems | 2,420 | 3,960 | 1,540 | Based on support needed to run computer equipment |
| 2105 Fix Charge - Print Shop | 3,440 | 2,250 | (1,190) | Provides some of RABA's brochures and informational material |
| 2107 Fix Charge - Risk Mgmt | 0 | 200 | 200 | Based on usage |
| 2108 Fix Charge - Records Mgmt | 1,660 | 1,740 | 80 | Based on usage |
| 2109 Fix Charge - Communications | 39,070 | 18,030 | (21,040) | Based on number of radios/telephones |
| 2116 Fix Charge - GIS | 45,000 | 50,000 | 5,000 | Based on usage |
| 2130 Administrative Overhead | 64,550 | 65,000 | 450 | Based on usage |
| 2162 Variable Charge - Mail | 1,090 | 1,090 | 0 | |
| 4047 Overall Work Program | 58,000 | 106,800 | 48,800 | Funded by Shasta Co. MPO; includes travel/training costs, rider-ship analyses, updating web page to include interactive mapping |
| **Total Operating Expenses** | **4,036,320** | **4,340,990** | **304,670** | |

# REDDING AREA BUS AUTHORITY
# 2005-2006 BUDGET

| ACCOUNTS<br>Expenses | 2004-05<br>As Amended | 2005-06<br>Requested | 2005-06<br>+ (-) | EXPLANATION |
|---|---|---|---|---|
| **CAPITAL OUTLAY** | | | | |
| 4103 Maintenance Fac Improvements | 1,500,000 | 0 | (1,500,000) | Adding improvements to Maintenance Facility, i.e., bays, parking |
| 4413 Vans | 0 | 197,160 | 197,160 | Acquisition of three Demand Response vans |
| 4422 Administration/Office/Other | 32,010 | 34,000 | 1,990 | Furniture/graphics, dispatch computers, miscellaneous equipment |
| 4425 Radio Communication Equipment | 100,000 | 200,000 | 100,000 | Dispatch consoles for communication equipment |
| 4662 Passenger Loading Improvements | 27,100 | 28,000 | 900 | Bus stop improvements (pullouts, benches, curb/sidewalk work) |
| 5045 Support Vehicles | 0 | 30,000 | 30,000 | Acquisition of Road Supervisor van/bus stop maintenance vehicle |
| 5096 ARB Retrofits | 0 | 100,000 | 100,000 | Retrofit five coaches @ $20,000 each to meet ARB regs |
| **Total Capital Outlay** | **1,659,110** | **589,160** | **(1,069,950)** | |
| **TOTAL EXPENSES** | **5,695,430** | **4,930,150** | **(765,280)** | |

# REDDING AREA BUS AUTHORITY
# 2006-07 BUDGET

| ACCOUNTS<br>Expenses | 2005-06<br>Requested | 2006-07<br>Requested | 2006-07<br>+ (-) | EXPLANATION |
|---|---|---|---|---|
| 1950 Personnel | 228,420 | 250,020 | 21,800 | Director of Administrative Svcs, RMU, Finance, and Police staff |
| 2252 Security Contracts | 30,000 | 30,000 | 0 | Security services for Downtown Transit Center (DTC) |
| 2257 Landscape Maintenance | 25,000 | 25,000 | 0 | Landscape maintenance for DTC |
| 2274 Vehicle Fuel/Lubricant | 570,000 | 584,900 | 14,900 | |
| 2276 Vehicle Repair/Maintenance | 20,000 | 20,000 | 0 | ***Accounts 2274 - 2279*** represent general repair for transit vans/ |
| 2277 Vehicle Tires/Tubes | 72,500 | 72,500 | 0 | coaches |
| 2279 Vehicle Parts/Supplies | 225,000 | 230,900 | 5,900 | |
| 2291 Utility Expense | 60,000 | 61,600 | 1,600 | Maintenance Facility and DTC utilities |
| 2311 Communication Expense | 37,000 | 38,000 | 1,000 | Includes lease lines connecting the DTC/Maint Fac |
| 2331 Purchased Transportation | 2,533,970 | 2,614,300 | 80,330 | Contract Operator |
| 2332 Contract Services | 5,000 | 5,000 | 0 | Miscellaneous contracts for pest control, and mats |
| 2443 Printing Outside | 28,000 | 28,000 | 0 | Route maps, transit brochures, passes, punchcards, etc. |
| 2444 Operating Materials/Supplies | 20,000 | 20,000 | 0 | Miscellaneous operating expenses |
| 2447 Software Upgrades | 3,700 | 3,700 | 0 | Software for RMU and Finance support staff |
| 2472 Advertising/Promotions | 85,400 | 85,400 | 0 | Media advertising--newspaper, radio, and television |
| 2473 Books/Dues/Subscriptions | 10,000 | 10,000 | 0 | Dues for transit organizations, subscriptions, etc. |
| 2475 Insurance Expense | 60,000 | 62,000 | 2,000 | Errors/omissions for Board and public liability/property damage for Maintenance Facility/DTC and other RABA improvements |
| 2480 Other Allowances | 2,000 | 2,000 | 0 | Allowance for Board members for monthly meetings |
| 2599 Building Repair/Maintenance | 5,000 | 5,000 | 0 | Miscellaneous building repairs--windows, minor repairs, etc. |
| 2641 Civic Center Rent | 16,110 | 16,110 | 0 | RABA allocated share |
| **City Interdepartmental Charges** | | | | |
| 2001 Cost Allocation Plan | 54,820 | 56,460 | 1,640 | Interdepartmental charges; City allocation general support |
| 2104 Fix Charge - Information Systems | 3,960 | 4,090 | 130 | Based on support needed to run computer equipment |
| 2105 Fix Charge - Print Shop | 2,250 | 2,290 | 40 | Provides some of RABA's brochures and informational material |
| 2107 Fix Charge - Risk Mgmt | 200 | 200 | 0 | Based on usage |
| 2108 Fix Charge - Records Mgmt | 1,740 | 1,730 | (10) | Based on usage |
| 2109 Fix Charge - Communications | 18,030 | 18,980 | 950 | Based on number of radios/telephones |
| 2116 Fix Charge - GIS | 50,000 | 51,130 | 1,130 | Based on usage |
| 2130 Administrative Overhead | 65,000 | 69,500 | 4,500 | Based on usage |
| 2162 Variable Charge - Mail | 1,090 | 1,090 | 0 | Based on usage |
| 4047 Overall Work Program | 106,800 | 70,000 | (36,800) | Funded by Shasta Co. MPO; includes travel/training costs, ridership analyses, implementing transit plans |
| **Total Operating Expenses** | **4,340,990** | **4,439,900** | 98,910 | |

# REDDING AREA BUS AUTHORITY
# 2006-07 BUDGET

| ACCOUNTS<br>Expenses | 2005-06<br>Requested | 2006-07<br>Requested | 2006-07<br>+ (-) | EXPLANATION |
|---|---|---|---|---|
| **CAPITAL OUTLAY** | | | | |
| 4413 Vans | 197,160 | 0 | (197,160) | Acquisition of three Demand Response vans |
| 4422 Administration/Office/Other | 34,000 | 35,000 | 1,000 | Furniture/graphics, dispatch computers, miscellaneous equipment |
| 4425 Radio Communication Equipment | 200,000 | 0 | (200,000) | Dispatch consoles for communication equipment |
| 4662 Passenger Loading Improvements | 28,000 | 29,000 | 1,000 | Bus stop improvements (pullouts, benches, curb/sidewalk work) |
| 5045 Support Vehicles | 30,000 | 0 | (30,000) | Acquisition of Road Supervisor van/bus stop maintenance vehicle |
| 5096 ARB Retrofits | 100,000 | 120,000 | 20,000 | Retrofit six coaches @ $20,000 each to meet ARB regs |
| **Total Capital Outlay** | **589,160** | **184,000** | (405,160) | |
| **TOTAL EXPENSES** | **4,930,150** | **4,623,900** | (306,250) | |

# REDDING AREA BUS AUTHORITY

## 2005-2006 BUDGET

## REVENUES

| ACCOUNTS | 2004-05 As Amended | 2005-06 Requested | 2005-06 + (1) | EXPLANATION |
|---|---|---|---|---|
| Passenger Fares | 640,800 | 649,290 | 8,490 | Based on actual revenues with a fare increase to $1.25 and $2.50 in Oct 2005 |
| Other Transit Revenue | 12,000 | 10,400 | (1,600) | Back of bus advertising |
| Non-transit Revenue | 28,000 | 14,500 | (13,500) | Interest income and miscellaneous revenues |
| Shasta County | 60,000 | 82,300 | 22,300 | Operating the Burney Express |
| Shasta Co. RTPA Overall Work Program | 58,000 | 95,100 | 37,100 | Federal planning funds to be used for operations |
| Operating | | | | |
| TDA | 2,837,520 | 2,739,400 | (98,120) | Funds for operations; includes funds from the cities of Anderson, Redding, and Shasta Lake and portions of Shasta County |
| Federal | 400,000 | 750,000 | 350,000 | Federal funds to be used for operations |
| Capital | | | | |
| TDA | 411,800 | 197,830 | (213,970) | Local 20% match for Federal and TOA funded capital acquisitions |
| Federal | 1,247,200 | 391,330 | (855,870) | Funds for capital acquisitions for computers, passenger loading improvements, and miscellaneous equipment |
| **Total Revenues** | **5,695,320** | **4,930,150** | (765,170) | |

*** Note: 2004-05 budget as amended shows $110 less revenue than expense due to supplemental appropriations from 2003-2004.**

# REDDING AREA BUS AUTHORITY

## 2006-07 BUDGET

## REVENUES

| ACCOUNTS | 2005-06 As Requested | 2006-07 Requested | 2006-07 + (-) | EXPLANATION |
|---|---|---|---|---|
| Passenger Fares | 649,290 | 819,650 | 170,360 | Based on actual revenues with fare increase to $1.50 and $3.00 in July 2006 |
| Other Transit Revenue | 10,400 | 10,400 | 0 | Back of bus advertising |
| Non-transit Revenue | 14,500 | 14,500 | 0 | Interest income and miscellaneous revenues |
| Shasta County | 82,300 | 82,300 | 0 | Operating the Burney Express |
| Shasta County RTPA Overall Work Program | 95,100 | 62,300 | (32,800) | Federal planning funds to be used for operations |
| Operating | | | | |
| TDA | 2,739,400 | 2,700,750 | (38,650) | Funds for operations; includes funds from the cities of Anderson, Redding, and Shasta Lake and the County of Shasta |
| Federal | 750,000 | 750,000 | 0 | Federal funds to be used for operations |
| Capital | | | | |
| TDA | 197,830 | 132,800 | (65,030) | Local 20% match for Federal and TDA funded capital acquisitions |
| Federal | 391,330 | 51,200 | (340,130) | Funds for capital acquisitions for computers, passenger loading improvements, Maintenance Facility Improvements, and Radio Communications (antennae) |
| **Total Revenues** | **4,930,150** | **4,623,900** | (306,250) | |

# NOTES

# REDDING HOUSING AUTHORITY

**REDDING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2005-2006**
**BUDGET SUMMARY**

| | ADOPTED BUDGET 2004-2005 | PROPOSED BUDGET 2005-2006 | INCREASE (DECREASE) |
|---|---|---|---|
| **Resources** | | | |
| **Available Funds:** | | | |
| **Beginning of Fiscal Year** | **$ 1,290,000** | **$ 1,335,605** | **$ 45,605** |
| **Ravanue:** | | | |
| Federal Grant Revenues | $ 5,905,910 | $ 6,820,154 | $ 914,244 |
| Other Revenue | $ 45,600 | $ 30,333 | $ (15,267) |
| **Sub-total Resources** | **$ 5,951,510** | **$ 8,850,487** | **$ 898,977** |
| **Total Resources** | **$ 7,241,510** | **$ 8,188,092** | **$ 944,582** |
| **Expenditure Program Appropriations** | | | |
| **Administrative Expenditures:** | | | |
| Materials, Supplies & Services | $ 85,090 | $ 355,430 | $ 270,340 |
| Contract Services | $ 578,960 | $ 623,540 | $ 44,580 |
| Interdepartmental Charges | $ 144,940 | $ 147,970 | $ 3,030 |
| **Total Administrativa Expenditures** | **$ 808,990** | **$ 1,126,940** | **$ 317,950** |
| **Capital Outlay and Other Programs:** | | | |
| Projects and Programs | $ 5,096,915 | $ 6,006,800 | $ 909,885 |
| **Total Capital Outlay and Other Programs** | **$ 5,096,915** | **$ 6,006,800** | **$ 909,885** |
| **Total Expenditure Program Appropriations** | **$ 5,905,905** | **$ 7,133,740** | **$ 1,227,835** |
| **Funds Available (Reserves)** | **$ 1,335,605** | **$ 1,052,352** | **$ (283,253)** |

The Housing Authority receives $10,000 to compensate for staff time associated with CDBG Fair Housing.

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**REDDING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2005-2006**
**REVENUE**

| | ADOPTED BUDGET 2004-2005 | PROPOSED BUDGET 2005-2006 | INCREASE (DECREASE) |
|---|---|---|---|
| **Federal Grants:*** | | | |
| Section 8 Housing Programs | $ 5,851,680 | $ 6,764,839 | $ 913,159 |
| FSS Coordinator | $ 54,230 | $ 55,315 | $ 1,085 |
| **Totsl Federal Grants** | **$ 5,905,810** | **$ 6,820,154** | **$ 914,244** |
| | | **$ 6,820,150** | |
| **Other Revenue:** | | | |
| Bond Monitoring Adm. Fee - Hartnell Associates | $ 5,600 | $ 2,333 | $ (3,267) |
| Reimbursements (Repayments) | $ 20,000 | $ 8,000 | $ (12,000) |
| Investment Income | $ 20,000 | $ 20,000 | $ - |
| **Total Other Revenue** | **$ 45,600** | **$ 30,333** | **$ (15,267)** |
| **Total Revenue** | **$ 5,951,510** | **$ 6,850,487** | **$ 898,977** |

*HAP + Admin Breakdown

| 2005-2006 | HAP | Admin/Audit | Total |
|---|---|---|---|
| Mod Rehab - Project 1 | $ 18,958 | $ 2,974 | $ 21,932 |
| Mod Rehab - Project 2 | $ 67,872 | $ 11,222 | $ 79,094 |
| Housing Choice Voucher Program | $ 5,864,504 | $ 799,309 | $ 6,663,813 |
| FSS Coordinator | $ - | $ 55,315 | $ 55,315 |
| **TOTAL** | **$ 5,851,334** | **$ 868,820** | **$ 8,820,154** |

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**REDDING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2005-2006**
**EXPENDITURES**

| | ADOPTED BUDGET 2004-2005 | PROPOSED BUDGET 2005-2006 | INCREASE (DECREASE) |
|---|---|---|---|
| **Materials / Supplies & Services:** | | | |
| Professional Services/Consulting | $ 500 | $ 500 | $ - |
| Specialized Services/Contracts - Audit | $ 7,000 | $ 7,000 | $ - |
| Office Equipment Maintenance/Repair | $ 1,500 | $ 1,500 | $ - |
| Communication Expense | $ 6,000 | $ 6,000 | $ - |
| Postage and Mailing Expense | $ 300 | $ 300 | $ - |
| Operating Material Supplies | $ 7,500 | $ 7,350 | $ (150) |
| Small Equipment and Furniture | $ 5,000 | $ 5,000 | $ - |
| Software | $ 850 | $ 850 | $ - |
| Advertising/Publications | $ 750 | $ 750 | $ - |
| Books/Dues/Subscriptions | $ 1,500 | $ 1,500 | $ - |
| Insurance Expense | $ 5,570 | $ - | $ (5,570) |
| Insurance Reduction | $ - | $ - | $ - |
| Building Repair & Maintenance | $ 500 | $ 500 | $ - |
| Civic Center Rent* | $ 37,620 | $ 312,870 | $ 275,250 |
| Travel Expense | $ 4,000 | $ 4,000 | $ - |
| Employee Training | $ 2,500 | $ 3,310 | $ 810 |
| Computers & Equipment | $ 4,000 | $ 4,000 | $ - |
| **Total Materials / Supplies & Services** | **$ 85,090** | **$ 355,430** | **$ 270,340** |
| | | | |
| **Contract Services:** | | | |
| Temporary Employment Agency | $ 1,500 | $ 1,500 | $ - |
| City Clerk | $ 500 | $ 2,500 | $ 2,000 |
| City Manager | $ 12,000 | $ 10,600 | $ (1,400) |
| Finance Staff | $ 22,000 | $ 17,000 | $ (5,000) |
| Housing Authority Staff | $ 542,960 | $ 591,940 | $ 48,980 |
| **Total Contract Services** | **$ 578,960** | **$ 823,540** | **$ 44,580** |
| | | | |
| **Intardepartmental Charges:** | | | |
| Cost Allocation Plan Reimbursement | $ 51,280 | $ 42,440 | $ (8,840) |
| Fixed Charge - Bldg Maintenance (includes utilities) | $ 21,140 | $ 22,700 | $ 1,560 |
| Fixed Charge - Information System | $ 27,640 | $ 28,280 | $ 640 |
| Fixed Charge - Print Shop | $ 19,140 | $ 22,670 | $ 3,530 |
| Fixed Charge - Fleet Management | $ 2,400 | $ 2,760 | $ 360 |
| Fixed Charge - Risk Mgmt (formerly Insurance Expanse) | $ - | $ 7,280 | $ 7,280 |
| Fixed Charge - Records Management | $ 5,240 | $ 5,460 | $ 220 |
| Fixed Charge - Communication | $ 2,880 | $ 1,040 | $ (1,840) |
| Fixed Charge - Volunteer Service | $ 950 | $ 970 | $ 20 |
| Fixed Charge - Employer Service | $ 2,890 | $ 2,990 | $ 100 |
| Variable Charge - Mail | $ 11,380 | $ 11,380 | $ - |
| **Total Interdepartmental Charges** | **$ 144,940** | **$ 147,970** | **$ 3,030** |
| | | | |
| **Total Expenditures** | **$ 808,990** | **$ 1,126,940** | **$ 317,950** |

*Represents prepayment of Civic Center Rent for a 10-year period.

**REDDING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2005-2006**
**PROJECTS AND PROGRAMS**

| | ADOPTED BUDGET 2004-2005 | PROPOSED BUDGET 2005-2006 | INCREASE (DECREASE) |
|---|---|---|---|
| **Projects and Programs:** | | | |
| Housing Assistance Payments | $ 5,038,440.00 | $ 5,951,330.00 | $ 912,890 |
| Family Self-Sufficiency | $ 750.00 | $ 150.00 | $ (600) |
| FSS Coordinator * | $ 54,225.00 | $ 55,320.00 | $ 1,095 |
| FSS Emergency Loan Program | $ 3,500.00 | $ - | $ (3,500) |
| **Total Projects and Programs** | **$ 5,096,915.00** | **$ 6,006,800.00** | **$ 909,685** |

*FSS Service Coordinator Contract extended for a ninth year – 11/01/04 through 10/31/05 = $55,315.

**REDDING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2006-2007**
**BUDGET SUMMARY**

| | PROPOSED BUDGET 2005-2006 | PROPOSED BUDGET 2006-2007 | INCREASE (DECREASE) |
|---|---|---|---|
| **Resources** | | | |
| **Available Funds:** | | | |
| **Beginning of Fiscal Year** | **$ 1,335,605** | **$ 1,052,352** | **$ (283,253)** |
| **Revenue:** | | | |
| Federal Grant Revenues* | $ 6,820,154 | $ 6,820,154 | $ (0) |
| Other Revenue | $ 30,333 | $ 28,000 | $ (2,333) |
| **Sub-total Resources** | **$ 6,850,487** | **$ 6,848,154** | **$ (2,333)** |
| **Total Resources** | **$ 8,186,092** | **$ 7,900,506** | **$ (285,586)** |
| **Expenditure Program Appropriations** | | | |
| **Administrative Expenditures:** | | | |
| Materials, Supplies & Services | $ 355,430 | $ 41,890 | $ (313,540) |
| Contract Services | $ 623,540 | $ 645,780 | $ 22,240 |
| Interdepartmental Charges | $ 147,970 | $ 151,350 | $ 3,380 |
| **Total Administrative Expenditures** | **$ 1,126,940** | **$ 839,020** | **$ (287,920)** |
| **Capital Outlay and Other Programs:** | | | |
| Projects and Programs | $ 6,006,800 | $ 6,006,800 | $ - |
| **Total Capital Outlay and Other Programs** | **$ 6,006,800** | **$ 6,006,800** | **$ -** |
| **Total Expenditure Program Appropriations** | **$ 7,133,740** | **$ 6,845,820** | **$ (287,920)** |
| **Funds Available (Reserves)** | **$ 1,052,352** | **$ 1,054,686** | **$ 2,334** |

The Housing Authority receives $10,000 to compensate for staff time associated with CDBG Fair Housing.

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**REDDING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2006-2007**
**REVENUE**

| | PROPOSED BUDGET 2005-2006 | PROPOSED BUDGET 2006-2007 | INCREASE (DECREASE) |
|---|---|---|---|
| **Federal Grants:*** | | | |
| Section 8 Moderate Rehab Program - Project 1 | $ 21,932 | $ 21,932 | $ (0) |
| Section 8 Moderate Rehab Program - Project 2 | $ 79,094 | $ 79,094 | $ - |
| Section 8 Housing Choice Voucher Program | $ 6,663,813 | $ 6,663,813 | $ - |
| FSS Coordinator | $ 55,315 | $ 55,315 | $ - |
| **Total Federal Grants** | **$ 6,820,154** | **$ 6,820,154** | **$ (0)** |
| **Other Revenue:** | | | |
| Bond Monitoring Adm. Fee - Hartnell Associates | $ 2,333 | $ - | $ (2,333) |
| Reimbursements (Repayments) | $ 8,000 | $ 8,000 | $ - |
| Investment Income | $ 20,000 | $ 20,000 | $ - |
| **Total Other Revenue** | **$ 30,333** | **$ 28,000** | **$ (2,333)** |
| **Total Revenue** | **$ 6,850,487** | **$ 6,848,154** | **$ (2,333)** |

*HAP + Admin Breakdown

| 2006-2007 | HAP | Admin/Audit/HH | Total |
|---|---|---|---|
| Mod Rehab - Project 1 | $ 18,958 | $ 2,974 | $ 21,932 |
| Mod Rehab - Project 2 | $ 67,872 | $ 11,222 | $ 79,094 |
| Housing Choice Voucher Program | $ 5,864,504 | $ 799,309 | $ 6,663,813 |
| FSS Coordinator | $ - | $ 55,315 | $ 55,315 |
| **TOTAL** | **$ 5,951,334** | **$ 868,820** | **$ 6,820,154** |

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**REDDING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2006-2007**
**EXPENDITURES**

| | PROPOSED BUDGET 2005-2006 | PROPOSED BUDGET 2006-2007 | INCREASE (DECREASE) |
|---|---|---|---|
| **Materials / Supplies & Services:** | | | |
| Professional Services/Consulting | $ 500 | $ 500 | $ - |
| Specialized Services/Contracts - Audit | $ 7,000 | $ 7,000 | $ - |
| Office Equipment Maintenance/Repair | $ 1,500 | $ 1,500 | $ - |
| Communication Expense | $ 6,000 | $ 6,000 | $ - |
| Postage and Mailing Expense | $ 300 | $ 300 | $ - |
| Operating Material Supplies | $ 7,350 | $ 7,350 | $ - |
| Small Equipment and Furoiture | $ 5,000 | $ 5,000 | $ - |
| Software | $ 850 | $ 850 | $ - |
| Advertising/Publications | $ 750 | $ 750 | $ - |
| Books/Dues/Subscriptions | $ 1,500 | $ 1,500 | $ - |
| Building Repair & Maintenance | $ 500 | $ 500 | $ - |
| Civic Center Rent* | $ 312,870 | $ - | $ (312,870) |
| Travel Expense | $ 4,000 | $ 4,000 | $ - |
| Employee Training | $ 3,310 | $ 2,640 | $ (670) |
| Computers & Equipment | $ 4,000 | $ 4,000 | $ - |
| **Total Materials / Supplies & Services** | **$ 355,430** | **$ 41,890** | **$ (313,540)** |
| | | | |
| **Contract Services:** | | | |
| Temporary Employment Agency | $ 1,500 | $ 1,500 | $ - |
| City Clerk | $ 2,500 | $ 2,700 | $ 200 |
| City Manager | $ 10,600 | $ 11,100 | $ 500 |
| Finance Staff | $ 17,000 | $ 18,000 | $ 1,000 |
| Housing Authority Staff | $ 591,940 | $ 612,480 | $ 20,540 |
| **Total Contract Services** | **$ 623,540** | **$ 645,780** | **$ 22,240** |
| | | | |
| **Interdepartmental Charges:** | | | |
| Cost Allocation Plan Reimbursement | $ 42,440 | $ 43,720 | $ 1,280 |
| Fixed Charge - Bldg Maintenance (includes utilities) | $ 22,700 | $ 22,620 | $ (80) |
| Fixed Charge - Information System | $ 28,280 | $ 29,250 | $ 970 |
| Fixed Charge - Print Shop | $ 22,670 | $ 23,080 | $ 410 |
| Fixed Charge - Fleet Management | $ 2,760 | $ 2,780 | $ 20 |
| Fixed Charge - Risk Mgmt | $ 7,280 | $ 7,750 | $ 470 |
| Fixed Charge - Records Management | $ 5,460 | $ 5,520 | $ 60 |
| Fixed Charge - Communication | $ 1,040 | $ 1,070 | $ 30 |
| Fixed Charge - Volunteer Service | $ 970 | $ 1,030 | $ 60 |
| Fixed Charge - Employer Service | $ 2,990 | $ 3,150 | $ 160 |
| Variable Charge - Mail | $ 11,380 | $ 11,380 | $ - |
| **Total Interdepartmental Charges** | **$ 147,970** | **$ 151,350** | **$ 3,380** |
| | | | |
| **Total Expenditures** | **$ 1,126,940** | **$ 839,020** | **$ (287,920)** |

*Represents prepayment of Civic Center Rent for a 10-year period (through 2015).

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**REOOING HOUSING AUTHORITY (930)**
**FISCAL YEAR 2006-2007**
**PROJECTS ANO PROGRAMS**

| | PROPOSED BUDGET 2005-2006 | PROPOSED BUDGET 2006-2007 | INCREASE (DECREASE) |
|---|---|---|---|
| **Projects and Programs:** | | | |
| Housing Assistance Payments | $ 5,951,330.00 | $ 5,951,330.00 | $ - |
| Family Self-Sufficiency | $ 150.00 | $ 150.00 | $ - |
| FSS Coordinator * | $ 55,320.00 | $ 55,320.00 | $ - |
| FSS Emergency Loan Program | $ - | $ - | |
| **Total Projects and Programs** | **$ 6,006,800.00** | **$ 8,006,800.00** | **$ -** |

*FSS Service Coordinator Contract extended for a ninth year – 11/01/04 through 10/31/05 = $55,315.

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