

**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Redding
California**

For the Biennium Beginning

July 1, 2005

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Redding for its annual budget for the fiscal year beginning July 1, 2001. In order to receive this award, a governmental 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 one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

*California Society of
Municipal Finance Officers*

Certificate of Award

For

*Excellence in Operating Budgeting
Fiscal Year 2005-2006*

The California Society of Municipal Finance Officers (CSMFO) proudly presents this certificate to

The City of Redding

For meeting the criteria established to achieve the EXCELLENCE AWARD in the OPERATING BUDGET CATEGORY.

February 23, 2006



Paul Schubert

President

Agnes J. Walker

Agnes Walker, Chair
Budgeting & Financial Management

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

RESOLUTION NO. 2007 - 127

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDDING
ADOPTING AND APPROVING THE BIENNIAL BUDGET FOR FISCAL YEARS
ENDING JUNE 30, 2008 AND 2009

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 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 been determined that this matter is not subject 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 budget appropriations contained in the Biennial Budget for fiscal years ending June 30, 2008 and 2009 at this time.
3. That the budget appropriations referred to hereinabove are set forth in the Proposed Budget for fiscal years ending June 30, 2008 and 2009, and that said budget appropriations are hereby approved as the Biennial Budget for the City of Redding for the fiscal years ending June 30, 2008 and 2009.

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, 2007, and was duly adopted at said meeting by the following vote:

AYES:	COUNCIL MEMBERS:	Bosetti, Jones, Murray, Stegall, and Dickerson
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None
ABSTAIN:	COUNCIL MEMBERS:	None

THIS INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL ON FILE IN THIS OFFICE

Dick Dickerson

DICK DICKERSON, Mayor

ATTEST

FORM APPROVED:

ATTEST:

JUN 29 2007

Connie Strohmayer

CONNIE STROHMAYER, City Clerk and Clerk of the City Council
CITY OF REDDING, COUNTY OF SHASTA, STATE OF CALIFORNIA
BY *[Signature]* DEPUTY

Richard A. Duvernay

RICHARD A. DUVERNAY, City Attorney

2007-127

MUNICIPAL OFFICIALS

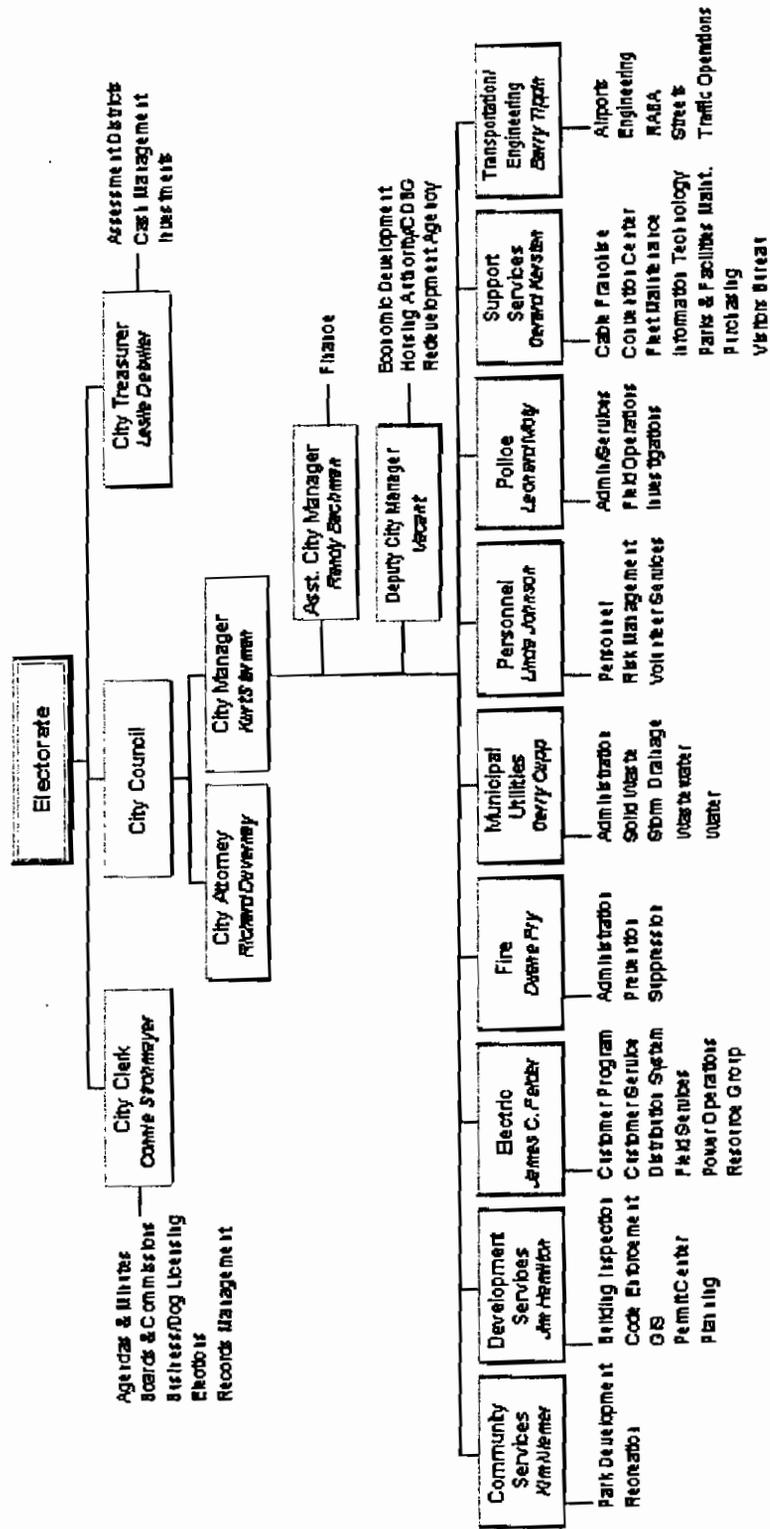
City Council

Mayor Dick Dickerson
Vice Mayor Mary Stegall
Council Member Rick Bosetti
Council Member Patrick Jones
Council Member Ken Murray

Administrative Personnel

City Manager Kurt J. Starman
Assistant City Manager Randy Bachman
City Attorney Richard Duvernay
City Clerk Connie Strohmayer
City Treasurer Leslie Detwiler
Director of Community Services Kim Niemer
Director of Development Services Jim Hamilton
Director of Electric Jim Feider
Director of Municipal Utilities Gerry Cupp
Director of Support Services Gerard Kersten
Director of Transportation & Engineering Barry Tippin
Fire Chief Duane D. Fry
Police Chief Leonard F. Moty

City of Redding Organization Chart



Updated 03/07/2007

Budget User's Guide

INTRODUCTION

The City's budget is an important policy document. It serves as a financial plan, identifying the spending priorities for the organization. The budget is used to balance available resources with community needs, as determined by the City Council. It also serves as a tool for communication of the City's financial strategies and for ensuring accountability.

At the Council budget hearing for fiscal year 1997-98 budget, it was agreed upon that the City would prepare a two year budget. Therefore, the City's budget is a plan for two specified fiscal years. The fiscal years for this budget begin on July 1, 2007 and end on June 30, 2009.

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.

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 included in the department's budget amounts.

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 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

CITY OF REDDING BIENNIAL BUDGET
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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. 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.

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.

THE ACCOUNTING SYSTEM, BUDGETARY CONTROL AND FINANCIAL POLICIES

The City of Redding accounting records are maintained in accordance with Generally Accepted Accounting Principles (GAAP), as established by the Governmental Accounting Standards Board (GASB). Government fund types (General Fund, Special Revenue Funds, Capital Project Fund, and Debt Service Funds), Agency funds, expendable trust funds are maintained on a modified accrual basis of accounting. Proprietary fund types (Enterprise and Internal Service Funds) are maintained on an accrual accounting basis.

The budget adopted by City Council is prepared on a budgetary basis. The budgetary basis differs from GAAP basis in the following areas:

1. The City does not budget for GASB 31 interest income.
2. The City does not budget for accounts payable
3. The City does not budget for benefit accruals.
4. The City budgets for certain receivables and payables on a cash basis.
5. In proprietary fund types the City does not budget for depreciation, but does budget for capital assets as expenditures.
6. In proprietary fund types the City includes debt proceeds as revenue.
7. Encumbered amounts are recorded as the equivalent of expenditures in the budget as opposed to a reservation of fund balance under GAAP.

CITY OF REDDING BIENNIAL BUDGET
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The City Manager is authorized to transfer appropriations between divisions of a department within any fund; however, any revisions that alter the total expenditures of any fund require City Council resolution, unless the Council has given authority to the City Manager to increase total appropriations. (Such as in grant expenditures when grant revenue equal or exceeds the expenditure and appropriation carryovers)

A carefully designed system of internal accounting and budgetary controls is used to insure that revenues and expenditures/expenses are tracked and used as intended. These controls are designed to provide reasonable, but not necessarily absolute, assurance with respect to the reliability of financial and budgetary records for use in the preparation of financial statements as well as accountability for all of the City of Redding assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits and that the evaluation of costs and benefits likely to be derived thereof require estimates and judgments by *management*. The system is reviewed as regularly as possible and as required by independent, certified public accountants.

The main financial policies are a follows:

All Enterprise Funds and the General Fund will prepare long-range ten year financial plans. The adopted budget will be the first two years of the ten year financial plan.

All long range financial plans will use consistent economic assumptions in their long range financial plans. The consistent economic assumptions will be developed by the Finance Division with the input from all affected departments.

No year end cash reserve balance in any year shall be below five percent of annual expenditures in any ten year plan. Financial plans will be updated during the year and any adjustment to maintain a 5% cash reserve will be presented to Council for their approval.

All funds should maintain a 5% of annual expenditures reserve.

Each requested change in budget appropriations will include a fiscal impact statement.

The City will comply with all the requirements of "Generally Accepted Accounting Principles" (GAAP). However, it must be stressed that the information presented in the Budget is not audited and is not necessarily in full compliance with GAAP. The information presented in the Budget is designed to enhance management control and fiscal planning and is not intended to directly correlate with the data presented in financial reports such as the Comprehensive Annual Financial Report (CAFR). The CAFR is designed to provide a retrospective overview on a fund-by-fund basis.

The City uses a cost allocation plan to identify cost associated with providing certain services. These indirect charges reimburse the administration and overhead services provided by certain General Fund divisions. The allocation are made to all non General Fund divisions, however, costs allocation to internal service funds are allocated on to user divisions.

The City requires all budgets to be balanced. A balanced budget is defined as beginning budgeted fund balance plus revenues must be equal to or greater than expenditures. However, revenues can include debt for long-term assets.

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, primary sources 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 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 and 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 are 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 consists of revenue from other governmental agencies and from fees for services. These funds are generally restricted and can 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.

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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 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.

Fund Balance

Beginning Fund balance in this report is the cumulative (all prior years) difference in all revenues less all expenditures, primarily on a budgetary basis. Ending fund balance is the beginning fund balance increased by all currently budgeted revenues less currently budgeted expenditures, primarily on a budgetary basis.

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FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

BUDGET DEVELOPMENT CALENDAR
FOR BIENNIAL BUDGET 2007-09

<u>DUE DATE</u>	<u>ACTION</u>
12/11/06 to 2/9/07	All departments prepare and submit preliminary budget requests for computers, communication-related equipment and building maintenance projects for two years.
1/12/07	Budget reports will be distributed
2/15/07	Council priority workshop
2/22/07	Budget kickoff meeting in Council Chambers 2:00 pm
1/12/07 to 2/26/07	Internal Service Funds prepare allocations and return to Finance. Due by February 26, 2007
1/12/07 to 3/2/07	Departments prepare and enter budget information for biennial budget 2007-09 based on "status-quo" budget. Prepare issue papers for items not in "status-quo" budget. Final date to enter information is March 2, 2007.
3/6/07 to 3/12/07	Departments prepare issue papers. Issue papers due by March 6, 2007. Departments prepare department overview, which include goals and objectives and performance measures. Due by March 12, 2007. Also, prepare organizational chart for department.
3/7/07 to 3/23/07	Finance Division reviews budget requests and develops preliminary recommendations.
3/5/07 to 3/23/07	Departments answer Finance questions regarding budget and if requested prepare additional issue papers.
3/26/07 to 4/5/07	Departments discuss budget requests and department overviews with Finance.
4/16/07 to 4/27/07	City Manager reviews budget requests and makes preliminary decisions.
5/1/07	City Manager makes final budget decisions
5/2/07 to 5/30/07	Finance Division prepares Proposed Budget for City Manager.
6/11/07	City Manager presents Proposed Budget to City Council; City Council establishes date(s) for budget workshop(s)
June 2007	City Council reviews Proposed Budget and amends it as necessary. Budget is adopted.
7/27/07	Finance Division publishes and disseminates Biennial Budget

City of Redding Mission Statement

Provide a high quality of life, remembering that families and neighborhoods are the centerpiece of our lives; the Redding Community will remain clean and safe and will work aggressively to prevent sprawl through careful community development, planning and smart growth. The city is seen as proactive rather than reactive by focusing on what type of City we would like to be in the future and taking the necessary steps to assure we reach our goals.

City of Redding Vision Statement

Our vision is:

- To protect and enhance the City's reputation as the "Jewel of Northern California"
- To attract and support quality job growth
- To build neighborhoods rather than homes
- To have a well-managed City that is in sound financial condition and one in which there is strong leadership that values good governance
- To provide excellent public services and infrastructure to promote a clean and attractive community
- To support steps to create a vibrant downtown and riverfront
- To assure parks, trails and open space
- To support programs that connect the City's unique natural beauty and rich history

Budget Message



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

CITY OF REDDING
INTERNAL COMMUNICATION

DATE: July 2, 2007
B-130-070

TO: Honorable Mayor and City Council

FROM: Kurt Starman, City Manager



SUBJECT: Adopted Biennial Budget for Fiscal Year 2007-08 and Fiscal Year 2008-09

INTRODUCTION

It is my pleasure to transmit to the City Council the Adopted Biennial Budget for Fiscal Year 2007-08 and Fiscal Year 2008-09.

As the City Council is well aware, the community's needs and wants are virtually unlimited. With that said, however, the City of Redding's resources are finite. Consequently, the City Council was required to make some difficult decisions. The City of Redding strives to invest its scarce resources in an efficient and strategic manner in order to produce the best results for the community as a whole. I believe that this budget accomplishes that objective for the following reasons:

1. The budget includes resources to fund many of the priorities that were established by the City Council at the Priority-Setting Workshop that was held on February 15, 2007.
2. The budget is predicated on realistic and conservative revenue estimates.
3. The budget is consistent with the long-range financial plans that have been adopted for each of the City's major funds.
4. The budget provides the highest level of public service possible given the resources that are available.
5. The budget includes funding for several large and important capital projects that are needed to accommodate growth and maintain a high quality of life for our residents.
6. The budget strikes an appropriate balance between the City of Redding's operational needs and capital outlay needs.

**CITY OF REDDING BIENNIAL BUDGET
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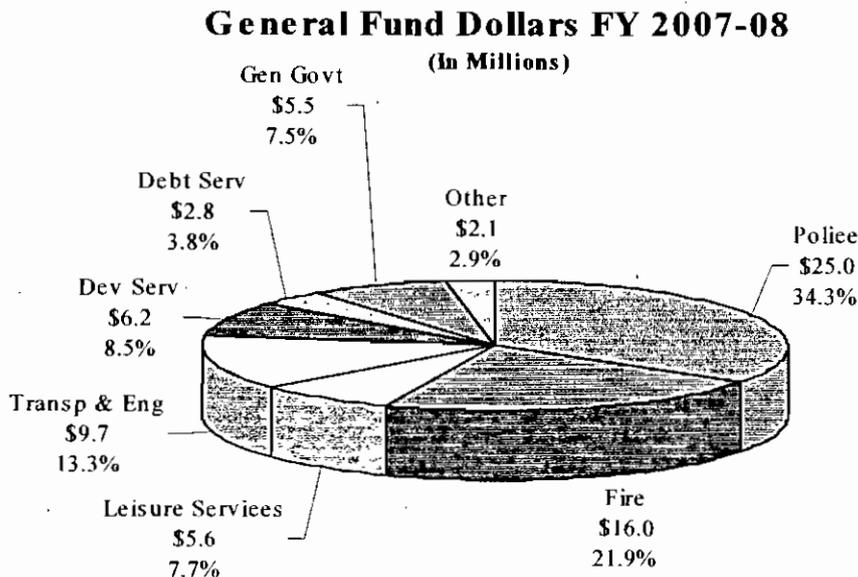
7. The budget strikes an appropriate balance within the organization. Each department and division received due consideration.

BUDGET OVERVIEW

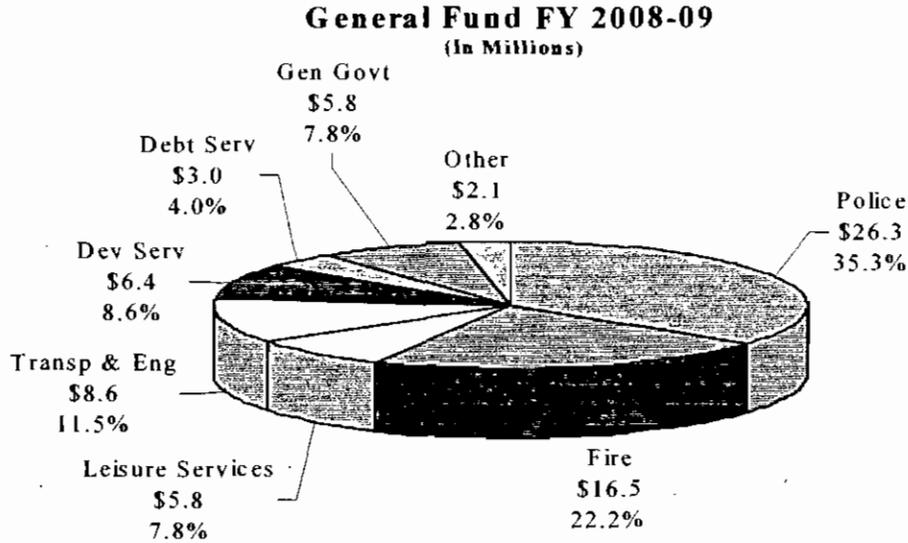
The budget for fiscal year 2007-08 totals \$291,312,270, which represents a decrease of approximately 16.5 percent when compared to the amended budget for fiscal year 2006-07. This large decrease is due primarily to the \$79 million Cypress Bridge Replacement Project and the \$13 million South Bonnyview Road Widening Project. The budget for fiscal year 2006-07 was amended to account for both of these projects. The budget for fiscal year 2008-09 totals \$287,553,880, which represents a decrease of approximately 1.3 percent when compared to the budget for fiscal year 2007-08. The decrease is due to fewer capital projects in fiscal year 2008-09.

GENERAL FUND

The General Fund budget for fiscal year 2007-08 totals \$72,844,170, which represents an increase of approximately 6.1 percent when compared to the amended General Fund budget for fiscal year 2006-07. The General Fund budget for fiscal year 2008-09 totals \$74,340,590, which represents an increase of approximately 2.1 percent when compared to the General Fund budget for fiscal year 2007-08. As the figures below indicate, approximately 57 percent of the General Fund budget is utilized to fund public safety activities (i.e., the Redding Fire Department and the Redding Police Department).



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ENTERPRISE FUNDS

The City of Redding owns and operates a number of utilities, including the Electric Utility, the Water Utility, the Wastewater Utility, the Storm Drain Utility, and the Solid Waste Utility. In addition, the City of Redding operates two airports and a convention center. The City utilizes “enterprise funds” to budget and account for these specific operations. As the table below indicates, the budget for fiscal year 2007-08 includes approximately \$216 million to operate the departments and divisions referenced above. The budget for fiscal year 2008-09 totals approximately \$215 million. As the table below indicates, the majority of these projected expenditures are associated with the Electric Utility.

Enterprise Funds		
FUND	FY 2007-08	FY 2008-09
Electric	\$128,278,000	\$140,855,340
Solid Waste	16,280,460	16,530,620
Storm Drainage	1,672,220	1,925,450
Water	21,320,250	15,934,060
Wastewater	39,750,420	32,792,940
Airport	5,785,450	4,118,180
Convention Center	2,828,680	2,867,850
Total:	\$215,915,480	\$215,024,440

SPECIAL REVENUE FUNDS AND INTERNAL SERVICE FUNDS

The City of Redding's budget also includes a number of special revenue funds and internal service funds, as summarized on pages A-4 and A-5 of the budget. As its name implies, special revenue funds are utilized to account for restricted programs and activities (e.g., the Community Development Block Grant program, development impact fees, and the rolling stock replacement fund, to name a few). The City of Redding utilizes internal service funds to account for programs and services that are designed to support other operating departments within the City (e.g., Information Technology, Fleet Maintenance, and Risk Management, to name a few).

LONG-RANGE FINANCIAL PLANS

As the City Council is well aware, the City of Redding has developed long-range financial plans for the General Fund and for each enterprise fund. These long-range financial plans—which typically cover a five- or ten-year period of time—allow the City Council and the community to ascertain the long-term impact associated with decisions that are made on a day-to-day basis. Unlike many other cities, the City of Redding does not focus its efforts exclusively on developing a balanced budget for a one- or two-year period of time. For all intents and purposes, the City of Redding develops a ten-year budget that is in balance over the entire ten-year period of time. This is a difficult task to accomplish, but is essential in order to avoid unanticipated financial problems in the future. By City Council policy, long-term plans must demonstrate at least a five percent year-end reserve throughout the planning period.

GANN LIMIT

The City of Redding is required by State law to calculate and publish an appropriations limit each fiscal year. This appropriations limit is commonly referred to as the "Gann limit." This figure represents the maximum amount that the City could spend in certain categories per State law. For fiscal year 2007-08, the City of Redding's Gann limit is approximately \$161.1 million. The budget for fiscal year 2007-08 appropriates \$52.2 million that is subject to the Gann limit; thus, the City of Redding's budget for fiscal year 2007-08 is well below the maximum allowed pursuant to State law.

CITY COUNCIL PRIORITIES

The City Council conducted a Priority-Setting Workshop on February 15, 2007. The City Council utilized this workshop to discuss and establish its priorities for this budget. I am pleased to report that the budget includes resources to implement many of the City Council's priorities as outlined below.

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Three-Person Engine Company

The Redding Fire Department includes nine engine companies. Four of these engine companies include three firefighters on each shift. The remaining five engine companies only include two firefighters on each shift. The City Council indicated that it would like to convert at least one additional two-person engine company to a three-person engine company as a part of this budget process. I am pleased to report that the budget includes funds to accomplish this goal. The General Fund budget for fiscal years 2007-08 and 2008-09 includes \$323,950 and \$339,620, respectively, to convert the two-person engine company at Fire Station 8 to a three-person engine company. In addition, the long-range financial plan for the General Fund currently includes adequate resources to convert the remaining two-person engine companies to three-person engine companies over the next nine years, if the City Council determines that is how it would like to allocate these resources.

Police Officers

The City of Redding currently has two Police Officer positions that are funded via a special revenue source. This revenue source is no longer adequate to fund these two positions, thus, the General Fund budget for fiscal years 2007-08 and 2008-09 includes additional resources to fully fund these two Police Officer positions. This proposal is consistent with the City Council's direction at the Priority-Setting Workshop where the City Council indicated that additional resources for the Redding Police Department was a high priority.

Street Maintenance

The street maintenance budget for fiscal year 2006-07 included approximately \$700,000 for overlay projects and slurry seal projects. This funding level is not adequate to maintain the City of Redding's extensive network of streets and roads. The Transportation and Engineering Department estimates that the City of Redding would need approximately \$6 million per year in order to (1) maintain the City's streets and roads that are currently rated as fair, good, or very good; and, (2) make significant progress on the City's deferred maintenance list. I am pleased to report that the budget for fiscal years 2007-08 and 2008-09 includes approximately \$8.4 million for overlay projects and slurry seal projects (i.e., approximately \$4.8 million in fiscal year 2007-08 and \$3.6 million in fiscal year 2008-09). This figure is still less than the amount desired, but it represents a significant increase when compared to the budget for fiscal year 2006-07. The budget will enable the City of Redding to make a significant amount of progress in this area over the next two years.

Permit Tracking System

The City of Redding has had a long-standing goal of developing and implementing a permit tracking system in the Development Services Department. This proposed permit tracking system will enable the City to better serve its customers. It will also increase productivity and result in better coordination within the organization. It is estimated that it will cost approximately \$1.5 million to develop and implement a new permit tracking system. This is a large and complex project that will

**CITY OF REDDING BIENNIAL BUDGET
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require a significant amount of time and energy to implement. The budget for fiscal years 2007-08 and 2008-09 includes approximately \$300,000 to start this work. In addition, the long-range financial plan for the General Fund includes resources to fully implement this initiative. The new project tracking system will be funded by a variety of sources, including the General Fund and a new technology surcharge (i.e., a five percent surcharge on building-related permits). The Development Services Director has discussed this technology surcharge with representatives from the construction industry. The representatives from the construction industry have supported this idea in concept. With that said, however, additional work will be required in order to implement this proposal. The City Council indicated that a new permit tracking system was a high priority when it discussed this topic at the Priority-Setting Workshop in February 2007.

Parallel Zoning Code

The budget includes resources in the Development Services Department to develop and implement a parallel zoning code. Due to current workload demands (such as the General Plan Update), it is likely that the new parallel zoning code will be implemented in fiscal year 2008-09.

Downtown Mall

The Redding Redevelopment Agency (RRA) funded a project last fiscal year that resulted in the removal of the roof over a portion of the Downtown Mall. The budget for the RRA includes a financing plan to remove the remainder of the roof. More specifically, the budget includes funds in fiscal year 2007-08 to prepare the plans and specifications for this project. It is anticipated that the remainder of the roof over the Downtown Mall would be removed in fiscal year 2008-09. The tentative budget for this project is approximately \$3.3 million.

Youth Action Council (YAC)

Pursuant to the City Council's direction at the Priority-Setting Workshop in February 2007, the budget includes funds for the Youth Action Council. As discussed at the Priority-Setting Workshop, the budget for fiscal year 2007-08 totals \$50,000. The budget for the YAC for fiscal year 2008-09 totals \$45,000. The YAC will be expected to raise approximately \$5,000 in fiscal year 2008-09 in order to maintain a total budget of \$50,000. The goal for fiscal year 2009-10 will be for the YAC to raise approximately \$10,000 to support its operation. Therefore, the General Fund 10-Year Financial Plan only includes \$40,000 annually for the YAC beginning in fiscal year 2009-10.

Firearms Range

The City Council discussed the possibility of a regional firearms range at the Priority-Setting Workshop in February 2007. The City Council did not endorse this project per se, but it did indicate that it would be willing to evaluate potential partnerships and opportunities in the future. To that end, the General Fund budget for fiscal year 2007-08 includes \$25,000 for this purpose. These funds can be used, if necessary, to evaluate potential sites and opportunities (i.e., appraisals, noise studies, staff time, etc.).

**CITY OF REDDING BIENNIAL BUDGET
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PREVIOUS CITY COUNCIL DECISIONS

The City Council made a number of significant adjustments to the City of Redding's budget in February 2006. These adjustments included additional funding for the new Redding Library; four new Police Officer positions to establish a new police beat in the community; and a General Fund bond issue to finance, in part, the infrastructure that will be needed to develop and open the Stillwater Business Park. The full-year cost associated with these decisions for fiscal year 2007-08 is approximately \$1.5 million. These are expenses that were not contemplated by the City of Redding when the City Council adopted the previous Biennial Budget in June 2005. Nonetheless, the budget and the long-range financial plan for the General Fund include adequate resources to accommodate these previous decisions.

CAPITAL IMPROVEMENT PLAN

The City of Redding has adopted an ambitious capital improvement plan as summarized on page A-45 of the budget. The budget allocates approximately \$105.6 million for capital projects over the next two years. These projects are summarized on pages A-43, A-44, and A-45 of the budget document. It is important to note that this figure does not include some of the major projects that the City Council has already approved, such as the Cypress Bridge Replacement Project, the South Bonnyview Road Widening Project, the Buckeye Water Treatment Plant Expansion Project, and a portion of the Clear Creek Wastewater Treatment Plant Expansion Project. When these projects are taken into consideration, it is anticipated that the City of Redding will allocate well over \$200 million over the next two years to fund these essential projects. This is the most ambitious Capital Improvement Plan that the City of Redding has ever adopted or implemented. As noted above, many of these projects are critical in order to accommodate growth and maintain a high quality of life in the community.

VACANT POSITIONS

The City Council adopted the previous Biennial Budget in June 2005. At that time, it was necessary to reduce expenses and make reductions throughout the organization. Consequently, a number of positions were left vacant and/or were unfunded. Funding for some of these positions was restored at a later date. In addition, the budget includes resources to fully or partially fund some of the remaining vacant positions. The table below lists, however, the remainder of these vacant positions that are being permanently eliminated.

**CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009**

Positions To Be Eliminated		
Department/ Division	Classification	Number of Positions
Police	Community Service Officer	1
Communications	Telecommunications Manager	1
Streets	Maintenance Worker	3 part-time
Building	Code Enforcement Officer	1
Engineering	Engineering Technician	1
Engineering	Engineering Aid	1 part-time
Finance	Part-time Account Clerk	1 part-time
Finance	Accounting Specialist	1
City Manager	Administrative Assistant	1
Housing	Housing Program Supervisor	1
Housing	Housing Specialist	1

NEW POSITIONS

As the table below indicates, the budget includes 22 new full-time positions throughout the organization, which is offset by the elimination of several part-time positions. The City of Redding currently has approximately 861 full-time positions. Thus, the 22 new positions referenced above represent about a 2.5 percent increase over two years when compared to the current number of full-time positions.

New Positions		
Department/ Division	Classification	Number of Positions
Fire	Firefighter	3
Police	Janitor	1
Engineering	Management Analyst	1
Engineering	Associate Environmental Specialist	1
Parks	Gardener	1
City Clerk	Clerk	1
Information Technology	System Administrator	1

**CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009**

New Positions (Continued)		
Department/ Division	Classification	Number of Positions
Risk Management	Personnel Analyst	1
Solid Waste	Hazardous Waste Specialist	1
West Central	Clerk	1
West Central	Heavy Equipment Operator	1
Wastewater	Wastewater Compliance Analyst	1
Storm Drainage	Maintenance Worker	1
Customer Service	System Analyst	1
Customer Service	Customer & Field Service Trainer	1
Field Service	Working Supervisor	1
Electric	Senior System Operator	1
Electric	Management Analyst	1
Customer Service	Management Analyst	1
Electric	Electric Utility Engineer	1
Total:		22

POLICE AND FIRE PERSONNEL

As noted above, the budget includes additional personnel for the Redding Fire Department and the Redding Police Department. The City of Redding has been able to add a significant number of personnel to the Redding Police Department and the Redding Fire Department over the past three budget cycles. Including the positions outlined above, the number of full-time positions in the Redding Police Department and the Redding Fire Department have increased by approximately 9 percent and 12 percent, respectively, since fiscal year 2002-03. The City Council has consistently indicated that public safety is a high priority.

UNFUNDED NEEDS

As noted above, the City of Redding and the community has a long list of needs and desires. The budget includes additional resources to fund many of these needs. With that said, however, the budget does not accommodate all of the community's needs and desires. It would be impractical to list all of those needs and desires here; however, I think that it is important to mention at least two of these issues.

**CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009**

The budget does not include resources to construct a new Police facility (which is estimated to cost in excess of \$35 million). In addition, the budget does not include as much money as I would like for street maintenance activities. As noted above, we have been able to make significant progress in this area (from \$700,000 in fiscal year 2006-07 to approximately \$8.4 million over the next two fiscal years). Nonetheless, additional resources are needed in this area in order to eliminate the backlog of street maintenance projects that currently exists.

Government Accounting Standards Board Statement 45 (GASB 45)

The City Council received a presentation from Bartel Associates, LLC, at its special workshop on May 18, 2007, regarding GASB 45. GASB 45 is a new accounting requirement that requires government agencies to calculate and disclose the liability associated with certain post-employment benefits (such as healthcare benefits). The City Council received the presentation from Bartel Associates, LLC, and directed staff to develop an implementation plan for its consideration later this calendar year. That plan has not yet been developed. Consequently, the budget for fiscal years 2007-08 and 2008-09 does not currently allocate resources for this purpose. Once the City of Redding develops an implementation plan to address GASB 45, it may be necessary to amend the budget.

Cooperative Planning and Tax-Sharing Agreement

The City of Redding and the County of Shasta are currently negotiating a Cooperative Planning and Tax-Sharing Agreement. The City of Redding and the County of Shasta may or may not ultimately enter into such an agreement. However, if the City and County do approve a Cooperative Planning and Tax-Sharing Agreement, it is likely that the City of Redding will be required to transfer sales tax revenue and/or transient occupancy tax revenue to the County each fiscal year. It is not yet known how large this transfer would be for fiscal year 2007-08 or fiscal year 2008-09. However, if the new Cooperative Planning and Tax-Sharing Agreement is similar to the tentative agreement that was negotiated in 2005, it is likely that the transfer will average about \$500,000 per year. The budget and the long-range financial plan for the General Fund does not currently contemplate such a transfer.

State and Local Economy

As noted above, the budget is predicated on realistic and conservative revenue estimates. The revenue projections contained in the budget are based upon the best information available to staff at this time. With that said, however, it is clear that the state and local economies are going through a transition. The market for new, single-family homes, in particular, is very soft. This, in turn, has a ripple impact throughout the economy. Consequently, the City of Redding is experiencing downward pressure on some of its major revenue sources, such as sales tax revenue and property tax revenue. The assumptions that were utilized to prepare this budget are conservative when compared to the historical growth rate the City of Redding has experienced. Nonetheless, if the state and local economies continue in a downward trend, the City may have to re-evaluate its long-range financial plans at some point in the future. The good news, however, is that the General Fund reserve is not anticipated to reach the five percent minimum until fiscal year 2011-12. Therefore, the City of Redding will have ample time to make adjustments if necessary.

**CITY OF REDDING BIENNIAL BUDGET
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Turtle Bay Exploration Park

The General Fund budget for fiscal year 2007-08 includes \$350,000 in direct financial assistance from the City of Redding to Turtle Bay Exploration Park. The budget for fiscal year 2008-09 also includes \$350,000 for this same purpose. With that said, however, the City Council has indicated in the past that it would like to evaluate this contribution on a year-to-year basis. Therefore, staff will continue to bring this issue back to the City Council for its review and consideration on an annual basis before any funds are dispersed.

BUDGET COMMITTEE

The City of Redding invited two citizens to serve on the Budget Committee this year. These two citizens worked directly with the City Manager to develop the budget for the City Council's consideration. This year, the Budget Committee included Evelyn Jacobs and Bernell Hirning. Ms. Jacobs is the Region President for US Bank. As such, she has a tremendous amount of financial experience and expertise. Mr. Hirning is the Associate Regional Dean for National University in Redding. He has a great deal of experience and expertise in the area of organizational issues. Ms. Jacobs and Mr. Hirning donated a tremendous amount of their personal time to assist me and the staff to develop the budget for the City Council's consideration. Their input and advice were extremely valuable. I would like to take this opportunity to thank Ms. Jacobs and Mr. Hirning for their valuable service to the community.

SUMMARY

The City of Redding is a large and complex organization. The Biennial Budget for Fiscal Year 2007-08 and Fiscal Year 2008-09 is an important fiscal and policy document. It enables the City Council to establish and fund its priorities for the community. I believe that the Budget addresses many of the priorities that were established by the City Council at its Priority- Setting Workshop in February 2007. I also believe that the Budget is a sound and prudent financial plan. Therefore, I respectfully transmit to the City Council the adopted version of the Biennial Budget for Fiscal Year 2007-08 and Fiscal Year 2008-09.

Budget Summaries



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

CITY OF REDDING BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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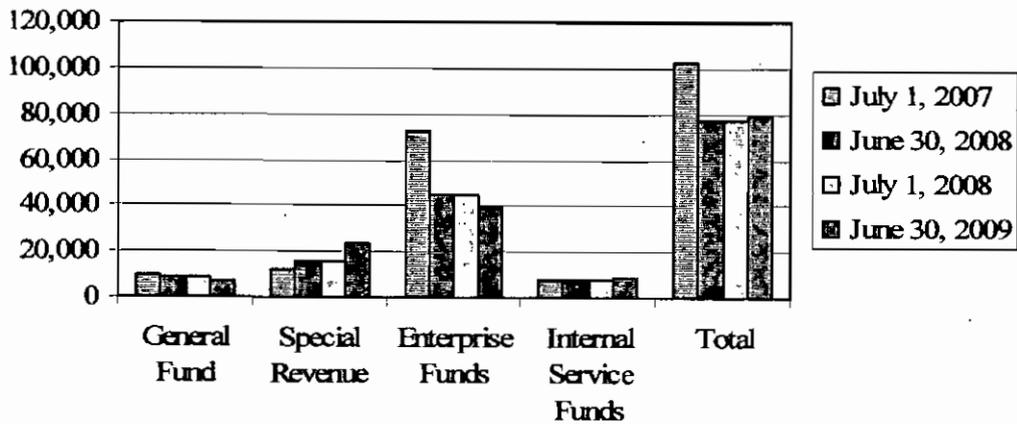
COMPARATIVE FUND SUMMARY - ALL FUNDS

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 2008-09 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.

Comparison of Beginning to End Balances (in thousands)



COMPARATIVE FUND SUMMARY FY 2007-08 - ALL FUNDS
(In Thousands)

	Projected Fund Balance 7-01-2007	Projected Revenue 2007-2008 (3)	Fund Transfers In	Fund Transfers Out	Expenditure Programs 2007-2008 (4)	Adjustments & Restricted Reserves (1)	Projected Fund Balance 6-30-2008
GENERAL FUND	\$ 9,399	\$ 65,987	\$ 8,126	\$ (3,750)	\$ 72,844	\$ 1,433	\$ 8,351
SPECIAL REVENUE FUNDS							
Parking Fund	-	295	20	-	297	(18)	-
Rolling Stock Replacement	-	270	6,315	-	-	-	6,585 (2)
Gas Tax Street Improvement Fund	800	4,275	-	(5,040)	-	-	35
Local Transportation Fund	1,717	1,843	-	(2,550)	-	-	1,010
Library	49	1,292	680	-	1,944	-	77
CD Block Grant Fund	-	2,189	-	-	2,188	-	1
Public Safety	-	273	-	(273)	-	-	-
Special Development Fund							
Storm Drain Capital	0	448	-	-	-	(448)	-
Traffic Impact Fee	10,000	3,000	-	-	5,469	-	7,531
Park-In-Lieu	-	230	-	-	-	-	230
Park Development	-	1,360	-	(51)	1,018	-	291
TOTAL SPECIAL REVENUE FUNDS	12,566	15,475	7,015	(7,914)	10,916	(466)	15,760
ENTERPRISE FUNDS							
Tourism/Convention Fund	312	691	2,046	(42)	2,829	42	220
Storm Drain Utility Fund	1,533	1,308	-	(30)	1,672	457	1,596
Municipal Airport Fund	-	6,072	-	(257)	5,785	-	30
Electric Utility Fund	36,600	117,134	-	(3,925)	128,278	7,669	29,200
Water Utility Fund	2,483	17,035	-	(175)	21,320	6,905	4,928
Wastewater Utility Fund	24,432	31,185	45	(136)	39,750	(13,229)	2,547
Solid Waste Collection and Disposal	7,514	15,912	-	(875)	16,280	179	6,450
TOTAL ENTERPRISE FUNDS	72,874	189,337	2,091	(5,440)	215,914	2,023	44,971
INTERNAL SERVICE FUNDS							
Information Technology	398	2,296	-	-	2,392	-	302
Fleet Maintenance	-	2,934	-	-	2,845	-	89
Building Maintenance & Construction	173	1,939	-	(37)	2,004	-	71
Records Management	49	277	-	-	294	-	32
Employer Services	16	759	-	-	756	-	19
Geographic Information Services	125	881	-	-	923	-	83
Communications	188	543	-	-	639	-	92
Reprographics	82	760	-	(4)	758	-	80
Volunteer Services	41	126	-	-	127	-	40
Risk Management	6,612	5,065	-	-	4,873	-	6,804
Employee Benefits Payroll	-	19,671	-	-	19,344	-	327
Employee Benefit Group Insurance	-	16,451	-	-	16,427	-	24
Redding Municipal Utilities Admin.	-	2,433	-	(87)	2,346	-	-
TOTAL INTERNAL SERVICE FUNDS	7,684	54,135	-	(128)	53,728	-	7,963
Subtotal	102,523	324,934	17,232	(17,232)	353,402	2,990	77,045
Less: Charges Between Funds	0	(62,093)	0	0	(62,093)	0	0
NET TOTAL	\$ 102,523	\$ 262,841	\$ 17,232	\$ (17,232)	\$ 291,309	\$ 2,990	\$ 77,045

(1) This column shows adjustments primarily for use of debt funds and projected budget savings

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

(3) For detail of Revenue see pages A-10 to A-19

(4) For detail of Expenditures see A-20 to A-22

COMPARATIVE FUND SUMMARY FY 2008-09 - ALL FUNDS
(In Thousands)

	Projected Fund Balance 07/01/2008	Projected Revenue 2008-2009 (3)	Fund Transfers In	Fund Transfers Out	Expenditure Programs 2008-2009 (4)	Adjustments & Restricted Reserves (1)	Projected Fund Balance 06/30/2009 (5)
GENERAL FUND	\$ 8,351	\$ 68,531	\$ 6,937	\$ (3,872)	\$ 74,341	\$ 1,464	\$ 7,070
SPECIAL REVENUE FUNDS							
Parking Fund	-	296	25	-	304	0	17
Rolling Stock Replacement	6,585	280	5,879	-	-	0	12,744 (2)
Local Transportation Fund	1,010	812	-	(1,807)	-	0	15 (6)
Library	77	1,328	700	-	2,020	-	(6)
CD Block Grant Fund	1	2,189	-	-	2,188	0	2
Public Safety	-	273	-	(273)	-	-	-
Special Development Fund	-	-	-	-	-	-	-
Storm Drain Capital	-	544	-	-	-	(544)	-
Traffic Impact Fee	7,531	3,100	-	-	1,369	0	9,262 (6)
Park In-Lieu	230	280	-	-	-	0	510
Park Development	291	1,700	-	(51)	1,021	0	919
TOTAL SPECIAL REVENUE FUNDS	15,760	15,442	6,604	(6,735)	6,902	(544)	23,540
ENTERPRISE FUNDS							
Tourism/Convention Fund	220	699	2,128	(47)	2,868	30	162
Storm Drain Utility Fund	1,596	1,451	-	(30)	1,925	566	1,658
Municipal Airport Fund	30	4,570	-	(205)	4,118	-	277
Electric Utility Fund	29,200	132,503	-	(3,525)	140,855	6,277	23,600 (7)
Water Utility Fund	4,928	17,346	-	(175)	15,934	(4,340)	1,825 (8)
Wastewater Utility Fund	2,547	39,953	45	(136)	32,793	(3,508)	6,108 (8)
Solid Waste Collection and Disposal	6,450	16,701	-	(898)	16,531	193	5,915 (7)
TOTAL ENTERPRISE FUNDS	44,971	213,223	2,173	(5,016)	215,024	(782)	39,545
INTERNAL SERVICE FUNDS							
Information Technology	302	2,410	-	-	2,481	-	231
Fleet Maintenance	89	2,882	-	-	2,842	-	129
Building Maintenance & Construction	71	1,850	-	-	1,834	-	87
Records Management	32	282	-	-	289	-	25
Employer Services	19	769	-	-	769	-	19
Geographic Information Services	83	918	-	-	914	-	87
Communications	92	547	-	-	547	-	92
Reprographics	80	745	-	(4)	749	-	72
Volunteer Services	40	129	-	-	130	-	39
Risk Management	6,804	5,215	-	-	5,021	-	6,998
Employee Benefits Payroll	327	20,632	-	-	20,248	-	711
Employee Benefit Group Insurance	24	17,802	-	-	17,772	-	54
Redding Municipal Utilities Admin.	-	2,446	-	(87)	2,359	-	-
TOTAL INTERNAL SERVICE FUNDS	7,963	56,627	-	(91)	55,955	-	8,544
Subtotal	77,045	353,823	15,714	(15,714)	352,222	138	78,699
Less: Charges Between Funds	0	(64,668)	0	0	(64,668)	0	0
NET TOTAL	\$ 77,045	\$ 289,155	\$ 15,714	\$ (15,714)	\$ 352,222	\$ 138	\$ 78,699

- (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
- (3) For detail of Revenue see pages A-10 to A-19
- (4) For detail of Expenditures see A-20 to A-22
- (5) General Fund resource is being reduced as planned in 10-year financial plan
- (6) Special Revenue Funds are being spent for intended purpose
- (7) Electric and Solid Waste reserves are being decreased to the desired long term financial plan levels
- (8) Reserves are being used for intended capital projects

REVENUE ASSUMPTIONS

General Assumptions

- California's economy will continue to grow during fiscal years 2008 and 2009.
- Local construction activity will return to historic levels in fiscal years 2008 and 2009.
- The inflation rate will be approximately 2.5 percent in fiscal years 2008 and 2009.
- Interest rates associated with City investments will remain relatively constant during fiscal years 2008 and 2009 (approximately 5%).
- The City of Redding's population will grow by approximately 1.5 percent.
- In general, revenue will still grow at its historical average.

Specific Assumptions

General Fund

- Property tax revenue is assumed to increase by 5.5 percent per year. (Property tax revenue grew at 6.2 percent over the past ten years when adjusted for State changes.)
- Sales Tax revenue will increase by 4.5 percent. (Sales tax revenue grew, on average, by 6.3 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 5.7 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 TOT.)
- Revenue from licenses and permits, fines and penalties, and from service charges will all increase by 4 percent. (These combined revenues grew by over 10 percent per year between FYE 1997 and FYE 2006. The large increases are primarily due to one-time increases and high 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 7 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 4 percent. (Historical growth rates are erratic, but have consistently been around 4 percent when adjusted for one-time changes.)
- Revenue from the use of money and property is a function of the ending cash balance.
- Other revenue is assumed to increase by 3 percent. (Historical growth rates are erratic.)

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

- Transfers in are assumed to increase by the rate of inflation and other assumed facts; 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 expected personnel growth, which is 3.5 percent.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

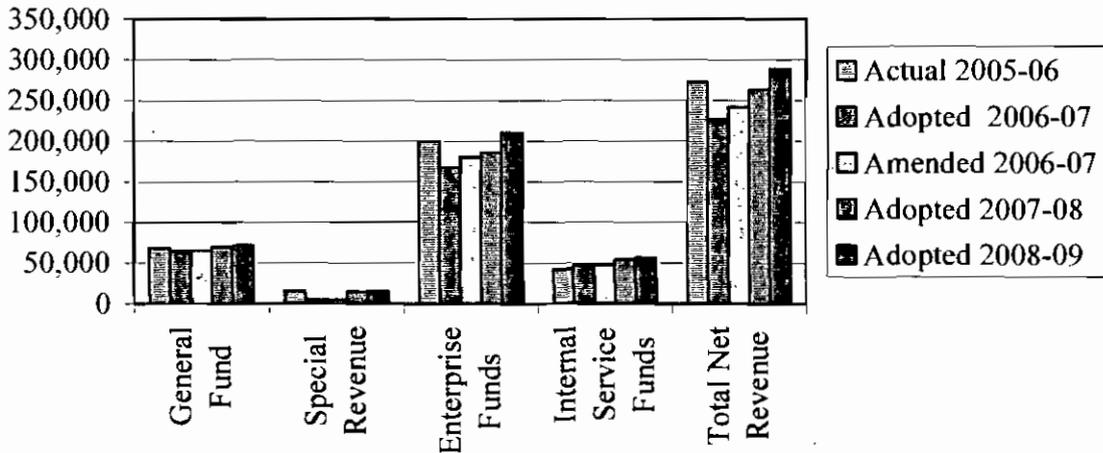
**COMPARATIVE SUMMARY OF ESTIMATED REVENUES
AND STATEMENT OF ESTIMATED REVENUE – ALL FUNDS**

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 2005-06**, shows the actual revenue for each fund. The second column, **Budget Estimate 2006-07**, shows the revenue estimate originally adopted in the budget for the current fiscal year, while the third column, **Revised Estimate 2006-07**, 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 2007-08** and **Budget Estimate 2008-09**, show the revenue estimates for the next two fiscal years for all funds.

Total net revenue for fiscal year 2007-08 is estimated at \$262,839,071 and for fiscal year 2008-09 is estimated at \$289,157,360. Revenue from Special Revenue Funds total \$14,573,795 and \$15,310,226, respectively, revenue from Enterprise Funds total \$185,987,970 and \$210,378,988, respectively, revenue from Internal Service Funds total \$54,007,446 and \$56,540,096, respectively, and General Fund revenue totals \$70,362,840 and \$71,595,770, respectively.

On page 9 is a summary of revenue by Fund. The detail can be found on pages 10 to 19.

**Comparative Summary of Estimated
Revenues
(in thousands)**



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

COMPARATIVE SUMMARY OF REVENUE PROGRAMS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Revised Estimate 2006-2007	Budget Estimate 2007-2008	Budget Estimate 2008-2009
GENERAL FUND					
Taxes	\$ 42,361,142	\$ 42,496,200	\$ 44,067,200	\$ 46,858,600	\$ 49,106,200
Licenses and Permits	2,174,350	1,869,700	1,869,700	1,443,100	1,483,200
Fines, Forfeits, and Penalties	677,218	549,000	536,000	630,000	657,300
Revenue from Internal Departments	13,400,763	10,499,990	10,499,990	12,861,830	11,540,660
Revenue from Other Governmental Agencies	2,934,326	3,588,163	3,585,163	2,232,730	2,368,930
Other Revenues	2,379,851	2,137,144	2,136,144	2,418,450	2,494,150
Charges for Current Services	2,982,039	2,517,400	2,517,400	2,817,130	2,884,330
Revenue from the Use of Money & Property	1,558,458	1,046,940	1,046,940	1,101,000	1,061,000
TOTAL GENERAL FUND	68,468,147	64,704,537	66,258,537	70,362,840	71,595,770
SPECIAL REVENUE FUNDS					
Parking Fund	229,230	220,650	236,650	315,350	321,350
Rolling Stock Replacement	(112,761)	163,000	163,000	6,589,510	6,159,460
Gas Tax Street Improvement Fund	(982,661)	(1,052,940)	(1,052,940)	(765,000)	36,000
Local Transportation Fund	(1,735,090)	-	-	(707,400)	(995,200)
Library	-	-	-	1,972,030	2,027,890
CD Block Grant Fund	4,130,670	2,337,120	2,337,120	2,189,310	2,189,310
Special Development Fund	14,182,037	3,212,000	3,212,000	4,985,000	5,571,420
General Special Revenue	-	-	-	-	-
TOTAL SPECIAL REVENUE FUNDS	15,711,425	4,879,830	4,895,830	14,578,800	15,310,230
ENTERPRISE FUNDS					
Tourism/Convention Fund	3,236,877	2,682,360	2,682,360	2,695,100	2,779,810
Storm Drain Utility Fund	973,549	910,310	910,310	1,278,160	1,420,990
Municipal Airport Fund	3,092,556	6,240,280	6,249,504	5,814,820	4,365,260
Electric Utility Fund	143,303,778	107,567,019	120,929,800	113,209,420	128,977,590
Water Utility Fund	16,970,606	15,793,600	15,793,600	16,859,770	17,170,550
Wastewater Utility Fund	17,285,789	19,828,690	19,828,690	31,093,920	39,862,480
Solid Waste Collection and Disposal	15,447,849	14,237,646	14,237,646	15,036,780	15,802,310
TOTAL ENTERPRISE FUNDS	200,311,004	167,259,905	180,631,910	185,987,970	210,378,990
INTERNAL SERVICE FUNDS					
Information Technology	1,947,395	2,010,040	2,010,040	2,295,600	2,409,900
Fleet Maintenance	2,615,167	2,599,680	2,599,680	2,933,520	2,881,580
Building Maintenance & Construction	1,635,107	1,516,980	1,516,980	1,901,780	1,849,930
Records Management	272,727	278,270	277,770	276,500	281,500
Employer Services	342,536	792,280	792,280	759,000	769,350
Geographic Information Services	678,615	683,640	683,640	880,740	917,880
Communications	1,203,827	532,030	532,030	543,290	546,760
Reprographics	615,594	592,970	592,970	756,190	745,050
Volunteer Services	98,471	104,365	104,365	126,450	128,590
Risk Management	3,414,027	4,886,105	4,886,105	5,065,390	5,215,390
Employee Benefits Payroll	16,600,587	18,911,420	18,911,420	19,671,460	20,632,490
Employee Benefit Group Insurance	12,830,882	13,728,630	13,728,630	16,451,250	17,802,460
Redding Municipal Utilities Administration	-	749,260	749,260	2,346,270	2,359,210
TOTAL INTERNAL SERVICE FUNDS	42,254,935	47,385,670	47,385,170	54,007,440	56,540,090
SUBTOTAL - ALL REVENUE	326,745,511	284,229,942	299,171,447	324,937,050	353,825,080
Less: Charges between funds	(54,020,036)	(57,171,805)	(57,171,805)	(62,092,980)	(64,667,720)
NET TOTAL	\$ 272,725,475	\$ 227,058,137	\$ 241,999,642	\$ 262,844,070	\$ 289,157,360

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
GENERAL FUND				
TAXES				
Property Taxes	\$ 13,999,006	\$ 15,000,000	\$ 15,800,000	16,700,000
Sales Tax-Nondedicated	22,368,334	23,000,000	24,662,000	25,772,000
Transient Occupancy Tax	3,712,163	3,860,000	4,090,000	4,250,000
FRANCHISES:				
Viacom Cablevision	654,978	660,000	690,000	715,000
Pacific Gas & Electric Co.	261,840	250,000	288,000	300,000
Business License Tax	804,603	811,200	878,600	906,200
Real Property Transfer Tax	560,218	486,000	450,000	463,000
Total Taxes	<u>42,361,142</u>	<u>44,067,200</u>	<u>46,858,600</u>	<u>49,106,200</u>
LICENSES AND PERMITS				
Animal Licenses	62,184	70,700	66,000	68,000
State Animal Fines Collected	8,315	6,000	8,000	8,000
Building Permits	1,489,631	1,300,000	987,000	1,014,000
Encroachment Permit	103,724	67,000	72,100	74,000
Electical Permits	180,267	156,000	118,400	122,000
Transportation Permit	23,137	26,000	26,750	27,500
Plumbing Permits	172,653	135,000	77,250	79,500
Mechanical Permit	107,820	83,000	67,000	69,000
Grading Permits	26,619	26,000	20,600	21,200
Total Licenses and Permits	<u>2,174,350</u>	<u>1,869,700</u>	<u>1,443,100</u>	<u>1,483,200</u>
FINES, FORFEITS, AND PENALTIES				
Traffic Safety Fines	571,695	460,000	540,000	563,800
Code Enforcement Fines	45,062	25,000	25,000	25,000
Other Fines & Fees	51,799	42,000	56,000	59,000
Assessment District Deliquent Fines & Fees	8,662	9,000	9,000	9,500
Total Fines, Forfeits & Penalties	<u>677,218</u>	<u>536,000</u>	<u>630,000</u>	<u>657,300</u>
REVENUE FROM INTERNAL DEPARTMENTS				
Overhead Administration Charge	741,410	69,500	70,000	73,000
Fixed Reimbursements	2,435,110	2,717,180	3,299,670	3,380,650
Real Estate Rentals	6,823	-	-	-
Posse Grandstand Repayment	13,037	13,000	13,000	13,000
In-lieu Payment from Div 520--Solid Waste	93,850	-	-	-
In-lieu Payment from 821--Muni Airport	75,000	85,000	95,000	105,000
In-lieu Payment from 801--Storm Drains	99,000	-	-	-
In-Lieu Payment from Division 854-Electric	3,913,790	4,314,000	4,932,000	4,832,000
In-Lieu Payment from 864--Water	455,230	-	-	-
In-lieu Payment from Div 875--WWTR Treatnt	751,380	-	-	-
In-Lieu Payment from 640 Convention Center	54,100	59,000	75,000	70,000
Total Revenue from Internal Departments	<u>8,638,730</u>	<u>7,257,680</u>	<u>8,484,670</u>	<u>8,473,650</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
REVENUE FROM OTHER GOVERNMENTAL AGENCIES				
School District Contrib-Operating-Police	317,658	135,000	176,400	234,000
Redding Rancheria Payment	100,000	100,000	100,000	100,000
Contribution RABA - Operating - Police	50,000	50,000	-	-
SHASCOM - Payroll	23,073	24,000	24,000	25,000
MPO Revenue-Operating-Public Works	83,960	110,000	100,000	100,000
FEDERAL:				
HUD Grant - Capital - Public Works	58,736	1,357,573	-	-
Federal Grant - Operating - Police	97,045	74,750	-	-
Federal Grant - Operating - Fire	60,000	-	-	-
STATE:				
State Grant Operating-Police	455,451	487,540	979,330	1,035,930
State Grant Operating- Fire	20,386	-	-	-
State Grant Capital-Fire	92,069	-	-	-
State Grant Capital-PW	-	450,000	-	-
State Grant Capital-Rec & Cult	190,029	-	-	-
State Other Provisions	(1,092,306)	-	-	-
Reimbursement of Mandated Costs	94,850	-	50,000	51,000
POST Grant - Operating - Police	81,445	105,800	110,000	110,000
Home Owner Property Tax Relief	167,969	170,000	170,000	175,000
Motor Vehicle In-Lieu Tax	1,979,130	500,000	515,000	530,000
State--Off Hwy Vehicle Fees	3,326	3,000	3,000	3,000
COUNTY:				
Shasta County Grant - Operating - Police	136,462	12,500	-	-
Buckeye Fire Service Dist-Operating-Fire	15,043	5,000	5,000	5,000
Total Revenue - Other Government Agencies	2,934,326	3,585,163	2,232,730	2,368,930
OTHER REVENUES				
Late Fees	806,978	1,545,000	1,800,000	1,865,000
Mall - Air Conditioning & Heating	9,001	25,000	10,000	10,000
Contributions - Operating - Police	16,269	16,000	16,000	16,000
Contributions-Capital-Recreation & Culture	111,527	-	-	-
Contributions - Operating- Public Works	25,000	-	-	-
Contributions - Operating - Planning	106,454	-	-	-
Contributions - Operating - General Government	-	90,000	-	16,000
Contributions-Operating-Rec & Culture	13,000	-	10,000	10,000
Contributions - Developers	-	100,144	-	-
Sale of Property	800,808	6,000	108,000	108,500
Loan Proceeds	39,878	-	-	-
Spay/Neuter Surcharge	2,164	2,000	2,000	2,000
Compensation - Loss & Property Damage	563	-	-	-
Misc. RCAC Donations Match	85,209	21,300	-	-
Miscellaneous Revenue	363,000	330,700	472,450	482,650
Total Other Revenues	2,379,851	2,136,144	2,418,450	2,494,150

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
CHARGES FOR CURRENT SERVICES				
Assessment District Administration Fees	5,649	5,000	5,500	5,700
Planning Permits	554,504	660,000	618,000	636,000
Building Plan - Record Fees	20,560	12,500	12,500	12,500
Building Plan - Check Fees	733,440	680,000	618,000	636,500
Fees for Outside Plan Checks	1,209	3,000	3,000	3,000
Plan Check Fees - Fire Department	76,363	47,000	80,000	85,000
Engineering Land Dev Fees	573,506	90,000	390,430	397,930
Sale of Publications	17,631	19,000	18,000	18,000
Building Permit List	2,113	3,000	2,000	2,000
Animal Shelter Fees	9,686	11,000	8,000	8,000
Inspection Fees	2,215	2,100	2,000	2,000
Fingerprint Fees	39,094	26,000	41,000	42,000
Treasurers Fees	318	1,200	1,200	1,200
A/D Segregation Fees	401	2,100	1,500	1,500
Fire Permits & Fees	55,420	106,000	51,500	53,000
DUI - Emergency Response	36,948	34,000	34,000	35,000
Swimming Pool Receipts	118,688	144,000	124,000	127,000
RAC Swim Shop/Rental	37,200	35,000	29,800	30,500
RAC Admission	93,027	104,000	98,500	101,000
RAC Swim Team	6,204	20,000	6,200	6,500
Swimming Pool Concession	66,128	60,000	70,500	72,500
Rec Daycare After School	3,365	-	5,000	5,000
Red Camps Trips	23,777	-	38,000	38,000
Rec Fitness	14,785	-	54,000	54,000
Rec Classes	8,230	-	70,000	71,500
Rec Sports	23,571	-	96,000	96,000
Rec Daycare Summer	130,669	-	196,000	196,000
Other Fees & Charges	327,338	452,500	142,500	147,000
Total Charges for Current Services	2,982,039	2,517,400	2,817,130	2,884,330
REVENUE FROM THE USE OF MONEY & PROPERTY				
Property Rentals	1,143,305	562,940	563,000	563,000
SHASCOM Base Rent - Police Portion	41,801	41,500	41,500	41,500
SHASCOM Base Rent - Fire Portion	41,801	41,500	41,500	41,500
Investment Income	313,247	400,000	440,000	400,000
Fiscal Agent Investment Income	18,304	1,000	15,000	15,000
Total Revenue - Use of Money & Property	1,558,458	1,046,940	1,101,000	1,061,000
General Fund Net Transfers IN (Out)	4,762,033	3,242,310	4,377,160	3,067,010
TOTAL GENERAL FUND	68,468,147	66,258,537	70,362,840	71,595,770
PARKING FUND				
On-Street Parking Meters	62,540	62,000	62,000	62,000
Off-Street Parking Meters	1,239	600	600	600
Parking Meter Space & Hood Fees	40	-	-	-
Parking Space Rental & Permit Fees	6,740	3,050	3,050	3,050
Parking Fines & Fees	33,754	45,000	51,000	51,000
Repayment of Advances	10,795	-	-	-
Miscellaneous Revenue	-	-	50,000	50,000
Abandoned Vehicle Fees	89,304	90,000	92,000	92,000
Investment Income	3,679	-	1,700	1,700
Investment Income-RRA	21,139	36,000	35,000	36,000
Net transfers in (out)	-	-	20,000	25,000
TOTAL PARKING FUND	229,230	236,650	315,350	321,350

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
ROLLING STOCK REPLACEMENT				
Sale of Property	158,291	-	-	-
Miscellaneous Revenue	22,032	-	-	-
Investment Income	185,302	163,000	270,000	280,000
Net transfers in (out)	(478,386)	-	6,319,510	5,879,460
TOTAL ROLLING STOCK REPLACEMENT	(112,761)	163,000	6,589,510	6,159,460
GAS TAX STREET IMPROVEMENT FUND				
State Grant Oper-Public Works	-	-	840,000	420,000
Federal - ISTE A	951,325	1,049,890	1,600,000	1,600,000
State of California - Section 2105	539,229	530,000	546,000	562,500
State of California - Section 2106	504,879	500,000	515,000	530,500
State of California - Section 2107	718,396	710,000	731,500	753,500
State of California - Section 2107.5	7,500	7,500	7,500	7,500
State Traffic Congestion Relief	283,621	908,620	-	729,790
Investment Income	62,465	30,000	35,000	36,000
Net transfers in (out)	(4,050,076)	(4,788,950)	(5,040,000)	(4,603,790)
TOTAL GAS TAX IMPROVEMENT FUND	(982,661)	(1,052,940)	(765,000)	36,000
LOCAL TRANSPORTATION FUND				
State Allocations - SB 325	59,402	-	1,833,000	807,000
Investment Income	35,882	-	9,600	4,800
Net transfers in (out)	(1,830,377)	-	(2,550,000)	(1,807,000)
TOTAL LOCAL TRANSPORTATION FUND	(1,735,093)	-	(707,400)	(995,200)
LIBRARY OPERATIONS				
State Grant Oper- Rec & Culture	-	-	100,000	100,000
Contrib Oper-Rec & Culture	-	-	10,000	10,000
Branch Library-Anderson	-	-	28,730	29,590
Branch Library-County	-	-	139,610	143,800
Library Operations	-	-	968,820	997,880
Other Fees & Charges	-	-	45,140	46,500
Net transfers in (out)	-	-	679,730	700,120
TOTAL LIBRARY OPERATIONS	-	-	1,972,030	2,027,890
CD BLOCK GRANT FUND				
Federal-HUD-Operating-Community Developmnt	873,299	955,280	890,860	890,860
HOME Funds-Operating-Community Development	1,320,772	653,390	578,000	578,000
Loan Repayment-Principal	1,093,020	570,000	570,000	570,000
Loan Repayment-Interest	579,913	150,000	150,000	150,000
Late Payment Charges	666	450	450	450
Investment Income	-	10,000	-	-
Net transfers in (out)	263,000	(2,000)	-	-
TOTAL CD BLOCK GRANT FUND	4,130,670	2,337,120	2,189,310	2,189,310

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
SPECIAL DEVELOPMENT FUND				
State Grant Capital-Rec & Culture	2,661,892	335,850	-	-
Federal Grant - Capital - Public Works	270,788	-	-	-
Investment Income	584,563	200,000	-	-
Storm Drainage	431,103	468,700	447,980	544,480
Electric Service	159,431	-	-	-
Fire Facilities	99,104	-	-	-
Capital Improvement	2,543	-	-	-
State Grant Oper-Public Works	300,000	-	-	-
Federal Grant Oper-Public Works	25,556	-	-	-
Contributions - Capital - Public Works	665,378	-	-	-
Traffic Impact Fee	4,556,904	1,700,000	3,000,000	3,100,000
Dana Drive Traffic Impact Fees	16,991	-	-	-
Park In Lieu Fees	263,667	-	230,000	280,000
Contrib Cap Rec & Culture	99,768	25,500	-	-
Miscellaneous Revenue	11,600	-	-	-
Parks Development	1,655,633	600,000	1,360,000	1,700,000
Interest Earned	157,569	-	-	-
Net transfers in (out)	2,219,547	(118,050)	(52,980)	(53,060)
TOTAL SPECIAL DEVELOPMENT FUND	14,182,037	3,212,000	4,985,000	5,571,420
PUBLIC SAFETY FUND				
Sales Tax-Dedicated to Public Safety	272,517	272,500	272,500	272,500
Net transfers in (out)	(272,517)	(272,500)	(272,500)	(272,500)
TOTAL GENERAL SPECIAL REVENUE	-	-	-	-
TOURISM/CONVENTION FUND				
In House Promotion	278,926	393,880	225,000	225,000
Repayment of Advances	(27,500)	(32,500)	(37,500)	(42,500)
Miscellaneous Receipts	1,640	3,940	3,000	3,000
Catering Fees	60,838	53,050	62,000	63,860
Rental Fees	203,379	233,400	200,000	200,000
Ticket Surcharge on Ticket Sales	82,717	65,780	80,000	82,400
Other Fees & Charges	103,427	106,090	120,000	123,600
Investment Income	(72)	-	1,400	1,400
Fiscal Agent Investment Income	1,244	-	-	-
Net transfers in (out)	2,532,278	1,858,720	2,041,200	2,123,050
TOTAL TOURISM/CONVENTION FUND	3,236,877	2,682,360	2,695,100	2,779,810
STORM DRAIN UTILITY FUND				
Storm Drainage - Monthly Fee	929,145	916,700	1,246,830	1,387,130
Investment Income	58,014	20,000	61,330	63,860
Net transfers in (out)	(13,610)	(26,390)	(30,000)	(30,000)
TOTAL STORM DRAIN UTILITY FUND	973,549	910,310	1,278,160	1,420,990

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
MUNICIPAL AIRPORT FUND				
Hangar Rent	379,768	391,000	407,900	419,920
Tie-Down Rent	29,747	27,900	32,100	32,200
Facilities/Ground Rent	264,545	276,200	286,000	293,600
Terminal Rent	38,941	79,000	80,340	82,750
Terminal Maintenance	3,845	3,900	4,020	4,140
Ground Lease	144,393	153,780	297,260	305,700
Ag Lease	5,780	5,780	4,800	4,800
Fuel Flowage Fees	118,487	122,600	136,000	140,000
Landing Fees	172,339	200,500	220,000	240,000
Car Rental Concession Fee	169,005	183,000	195,000	195,000
Gift Shop Concession Fee	12,338	12,500	17,000	19,000
Restaurant Lease	32,133	36,000	36,000	36,000
Advertising Rent	7,979	15,520	16,000	18,000
Permit Fees	15,323	16,000	42,000	42,000
Automobile Parking	403,887	411,000	425,000	435,000
Miscellaneous Operating Revenue	1,244	2,000	2,000	2,000
Airport Security Fees	1,821	2,100	2,100	2,100
State Grant Caap	-	-	20,000	-
Passenger Facility Charges	238,283	254,000	300,000	300,000
State Grant Cap-Transport	-	50,296	3,750	35,630
Federal Grant Oper-Transport	693,679	229,000	237,240	244,360
Federal Grant Cap Transport	2,597,171	4,022,831	3,299,250	1,710,000
Contributions - Operating - Transportation	80,790	-	-	-
Miscellaneous Receipts	5,601	15,360	5,360	5,360
Investment Income	(103)	-	-	-
Fiscal Agent Investment Income	1,961	2,680	2,700	2,700
Net transfers in (out)	(2,326,401)	(263,443)	(257,000)	(205,000)
TOTAL MUNICIPAL AIRPORT FUND	<u>3,092,556</u>	<u>6,249,504</u>	<u>5,814,820</u>	<u>4,365,260</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
ELECTIC UTILITY FUND				
Returned Check Fee	11,475	15,000	12,000	12,000
Service Reconnect Fee	124,238	75,000	130,000	130,000
Service Connect-Priority	23,751	18,000	30,000	30,000
Site Delivery-Delinquent	269,253	-	1,000	1,000
Transfer Fees	36,980	30,000	45,000	50,000
Late Fees	599,676	-	-	-
Credit Report Fees	4,965	3,000	5,000	5,000
Bad Debt Collections	112,642	-	120,000	120,000
Power Sales Retail	74,453,321	76,400,000	82,200,000	88,700,000
Power Sales Wholesale	42,322,291	39,800,000	28,100,000	36,800,000
Solar Energy Surcharge	-	-	750,000	1,000,000
Natural Gas Sales - Wholesale	13,044,188	600,000	-	-
Relocate/Rearrange Fac	498,866	185,000	-	-
Misc-Joint Pole	179,111	170,000	175,000	180,000
Misc-Temp Elect Facility	10,849	8,000	10,000	11,000
Misc Penalties & volt	46	50	50	50
Misc-Temporary Meters	22,373	6,000	6,000	7,000
Property/Storm Damage	202,501	120,000	125,000	130,000
Excess Footage Charges	27,981	20,000	25,000	25,000
Damaged Meter Charges	4,800	4,000	2,000	2,000
Transformer/12kv Cable Charges Service Pol	890	-	-	0
Field Service Meter Reading Allocation	385,810	463,370	607,330	638,440
Customer Service Allocation from Utilities	1,560,288	2,531,530	2,720,040	2,925,100
Contributions - Operating - Electric	3,000	-	-	-
Sale of Property	42,338	40,000	40,000	45,000
MSR Revenue	1,125	-	-	0
Miscellaneous Receipts	6,438,711	80,000	81,000	81,000
Bond Investment Income	227,289	150,000	50,000	10,000
Investment Income	2,293,340	2,000,000	1,900,000	1,600,000
Net transfers in (out)	401,680	(1,899,150)	(3,925,000)	(3,525,000)
TOTAL ELECTRIC UTILITY FUND	<u>143,303,778</u>	<u>120,819,800</u>	<u>113,209,420</u>	<u>128,977,590</u>
WATER UTILITY FUND				
Residential Revenue	8,000,553	8,200,000	8,900,000	9,300,120
Commercial Revenue	4,056,947	4,300,000	4,500,000	4,800,000
Metered Sales - In City	82,329	81,000	90,170	88,000
Fire Service Revenue	57,242	57,000	57,000	57,000
Fire Hydrant Rental	77,920	60,500	70,000	70,000
Off-Site Charges	3,047,465	2,000,000	2,600,000	2,559,200
Service & Mcter Installation Fees	91,438	61,000	55,000	55,000
Paving Cut Fees	7,645	5,600	5,600	5,600
Front Footage Charges	9,870	7,000	7,000	7,000
Miscellaneous Operating Revenue	20,781	10,000	10,000	10,000
Real Estate Rentals	136,780	100,000	185,000	185,000
State Grant Capital for Water	698,350	-	-	-
Federal Grant -Operating - Water	56,500	-	-	-
Federal Grant - Capital - Water	-	500,000	-	-
Sale of Property	14,019	5,000	5,000	5,000
Miscellaneous Receipts	1,631	-	-	-
Investment Income	665,582	300,000	524,270	170,310
Investment Income-Bond	49,444	-	25,730	33,320
Net transfers in (out)	(103,890)	106,500	(175,000)	(175,000)
TOTAL WATER UTILITY FUND	<u>16,970,606</u>	<u>15,793,600</u>	<u>16,859,770</u>	<u>17,170,550</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
WASTEWATER UTILITY FUND				
Sewer Service Charges	12,655,139	15,018,000	16,387,570	17,255,790
Pretreatment Fees	1,500	-	-	-
Expansion/Improvmt Fees	3,458,536	3,563,000	3,284,930	3,545,940
Sewer Tap Fees	11,522	5,000	5,150	5,310
Front Footage Charges	29,625	15,000	30,900	31,830
City of Redding Share	270	-	-	-
Real Estate Rentals	9,790	10,000	12,360	12,730
State Grant Operating for Wastewater	-	-	1,126,700	-
Fed Grant Cap Wastewater	-	1,126,700	-	-
State Loan Funds	-	-	9,360,040	19,000,000
Sale of Property	1,500	-	-	-
Miscellaneous Receipts	2,133	-	-	-
Investment Income	819,724	200,000	977,270	101,880
Net transfers in (out)	296,050	(109,010)	(91,000)	(91,000)
TOTAL WASTEWATER UTILITY FUND	<u>17,285,789</u>	<u>19,828,690</u>	<u>31,093,920</u>	<u>39,862,480</u>
SOLID WASTE COLLECTION AND DISPOSAL				
Fixed Usage	5,463,855	5,716,160	5,981,150	6,284,160
Commercial Cans	161,688	158,580	172,460	181,780
Commercial Containers	4,630,177	5,081,020	5,135,700	5,413,080
Drop Boxes	1,645,197	1,631,850	1,653,390	1,742,690
Monitoring Revenue	156,161	131,130	136,000	139,400
Special Pickups	9,955	8,180	8,900	9,380
Transfer Charges	1,284,098	1,020,000	1,219,000	1,284,840
Co Reimb HHW/E-Waste	97,854	-	97,000	99,430
Miscellaneous Operating Revenue	101,331	173,870	85,250	87,390
Real Estate Rentals	1,880	-	1,880	1,880
State Grant Operating for Solid Waste	30,214	23,736	-	-
Sale of Property	1,105	-	-	-
Freon Recovery Program	13,146	2,490	2,560	2,630
Cardboard	268,122	204,620	250,000	256,250
White Paper Recycling	23,594	21,470	22,000	22,550
Glass Recycling	48,323	20,460	30,000	30,750
Curbside Recycling	741,810	511,550	530,000	543,250
Multi-Family Recycling	32,460	15,340	20,000	20,500
Commercial Recycling	17,730	10,230	13,000	13,330
Battery Recycling	915	260	260	270
Voluntecr Drop Off	227,309	108,450	176,300	180,710
Anti-freeze	480	250	250	260
Special Handling scrap Mtl	426	-	-	-
Miscellaneous Receipts	55,462	10,460	40,000	41,000
Street Cleaning Contract	16,680	-	16,680	16,680
Investment Income	362,922	256,440	320,000	328,500
Net transfers in (out)	54,955	(868,900)	(875,000)	(898,400)
TOTAL SOLID WASTE COLLECTION & DISPOSAL	<u>15,447,849</u>	<u>14,237,646</u>	<u>15,036,780</u>	<u>15,802,310</u>
INFORMATION TECHNOLOGY				
Information Services Allocation	1,936,370	2,002,590	2,283,150	2,400,280
Outside Services Revenue	-	1,500	-	-
Sale of Property	1,533	-	-	-
Miscellaneous Receipts	-	-	500	500
Investment Income	9,492	5,950	11,950	9,120
TOTAL INFORMATION TECHNOLOGY	<u>1,947,395</u>	<u>2,010,040</u>	<u>2,295,600</u>	<u>2,409,900</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
FLEET MAINTENANCE				
Equipment Rental Charges	2,548,194	2,585,880	2,922,520	2,869,580
Compensation - Vehicle Damage	30,423	10,000	10,000	10,000
Miscellaneous Receipts	10,530	-	-	-
Investment Income	220	3,800	1,000	2,000
Net transfers in (out)	25,800	-	-	-
TOTAL FLEET MAINTENANCE	2,615,167	2,599,680	2,933,520	2,881,580
BUILDING MAINTENANCE & CONSTRUCTION				
Building Maintenance Allocation	1,624,450	1,513,980	1,934,250	1,847,870
Miscellaneous Receipts	1,285	200	200	200
Investment Income	7,762	2,800	4,330	1,860
Net transfers in (out)	1,610	-	(37,000)	-
TOTAL BUILDING MAINTENANCE & CONSTRUCTION	1,635,107	1,516,980	1,901,780	1,849,930
RECORDS MANAGEMENT				
Records Management Allocation	270,780	276,270	275,000	280,000
Non-Recurring	540	-	-	-
Investment Income	1,407	1,500	1,500	1,500
TOTAL RECORDS MANAGEMENT	272,727	277,770	276,500	281,500
EMPLOYER SERVICES				
Employer Services Allocation	259,650	273,130	361,700	372,050
Legal Services Allocation	82,548	518,750	377,000	377,000
Other Fees and Charges	-	-	20,000	20,000
Investment Income	338	400	300	300
TOTAL EMPLOYER SERVICES	342,536	792,280	759,000	769,350
GEOGRAPHIC INFORMATION SERVICES				
Geographic Information Services Allocation	662,100	681,140	877,540	914,680
Sale of Publications	14,143	900	1,200	1,200
Investment Income	2,372	1,600	2,000	2,000
TOTAL GEOGRAPHIC INFORMATION SERVICES	678,615	683,640	880,740	917,880
COMMUNICATIONS				
Communications Allocation	275,390	526,280	537,190	543,490
Miscellaneous Revenue	2,517	500	500	500
Investment Income	6,948	5,250	5,600	2,770
Net transfers in (out)	918,972	-	-	-
TOTAL COMMUNICATIONS	1,203,827	532,030	543,290	546,760
REPROGRAPHICS				
Print Shop Allocation	555,550	608,260	754,790	743,750
Mail Room/Courier Allocation	53,100	-	-	-
Non-Recurring	501	2,000	-	-
Revenue-Service to Outside Accounts	2,779	-	2,000	2,000
Sale Of Property	1,200	-	-	-
Investment Income	2,464	2,710	3,400	3,300
Net transfers in (out)	-	(20,000)	(4,000)	(4,000)
TOTAL REPROGRAPHICS	615,594	592,970	756,190	745,050
VOLUNTEER SERVICES				
Volunteer Services Allocation	98,300	104,350	126,430	128,570
Investment Income	171	15	20	20
TOTAL VOLUNTEER SERVICES	98,471	104,365	126,450	128,590

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

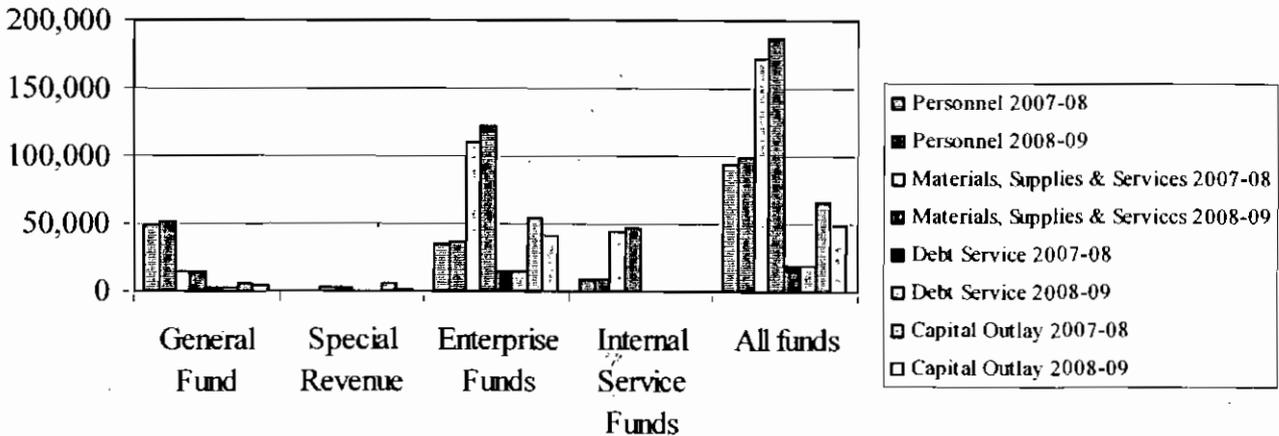
	Actual Revenue 2005-2006	Budget Estimate 2006-2007	Adopted 2007-2008	Adopted 2008-2009
RISK MANAGEMENT				
W/C Reimbursement	3,122,514	3,153,910	3,374,430	3,549,350
Insurance Allocation	1,403,111	1,487,195	1,505,570	1,480,650
Repayment of Advances	85,000	85,000	-	-
Gen Liab Reimbursement	26	-	-	-
Investment Income	327,415	160,000	185,390	185,390
Net transfers in (out)	(1,524,039)	-	-	-
TOTAL RISK MANAGEMENT	3,414,027	4,886,105	5,065,390	5,215,390
EMPLOYEE BENEFITS PAYROLL				
Retirement Allocation	13,453,771	15,557,900	15,378,980	16,104,670
Medicare Allocation	619,922	598,250	705,770	745,970
Social Security Allocation	59,907	69,150	89,390	96,960
Public Agency Retirement System (PARS)	2,466,987	2,686,120	3,497,320	3,684,890
TOTAL EMPLOYEE BENEFITS PAYROLL	16,600,587	18,911,420	19,671,460	20,632,490
EMPLOYEE BENEFIT GROUP INSURANCE				
Group Health Allocation	11,465,011	12,526,130	14,593,370	15,786,650
Group Health Contribution-Retired Employee	1,354,108	1,200,000	1,850,880	2,008,810
Investment Income	11,763	2,500	7,000	7,000
TOTAL EMPLOYEE BENEFIT GROUP INSURANCE	12,830,882	13,728,630	16,451,250	17,802,460
REDDING MUNICIPAL UTILITIES ADMINISTRATION				
RMU Admin O/H Allocation	-	-	1,162,760	1,203,080
ET/USA Locate Allocate	-	-	1,270,510	1,243,130
O/H Admin Charge	-	749,260	-	-
Net transfers in (out)	-	-	(87,000)	(87,000)
TOTAL REDDING MUNICIPAL UTILITIES ADMIN	-	749,260	2,346,270	2,359,210

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 2007-08 are \$291,312,270, of which \$94,287,580 (32.4%) is on Personnel, \$111,029,250 (38.1%) is on Materials, Supplies and Services, \$19,662,380 (6.7%) is on Debt Service, and \$66,333,060 (22.8%) is on Capital Outlay. For fiscal year 2008-09 total net expenditures are \$287,553,880 of which \$98,772,690 (34.3%) is on Personnel, \$120,489,630 (41.9%) is on Materials, Supplies and Services, \$19,828,290 (6.9%) is on Debt Service, and \$48,463,270 (16.9%) is on Capital Outlay. General Fund expenditures total \$72,844,170 and \$74,340,590, respectively; Special Revenue Funds expenditures total \$10,915,890 and \$6,903,300, respectively; Enterprise Funds expenditures total \$215,915,480 and \$215,024,440, respectively; and Internal Service Funds expenditures total \$53,729,710 and \$55,953,270, respectively.

**Summary of Expenditure Programs
 Major Expenditure Categories**



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

**SUMMARY OF EXPENDITURE PROGRAMS
FISCAL YEAR 2007-2008**

	<u>Net Personnel Cost</u>	<u>Materials, Supplies, and Services</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
GENERAL FUND					
City Council	\$ 136,320	\$ 24,860	\$ -	\$ -	\$ 161,180
City Clerk	595,180	181,470	-	8,000	784,650
City Manager	1,805,560	490,560	-	-	2,296,120
City Treasurer	479,080	111,320	-	-	590,400
City Attorney	496,700	120,310	-	-	617,010
Personnel	422,560	140,700	-	7,500	570,760
Non-Departmental	376,600	1,401,730	2,804,540	240,540	4,823,410
Police	21,144,640	3,812,950	11,700	40,310	25,009,600
Fire	13,203,670	2,842,060	4,630	-	16,050,360
Development Services	4,191,330	1,299,770	-	628,530	6,119,630
Community Services	1,769,360	1,022,020	-	50,000	2,841,380
Transportation/Engineering	2,512,630	2,434,380	10,730	4,704,000	9,661,740
Support Services	2,071,940	1,225,990	-	20,000	3,317,930
Subtotal	<u>49,205,570</u>	<u>15,108,120</u>	<u>2,831,600</u>	<u>5,698,880</u>	<u>72,844,170</u>
SPECIAL REVENUE FUNDS					
City Manager	409,950	2,039,660	-	1,681,990	4,131,600
Police	147,560	35,850	-	-	183,410
Community Services	-	680,000	338,080	-	1,018,080
Municipa; Utilities	84,150	29,650	-	-	113,800
Transportation/Engineering	-	16,610	910,390	4,542,000	5,469,000
Subtotal	<u>641,660</u>	<u>2,801,770</u>	<u>1,248,470</u>	<u>6,223,990</u>	<u>10,915,890</u>
ENTERPRISE FUNDS					
Municipal Utilities	13,177,160	22,651,810	5,173,560	38,020,820	79,023,350
Electric Utility	20,510,150	85,583,510	9,951,340	12,233,000	128,278,000
Transportation/Engineering	789,930	1,323,310	133,060	3,539,150	5,785,450
Support Services	1,479,550	1,199,780	74,350	75,000	2,828,680
Subtotal	<u>35,956,790</u>	<u>110,758,410</u>	<u>15,332,310</u>	<u>53,867,970</u>	<u>215,915,480</u>
INTERNAL SERVICE FUNDS					
City Clerk	195,630	83,830	-	15,000	294,460
City Attorney	20,000	377,000	-	-	397,000
Personnel	1,125,710	40,004,250	-	-	41,129,960
Development Services	662,190	196,600	-	64,500	923,290
Support Services	4,352,600	3,573,360	250,000	462,720	8,638,680
Admin	2,127,430	218,890	-	-	2,346,320
Subtotal	<u>8,483,560</u>	<u>44,453,930</u>	<u>250,000</u>	<u>542,220</u>	<u>53,729,710</u>
TOTAL EXPENDITURES	<u>94,287,580</u>	<u>173,122,230</u>	<u>19,662,380</u>	<u>66,333,060</u>	<u>353,405,250</u>
Less: Charges between funds	-	(62,092,980)	-	-	(62,092,980)
NET TOTAL	<u>\$ 94,287,580</u>	<u>\$ 111,029,250</u>	<u>\$ 19,662,380</u>	<u>\$ 66,333,060</u>	<u>\$ 291,312,270</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

**SUMMARY OF EXPENDITURE PROGRAMS
FISCAL YEAR 2008-2009**

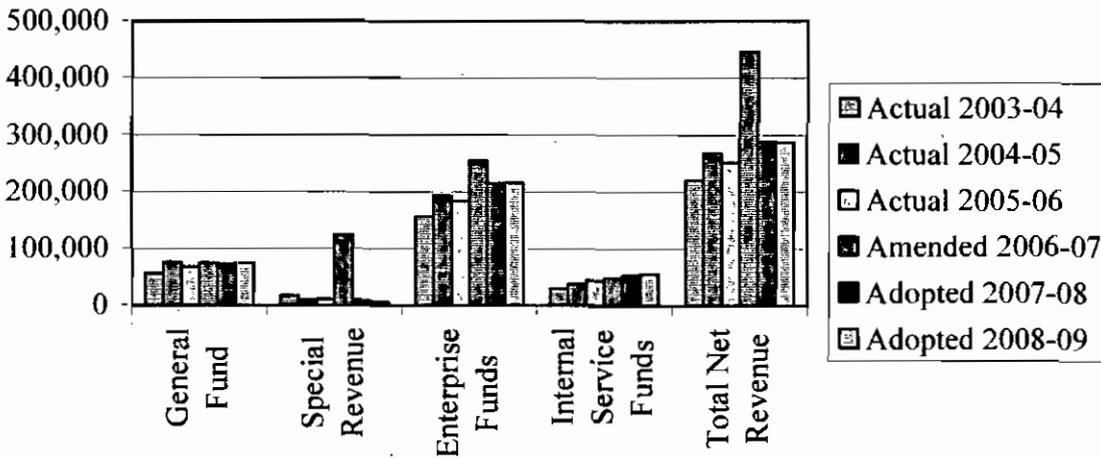
	Net Personnel Cost	Materials, Supplies, and Services	Debt Service	Capital Outlay	Total
GENERAL FUND					
City Council	\$ 143,550	\$ 24,860	\$ -	\$ -	\$ 168,410
City Clerk	628,290	187,430	-	8,000	823,720
City Manager	1,904,670	499,080	-	-	2,403,750
City Treasurer	514,640	109,800	-	-	624,440
City Attorney	526,900	122,320	-	-	649,220
Personnel	442,750	140,160	-	-	582,910
Non-Departmental	378,600	1,360,300	2,992,150	270,400	5,001,450
Police	22,444,980	3,816,160	12,500	24,000	26,297,640
Fire	13,844,380	2,579,680	4,890	-	16,428,950
Development Services	4,433,850	1,334,420	-	628,530	6,396,800
Community Services	1,880,800	1,019,550	-	45,000	2,945,350
Transportation/Engineering	2,622,390	2,463,060	10,730	3,524,000	8,620,180
Support Services	2,167,100	1,220,670	-	10,000	3,397,770
Subtotal	<u>51,932,900</u>	<u>14,877,490</u>	<u>3,020,270</u>	<u>4,509,930</u>	<u>74,340,590</u>
SPECIAL REVENUE FUNDS					
City Manager	415,110	2,112,800	-	1,681,990	4,209,900
Police	150,160	36,390	-	-	186,550
Community Services	-	710,000	310,900	-	1,020,900
Transportation/Engineering	87,470	46,600	913,780	438,100	1,485,950
Subtotal	<u>652,740</u>	<u>2,905,790</u>	<u>1,224,680</u>	<u>2,120,090</u>	<u>6,903,300</u>
ENTERPRISE FUNDS					
Municipal Utilities	13,422,310	23,167,460	5,438,270	25,155,030	67,183,070
Electric Utility	21,572,220	95,051,580	9,686,540	14,545,000	140,855,340
Transportation/Engineering	826,720	1,347,980	132,480	1,811,000	4,118,180
Support Services	1,513,900	1,202,900	76,050	75,000	2,867,850
Subtotal	<u>37,335,150</u>	<u>120,769,920</u>	<u>15,333,340</u>	<u>41,586,030</u>	<u>215,024,440</u>
INTERNAL SERVICE FUNDS					
City Clerk	205,020	84,060	-	-	289,080
City Attorney	20,000	377,000	-	-	397,000
Personnel	1,183,220	42,359,110	-	-	43,542,330
Development Services	696,320	200,700	-	16,500	913,520
Support Services	4,611,790	3,359,570	250,000	230,720	8,452,080
Admin	2,135,550	223,710	-	-	2,359,260
Subtotal	<u>8,851,900</u>	<u>46,604,150</u>	<u>250,000</u>	<u>247,220</u>	<u>55,953,270</u>
TOTAL EXPENDITURES	<u>98,772,690</u>	<u>185,157,350</u>	<u>19,828,290</u>	<u>48,463,270</u>	<u>352,221,600</u>
Less: Charges between funds	-	(64,667,720)	-	-	(64,667,720)
NET TOTAL	<u>\$ 98,772,690</u>	<u>\$ 120,489,630</u>	<u>\$ 19,828,290</u>	<u>\$ 48,463,270</u>	<u>\$ 287,553,880</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 2003-04, 2004-05 and 2005-06, show actual expenditures for the fiscal years indicated. The fourth column, Budget as Amended 2006-07, shows the appropriation level as amended by the City Council during fiscal year 2006-07. The fifth and sixth columns, Proposed Budget for 2007-08 and 2008-09, show the adopted budget for the 2007-09 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)**



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

COMPARATIVE SUMMARY OF EXPENDITURE PROGRAMS

DEPARTMENTS	Expended 2003-2004	Expended 2004-2005	Expended 2005-2006	Budget as Amended 2006-2007	ADOPTED Budget 2007-2008	ADOPTED Budget 2008-2009
GENERAL FUND						
City Council	\$ 126,820	\$ 143,086	\$ 145,303	\$ 154,910	\$ 161,180	\$ 168,410
City Clerk	530,315	638,042	646,104	697,720	784,650	823,720
City Manager	1,826,533	2,042,679	2,349,701	2,207,190	2,296,120	2,403,750
City Treasurer	425,049	507,254	526,412	545,810	590,400	624,440
City Attorney	499,805	627,402	678,991	726,750	617,010	649,220
Personnel	504,077	602,756	526,023	551,530	570,760	582,910
Non-Departmental	6,592,104	17,075,021	7,065,036	6,168,023	4,823,410	5,001,450
Police	19,506,926	22,062,652	22,731,684	24,400,736	25,009,600	26,297,640
Fire	11,964,104	14,274,357	14,260,753	15,054,900	16,050,360	16,428,950
Development Services	3,924,210	4,887,122	5,380,235	5,508,671	6,119,630	6,396,800
Community Services	2,608,608	2,583,219	2,574,502	2,605,530	2,841,380	2,945,350
Transportation & Engineering	6,228,787	7,608,293	8,076,365	6,903,423	9,661,740	8,620,180
Support Services	2,430,601	2,772,268	2,900,516	3,112,860	3,317,930	3,397,770
Subtotal	<u>57,167,939</u>	<u>75,824,151</u>	<u>67,861,625</u>	<u>68,638,053</u>	<u>72,844,170</u>	<u>74,340,590</u>
SPECIAL REVENUE FUNDS						
City Manager	3,085,350	4,606,373	4,875,215	3,284,510	4,131,600	4,209,900
Non-Departmental	11,723,460	884,584	914,468	-	-	-
Police	148,999	143,222	143,205	161,100	183,410	186,550
Community Services	1,575,878	1,906,777	3,350,576	3,621,920	1,018,080	1,020,900
Transportation & Engineering	786,771	1,947,710	1,219,309	76,906,820	5,582,800	1,485,950
Subtotal	<u>17,320,458</u>	<u>9,488,666</u>	<u>10,502,773</u>	<u>83,974,350</u>	<u>10,915,890</u>	<u>6,903,300</u>
ENTERPRISE FUNDS						
Municipal Utilities	38,035,144	38,271,746	43,753,924	79,222,935	79,023,350	67,183,070
Electric Utility	112,639,729	143,802,233	134,197,736	119,547,015	128,278,000	140,855,340
Transportation & Engineering	3,422,894	8,414,505	3,067,663	4,741,770	5,785,450	4,118,180
Support Services	2,474,781	2,688,541	2,918,925	2,821,560	2,828,680	2,867,850
Subtotal	<u>156,572,548</u>	<u>193,177,025</u>	<u>183,938,248</u>	<u>206,333,280</u>	<u>215,915,480</u>	<u>215,024,440</u>
INTERNAL SERVICE FUNDS						
City Clerk	218,584	364,550	260,298	278,270	294,460	289,080
City Attorney	224,091	177,596	88,333	518,750	397,000	397,000
Personnel	20,919,174	29,025,976	34,538,846	37,185,240	41,129,960	43,542,330
Development Services	547,826	690,348	607,138	750,870	923,290	913,520
Support Services	7,559,351	8,166,945	8,301,637	7,473,180	8,638,680	8,452,080
Redding Municipal Utilities Admin	-	-	-	785,070	2,346,320	2,359,260
Subtotal	<u>29,469,026</u>	<u>38,425,415</u>	<u>43,796,252</u>	<u>46,991,380</u>	<u>53,729,710</u>	<u>55,953,270</u>
TOTAL EXPENDITURES	<u>260,529,971</u>	<u>316,915,257</u>	<u>306,098,898</u>	<u>405,937,063</u>	<u>353,405,250</u>	<u>352,221,600</u>
Less: Charges between funds	(39,290,127)	(48,720,251)	(54,020,036)	(57,171,805)	(62,092,980)	(64,667,720)
NET TOTAL	<u>\$ 221,239,844</u>	<u>\$ 268,195,006</u>	<u>\$ 252,078,862</u>	<u>\$ 348,765,258</u>	<u>\$ 291,312,270</u>	<u>\$ 287,553,880</u>

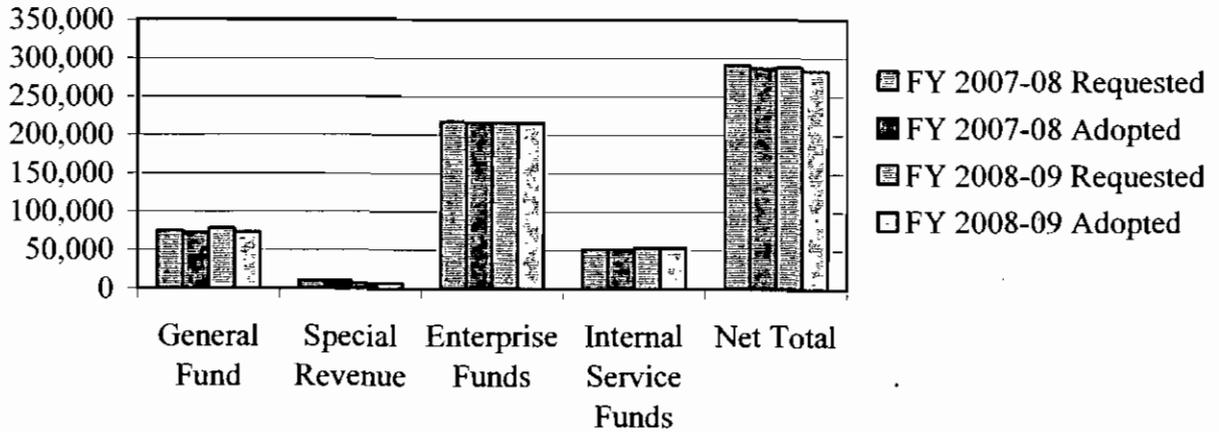
CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

EXPENDITURE - DEPARTMENT REQUESTS

This table provides a summary of all funds showing the requested budget for each department compared to the proposed 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 is being proposed.

**Requested Budget Expenditure Comparisons
(in thousands)**



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

DEPARTMENT REQUESTS COMPARISON - EXPENDITURES

DEPARTMENTS	Requested	Adopted	Difference	Requested	Adopted	Difference
	FY 2007-2008	FY 2007-2008		FY 2008-2009	FY 2008-2009	
GENERAL FUND						
City Council	\$ 161,180	\$ 161,180	\$ -	\$ 168,410	\$ 168,410	\$ -
City Clerk	787,650	784,650	(3,000)	826,720	823,720	(3,000)
City Manager	844,570	809,570	(35,000)	888,120	851,020	(37,100)
City Treasurer	595,500	590,400	(5,100)	675,560	624,440	(51,120)
City Attorney	617,010	617,010	-	649,220	649,220	-
Personnel	570,760	570,760	-	582,910	582,910	-
Non-Departmental	4,958,410	4,823,410	(135,000)	5,188,450	5,001,450	(187,000)
Administrative Services	1,486,550	1,486,550	-	1,552,730	1,552,730	-
Police	25,178,910	25,009,600	(169,310)	26,428,800	26,297,640	(131,160)
Fire	15,847,460	16,050,360	202,900	16,852,780	16,428,950	(423,830)
Development Services	6,170,695	6,119,630	(51,065)	6,458,075	6,396,800	(61,275)
Community Services	2,848,840	2,841,380	(7,460)	2,955,920	2,945,350	(10,570)
Transportation/Engineering	11,346,590	9,661,740	(1,684,850)	11,487,940	8,620,180	(2,867,760)
Support Services	3,495,830	3,317,930	(177,900)	3,482,440	3,397,770	(84,670)
Subtotal	<u>74,909,955</u>	<u>72,844,170</u>	<u>(2,065,785)</u>	<u>78,198,075</u>	<u>74,340,590</u>	<u>(3,857,485)</u>
SPECIAL REVENUE FUNDS						
City Manager	4,131,600	4,131,600	-	4,209,898	4,209,898	-
Police	183,530	183,410	(120)	186,750	186,550	(200)
Community Services	1,018,080	1,018,080	-	1,020,900	1,020,900	-
Municipal Utilities	116,830	113,800	(3,030)	120,150	117,090	(3,060)
Transportation/Engineering	5,469,000	5,043,700	(425,300)	1,368,860	1,368,860	-
Subtotal	<u>10,919,040</u>	<u>10,490,590</u>	<u>(428,450)</u>	<u>6,906,558</u>	<u>6,903,298</u>	<u>(3,260)</u>
ENTERPRISE FUNDS						
Municipal Utilities	80,788,280	79,023,350	(1,764,930)	68,176,470	67,183,070	(993,400)
Electric Utility	128,259,780	128,278,000	18,220	140,868,660	140,855,340	(13,320)
Transportation/Engineering	5,952,380	5,710,450	(241,930)	4,178,660	4,118,180	(60,480)
Support Services	2,805,730	2,828,680	22,950	2,884,780	2,867,850	(16,930)
Subtotal	<u>217,806,170</u>	<u>215,840,480</u>	<u>(1,965,690)</u>	<u>216,108,570</u>	<u>215,024,440</u>	<u>(1,084,130)</u>
INTERNAL SERVICE FUNDS						
City Clerk	294,460	294,460	-	289,080	289,080	-
City Attorney	397,000	397,000	-	397,000	397,000	-
Personnel	41,130,000	41,129,960	(40)	43,542,410	43,542,330	(80)
Development Services	923,210	923,290	80	913,530	913,520	(10)
Support Services	8,622,030	8,638,680	16,650	8,468,030	8,452,080	(15,950)
Subtotal	<u>51,366,700</u>	<u>51,383,390</u>	<u>16,690</u>	<u>53,610,050</u>	<u>53,594,010</u>	<u>(16,040)</u>
TOTAL EXPENDITURES	<u>355,001,865</u>	<u>350,558,630</u>	<u>(4,443,235)</u>	<u>354,823,253</u>	<u>349,862,338</u>	<u>(4,960,915)</u>
Less: Charges between funds	<u>(63,807,320)</u>	<u>(63,807,320)</u>	<u>-</u>	<u>(66,522,410)</u>	<u>(66,522,410)</u>	<u>-</u>
NET TOTAL	<u>\$ 291,194,545</u>	<u>\$ 286,751,310</u>	<u>\$ (4,443,235)</u>	<u>\$ 288,300,843</u>	<u>\$ 283,339,928</u>	<u>\$ (4,960,915)</u>

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

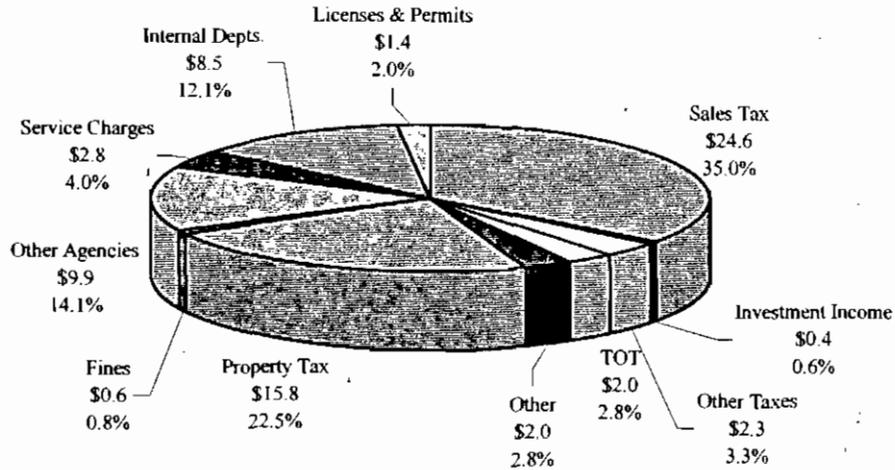
These figures clearly display the General Fund's main source of revenue comes from sales tax (35.0% and 36.0% respectively). The next largest source of revenue is from property tax (22.5% and 23.3% respectively) followed by other agencies (14.1% and 12.1%, respectively). These three sources of revenue make up approximately two-thirds of the City's General Fund

Where it Goes

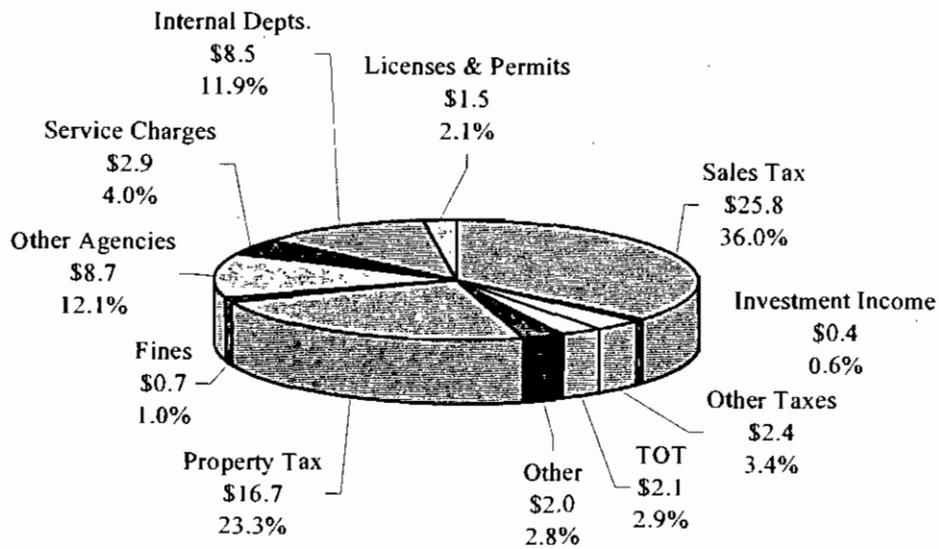
These figures clearly display that the Public Safety Programs (Police 34.0% and 35.3% respectively and Fire 21.9% and 22.2%) are the General Fund's largest expenditure areas. Together these two areas make up over half of all General Fund expenditures. The next largest major expenditure is Transportation & Engineering (primarily streets) at 13.3% and 11.5% respectively, followed by Development Services (8.5% and 8.6% respectively) followed by General Government (7.5% and 7.8% respectively) and Leisure Services (7.7% and 7.8% respectively)

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

General Fund Dollars FY 2007-08
Where it comes from (In Millions)



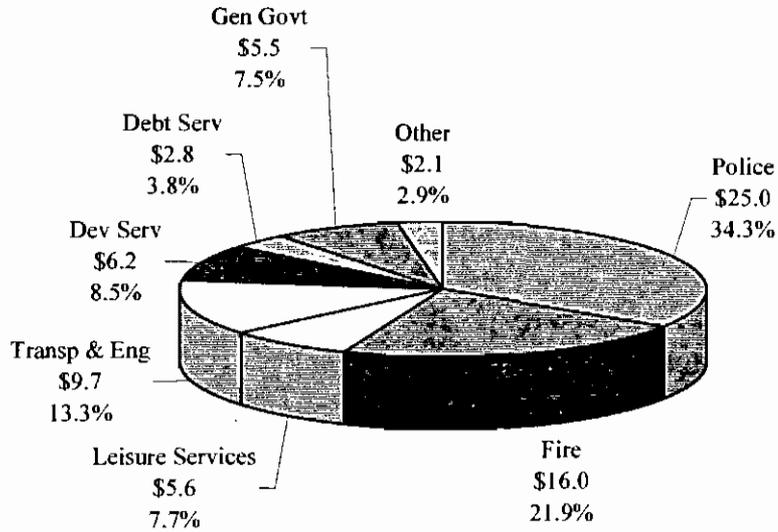
General Fund Dollars FY 2008-09
Where it comes from (In Millions)



CITY OF REDDING BIENNIAL BUDGET
 FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

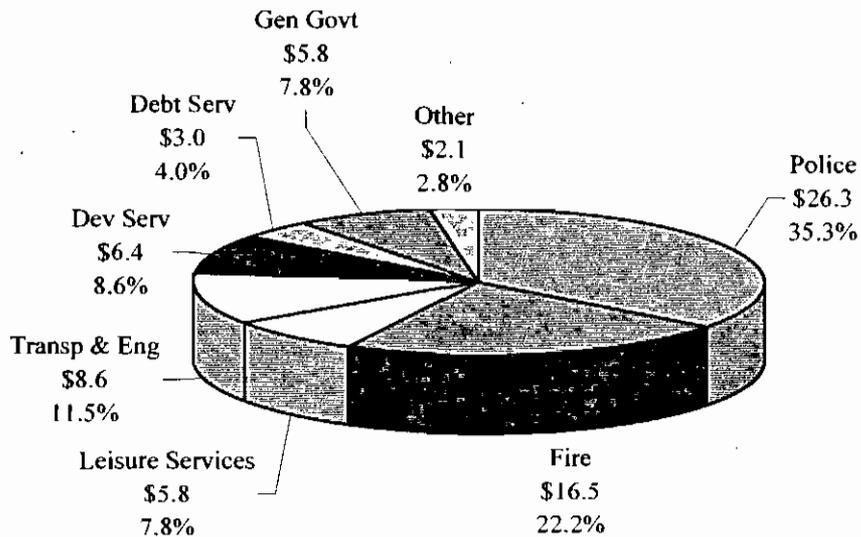
General Fund Dollars FY 2007-08

Where it goes (In Millions)



General Fund Dollars FY 2008-09

Where it goes (In Millions)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

EXPENDITURES/REVENUE PER RESIDENT

The following tables display expenditures/revenue per resident for "General City Programs" for the 2007-08 and 2008-09 Adopted Budget compared to the 2005-07 Adopted Budget.

Expenditures

For "General City Programs", the largest expenditures per resident are in Public Safety (Police, \$273.62 and \$283.37, respectively and Fire, \$175.61 and \$177.04, respectively). In both fiscal years both of these areas have increased (Police by \$14.84 and \$9.75, respectively, and Fire by \$14.38 and \$1.43, respectively) The large increase in FY 2007-08 in Police is partially due to adding six new police officers in FY 2006-07 after the budget was adopted and so the amounts are not reflected in the FY 2006-07 adopted budget. The large increase in Fire's expense per resident is due to adding three new firemen positions in the proposed budget and one time building maintenance and equipment cost of \$300,000 in the FY 2007-08 budget. The large increase in street maintenance in fiscal year 2007-08 is due to additional overlay, slurry seal and maintenance work. While there is a decrease from fiscal year 2007-08 to fiscal year 2008-09 in street maintenance, fiscal year 2008-09 is still \$17.01 higher per resident than the adopted budget for fiscal year 2006-07. The large increase in Planning, \$12.18 in FY 2007-08 is primarily due to the reorganization Redding Municipal Utilities, Engineering and Transportation and Development Services which resulted in employees being transferred from Engineering to Planning and some employees being transferred from Transportation and Engineering to Redding Municipal Utilities. These transfers increase Planning's expenditures and reduced Transportation and Engineering expenditures. Most other increases in expenditures is primarily due to increase personnel and personnel related costs.

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 \$20.82 and \$7.90, respectively. Revenue from property tax per resident has increased in fiscal year 2008 by \$37.83 and in fiscal year 2009 by \$7.09. The increases in both sales tax and property tax is due to a healthy economy during the last two year budget cycle which cause both sales tax and property tax to increase substantially over the adopted budget for that period. Street Funding has increased by \$39.95 per resident in fiscal year 2007-08 due to additional State and Federal funding. State of California revenue has decreased in the FY 2007-08 due to a \$2 million reduction in motor vehicle in-lieu tax. The reduction is primarily due to a planned one-time repayment in FY 2006-07 of prior years' motor vehicle in-lieu tax withheld by the State.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

EXPENDITURES PER RESIDENT*

General City Programs

Program	Adopted 2006-07	Adopted 2007-08	Difference	Adopted 2008-09	Difference
Police	\$ 258.78	\$ 273.62	\$ 14.84	\$ 283.37	\$ 9.75
Fire	161.23	175.61	14.38	177.04	1.43
Administration	59.51	60.17	0.66	62.03	1.86
Street Maintenance	57.07	87.31	30.24	74.08	(13.23)
General Fund Debt Service	24.24	30.82	6.58	32.37	1.55
Parks	27.16	30.24	3.08	30.49	0.25
Building & Code Enforcement/Permit Center	29.09	31.36	2.27	32.46	1.10
Planning	23.41	35.59	12.18	36.47	0.88
Engineering	32.54	18.40	(14.14)	18.81	0.41
Recreation	17.57	19.83	2.26	20.46	0.63
Miscellaneous	18.40	15.88	(2.52)	15.22	(0.66)
Animal Regulation	5.30	6.89	1.59	7.00	0.11
Museums	0.07	3.90	3.83	3.84	(0.06)
Community Services Administration	<u>6.05</u>	<u>7.36</u>	<u>1.31</u>	<u>7.43</u>	<u>0.07</u>
Total	<u>\$ 720.42</u>	<u>\$ 796.98</u>	<u>\$ 76.56</u>	<u>\$ 801.07</u>	<u>\$ 4.09</u>

* Based on populations estimates of 90,045 for FY 2006-07, 91,400 for FY 2007-08 and 92,800 for FY 2008-09

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

REVENUES PER RESIDENT*

General Revenue

Sources of Revenue	Adopted 2006-07	Adopted 2007-08	Difference	Adopted 2008/09	Difference
Sales Tax	\$ 249.00	\$ 269.82	\$ 20.82	\$ 277.72	\$ 7.90
Revenue from City-Owned Business	102.34	92.83	(9.51)	91.31	(1.52)
Property Tax	135.04	172.87	37.83	179.96	7.09
State of California	42.25	19.99	(22.26)	20.53	0.54
Street Funding	43.09	83.04	39.95	69.08	(13.96)
Transient Occupancy Tax (General Fund Portion Only)	20.71	22.37	1.66	22.90	0.53
Service Fees	27.95	30.82	2.87	31.08	0.26
Other Government Agencies	7.02	4.44	(2.58)	5.00	0.56
Licenses & Permits	20.77	15.79	(4.98)	15.98	0.19
Miscellaneous Revenue	11.27	18.93	7.66	18.47	(0.46)
Business License Tax	9.01	9.61	0.60	9.77	0.16
Franchise Fees	10.11	10.70	0.59	10.94	0.24
Fines & Penalties	7.92	6.89	(1.03)	7.08	0.19
Interest Income	4.44	3.83	(0.61)	3.77	(0.06)
Sales Tax - Public Safety	3.02	2.98	(0.04)	2.93	(0.05)
Miscellaneous Taxes	<u>5.39</u>	<u>4.92</u>	<u>(0.47)</u>	<u>4.99</u>	<u>0.07</u>
Total	<u>\$ 699.33</u>	<u>\$ 769.83</u>	<u>\$ 70.50</u>	<u>\$ 771.51</u>	<u>\$ 1.68</u>

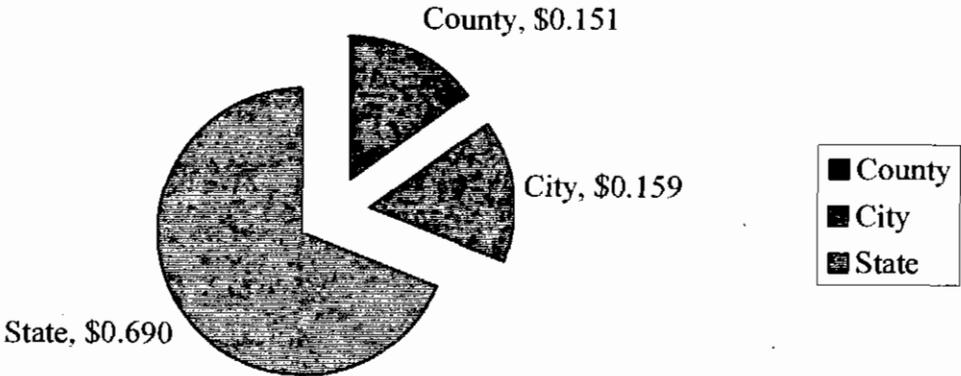
* Based on populations estimates of 90,045 for FY 2006-07, 91,400 for FY 2007-08 and 92,800 for FY 2008-09

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**



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

SUMMARY OF NET EXPENDITURES - GENERAL FUND

DEPARTMENTS	ADOPTED Budget 2007-2008	Estimated Revenue & Transfers 2007-2008	Estimated Net Expenditures 2007-2008
City Council	\$161,180	-	\$161,180
City Clerk	784,650	77,300	707,350
City Manager	809,570	-	809,570
Finance	1,486,550	24,000	1,462,550
Subtotal	<u>2,296,120</u>	<u>24,000</u>	<u>2,272,120</u>
City Treasurer	590,400	17,200	573,200
City Attorney	617,010	-	617,010
Personnel	570,760	50	570,710
Non-Departmental			
Non-Departmental	1,287,570	55,933,940	(54,636,370)
Animal Regulation	629,300	64,000	565,300
General Fund Debt Service	2,816,540	133,900	2,682,640
Property Fund	90,000	90,000	-
Subtotal	<u>4,823,410</u>	<u>56,221,840</u>	<u>(51,272,930)</u>
Police	25,009,600	1,748,930	23,260,670
Fire	16,050,360	37,790	16,012,570
Development Services			
Permit Center	949,610	178,750	770,860
Building & Code Enforcement	1,916,890	1,900,750	16,140
Planning	2,317,790	362,500	1,955,290
Land Development	319,910	92,700	227,210
Engineering and Design	615,430	647,930	(32,500)
Subtotal	<u>6,119,630</u>	<u>3,182,630</u>	<u>2,937,000</u>
Community Services			
Recreation	1,812,830	864,900	947,930
Museums	356,150	-	356,150
Community Services	672,400	2,000	670,400
Subtotal	<u>2,841,380</u>	<u>866,900</u>	<u>1,974,480</u>
Transportation/Engineering			
Administration	202,550	65,800	136,750
Engineering	1,478,810	7,100	1,471,710
Streets	7,980,380	8,135,100	(154,720)
Subtotal	<u>9,661,740</u>	<u>8,208,000</u>	<u>1,453,740</u>
Support Services			
Purchasing	479,740	-	479,740
Parks	2,763,980	(31,800)	2,795,780
Midtown Mall	74,210	10,000	64,210
Subtotal	<u>3,317,930</u>	<u>(21,800)</u>	<u>3,339,730</u>
Total General Fund	<u><u>\$72,844,170</u></u>	<u><u>\$70,362,840</u></u>	<u><u>\$2,606,830</u></u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

DEPARTMENTS	ADOPTED Budget 2008-2009	Estimated Revenue & Transfers 2008-2009	Estimated Net Expenditures 2008-2009
City Council	\$168,410	-	\$168,410
City Clerk	823,720	79,400	744,320
City Manager	851,020	-	851,020
Finance	1,552,730	25,000	1,527,730
Subtotal	<u>2,403,750</u>	<u>25,000</u>	<u>2,378,750</u>
City Treasurer	624,440	17,900	606,540
City Attorney	649,220	-	649,220
Personnel	582,910	50	582,860
Non-Departmental			
Non-Departmental	1,298,060	58,142,830	(56,844,770)
Animal Regulation	649,240	67,000	582,240
General Fund Debt Service	3,004,150	133,900	2,870,250
Property Fund	50,000	50,000	-
Subtotal	<u>5,001,450</u>	<u>58,393,730</u>	<u>(53,392,280)</u>
Police	26,247,640	1,884,830	24,362,810
Fire	16,428,950	44,040	16,384,910
Development Services			
Permit Center	1,008,030	179,500	828,530
Building & Code Enforcement	2,004,540	1,953,900	50,640
Planning	2,430,170	373,000	2,057,170
Land Development	338,630	95,200	243,430
Engineering & Design	615,430	662,930	(47,500)
Subtotal	<u>6,396,800</u>	<u>3,264,530</u>	<u>3,132,270</u>
Community Services			
Recreation	1,898,730	876,800	1,021,930
Museums	356,680	-	356,680
Community Services	689,940	2,000	687,940
Subtotal	<u>2,945,350</u>	<u>878,800</u>	<u>2,066,550</u>
Transportation/Engineering			
Administration	212,790	68,700	144,090
Engineering	1,532,900	6,900	1,526,000
Streets	6,874,490	6,954,390	(79,900)
Subtotal	<u>8,620,180</u>	<u>7,029,990</u>	<u>1,590,190</u>
Support Services			
Purchasing	503,670	-	503,670
Parks	2,829,750	(32,500)	2,862,250
Midtown Mall	64,350	10,000	54,350
Subtotal	<u>3,397,770</u>	<u>(22,500)</u>	<u>3,420,270</u>
Total General Fund	<u>\$74,290,590</u>	<u>\$71,595,770</u>	<u>\$2,694,820</u>

City of Redding

General Fund Ten-Year Plan

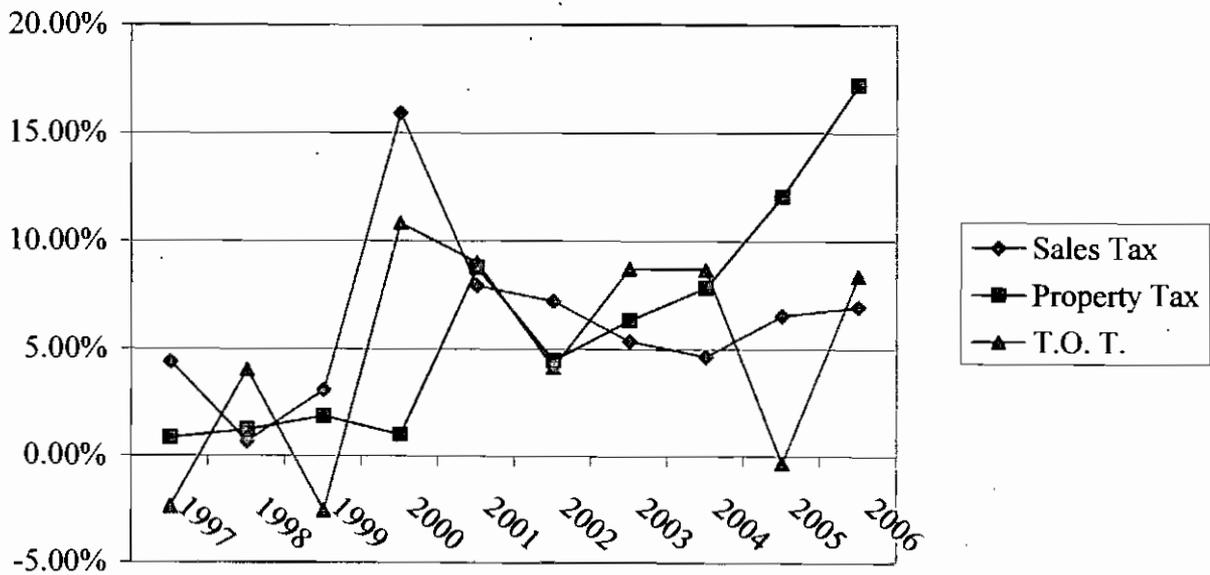
City of Redding General Fund Ten-Year Plan

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



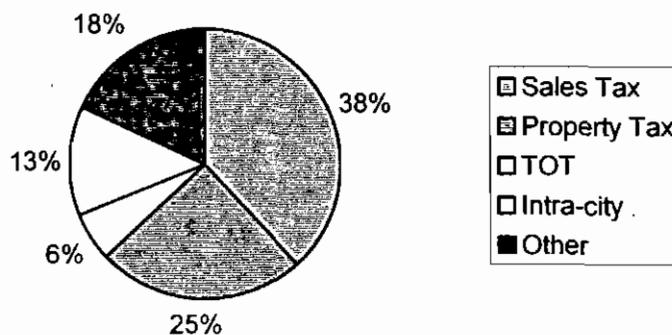
As can be seen from the graph on the previous page, sales tax growth was slowed from 1997 to 1999 with much stronger growth in fiscal year end 2000 and thereafter. Sales tax increased an average of 2.7% per year from 1997 to 1999 and from 2000 to 2006 it increased an average rate of 7.8 % per year. Over the last ten years (1997 through 2006) sales tax has increased by an average of 6.3%. 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 2007 sales tax will increase by 5.2%. 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 4.5% per year in the Ten-Year Plan.

Property tax increases were also slower in the nineties and have increased since fiscal year 2000. Property tax increased an average of 1.2% per year from 1997 to 2000 and from 2001 to 2007 it increased at an average rate of 7% per year. For fiscal year ended 2007, staff is projecting property tax will increase by 7.2%. Over the last ten years (1997 through 2006) property tax has increased by an average of 6.2% per year. Staff believes property tax growth will remain strong, although not as strong as in the past few years. Staff is recommending that for fiscal years 2008 through 2014 an assumed property tax growth rate of 5.5% be used and then decreased to 5% in the remainder of the years covered by the Ten-Year Plan.

Transient occupancy tax (TOT) increases have been varied over the past ten years, but growth has averaged 4.9%, Staff is expecting TOT to increase by 5.8% in FYE 2007. Staff is recommending that a 4% TOT growth rate be used in the ten-year plan.

Other Revenues

**General Fund Revenues FYE 2008
Projected**



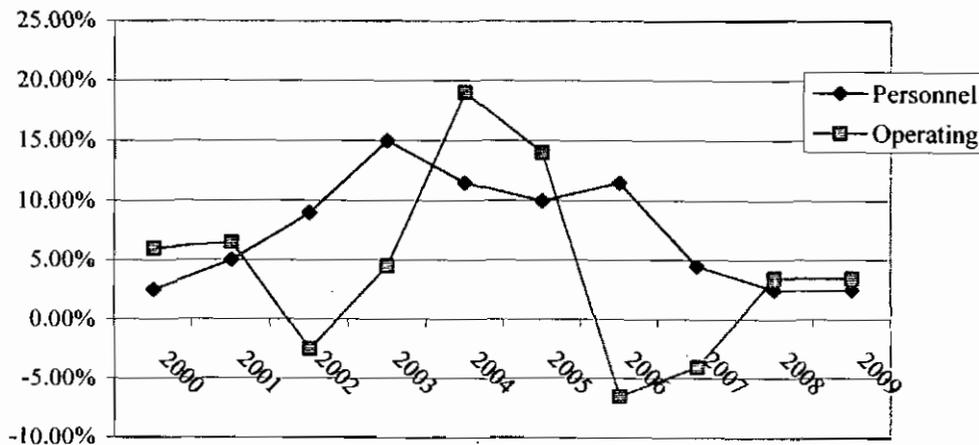
As can be seen from the graph on the previous page, sales tax, property tax, transient occupancy tax, and intra-city revenue account for over 80% of the City's total General Fund Revenue. Therefore, the above discussion covers the majority of the City's General Fund revenues. Most of the other revenues 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 7.0% over the past ten years.

EXPENDITURES

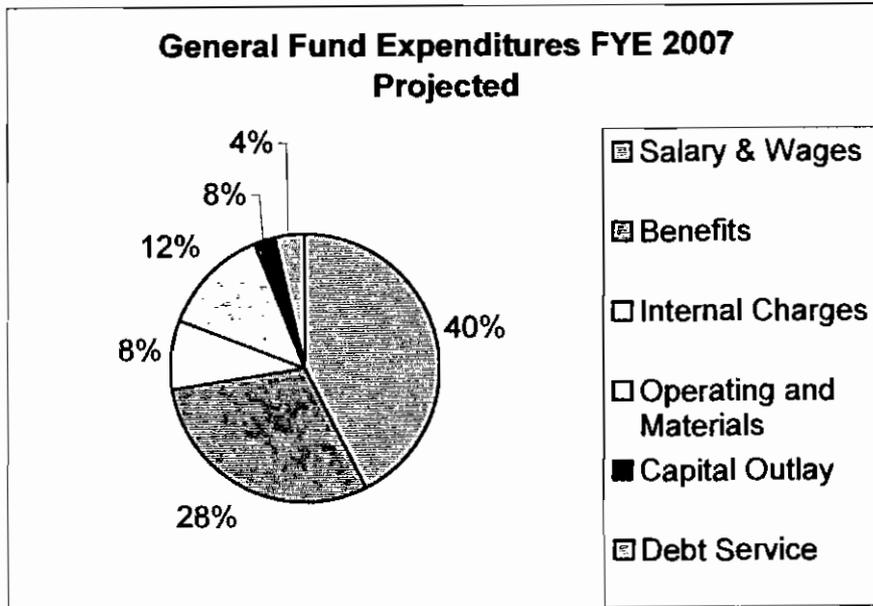
Below is a graph showing the actual and projected percent increase in personnel costs and operating costs for fiscal years 1998 through 2007 (2007 budgeted amounts). As can be seen from the graph, personnel costs have increased dramatically over the past few years and are projected to continue to increase, including additional positions, in FYE 2007. For the ten years ending with fiscal year 2007 personnel cost average increase is projected to be over 7% per year. The main reason for this increase is benefit costs, which have more than doubled over the past ten years. 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 for all personnel costs, except medical. It is anticipated that medical costs will increase at between 8% and 10% over the next 10 years and, therefore, a blended rate of 3.5% was used for personnel costs in the ten-year plan.

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 2.5% growth factor for operating materials and supplies, as this appears to be in line with historical averages as adjusted, and expected for inflation.

Percent Increase in Personnel and Operating Costs



General Fund Expenditures by Category



Summary of Changes in the Ten-Year Plan

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

1. Increase property tax growth rate from 4.5 to 5.5 in fiscal years ending 2008-2014 and to 5% in the remainder of the ten-year plan.
2. Increase sales tax growth rate from 4.25% to 4.5% in all fiscal years.
3. Increase personnel cost growth rate from 3.0% to 3.5% in all fiscal years.

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

	07-08		08-09		08-09		09-10		10-11		11-12		12-13		13-14		14-15		15-16		16-17	
	Adjust.	Adjusted																				
Projected Balance Forward	7,897	1,502	9,399	8,352	8,352	7,072	7,072	5,256	4,200	4,200	3,963	4,123	4,123	4,123	4,727	6,043	6,043	6,043	91,393	91,393	95,627	95,627
Projected Revenues	64,916	0	64,916	67,442	67,442	70,609	70,609	73,636	76,852	76,852	80,270	83,870	83,870	83,870	87,503	87,503	87,503	87,503	91,393	91,393	95,627	95,627
Projected Transfers In	7,950	0	7,950	6,776	6,776	5,767	5,767	6,052	6,231	6,231	6,183	6,386	6,386	6,386	6,595	6,595	6,595	6,595	5,620	5,620	5,806	5,806
Projected Transfers Out	(3,574)	0	(3,574)	(3,709)	(3,709)	(3,961)	(3,961)	(4,102)	(4,249)	(4,249)	(4,421)	(4,579)	(4,579)	(4,579)	(4,742)	(4,742)	(4,742)	(4,742)	(4,911)	(4,911)	(5,086)	(5,086)
Projected Expenditures	(70,340)	0	(70,340)	(71,789)	(71,789)	(74,230)	(74,230)	(76,642)	(79,070)	(79,070)	(81,872)	(85,074)	(85,074)	(85,074)	(88,040)	(88,040)	(88,040)	(88,040)	(87,875)	(87,875)	(93,650)	(93,650)
Projected Ending Cash	6,850	1,502	8,352	7,072	7,072	5,256	5,256	4,200	3,963	3,963	4,123	4,727	4,727	4,727	6,043	6,043	6,043	6,043	10,270	10,270	12,967	12,967
Ending Cash/Expenditures	9.7%		11.9%	9.9%	9.9%	7.1%	7.1%	5.5%	5.0%	5.0%	5.0%	5.6%	5.6%	5.6%	6.9%	6.9%	6.9%	6.9%	11.7%	11.7%	13.8%	13.8%

Prev. Projection:	10.60%	10.6%	7.5%	7.5%	7.5%	5.6%	5.6%	5.0%	5.1%	5.1%	5.9%	7.3%	7.3%	7.3%	9.3%	9.3%	9.3%	9.3%	12.0%	12.0%		
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GENERAL FUND PROPOSED REVENUES (in thousands)

Adopted Budget Source	Adjusted 07-08		Adjusted 08-09		Adjusted 09-10		Adjusted 10-11		Fiscal Year 11-12		Fiscal Year 12-13		Fiscal Year 13-14		Fiscal Year 14-15		Fiscal Year 15-16		Fiscal Year 16-17	
	07-08	Adj.	08-09	Adj.	09-10	Adj.	10-11	Adj.	11-12	Adj.	12-13	Adj.	13-14	Adj.	14-15	Adj.	15-16	Adj.	16-17	
Sales Tax	24,662		25,772		26,932		28,144		29,410		30,734		32,117		33,562		35,072		36,650	
Property Tax/Penalty	15,800		16,700		17,619		18,588		19,610		20,688		21,826		22,918		24,063		25,267	
TOT	4,090		4,250		4,420		4,597		4,781		4,972		5,171		5,378		5,593		5,816	
Other Taxes	2,307		2,384		2,479		2,579		2,682		2,789		2,901		3,017		3,137		3,263	
Licenses/Permits	1,443		1,483		1,542		1,604		1,668		1,735		1,804		1,876		1,952		2,030	
Fines/Penalties	630		657		683		711		739		769		799		831		865		899	
Motor Vehicle In-Lieu	0		0		0		0		0		0		0		0		0		0	
State take away	0		0		0		0		0		0		0		0		0		0	
Other Governments	1,153		1,233		1,270		1,308		1,347		1,388		1,429		1,472		1,516		1,562	
Rdg Rancheria/Booking Fees	100		100		100		100		100		100		100		100		100		100	
Internal Departments	8,485		8,474		8,813		9,165		9,532		9,913		10,310		10,722		11,151		11,597	
Interest Income	350		350		424		315		252		238		247		284		363		616	
Use of Money & Property	661		661		661		661		661		661		661		661		661		661	
Service Charges	2,817		2,884		2,999		3,119		3,244		3,374		3,509		3,649		3,795		3,947	
Other Revenue	2,418		2,494		2,569		2,646		2,725		2,807		2,891		2,978		3,067		3,159	
Adjustments	0		0		98		99		101		103		105		56		58		60	
Subtotal	64,916	0	67,442	0	70,609	73,636	76,852	80,270	83,870	87,503	91,393	95,627								
Gas Taxes - Transfers In	7,590		6,411		5,391		5,665		5,832		5,772		5,963		6,159		5,171		5,344	
Other Transfers In	360		365		376		387		399		411		423		436		449		462	
Transfers Out -- Rolling Stock	(848)		(865)		(891)		(918)		(945)		(974)		(1,003)		(1,033)		(1,064)		(1,096)	
Transfers Out -- Operating																				
Airport	175		160		45		45		45		25		25		25		25		25	
CVB	(2,045)		(2,125)		(2,210)		(2,298)		(2,390)		(2,486)		(2,585)		(2,689)		(2,796)		(2,908)	
Parking	(20)		(25)		(26)		(27)		(28)		(29)		(30)		(31)		(32)		(33)	
Library	(680)		(700)		(721)		(743)		(765)		(788)		(811)		(836)		(861)		(887)	
Other	(156)		(154)		(158)		(162)		(166)		(170)		(174)		(179)		(183)		(188)	
Net Transfers	4,376	0	3,067	0	3,067	1,806	1,950	1,982	1,982	1,761	1,808	1,853	1,808	1,853	1,808	1,853	1,808	1,853	1,808	
Total Revenue	69,292	0	69,292	0	70,509	72,415	75,585	78,834	82,032	85,678	89,356	92,102	96,347							

Totals may not agree due to rounding.

ASSUMPTIONS

1. Sales tax growth of 4.5% based on a 2% population growth and 2.5% inflation increase. The last 10 years average sales tax growth has been considerably higher at 5.75%. The base year amount is based on projected 2007 amount.
2. Property tax growth of 5.5% for the first 5 years and 5% for the second five years based on last 10 years average rate of growth of 5.6%. The base year is based on projected FYE 2007 amount.
3. All other revenue is based to increase by either its 10 year historical average, known amounts or if growth rate is erratic, by estimated growth of not more than 4%. The base is the estimated FYE 2007 amount.
4. Interest income is a function of ending cash balance.
5. Personnel cost are assumed to increase at 3.5%, which is derived from an 8% group insurance increase and 3% other personnel cost increase.
6. Operating costs are assumed to increase by 2.5% per year.

GENERAL FUND PROPOSED EXPENDITURES (in thousands)

Adopted Budget Area	Adjusted		Adjusted		Adjusted		Fiscal Year					
	07-08	07-08	08-09	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17
Police Personnel	20,169	21,413	21,413	22,162	22,938	23,741	24,572	25,432	26,322	27,243	28,197	
Police Operating	3,809	3,812	3,812	3,907	4,005	4,105	4,208	4,313	4,421	4,531	4,645	
Police Capital Outlay	52	37	37	38	39	40	41	42	43	44	45	
Police Subtotal	24,030	25,262	25,262	26,108	26,982	27,886	28,820	29,787	30,786	31,819	32,886	
Fire												
Personnel	13,203	13,844	13,844	14,329	14,830	15,349	15,886	16,442	17,018	17,613	18,230	
Operating	2,842	2,580	2,580	2,645	2,711	2,778	2,848	2,919	2,992	3,067	3,143	
Capital Outlay	5	5	5	5	5	5	6	6	6	6	6	
Additional 3 man crews				347	359	372	769	1,195	1,236	1,706	1,766	
Subtotal	16,050	16,429	16,429	17,325	17,905	18,505	19,509	20,562	21,252	22,392	23,145	
Transportation & Engineering												
Personnel	2,513	2,622	2,622	2,714	2,809	2,907	3,009	3,114	3,223	3,336	3,453	
Operating	2,434	2,463	2,463	2,304	2,362	2,421	2,481	2,543	2,607	2,672	2,739	
Capital Outlay	4,715	3,535	3,535	3,481	3,698	3,806	3,685	3,814	3,945	4,178	4,395	
Subtotal	9,662	8,620	8,620	8,499	8,869	9,134	9,175	9,472	9,775	10,186	10,627	
Recreation & Parks												
Personnel	3,464	3,646	3,646	3,774	3,906	4,042	4,184	4,330	4,482	4,639	4,801	
Operating	1,735	1,727	1,727	1,770	1,814	1,860	1,906	1,954	2,003	2,053	2,104	
Capital Outlay	50	45	45	46	47	48	50	51	52	53	55	
Subtotal	5,249	5,418	5,418	5,590	5,767	5,951	6,140	6,335	6,537	6,745	6,960	
Development Services												
Personnel	4,191	4,434	4,434	4,589	4,750	4,916	5,088	5,266	5,451	5,641	5,839	
Operating	1,300	1,334	1,334	1,367	1,402	1,437	1,472	1,509	1,547	1,586	1,625	
Capital Outlay	629	629	629	645	661	677	694	712	729	748	766	
Subtotal	6,120	6,397	6,397	6,601	6,812	7,030	7,255	7,487	7,727	7,975	8,230	
General Government												
Personnel	4,307	4,555	4,555	4,714	4,879	5,050	5,227	5,410	5,599	5,795	5,998	
Operating	1,177	1,193	1,193	1,223	1,253	1,285	1,317	1,350	1,384	1,418	1,454	
Capital Outlay	16	8	8	8	8	9	9	9	9	10	10	
Subtotal	5,500	5,756	5,756	5,945	6,141	6,344	6,553	6,769	6,992	7,223	7,461	
Debt Service	2,817	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004	
Animal Regulation	629	649	649	665	682	699	716	734	753	771	791	
Museums	356	357	357	357	357	357	357	357	357	357	357	
Non-Departmental												
Other/Current Changes	1,362	1,362	1,362	1,396	1,431	1,467	1,503	1,541	1,580	1,619	1,659	
Other												
New Positions												
Contingencies												
Projected Savings	(1,436)	(1,436)	(1,465)	(1,465)	(1,564)	(1,614)	(1,671)	(1,736)	(1,797)	(1,793)	(1,911)	
Total Expenditures	70,340	71,789	71,789	74,230	76,642	79,070	81,872	85,074	88,040	91,875	93,650	

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

Assumptions	Fiscal Year												
	07-08	Adjusted	FY	Adjusted	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17
Personnel General	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035
O&M & C/O	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025
Inflation	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
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
Sales tax	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045
Property Tax	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055
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
Police Personnel	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035
Fire Personnel	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035	1,035
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
Internal Dept	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
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
Assumed expenditure savings	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02

SUMMARY OF AUTHORIZED FULL-TIME POSITIONS

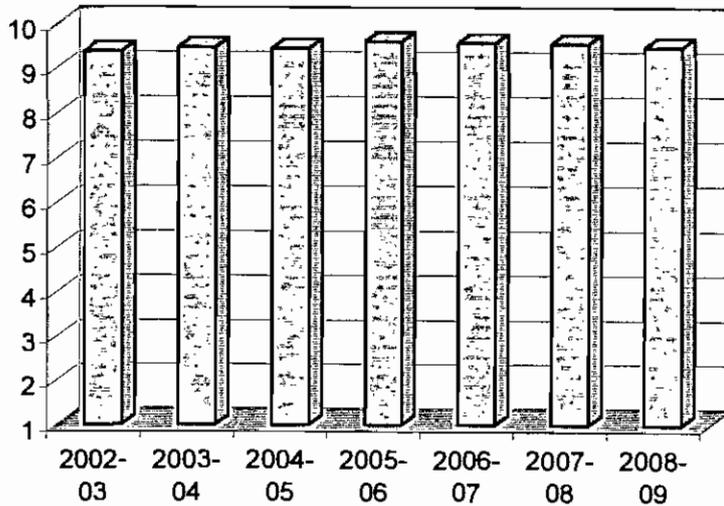
The following table provides a four-year summary of all full-time positions in the City by department. The columns titled Amended, show the positions authorized as of June 30 for each year. The adopted columns show the number of positions adopted for fiscal years 2007-08 and 2008-09. The graph below the table shows two years of history and the proposed number of full-time authorized positions by department.

The table depicts a net increase of thirteen (13) employees from the 2006-07 amended budget for fiscal year 2007-08 and a net increase of three (3) for fiscal year 2008-09 from fiscal year 2007-08.

The new positions in fiscal year 2007-08 include: Fire, three additional firefighters, Police conversion of 2 part-time positions to one full-time janitor, Transportation and Engineering, a management analysis and environmental specialist, Support Services, a gardener and a system administrator, City Clerk, a ¾ part-time clerk position to full-time, Personnel, a ¾ time personnel analyst position to full-time, Municipal Utilities, a solid waste hazardous waste specialist, a clerk at West Central Landfill, a wastewater compliance specialist and a storm drainage maintenance worker, Electric, a senior system operator, a management analyst, a customer service trainer, a senior system operator in Customer Service, and a working supervisor in Field Services. These nineteen new positions are offset by the elimination of two positions in Community Services, two positions in the City Manager's office, one position in Transportation and Engineering and one position in Support Services.

The three new positions in fiscal year 2008-09 include: Municipal Utilities, a heavy equipment operator at West Central Landfill, and in Electric, an electric utility engineer and a management analyst in Customer Service.

City Employee to Resident Ratio
 Employees per 1,000 residents



**CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009**

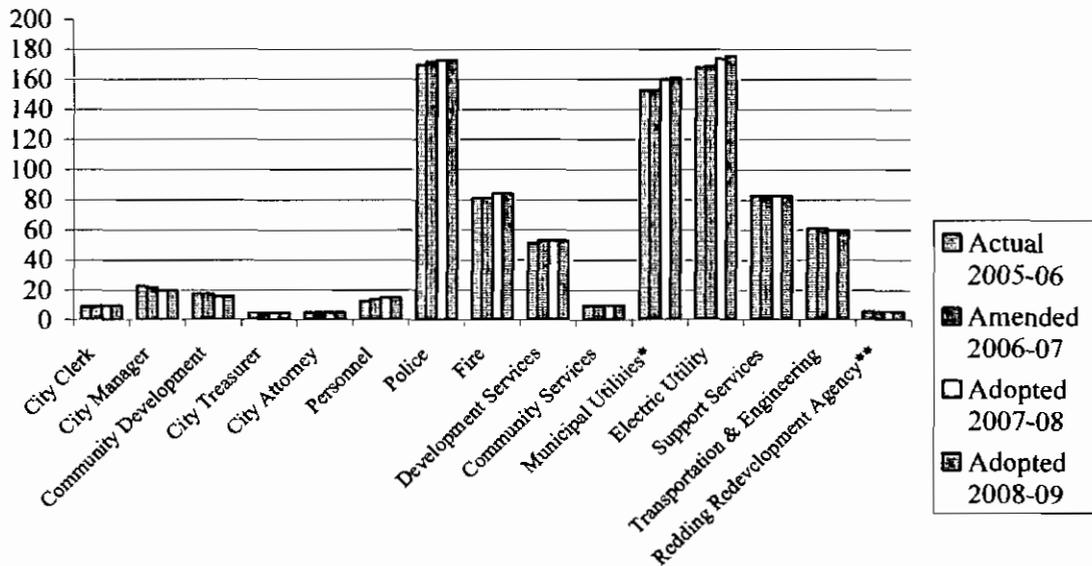
SUMMARY OF AUTHORIZED FULL TIME POSITIONS

Departments	Amended 2005-06	Amended 2006-07	Adopted 2007-08	Change	Adopted 2008-09	Change
City Clerk	9	9	10	1	10	0
City Manager	23	22	20	-2	20	0
Community Development	18	18	16	-2	16	0
City Treasurer	5	5	5	0	5	0
City Attorney	5	5	5	0	5	0
Personnel	13	14	15	1	15	0
Police	170	172	173	1	173	0
Fire	81	81	84	3	84	0
Development Services	51	53	53	0	53	0
Community Services	10	10	10	0	10	0
Municipal Utilities*	153	153	160	7	161	1
Electric Utility	168	169	174	5	176	2
Support Services	83	83	83	0	83	0
Transportation & Engineering	61	61	60	-1	60	0
Redding Redevelopment Agency**	6	6	6	0	6	0
Total	856	861	874	13	877	3

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

** Quasi-autonomous entity

Summary of Authorized Positions



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 \$ 8,125,990 in FY 2007-08 and \$ 6,936,780 in FY 2008-09 from other funds. The General Fund transfers out \$ 3,748,240 in FY 2007-08 and \$ 3,869,180 in FY 2008-09 to Enterprise Funds , Rolling Stock Replacement, Equipment Fund, Library, and Parking Fund.

		Fiscal Year 2007-2008	Fiscal Year 2008-2009
From:	General Special Revenue	\$ 272,500	\$ 272,500
	Gas Tax Street Improvement Fund	5,040,000	4,603,790
	Local Transportation Fund	2,550,000	1,807,000
	Special Development Fund	50,990	50,990
	Convention Center	37,500	42,500
	Municipal Airport Fund	175,000	160,000
To:	General Fund	<u>\$ 8,125,990</u>	<u>\$ 6,936,780</u>
From:	General Fund	\$ 2,045,000	\$ 2,125,000
To:	Tourism/Convention Fund	<u>\$ 2,045,000</u>	<u>\$ 2,125,000</u>
From:	General Fund	\$ 848,000	\$ 865,000
	Municipal Airport Fund	37,000	0
	Tourism/Convention Fund	5,000	5,000
	Electric Utility Fund	1,425,000	1,025,000
	Water Utility Fund	175,000	175,000
	Wastewater Utility Fund	136,000	136,000
	Storm Drain Utility Fund	30,000	30,000
	Solid Waste Collection and Disposal	875,000	898,400
	Building Maintenance & Construction	37,000	0
	Redding Municipal Utilities Admin	87,000	87,000
	Reprographics	4,000	4,000
To:	Rolling Stock Replacement Fund	<u>\$ 3,659,000</u>	<u>\$ 3,225,400</u>
From:	Electric Utility Fund	\$ 2,500,000	\$ 2,500,000
To:	Electric Maintenance Fund	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>
From:	General Fund	\$ 155,510	\$ 154,060
To:	Equipment Replacement Fund	<u>\$ 155,510</u>	<u>\$ 154,060</u>
From:	Municipal Airport Fund	\$ 45,000	\$ 45,000
To:	Wastewater	<u>\$ 45,000</u>	<u>\$ 45,000</u>
From:	General Fund	\$ 679,730	\$ 700,120
To:	Library	<u>\$ 679,730</u>	<u>\$ 700,120</u>
From:	General Fund	\$ 20,000	\$ 25,000
To:	Parking Fund	<u>\$ 20,000</u>	<u>\$ 25,000</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 certain City-owned utilities instead of property tax for City-owned property.

Cost Allocation and In Lieu Charges are being allocated to the following funds:

	Cost Allocation Charge <u>FY 2007-08</u>	Cost Allocation Charge <u>FY 2008-09</u>	In Lieu Property Tax <u>FY 2007-08</u>	In Lieu Property Tax <u>FY 2008-09</u>
Special Revenue Parking	\$ 6,990	\$ 7,200		
Airport Fund	142,910	147,200	95,000	105,000
Convention/Tourism Fund	134,270	135,300	75,200	70,300
Electric Utility	1,269,930	1,308,020	4,932,060	4,832,090
Water Utility	460,500	468,310	-	-
Wastewater Utility	487,890	496,530	-	-
Storm Drainage Utility	28,070	28,910	-	-
West Central Landfill	46,620	48,020	-	-
Solid Waste Utility	559,510	570,300	-	-
Redding Municipal Utility Administration	19,550	20,140	-	-
CDBG	15,670	16,130	-	-
Housing Authority	39,120	40,290	-	-
RRA	123,130	126,820	-	-
RABA	95,740	98,610	-	-
Total	<u>\$ 3,429,900</u>	<u>\$ 3,511,780</u>	<u>\$ 5,102,260</u>	<u>\$ 5,007,390</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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		Adopted 2006-2007	Adopted 2007-2008	Adopted 2008-2009
Building Maintenance	General Fund	\$ 769,050	\$ 950,320	\$ 938,970
	All Other City Funds	734,390	952,490	881,070
	Related entities	39,080	46,570	44,730
	Subtotal	1,542,520	1,949,380	1,864,770
Information Systems	General Fund	867,120	924,510	973,770
	All Other City Funds	1,082,810	1,314,870	1,380,560
	Related entities	52,670	43,770	45,950
	Subtotal	2,002,600	2,283,150	2,400,280
Reprographics	General Fund	339,460	404,080	412,160
	All Other City Funds	243,380	300,270	280,240
	Related entities	40,780	50,440	51,350
	Subtotal	623,620	754,790	743,750
Fleet Maintenance	General Fund	1,130,100	981,650	963,870
	All Other City Funds	1,789,340	1,937,230	1,902,120
	Related entities	3,080	3,640	3,590
	Subtotal	2,922,520	2,922,520	2,869,580
Risk Management	General Fund	2,357,070	2,666,360	2,744,570
	All Other City Funds	2,113,650	2,066,660	2,133,550
	Related entities	94,740	90,740	100,150
	Subtotal	4,565,460	4,823,760	4,978,270
Records Management	General Fund	155,590	151,370	151,080
	All Other City Funds	106,440	111,230	116,080
	Related entities	12,850	12,400	12,840
	Subtotal	274,880	275,000	280,000
Communications	General Fund	401,740	409,090	409,850
	All Other City Funds	101,840	103,780	108,880
	Related entities	23,750	24,320	24,760
	Subtotal	527,330	537,190	543,490
Health & Dental	General Fund	6,611,470	7,472,480	8,055,920
	All Other City Funds	5,761,710	6,836,350	7,398,490
	Related entities	223,170	268,890	305,020
	Subtotal	12,596,350	14,577,720	15,759,430
GIS	General Fund	380,750	531,230	558,130
	All Other City Funds	649,460	272,150	280,200
	Related entities	62,870	74,160	76,470
	Subtotal	1,093,080	877,540	914,800

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Internal Service Fund		Adopted 2006-2007	Adopted 2007-2008	Adopted 2008-2009
Volunteer Services	General Fund	62,640	73,990	75,230
	All Other City Funds	39,190	49,150	49,930
	Related entities	2,810	3,340	3,390
	Subtotal	104,640	126,480	128,550
Employer Services	General Fund	148,500	199,420	202,300
	All Other City Funds	116,620	268,280	158,730
	Related entities	8,350	10,620	11,020
	Subtotal	273,470	478,320	372,050
Legal Services	General Fund	77,200	42,200	42,200
	All Other City Funds	123,050	118,000	118,000
	Related entities	16,500	16,500	16,500
	Subtotal	216,750	176,700	176,700
Payroll Taxes & Benefits	General Fund	10,075,850	10,933,930	11,425,820
	All Other City Funds	7,379,370	8,343,580	8,698,650
	Related entities	295,750	323,100	347,790
	Subtotal	17,750,970	19,600,610	20,472,260
Totals	General Fund	23,376,540	25,740,630	26,953,870
	All Other City Funds	20,241,250	22,674,040	23,506,500
	Related entities	876,400	968,490	1,043,560
	Total	\$ 44,494,190	\$ 49,383,160	\$ 51,503,930

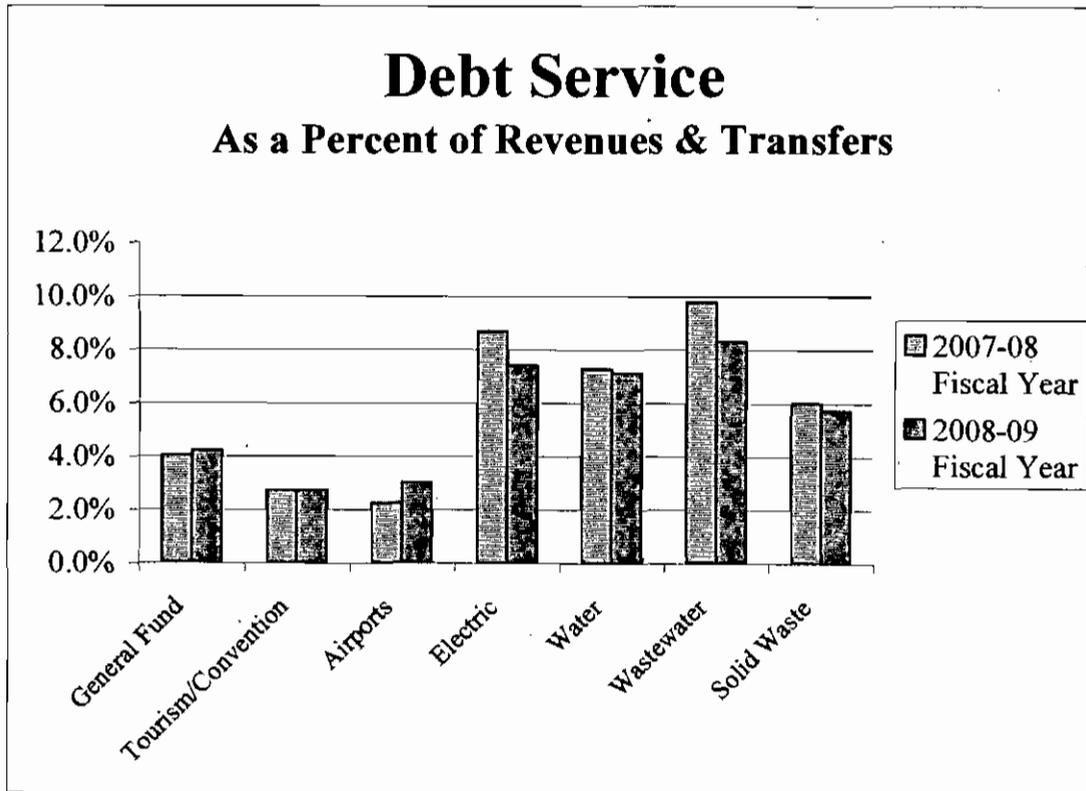
The following table outlines charges to other divisions for administrative/overhead charges.

Charging Department		Adopted 2006-2007	Adopted 2007-2008	Adopted 2008-2009
Redding Municipal Utilities Administration	General Fund	\$ 128,230	\$ 396,570	\$ 392,120
	All Other Funds	627,880	2,036,700	2,054,090
	Subtotal	756,110	2,433,270	2,446,210
Utility Customer Service	General Fund	-	-	-
	All Other Funds	979,500	2,720,040	2,925,100
	Subtotal	979,500	2,720,040	2,925,100
Utility Field Service	General Fund	-	-	-
	All Other Funds	330,840	607,330	638,440
	Subtotal	330,840	607,330	638,440
Totals	General Fund	128,230	396,570	392,120
	All Other Funds	1,938,220	5,364,070	5,617,630
	Total	\$ 2,066,450	\$ 5,760,640	\$ 6,009,750

SUMMARY OF LONG TERM DEBT

The table on the following page provides a summary of all long term debt, Revenue Bonds, Certificates of Participation and other Long Term Debt agreements. For each of these debt types, the table provides the balance as of June 30, 2007 and the principal payment that will be made in fiscal years 2007-08 and 2008-09. Long term debt for the City totals \$225,775,637; none of which is subject to the City legal debt limit of \$233,010,000. 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.



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Summary of Long Term Debt as of June 30, 2007

	06/30/2007 Balance	FY 07-08 Interest Payment	FY 07-08 Principal Payment	FY 08-09 Interest Payment	FY 08-09 Principal Payment
<u>Revenue Bonds</u>					
2003 Lease Revenue Bonds, Series A:					
Convention Center Capital Improvement	389,025	16,890	18,525	16,420	18,525
Airport Capital Improvements	613,431	26,620	29,211	25,890	29,211
2003 Water Revenue Bonds, Series A	12,000,000	498,090	730,000	479,840	745,000
2002 Wasterwater Revenue Bonds, Series A	18,665,000	635,710	1,290,000	606,550	1,315,000
2004 Lease Revenue Bonds, Series B:					
Corporation Yard Refinancing	6,915,000	316,700	305,000	304,300	320,000
Sports Park Improvements	590,000	27,000	75,000	25,700	75,000
Fire Station #8	1,470,000	67,300	65,000	64,000	70,000
Transfer Station	5,390,000	244,580	660,000	214,880	690,000
2007 Lease Revenue Bonds, Series A	21,415,000	490,300	785,000	854,900	725,000
 Total Revenue Bonds:	 <u>\$67,447,456</u>	 <u>\$2,323,190</u>	 <u>\$3,957,736</u>	 <u>\$2,592,480</u>	 <u>\$3,987,736</u>
<u>Certificates of Participation</u>					
2002 Electric System Revenue Certificates of Participation	90,655,000	3,899,700	4,370,000	3,724,900	4,550,000
2005 Electric System Revenue Certificates of Participatiou	30,700,000	1,471,640	-	1,471,640	-
Total Certificates of Participatiou:	<u>\$121,355,000</u>	<u>\$5,371,340</u>	<u>\$4,370,000</u>	<u>\$5,196,540</u>	<u>\$4,550,000</u>

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Other Long Term Debt

	06/30/2007 Balance	FY 07-08 Interest Payment	FY 07-08 Principal Payment	FY 08-09 Interest Payment	FY 08-09 Principal Payment
<u>Lease Purchase Agreements</u>					
The following debt is serviced by the General Fund:					
SHASCOM Facility	1,727,544	75,000	82,264	72,900	82,264
2003 Aquatic Center	2,925,000	134,400	65,000	132,800	65,000
2003 Sports Park	2,600,000	148,400	50,000	146,500	50,000
2004 Civic Center Refunding	8,825,000	393,900	320,000	381,100	325,000
2004 Park Projects	6,220,000	256,450	680,000	229,250	680,000
2001 California Loan - Police and Fire	54,520	3,000	14,921	2,450	14,922
The following debt is service by the Airport Fund:					
1984 California Airport Loan - Municipal Airport	10,645	990	3,548	660	3,548
1986 California Airport Loan - Municipal Airport	5,382	400	1,346	300	1,346
1997 California Airport Loan - Benton Airpark	79,588	4,390	25,428	2,990	27,060
1998 California Airport Loan - Municipal Airport	36,514	1,830	8,405	1,410	8,981
1998 California Airport Loan - Municipal Airport	43,138	2,070	7,616	1,700	8,176
The following debt is services by the Wastewater Utility Fund:					
2001 California Wastewater Loan	14,445,850	375,600	739,575	452,290	758,804
Total Lease Purchase and Loans:	<u>\$36,973,181</u>	<u>\$1,396,430</u>	<u>\$1,998,103</u>	<u>\$1,424,350</u>	<u>\$2,025,101</u>

SUMMARY OF CAPITAL PROJECTS

The following table lists the capital projects that have been proposed for the fiscal years 2007-08 and 2008-09 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).

Definitions:

Capital Outlay

Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, plant, plant improvements, projects, infrastructure, and all other tangible assets that have initial useful lives extending beyond one year and cost more than \$5,000.

Capital Project

A permanent, physical addition to the City's assets including the design, construction, and/or purchase of land, building, facilities or major renovations. Capital projects do not include the direct purchase of equipment, vehicles or machinery, unless part of a larger project.

Comments on Cost of Operations – references from pages 54 to 56

- ① On-going cost of maintenance for project is minimal and will be absorbed into the division's operating budget.
These are remodel or improvement projects to existing City assets and the operating costs are included in the existing budget.
- ③ The Clear Creek Plant Expansion is an on-going project that will be completed in phases over the next few budget cycles. The current operating budgets have been increased by approximately \$300,000 to cover additional operating costs associated with the current phase of the project.
- ④ The Electric Utility Mapping project will require the reclassification of an existing position to be responsible for the additional requirements of this program.
- ⑤ This project is related to capacity growth and the additional operation cost will be covered by the increase in fees from capacity
- ⑥ On-going annual cost estimated to be approximately \$100,000
- ⑦ This project is a replacement of the filter under-drains at the Foothill Water Treatment Plant. No additional operating cost anticipated

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

SUMMARY OF CAPITAL OUTLAY PROJECTS

DESCRIPTION	Adopted 2007-08	Adopted 2008-09	Cost of Operation see page 53
GENERAL FUND			
Bridge Maintenance	\$ 5,000	\$ 5,000	②
Pavement Maintenance	35,000	30,000	②
Slurry /Chip Sealing	1,495,000	1,452,760	②
Overlay Projets	2,869,000	1,736,240	②
Sidewalk Repair Program	200,000	200,000	②
Total General Fund	<u>4,604,000</u>	<u>3,424,000</u>	②
IMPACT FEE FUND			
Quartz Widen Snow/Keswick	17,600	-	①
Plan Line Studies	50,000	50,000	①
Plan Line Placer/Buena Ventura	500,000	-	①
Court Street Ext/Signal	11,000	-	①
T/S Quartz Hill/Benton	500,000	-	①
T/S Buena/Summit/Canyon	500,000	-	①
Airport Road widening	2,000,000	-	①
Hilltop/I-5 Overcrossing	500,000	-	①
T/S Victor/Old Alturas	-	350,000	①
Browing St. Widening	400,000	-	①
Hilltop/I-5 Overcrossing	25,300	-	①
Total Impact Fees Fund	<u>4,503,900</u>	<u>400,000</u>	
INTERNAL SERVICE FUNDS			
Emergency Operations Ctr	7,220	7,220	②
Emergency Operations Ctr	4,500	4,500	②
Building Improvements	100,000	-	②
Total Internal Service Funds	<u>111,720</u>	<u>11,720</u>	
AIRPORT FUND			
Taxiway Construction	250,000	-	①
Road Upgrade	250,000	-	②
Land Acquisition	346,750	-	①
Terminal Remodel	500,000	-	②
Rehab Taxiway A & B	1,700,000	-	②
T-Hangar Taxilane	175,000	-	①
Airport Maint Facility	-	300,000	①
Runway Safety Area	157,900	1,500,000	①
Total Municipal Airport Fund	<u>3,379,650</u>	<u>1,800,000</u>	

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

SUMMARY OF CAPITAL OUTLAY PROJECTS

DESCRIPTION	Adopted 2007-08	Adopted 2008-09	Cost of Operation see page 53
ELECTIC UTILITY FUND			
Land Acquisition	6,000	5,000	①
Station Equipment & Controls	65,000	98,000	②
Poles-Towers-Fixtures	538,000	538,000	②
Overhead Conductors & Devices	512,000	512,000	②
Overhead Services	57,000	69,000	②
Underground Conduits	44,000	79,000	②
Underground Conduct & Devices	1,830,000	1,865,000	②
Underground Services	105,000	115,000	②
Underground Conversion	500,000	500,000	②
Transformers	971,000	1,000,000	②
Meters	136,000	141,000	②
Street Lighting	48,000	59,000	②
Interconnections	83,000	130,000	②
New Extensions	137,000	120,000	①
Communication Upgrade	42,100	52,800	②
Unit 2 Compressor Replacement	-	74,900	②
Unit 2 Control Sys Upgrade	125,000	-	②
Unit 5 2nd Turbine Lube	45,800	-	②
Unit 5 2nd Cooling Tower	53,500	-	②
Unit 5 Paint	-	32,100	②
Asphalt Paving	60,000	62,100	②
Unit 1 Control Sys upgrade	125,000	-	②
Unit 4 Fire Sys Upgrade	-	107,000	①
Electric Utility Mapping	400,000	400,000	④
Corp Yd Containment	225,000	-	①
Unit 3 Control Sys Upgrade	125,000	-	②
ACQ PG&E Distry Facility	-	50,000	①
Civic Center Mods	50,000	-	①
Unit 5 Control Sys Upgrade	535,000	-	②
Airport Relay Replacment	650,000	-	②
Stillwater Business Park Transmission Line and associated infrastructure	3,500,000	8,500,000	⑤
Total Electric	<u>10,968,400</u>	<u>14,509,900</u>	
STORM DRAINAGE			
Minor Storm Drain Proj	250,000	275,000	①
Regional Detention Ponds	-	200,000	①
Total Storm Drainage	<u>250,000</u>	<u>475,000</u>	
SOLID WASTE			
Solid Waste Invest Plan	445,000	260,000	②
Total Solid Waste	<u>445,000</u>	<u>260,000</u>	

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

SUMMARY OF CAPITAL OUTLAY PROJECTS

DESCRIPTION	Adopted 2007-08	Adopted 2008-09	Cost of Operation see page 53
WATER			
Structure & Improvements	6,000	6,000	①
Pumping Equipment	15,000	15,000	②
Transmission & Distribution Mains	160,000	160,000	②
Services	24,000	24,000	②
Meters	50,000	50,000	②
Hydrants	16,000	16,000	②
Buckeye Hydrants	5,000	5,000	①
Land Acquisition	50,000	50,000	①
Minor Extensions & Overs	100,000	100,000	②
Highway 44 Wtr Main	100,000	-	②
Electric Control System Upgrade	45,000	45,000	①
Enterprise Wells #14, #15 & #16	1,300,000	1,800,000	⑥
Replace Water Mains 6"/Less	600,000	600,000	②
Replace Water Mains 8"/Up	480,000	480,000	②
Water Line Replacement CS	160,000	160,000	②
P.B. Service Replacement	200,000	200,000	②
Fish Screens	200,000	200,000	②
Twin View 12 Inch Water Line	-	110,000	②
Foothill Water Plant Replacement of the filter under-drain	3,520,000	-	⑦
Knighen Road Water Line and new well	1,670,000	-	①
Airport Road 16" Water Line, approx 4,000 ft	1,000,000	-	①
PSI Raw Water Line	-	240,000	①
Well #23	200,000	-	②
Total Water Utility Fund	9,901,000	4,261,000	
 WASTEWATER UTILITY FUND			
Structure & Improvements	105,000	80,000	②
Minor Extensions & Overs	415,000	433,700	②
Inflow/Infiltration	500,000	500,000	②
Lift Station Improvement	130,000	136,000	②
Westside Interceptor Ph 2 & 3	2,000,000	414,170	①
Master Plan Update	500,000	-	①
Redding Relief Sewers	500,000	500,000	②
Butte St Trunk Sewer	-	465,100	②
South Bonnyview	2,400,000	-	
Structure & Improvements	300,000	413,500	②
Clear Creek Plant Expansion and upgrade to accommodate growth and upgrade aging equipment	17,168,000	16,799,000	③
Sillwater plant feasibility study, replace equipment and relocate and replace existing diffuser.	2,500,000	-	①
Total Wastewater Utility Fund	26,518,000	19,741,470	
City Total	60,681,670	44,883,090	

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 its 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 harnesses three rivers. The natural beauty of the area helps to attract many tourists to Redding.

Early History

The City of Redding, now 120 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 the Redding area.

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 than 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 serviced 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, wastewater, 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.

REPORTING ENTITY AND ITS SERVICES

This report includes all of the funds of the City. Financial information for separate legal entities related to the City of Redding includes the Redding Housing Authority, Redding Redevelopment Agency, Redding Area Bus Authority, and the Redding Joint Powers Financing Authority. All are accounted for in the City's financial statements in accordance with Governmental Accounting and Financial Reporting Standards. Component unit financial reports are on file with the City.

CITY OF REDDING BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

City Council members in separate sessions serve as the governing board of the Redding Joint Powers Financing Authority and Redding Redevelopment Agency. All five members of the City Council sit on the eight-member governing board of the Redding Area Bus Authority and the six member Housing Authority's board. City staff provides accounting and administrative services to all four agencies. Additional detail is provided in Note 1, Subparagraph A of the financial statements.

Redding is a full-service city. This includes public safety (police and fire), highways and streets, public improvements, planning and zoning, recreation and parks, airports, convention and auditorium facility, utilities (electric, water, wastewater, storm drainage, and solid waste collection and disposal), and general administrative services.

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. Since 1990 the City's population growth has been approximately 2% per year. The City's population of 89,973 has increased 10.12% 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 2006:

Year	City of Redding		Shasta County	
	Population	Annualized Percent Change Over Interval	Population	Annualized 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%
2005	88,459	1.35%	178,197	1.21%
2006	89,973	1.71%	181,368	1.78%

Source: 1970-2000 data from U.S. Census; 2001 - 06 data from the California State Department of Finance as of January 1.

CITY OF REDDING BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 14,200 representing an increase of approximately 15.9%:

<u>Year</u>	<u>Population (Rounded)</u>
2006	89,600
2011	96,700
2016	103,800

Source: Economic Sciences Corp.

The Redding area is expected to maintain approximately 50% 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, 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 2006:

<u>Region</u>	<u>Single Family Homes</u>
Redding	\$320,000
Sacramento	\$384,240
Los Angeles County	\$580,140
Orange County	\$725,190
San Francisco	\$760,930

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 2006 cost per square foot for a fully improved five-acre parcel of industrial land, including all bonds and assessments:

<u>Region</u>	<u>Average Prime</u>
Redding	\$ 3.50 - 4.00
Chico	\$ 4.00 - 4.50
Sacramento	\$ 4.50 - 6.00

Source: Coldwell Banker Commercial Properties

CITY OF REDDING BUDGET
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The monthly lease rate for industrial buildings varies with location, infrastructure, type, and square footage of the building. The following table compares monthly 2006 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:

<u>Region</u>	<u>Gross Basis</u>
Sacramento	\$0.51 - \$0.58
Redding	\$0.45 - \$0.50
Chico	\$0.45- \$0.50

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. However, 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 December 2006 are listed in the following table:

<u>Company</u>	<u>Product/Services</u>	<u>Employees</u>
Mercy Medical Center	Medical Facilities/Services	1,570
Shasta Regional Medical	Medical Facilities/Services	1,300
Holiday Markets	Grocery	1,050
Sierra Pacific Industries	Manufacturing	650
Shasta Nursery California	Wholesale Nursery	600
Blue Shield of California	Health Care Insurance	600
J & A Food Service	Food Services/Restaurants	600
Shasta Nursery	Plants	600
Win River/Rdg Rancheria	Casino	576
PG&E	Utilities	275

Source: Greater Redding Chamber of Commerce

CITY OF REDDING BUDGET
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According to the State Employment Development Department, the unemployment rate of the City's metropolitan area was 6.3% in December 2006. 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 2000 through 2006:

2000	75,700	4,400	5.8%
2001	77,200	4,400	5.7%
2002	82,400	5,600	6.7%
2003	83,900	6,200	7.4%
2004	83,800	6,200	7.4%
2005	82,500	5,700	6.9%
2006	82,200	5,200	6.3%

Source: State Department of Employment

Construction Activity - For the past ten calendar years ending December 2006, the City issued building permits valued at a total of \$1,415,515,427. New construction over the ten-year period represents 73% of the total construction activity. For the 2006 calendar year 2,308 building permits were issued, with a total permit valuation of \$170,142,515. Current trends indicate that the construction activity in the City of Redding is expected to decline in the coming year.

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:

	2004	2005	2006
Value Single Family*	\$73,217,109	\$120,544,146	\$55,897,416
Number of Permits	287	720	587
Value Multi-dwellings	\$11,364,890	\$14,892,727	\$12,019,895
Number of Units	225	216	131
Value Business	\$29,032,702	\$32,379,315	\$38,299,649
Number of Permits	70	68	63
Value Total all Permits	\$151,017,757	\$222,735,090	\$170,142,515
Total permits **	4,025	4,645	4065

* 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

CITY OF REDDING BUDGET
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area population of approximately 176,000 in the primary trade area and approximately 246,000 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 \$2,048,971 in calendar year 2005 a 7.9% increase over the same period for 2004. The number of outlets reporting taxable sales to the California State Board of Equalization increased from 3,179 in 2004 to 3,245 in 2005 as shown in the following table:

Year	Number of Outlets	Taxable Transactions (In Thousands)	Taxable Transactions Percentage Increase/Decrease
2000	2,863	\$ 1,453,052	--
2001	2,906	1,561,842	7.5%
2002	2,984	1,652,064	5.8%
2003	3,061	1,748,793	5.9%
2004	3,179	1,898,286	8.5%
2005	3,245	2,048,971	7.9%

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 61000 for fiscal year 2005-06.

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 29 elementary schools, 13 middle schools, and 15 high schools. Shasta College, a two-year institution, offers both day and evening courses to approximately 9,300 students. Simpson University, a four-year liberal arts institution, has current enrollment of approximately 1,100 students.

The City’s parks system includes 66 developed parks, encompassing 585 acres. Included in this total acreage are 175 acres of natural area parks (improved open space), and 60 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 Aquatic Center; the Redding Big League Dreams Sports Park; the Senior Citizens Center; 3 boat ramp facilities providing

CITY OF REDDING BUDGET
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access to the Sacramento River; and various community centers and special event venues such as the Martin Luther King, Jr. Center, the Caldwell Recreation 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 519 beds and employ approximately 2,400 staff members. In addition, the City also has several specialized hospitals.

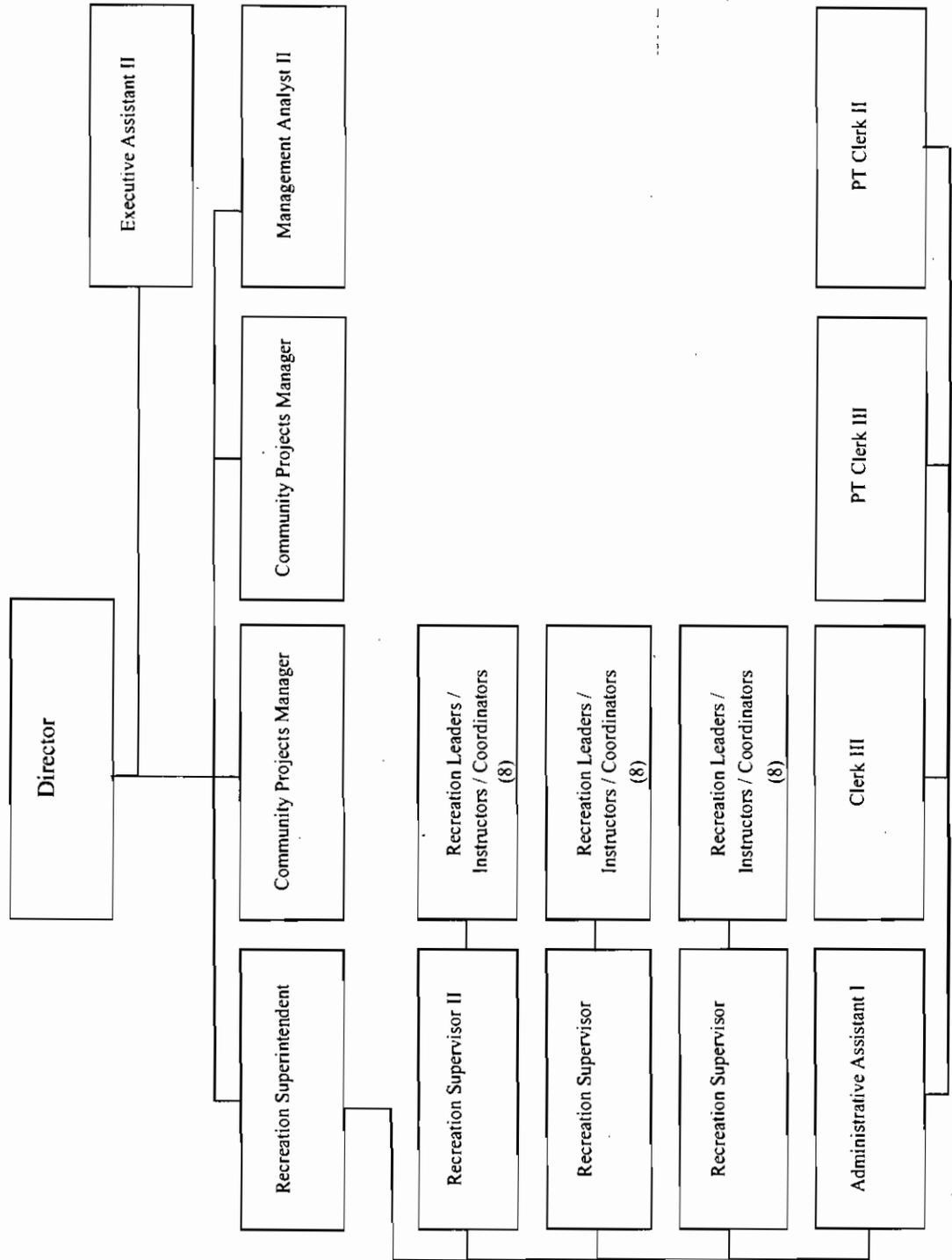
Community Services



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

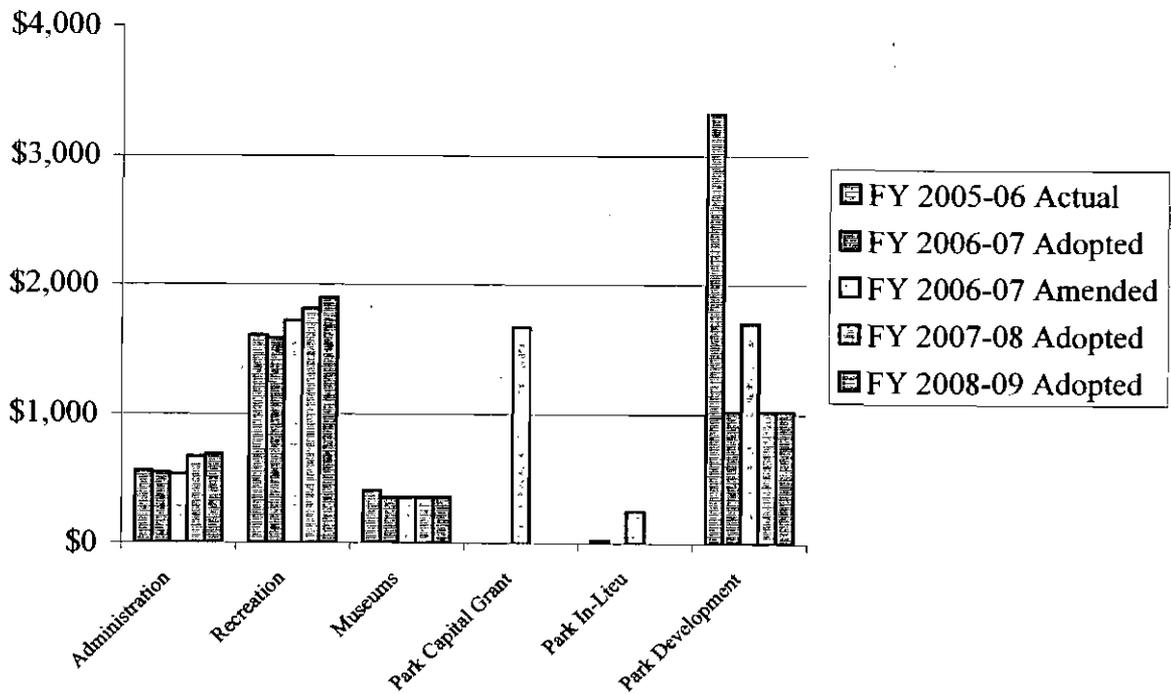
COMMUNITY SERVICES DEPARTMENT

Organizational Chart - May 2007



Community Services

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 Capital Grants, Park In-Lieu and Park Development Divisions, which are part of the Development Fund.

The Adopted Budget for fiscal year 2007-08 totals \$3,859,460, a decrease of \$2,415,070 from the fiscal year 2006-07 Amended Budget. This decrease is primarily due to a reduction in capital projects budgeted. The Adopted Budget for fiscal year 2008-09 totals \$3,966,250, an increase of \$106,790 from the fiscal year 2007-08 Adopted Budget. This increase is primarily due to increased personnel costs in all the General Fund divisions and a slight increase in financing charges in the Park Development Division.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Administration	\$ 559,815	\$ 544,880	\$ 529,670	\$ 672,400	\$ 142,730	\$ 689,940	\$ 17,540
Recreation	1,608,625	1,581,740	1,767,010	1,812,830	45,820	1,898,730	85,900
Museums	406,062	354,047	355,930	356,150	220	356,680	530
General Fund Sub Total	2,574,502	2,480,667	2,652,610	2,841,380	188,770	2,945,350	103,970
Park Capital Grant Capital Projects	0	0	1,669,000	0	(1,669,000)	0	-
Park In-Lieu Fee Projects	25,554	0	250,770	0	(250,770)	0	-
Park Development Fee Capital Projects	3,325,022	1,019,260	1,702,150	1,018,080	(684,070)	1,020,900	2,820
Special Revenue Fund Sub Total	3,350,576	1,019,260	3,621,920	1,018,080	(2,603,840)	1,020,900	2,820
TOTAL	\$ 5,925,078	\$ 3,499,927	\$ 6,274,530	\$ 3,859,460	\$ (2,415,070)	\$ 3,966,250	\$ 106,790

* Excluded carryover amounts

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, 2008 AND 2009

Division		Personnel	Materials Supplies & Services	Capital Outlay	Debt Service	Total
Administration	FY 2008-09 Adopted	\$ 542,720	\$ 102,220	\$ 45,000	\$ -	\$ 689,940
	FY 2007-08 Adopted	\$ 512,480	\$ 109,920	\$ 50,000	\$ -	\$ 672,400
	FY 2006-07 Amended	\$ 441,320	\$ 88,350	\$ -	\$ -	\$ 529,670
	FY 2005-06 Actual	\$ 468,644	\$ 91,171	\$ -	\$ -	\$ 559,815
Recreation	FY 2008-09 Adopted	1,331,400	567,330	-	-	1,898,730
	FY 2007-08 Adopted	1,250,730	562,100	-	-	1,812,830
	FY 2006-07 Amended	1,108,260	499,920	158,830	-	1,767,010
	FY 2005-06 Actual	1,099,141	480,977	28,507	-	1,608,625
Museums	FY 2008-09 Adopted	6,680	350,000	-	-	356,680
	FY 2007-08 Adopted	6,150	350,000	-	-	356,150
	FY 2006-07 Amended	5,930	350,000	-	-	355,930
	FY 2005-06 Actual	6,062	400,000	-	-	406,062
Park Capital Grant Capital Projects	FY 2008-09 Adopted	-	-	-	-	-
	FY 2007-08 Adopted	-	-	-	-	-
	FY 2006-07 Amended	-	-	1,669,000	-	1,669,000
	FY 2005-06 Actual	-	-	-	-	-
Park In-Lieu Fee Capital Projects	FY 2008-09 Adopted	-	-	-	-	-
	FY 2007-08 Adopted	-	-	-	-	-
	FY 2006-07 Amended	-	-	250,770	-	250,770
	FY 2005-06 Actual	-	-	25,554	-	25,554
Park Development Fee Capital Projects	FY 2008-09 Adopted	-	-	-	1,020,900	1,020,900
	FY 2007-08 Adopted	-	-	-	1,018,080	1,018,080
	FY 2006-07 Amended	-	-	682,890	1,019,260	1,702,150
	FY 2005-06 Actual	1,086	4,103	2,301,533	1,018,300	3,325,022
Total	FY 2008-09 Adopted	\$ 1,880,800	\$ 1,019,550	\$ 45,000	\$ 1,020,900	\$ 3,966,250
	FY 2007-08 Adopted	\$ 1,769,360	\$ 1,022,020	\$ 50,000	\$ 1,018,080	\$ 3,859,460
	FY 2006-07 Amended	\$ 1,555,510	\$ 938,270	\$ 2,761,490	\$ 1,019,260	\$ 6,274,530
	FY 2005-06 Actual	\$ 1,574,933	\$ 976,251	\$ 2,355,594	\$ 1,018,300	\$ 5,925,078

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

Division	F/T P/T	FY 2005-06 Actual	FY 2006- 07 Adopted	FY 2006- 07 Amended	FY 2007- 08 Adopted	Change	FY 2008- 09 Adopted	Change
Administration	FT	5.00	5.00	5.00	5.00	0.00	5.00	0.00
	PT	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Subtotal	5.00	5.00	5.00	5.00	0.00	5.00	0.00
Recreation	FT	5.00	5.00	5.00	5.00	0.00	5.00	0.00
	PT	<u>24.02</u>	<u>24.04</u>	<u>24.04</u>	<u>28.60</u>	<u>4.56</u>	<u>29.60</u>	<u>1.00</u>
	Subtotal	29.02	29.04	29.04	33.60	4.56	34.60	1.00
Museums	FT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PT	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	FT	10.00	10.00	10.00	10.00	0.00	10.00	0.00
	PT	<u>24.02</u>	<u>24.04</u>	<u>24.04</u>	<u>28.60</u>	<u>4.56</u>	<u>29.60</u>	<u>1.00</u>
	Subtotal	34.02	34.04	34.04	38.60	4.56	39.60	1.00

Status of 2005-2007 Goals and Objectives

Administration Division

Goal

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

Status/Accomplishments

The Redding Soccer Park opened for business on March 7, 2007. The park includes four all-weather synthetic turf fields that meet NCAA standards; an administration/entry building; a food & beverage concession building with covered seating; misting stations; a perimeter walkway; 270 parking spaces and landscaping.

The Shasta Regional Soccer Association was formed as a non-profit organization to manage the park. The Board of Directors is comprised of Redding-area professionals with a passion for soccer.

In time, it is estimated that the facility will host more than 25 tournaments per year, bringing in approximately 30,000 visitors and almost \$5 million to the local economy. This year-round, lighted facility will provide much needed soccer fields to the local community as well as a regional tournament facility for the whole north state.

Goal

Facilitate construction and development of *The Sculpture Park at City Hall*.

Status/Accomplishments

The Sculpture Park at City Hall opened on May 13, 2006, with a dedication ceremony followed by a four-hour celebration that included the talents of several local musicians, talks by the exhibiting sculptors, and numerous children's activities.

The 2.5-acre park includes a collection of both permanent and temporary works of art in addition to two manicured gardens: the Bellaflora and California Galleries. Paved concrete walkways wind through the park, with 135 shade trees, benches, picnic tables, and fountains to make *The Sculpture Park at City Hall* an attractive and comfortable place to visit.

Goal

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

Status/Accomplishments

Work commenced on implementation of the priority park projects outlined in the Plan:

- ***Vista Ridge Park***

This 1-acre undeveloped park site in northeast Redding was built primarily by the volunteer efforts of Redding residents and local businesses. The Home Depot and KaBOOM! (a national non-profit organization dedicated to building neighborhood playgrounds) partnered with the City to build the playground. Local artist and park neighbor Lucius Upshaw created a 9'x3' hammered-copper panel depicting a spectacular view of Mount Lassen. Various service organizations and community groups assisted with the planting of hundreds of flowers, shrubs and trees.

- ***Jump River Playground***

Located near the Redding Aquatic Center in Caldwell Park, the Jump River playground includes a tot lot and swings for small children (age 2-5 years), a drinking fountain, a covered pavilion with picnic tables donated by area residents and a unique mountain finger park. Design ideas for the playground were obtained from children who participated in a workshop held at the beginning of the project. Partnerships with several local organizations were necessary to accomplish the goal of opening a new playground in Redding's regional riverfront park, especially the countless hours of volunteer work by the Redding East Rotary Club.

- ***East Oak Park***

The City of Redding's first new neighborhood park in a decade opened in October 2006, with an Open House attended by more than 200 residents. The 5.63-acre park includes play equipment, a basketball court, open turf area, trails and an abundant canopy of native trees. The park serves many longtime Enterprise area residents as well as future residents of the new East Oak Estates development. With the nearest park almost two miles away at Enterprise Park, East Oak Park provides a convenient and safe play area for the neighborhood residents. The park was constructed through a partnership with Concept Development Corporation, developer of the East Oak Estates project.

- ***Adopt-A-Trail/Park***

In July 2006, a program to allow residents to adopt a trail or park was launched. The residents commit to quarterly clean-up projects at their designated place. Several parks and trails have already been adopted and cleaned by people interested in community beautification.

Goal

Continue the expansion of our nationally recognized trails system.

Status/Accomplishments

Approximately 40 miles of new trails have been added to the regional system since 2000, almost tripling the mileage for a total regional trail network of 54 miles. System enhancements completed by the City and through regional partnerships over the last two years include:

- Amenities around the Sundial Bridge, Lake Redding and Turtle Bay boat ramp areas
- Construction of the Mary Lake/Westside Trail link
- Palatine Trail
- Old 99 Trail - Phase I
- Buenaventura Trail - Phase I
- Villages Trail
- Extensions of the Shasta Trinity Trail to Whiskeytown NRA
- Improvements to Fishermans Trail at Keswick Reservoir

Goal

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

Status/Accomplishments

The Turtle Bay boat ramp restoration was completed in Spring 2007. In addition to the boat ramp restoration, this area now includes a new restroom, a canoe/kayak launch area, picnic facilities and night lighting along the trail.

We received an additional \$326,000 grant for Lake Redding and expect to bid improvements to the Lake Redding boat ramp in July 2007, with work to begin this Fall.

Goal

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

Status/Accomplishments

The *Art in Public Places* Program continues to attract the interest of area residents and artists. The past two years saw the unveiling of several new pieces of public art, along with the thrice-yearly exhibits in City Hall and the December Entertainment musical program. The Art in Public Places Committee continues to provide input on incorporating public art elements into various City projects and activities. From the ceramic mural added to the Mayors' Memorial Fountain, to the bronze C.C. Bush sculpture at the Caldwell Art Walk, the hammered-copper fountain sculpture in the Cypress/Hilltop Welcome Redding sign and concluding with the opening of *The Sculpture Park at City Hall*, the citizens of Redding saw an unprecedented increase in public art.

The Art in City Hall gallery showings continued with Division staff coordinating the exhibition of works by over 36 individual artists or art groups. The exhibits were launched with an evening reception attracting over 400 guests.

In 2006, we added a fourth art exhibit when the Redding branch office of financial services firm A.G. Edwards & Sons, Inc. sponsored a two-month exhibit of prints, photographs and posters from the St. Louis-based company's corporate art collection. *American Exploration & American Spirit: Selections from the Corporate Collection of A.G. Edwards* consisted of seventy-five images produced during the 19th and 20th centuries. This exhibit combined two separate shows, bringing together works that traced the westward expansion of the United States with other pieces that visually define the ideas of liberty and the

American spirit. Artwork included pieces by such renowned artists as Andy Warhol, Alfred Stieglitz and Roy Lichtenstein.

Goal

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

Status/Accomplishments

Participation statistics and financial returns for Big League Dreams are ahead of schedule. The park is operating successfully.

Other Significant Accomplishments

• ***Youth Action Council***

In February 2006, the City Council approved the formation of the Youth Task Force. The purpose of the group was to formalize and integrate youth participation into civic processes and decision-making with the goal of assisting us in better serving our youth. The students received an education in local government and local issues and were involved in creating events.

The group renamed themselves the Youth Action Council (YAC) and is composed of youth with a variety of interests, backgrounds, and achievements. The group meets twice each month and each member is required to serve on a project committee that involves additional time beyond the meetings.

In October 2006, three of the YAC members attended the annual Search Institute conference in Minneapolis. Many other youth from around the country attended, sharing their experiences with serving on Youth Councils and working on service projects. The YAC adopted Foxtail Park, providing it with a much-needed facelift, and also volunteered at Marketfest. They assisted the Police Department with an anti-bullying presentation to local elementary schools. Currently, the YAC is planning a leadership conference for area youth in April. Work is ongoing with Convention Center staff to bring some youth-oriented entertainment to that venue.

• ***Churn Creek Clean-Up***

In an effort to improve one of the important waterways running through Redding, a coalition of residents, community groups and other government agencies joined together for the Churn Creek Clean-Up. This daylong effort involved 700+ volunteers cleaning debris from 17 miles of Churn Creek, which runs from Shasta Lake to its entry point into the Sacramento River in Anderson. An estimated 60 tons of debris was removed from the creek during this event.

• ***Park Concessions***

In Summer 2005, we announced that concessions would be available for specific areas within the City of Redding park system. This opportunity to enhance amenities within the parks led to contracts being written with two different frozen treat vendors and a pony ride concession at Kids Kingdom. This idea was so successful it has continued and is being offered again in 2007.

Recreation Division

Goal

Develop Joint-Use and Funding Agreements with community partners to improve community access to non-City-owned recreation facilities.

Status/Accomplishments

Over the last two years, the City has entered into several funding agreements with both youth sport leagues and school districts for recreational amenities.

The City provided Park Development Fund monies for ball field improvements at Rother Elementary School along with annual maintenance and utility expenses at Alta Mesa Elementary School. In turn, the City is allowed to schedule the Alta Mesa Gymnasium for City-sponsored activities and programs.

The Shasta County Office of Education (SCOE) and the City have signed a long-term joint use arrangement for Magnolia Park (1.6 acres) which was at one time part of a school campus and has served the needs of many in the Downtown area for generations. Under this agreement, SCOE will allow the public's use of the park and perform the required maintenance for twenty-five years. The City provided monies to purchase and install new playground equipment and agreed to provide funds every five years to replenish the material (rubberized bark) around the playground equipment.

The City established a partnership with Redding School District to construct a jogging path around the perimeter of the Juniper Academy grounds. This path has proven very popular with neighborhood residents, providing a safe, maintained venue for recreational fitness.

Goal

Manage Tiger Field renovation project.

Status/Accomplishments

Staff convened a group of representatives from the field's user groups. They identified better lighting, restrooms, and food concession facilities as the priorities for Tiger Field. In Spring 2006, the lights were upgraded to new, more energy efficient 1,500 watt bulbs. Phase II includes a new concession/storage/restroom facility, new concrete walkways, bleachers, and additional storage in the right field corner. Construction on Phase II has begun and will be completed before Summer 2007.

Goal

Complete the renovation of the Caldwell Recreation Center restrooms.

Status/Accomplishments

The restroom facilities were updated to meet ADA standards. The project was completed in Spring 2006.

Goal

Promote the principles of Developmental Assets in the workplace and throughout the community via our programs.

Status/Accomplishments

The Developmental Assets were published in the Recreation Activity Guide, which is widely distributed four times per year. Many members of the staff were trained on the Developmental Asset principles and benefits. Each week during the summer a different asset was selected and posted at the summer camps, the Aquatic Center, the Martin Luther King, Jr. Center, and youth sports program venues.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Goal

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

Status/Accomplishments

Recreation Division staff were using different versions of some software programs (Microsoft Word, Excel and Publisher). The software was updated so documents could be revised at any computer station and shared more easily by office staff. Staff continued work to improve the AS400 recreation program to streamline registration and provide better expense tracking.

Goal

Implement physical improvements at the Redding Aquatic Center.

Status/Accomplishments

The floor of the Change House at the Aquatic Center had become slick when wet. A contract was let to apply an anti-slip surface, which is performing very well. Other improvements included new fencing around the big slide, an additional party tent, and two storage units.

Goal

Complete a recreation program evaluation for the Recreation Division.

Status/Accomplishments

Upgrades to the software allowed us to obtain much of the information needed. Additional data will be gathered this coming year. Analysis and evaluation will occur in the coming budget cycle.

Goal

Coordinate the annual 3-on-3 Basketball Event.

Status/Accomplishments

The 3-on-3 Basketball Tournament completed its ninth year with 241 teams playing. While we have contracted in the past with an outside group to manage the program, this year the Shasta Union High School District will provide administration for the event. The District's participation will lead to the City's involvement being phased out over the next three years.

Goal

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

Status/Accomplishments

The Fourth of July Freedom Festival continues to be Redding's largest single-day event.

Goal

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

Status/Accomplishments

Staff provided a safe, clean place where 35-45 children from the neighborhood come each day for a variety of activities. Tutors and computers are available to help with homework and activities are scheduled on a regular basis.

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.

Status/Accomplishments

We evaluated this event after hosting it in 2005 and 2006 and experiencing limited participation from the public. We decided to revamp this idea and move it to the Mt. Shasta Mall where there is a climate-controlled environment and significantly greater public exposure.

Goals and Objectives for Fiscal Years 2007-2009

Administration Division

Goal

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

Objectives

- Complete Rivercrest Park, Bel Air Park and portions of Shastina Ranch Park with park designs that are responsive to the community's needs.
- Seek partnership opportunities for park, trail and open space development.
- Review new subdivision applications for appropriate park and trail development opportunities.

Goal

Continue the expansion of our nationally-recognized trails system.

Objectives

- Complete construction of the Sacramento River Trail to Shasta Dam (with regional partners) and the Sacramento River Parkway Trail extension from the Sundial Bridge to Highway 44.
- Begin construction of the Buenaventura Trail, connecting west Redding to the Sacramento River Trail.
- Complete right-of-way acquisition of the Old 99 Trail.
- Complete Phase II of the Lake Redding boat ramp restoration.
- Complete Phase I of the Westridge/Canyon Creek Trails.
- Focus on improving trail connections.
- Continue working with our established partners on further additions and seek new partnerships with other organizations and property owners.

Goal

Plan for the establishment of a park and community center on Lake Boulevard.

Objectives

- Complete resident survey and analyze results.
- Determine program and facility partners.
- Develop a program proposal for facilities.
- Work towards construction.

Goal

Facilitate the on-going operations of the Redding Sports Complex and Redding Soccer Park.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objectives

- Administer the Big League Dreams contract.
- Administer the Redding Soccer Park contract.
- Work with both facilities to ensure community needs are being met and new program development is explored.

Goal

Facilitate partnerships for community-wide Creek Clean-Up events.

Objectives

- Establish a working committee.
- Facilitate project logistics.
- Promote volunteer opportunities to the community.

Goal

Facilitate the Youth Action Council activities.

Objectives

- Advocate and facilitate involvement of the Youth Action Council in City operations and decision-making.
- Assist the Youth Action Council members with their projects and goals.

Goal

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

Objectives

- Coordinate three annual art exhibits and host the opening night receptions.
- Develop and implement the *Art in Public Places* website.
- Coordinate the "December Entertainment" concerts at City Hall.
- Host reception for the annual community-wide 'Cultural Cruise' held in January.
- Advise other City departments on public art opportunities.
- Work with the Art in Public Places Committee to seek opportunities for placement of public art.

Recreation Division

Goal

Complete K-2 (Quartz Hill Road) ball field lighting project.

Objectives

- Replace existing quartz fixtures with new metal halide lights on steel poles.
- Change out the existing electrical service from overhead to underground.
- Provide information to users regarding the progress of the project.

Goal

Assist the Redding Sunrise Rotary Club with physical improvements to the Martin Luther King, Jr. Memorial Center.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objectives

- Expand the kitchen area to create a larger, more functional area.
- Examine options for improving storage space, specifically the flooring and shelving areas.

Goal

Continue project improvements at the Aquatic Center.

Objectives

- Examine ways to provide additional shade for participants.
- Analyze storage options for lane lines and pool covers.

Goal

Initiate a marketing campaign to promote Aquatic Center programs.

Objectives

- Design marketing materials.
- Designate appropriate venues for distribution of marketing materials.
- Consult or contract with strategic partners for cross-promotional opportunities.
- Examine alternative methods of advertising.

Goal

Develop joint use and funding agreements with various community partners to improve and expand facilities available for recreational programs.

Objectives

- Continue to explore with school district administrators various opportunities for school facility improvements to benefit students at school and city run programs.

Goal

Assist with transition of the 3-on-3 Basketball Tournament.

Objectives

- Contract with the Shasta Union High School District to run the tournament.
- Provide assistance by serving on the organizing committee.
- Work toward concluding the City's financial participation by 2010.

Goal

Continue to provide oversight of the Martin Luther King, Jr. Memorial Center.

Objectives

- Offer recreational and other life-enriching programs for youth and adults.
- Update the after-school snack menu to include more nutritious food.
- Work with the MLK Advisory Board to review operational policies and procedures.

Goal

Coordinate the Annual Fourth of July Freedom Festival.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objectives

- Coordinate the City resources and community participants necessary to ensure an enjoyable, safe community event.

Goal

Assist with the transition of teams and leagues to the new Redding Soccer Park.

Objectives

- Educate the public regarding how to access operational information about the Park.
- Provide advertising for some of the Soccer Park programs in the Recreation Guide.
- Assist with extra fields for large tournaments that exceed the park's capacity.

Goal

Complete a recreation program evaluation for the Recreation Division.

Objectives

- Analyze data collected in the last calendar year.
- Identify trends in participation.
- Identify strengths and weaknesses of current program menu.

Unmet Needs

Recreation Division

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

- Development and installation of an online registration system allowing visitors to the Redding Recreation website to register for programs and classes from any Internet connected computer 24 hours a day, seven days a week.

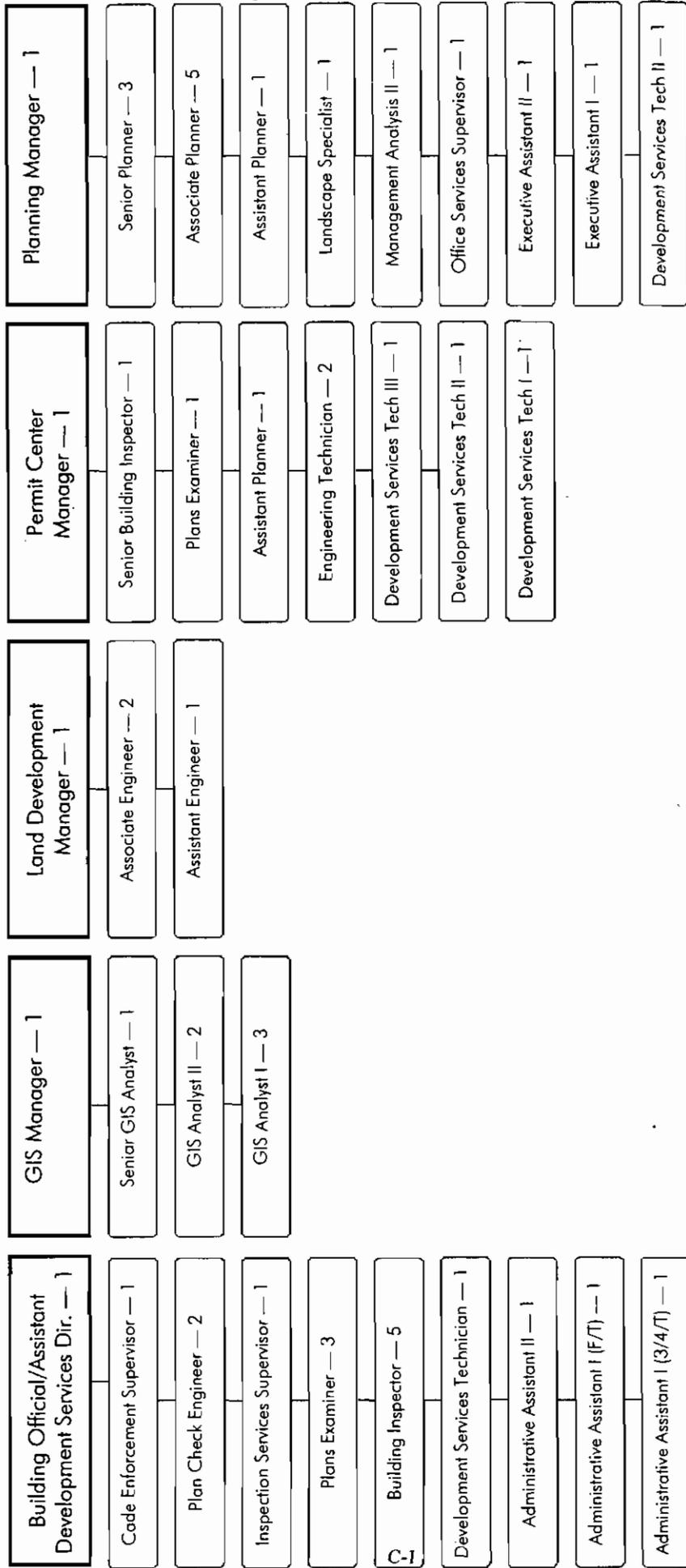
Development Services



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

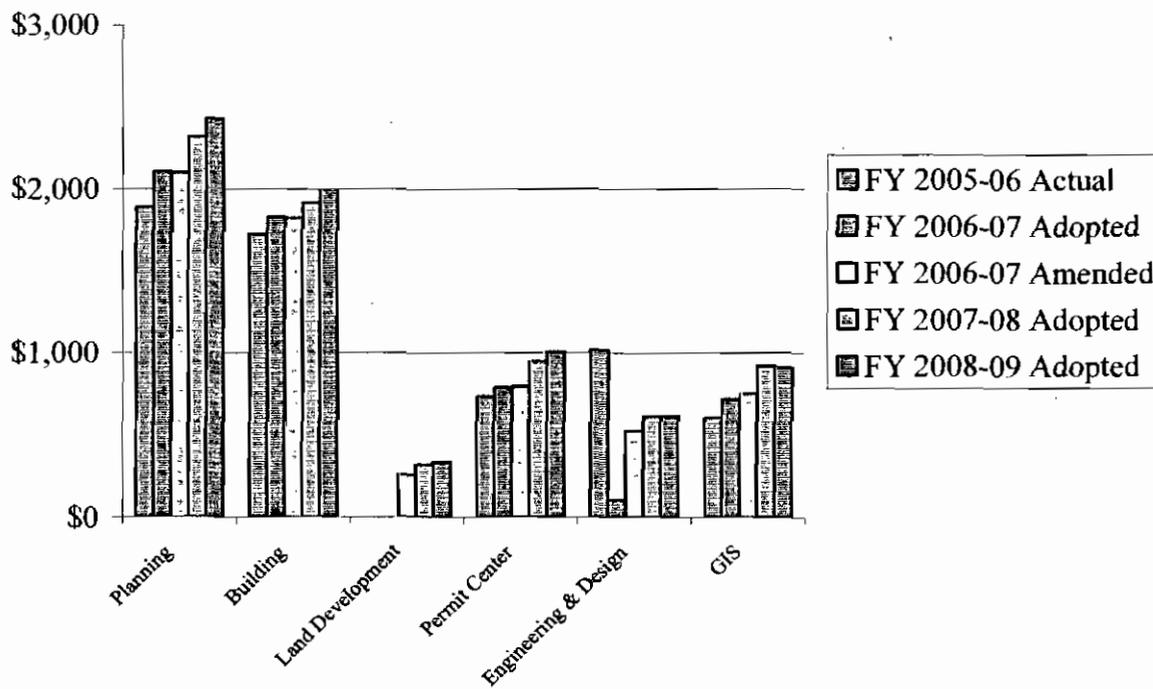
Development Services Department

Development Services Director — 1



Development Services

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

DEVELOPMENT SERVICES DEPARTMENT

OVERVIEW

The Development Services Department's proposed budget for Fiscal Year (FY) 2007-08 totals \$7,042,920, which is \$783,379 above the FY 2006-07 amended budget of \$6,259,541 (excluding carryovers). For FY 2008-09, the proposed budget totals \$7,310,320, which is \$267,400 over the proposed FY 2007-08 budget.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Planning	\$ 1,893,469	\$ 2,107,760	\$ 2,102,034	\$ 2,317,790	\$ 215,756	\$ 2,430,170	\$ 112,380
Building	1,726,749	1,829,040	1,823,500	1,916,890	93,390	2,004,540	87,650
Land Development	0	0	259,187	319,910	60,723	338,630	18,720
Permit Center	737,977	790,390	796,700	949,610	152,910	1,008,030	58,420
Engineering and Design	1,022,040	0	527,250	615,430	88,180	615,430	0
General Fund Subtotal	5,380,235	4,727,190	5,508,671	6,119,630	610,959	6,396,800	277,170
Geographic Information Systems (GIS)	607,138	719,790	750,870	923,290	172,420	913,520	(9,770)
TOTAL	\$ 5,987,373	\$ 5,446,980	\$ 6,259,541	\$ 7,042,920	\$ 783,379	\$ 7,310,320	\$ 267,400

* Excluded carryover amounts

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

CITY OF REDDING BIENNIAL BUDGET
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Division		Personnel	Materials Supplies & Services	Capital Outlay	Debt Service	Total
Planning	FY 2008-09 Adopted	\$ 1,729,180	\$ 700,990	\$ -	\$ -	\$ 2,430,170
	FY 2007-08 Adopted	\$ 1,637,330	\$ 680,460	\$ -	\$ -	\$ 2,317,790
	FY 2006-07 Amended	\$ 1,547,054	\$ 554,980	\$ -	\$ -	\$ 2,102,034
	FY 2005-06 Actual	\$ 1,415,497	\$ 477,972	\$ -	\$ -	\$ 1,893,469
Building	FY 2008-09 Adopted	1,629,800	374,740	-	-	2,004,540
	FY 2007-08 Adopted	1,545,930	370,960	-	-	1,916,890
	FY 2006-07 Amended	1,468,120	355,380	-	-	1,823,500
	FY 2005-06 Actual	1,429,829	296,731	189	-	1,726,749
Land Development	FY 2008-09 Adopted	294,320	31,210	13,100	-	338,630
	FY 2007-08 Adopted	276,680	30,130	13,100	-	319,910
	FY 2006-07 Amended	201,687	44,400	13,100	-	259,187
	FY 2005-06 Actual	-	-	-	-	-
Permit Center	FY 2008-09 Adopted	780,550	227,480	-	-	1,008,030
	FY 2007-08 Adopted	731,390	218,220	-	-	949,610
	FY 2006-07 Amended	697,290	99,410	-	-	796,700
	FY 2005-06 Actual	658,880	79,097	-	-	737,977
Engineering and Design	FY 2008-09 Adopted	-	-	615,430	-	615,430
	FY 2007-08 Adopted	-	-	615,430	-	615,430
	FY 2006-07 Amended	-	-	527,250	-	527,250
	FY 2005-06 Actual	-	-	1,022,040	-	1,022,040
Geographic Information Systems (GIS)	FY 2008-09 Adopted	696,320	200,700	16,500	-	913,520
	FY 2007-08 Adopted	662,190	196,600	64,500	-	923,290
	FY 2006-07 Amended	597,890	136,480	16,500	-	750,870
	FY 2005-06 Actual	506,837	99,771	530	-	607,138
Total	FY 2008-09 Adopted	\$ 5,130,170	\$ 1,535,120	\$ 645,030	\$ -	\$ 7,310,320
	FY 2007-08 Adopted	\$ 4,853,520	\$ 1,496,370	\$ 693,030	\$ -	\$ 7,042,920
	FY 2006-07 Amended	\$ 4,512,041	\$ 1,190,650	\$ 556,850	\$ -	\$ 6,259,541
	FY 2005-06 Actual	\$ 4,011,043	\$ 953,571	\$ 1,022,759	\$ -	\$ 5,987,373

Planning Division

The City of Redding's planning services are administered by a team of 14 planners, technicians, and clerical staff. The Planning Division has primary responsibility for zoning and land use permits as well as long-range community planning efforts and local administration of State environmental review laws. These activities include the review and coordination of public and private development proposals, such as subdivisions, use permits, site development permits, variances, General Plan amendments, re-zonings, and a variety of minor zoning permits. Other essential functions of the Division are to provide the public with information and guidance concerning land development proposals, General Plan policies, zoning regulations, floodplain administration, general property information, and demographic trends. The Division budget also includes the Development Services Director, Office Services Supervisor, and Management Analyst II positions, who provide support to all the Divisions within the Development Services Department.

Building Division

The Building and Code Enforcement Division consists of a staff of 15, including engineers, plans examiners, building inspectors, code enforcement professionals, development technicians, and clerical staff as well as the Building Official, who also serves as the Assistant Development Services Director. The Division includes sections for Plan Checking, Building Inspection, and Code Enforcement. The Division strives not only to ensure that buildings constructed in the City of Redding are structurally sound and safe for people to occupy, but also to see that the process is understandable, efficient, complete, and takes the least amount of time as reasonably possible.

Land Development

The Land Development Division consists of land development review of private development in the City. The Division has a staff of four full-time positions. Three of the staff are licensed engineers. The Division provides engineering support and land development plan review services for the Planning and Building Divisions, Redding Municipal Utility (RMU), Redding Electric Utility (REU), the Engineering and Transportation Department, and others, working cooperatively with applicants and development-industry professionals to ensure that projects interface well with private and public infrastructure.

Permit Center Division

The Permit Center Division provides direct customer services for the Engineering and Transportation Department, Planning and Building Divisions, Fire Department, and Redding Area Bus Authority (RABA). The Permit Center's focus is to make the customer's experience as efficient and convenient as possible. Continuing efforts are made to train and broaden the knowledge base of the Division's nine professional and technical staff members and to expand the array of information and services available to the public.

Engineering and Design Division

This Division was created for deposit-based permits. Included in this division are expenditures for staff time and materials associated with Tentative Map Applications, Environmental Impact Reports, and deposit-based Grading Permits. All charges for these permits are posted to this account and when the project is completed, the applicant is billed for the actual cost of the permit. Projects, and resulting charges, can span several years. Charges to this division will fluctuate with development. All costs are offset by an equal amount of revenue collected at the completion of the project.

Geographic Information Systems (GIS) Division

The GIS Division's goal is to deliver high-quality spatial and attribute data to the desktops, laptops, and PDAs of users, be they City staff, other agencies, or the general public, which allows decisions based on spatial information to be made as rapid and accurate as possible. The GIS Division produces nearly 3,400 finished mapping products a year, including sophisticated map query and analysis for both internal and external customers. Maintaining the "Mapguide" Internet-based service as an enterprisewide data viewer for City staff and the public is a "mission critical" service. Over 500 map and data layers are used and maintained by the GIS Division, with much of that data available through the City's Mapguide service to realtors, engineers, and the general public. The Division has seven full-time members, including the Division Manager.

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.

Land Development Division

The Division's Capital Outlay request is \$13,100 in both FY 2007-08 and FY 2008-09 for the Overall Work Program established by the Metropolitan Planning Organization.

Permit Center Division

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

Engineering and Design Division

The Division's Capital Outlay request is \$615,430 in both FY 2007-08 and FY 2008-09 for deposit-based permits. All costs are offset by an equal amount of revenue collected from the developers at the completion of the project.

CITY OF REDDING BIENNIAL BUDGET
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Geographic Information Systems (GIS) Division

The Division's Capital Outlay request is \$64,500 for FY 2007-08 and \$16,500 for FY 2008-09. The FY 2007-08 amount is for the replacement of a large-format printer and substantial software upgrades. The FY 2008-09 amount is for the replacement of a large-format plotter.

Personnel

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

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Planning	F/T	16.00	16.00	17.00	17.00	0.00	17.00	0.00
	P/T	0.00	0.00	1.00	0.00	-1.00	0.00	0.00
	Total	16.00	16.00	18.00	17.00	-1.00	17.00	0.00
Building	F/T	16.00	16.00	16.00	16.00	0.00	16.00	0.00
	P/T	1.00	1.00	2.00	1.00	-1.00	1.00	0.00
	Total	17.00	17.00	18.00	17.00	-1.00	17.00	0.00
Land Development	F/T	4.00	4.00	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
	Total	4.00	4.00	4.00	4.00	0.00	4.00	0.00
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
Geographic Information Systems (GIS)	F/T	6.00	6.00	7.00	7.00	0.00	7.00	0.00
	P/T	1.00	1.00	0.00	0.00	0.00	0.00	0.00
	Total	7.00	7.00	7.00	7.00	0.00	7.00	0.00
Total	F/T	51.00	51.00	53.00	53.00	0.00	53.00	0.00
	P/T	2.00	2.00	3.00	1.00	-2.00	1.00	0.00
	Total	53.00	53.00	56.00	54.00	-2.00	54.00	0.00

SIGNIFICANT ISSUES

Major Project Workload

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

- Provide major staffing and resource support for the Stillwater Business Park and Oasis Road Specific Plan and Infrastructure Financing Program, among many other projects.
- Support for the Regional Transportation Planning Agency "Blueprint Planning" Process and 2007 General Plan Update.
- Work on several Council-directed priorities, including a permit/project tracking system and parallel zoning code update.
- Convert building permit process and requirements from the Uniform Building Code to the International Building Code, as required by the State of California.
- Integrate RMU facility mapping with daily utility maintenance operations.
- Complete NPDES Phase II and implement the Storm Drain Master Plan.

STATUS OF 2005–2007 GOALS AND ACCOMPLISHMENTS

Planning Division

Goal

The Planning Division continued its efforts toward helping the community achieve its vision as expressed in the General Plan, while also effectively working with the individual property owner or resident to realize his/her objective. This was accomplished by:

- Performing competent project review for conformance with General Plan and zoning requirements, as well as State law.
- 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.
- Meeting permit processing time lines.
- Receiving a high level of satisfactory customer feedback.

Accomplishments

During the past two years, the Division has supported communitywide improvements with an estimated value of more than \$157,594,000 per year.

The status of specific work program goals from the FY 2005–07 budget is outlined below:

Customer service for internal and external customers.

- Provided two professional staff to the Permit Center on a daily basis.
- Received a satisfaction rate of 4.83 out of a possible 5 points (1–poor rating to 5–excellent rating) as reflected in customer feedback forms.
- Developed new written processing guidelines to assist staff in achieving permit time line goals.
- Dedicated a Senior Planner to economic development activities.
- Provided a liaison to the City's Housing Loan Committee.
- Processed the Environmental Impact Report, General Plan amendment, rezoning, and ALUC applications in support of the Stillwater Business Park.

Oasis Road Specific Plan and certification of the related Environmental Impact Report (EIR).

- Certified Specific Plan EIR on June 6, 2006; adopted Specific Plan on September 19, 2006.
- Initiated studies for formation of mechanism to finance infrastructure necessary to support development of the Plan area.

Continued implementation of the 2000–2020 General Plan.

- Reviewed and revised the General Plan Land Use Map and Zoning Map to achieve internal consistency as required by State law.
- Initiated a review/update of the General Plan.
- Adopted the Oasis Road Specific Plan.
- Updated the Grading Ordinance and coordinated/prepared the Local Hazard Mitigation Plan.
- Participated in the State's annual Housing Element Reporting Program.
- Prepared and filed required annual General Plan Progress Report with the Office of Planning and Research.
- Did not initiate update of the Subdivision Ordinance or creation of a Hillside Development Ordinance as programmed. This was due to staffing shortages and high workload volumes experienced in the past two years and dedication of staff to other General Plan and City Council implementation priorities, including revisions to the Tree Preservation Ordinance and Recreational Vehicle Parking Standards and commencement of the required General Plan Update.
- Participated with the Transportation and Engineering Department on plan line studies for Airport Road and Victor Avenue and reconfiguration of the Churn Creek Road/Victor Avenue/Rancho Road intersection.
- Completed updates of the Capital Improvement Plan and Traffic Impact Fee Program.
- Upon adoption of the FY 2005–07 budget, the Council approved an adjustment to the development permit fee schedule, with the objective of capturing 25 percent of Division costs in FY 2005–06 and 30 percent in FY 2006–07. This objective is reliant upon market activity. During the past budget cycle, which experienced a strong development climate, this goal was reached in FY 2005–06, and the Division budget is tracking toward achieving the goal in FY 2006–07.

Building Division

Goal

The Building and Code Enforcement Division was very successful in protecting the public by ensuring that buildings continued to be constructed and property maintained to meet the minimum requirements of State and Municipal Codes. This was accomplished by performing competent plan reviews and inspections and maintaining a high-level work ethic, integrity, cooperation, and sense of direction. A major Division focus continues to be conveying a sense of fairness and satisfaction to customers.

Accomplishments

Through FY 2005–06 and the first half of FY 2006–07, 61 percent of single-family residence applications were reviewed on the first cycle in 10 working days or less, with an average review time of 11.8 working days. On average, single-family-dwelling review times were 5 days longer than in FY 2003–04 and FY 2004–05. The time lines for plan check increased due to record levels of permit activity in FY 2005–06, in combination with multiple vacancies and in the plan check section resulting from retirements.

- All inspections requested were provided within 24 hours of the request.
- Code Enforcement continued to successfully abate nuisance and substandard properties throughout the City. In

FY 2005–06 Code Enforcement opened 1,356 new cases. These activity levels are similar to the two prior years.

- In FY 2005–2006, building inspectors performed 19,029 inspections, averaging 21 inspections per day, which exceeded the Division's benchmark target of 12 to 14 inspections per day.
- Staff met with members of the construction and development community to improve the quality of submitted plans in order to decrease the number of plan check cycles on new single-family dwellings.
- The Division provided training opportunities for the general public and construction community in the areas of disabled access, State Energy Code requirements, and a new National Electrical Code.

Land Development Division

Goal

Maintain a high level of service to the public and internal-service providers through efficient plan check processes and provision of accurate information to the engineering community and general public.

Accomplishments

The Division's objectives were met in the area of improvement plan processing and coordination of project conditioning. Project conditioning was done on the majority of projects within two weeks of the request. Plan checks met the established processing goals an average of 84 percent of the time for the first plan check and 96 percent of the time for the second plan check.

Permit Center Division

Goal

The Permit Center is committed to providing improved customer service through increased availability of business cards, early notification of fee increases, and an increased level of training in the area of customer service. Customer surveys continue to be positive, and staff continues to look for ways to meet customer needs in efficient and positive ways.

Accomplishments

- Improved Internet services. The Division introduced an initial offering of a plumbing permit online early in the budget cycle. Limited availability of IT staff support and a lack of up-to-date technology has constrained the expansion of Internet offerings.
- Expanded handout materials made available online, including permitting and land development information. New materials were also developed to address questions on impacts fees in a more efficient manner.
- Introduced a new generic deck design and construction plan handout. This handout allows staff and customers flexibility to deal with a variety of deck construction issues and facilitates over-the-counter permits for customers able to use the parameters of the deck design handout.
- Made the process more understandable. This is a major goal, given that customers have different levels of experience and expertise. The Permit Center has worked to be more aware of individual customers' expertise and to tailor responses and handouts to reflect the needs of the customer.
- Processing encroachment permits simultaneously when the building permit is processed was an identified goal for the budget cycle. The lack of up-to-date technology has prevented this.
- Posted procedures for Permit Center counter activities on the City's Intranet site. This allows staff to look up procedures at the computer when necessary, saving time for customers and staff.

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- Posted to the Intranet website authorizations by contractors for their staff to take out permits on their behalf. This has eliminated the manual filing system that was used previously.
- Eliminated the monthly manual mail-out of permit activity by posting this information on the Internet. This has saved staff time and printing and postage costs, plus the recipients prefer the full-time access to the information.
- Issued 61 percent of all building permits over the counter during the budget cycle. In addition, 26 percent of all permit applications submitted that required a formal plan check were reviewed by the Permit Center, speeding up the turnaround time for these projects and reducing the impact on Building Division resources.

GIS Division

Goal

Support the use of distributed mapping and analysis as an interface to Departmental and legacy data.

Accomplishments

- Completed interface upgrades to Mapguide Server to provide additional data and improved ease of use and updates.
- Added additional data layers to Mapguide, including backflow devices, storm-drain layers, redevelopment neighborhoods, airport clear zones and noise contours, 20 percent-and-greater slopes information, and preliminary REU atlas and circuit grids.
- Performed significant updates for utility data, and established new update processes and schedules.
- Added over 20 commonly utilized GIS data layers to our website and made them freely available for download to the public.
- Added over 15 commonly utilized GIS data layers in Google Earth format and made them freely available for download to the public.
- Completed development of core GIS data layers for use on the RABA web-mapping site.
- Continued to utilize mobile GIS for the Storm Drain Division and began working on mobile GIS implementations for the Water, Industrial Waste, and Traffic Operations Divisions.
- Limited Mapguide outages to approximately 120 events in 2006, with the longest outage limited to 5.5 hours.

Goal

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

Accomplishments

- Completed over 3,300 mapping/work requests in FY 2005-06 and over 3,500 mapping/work requests in FY 2006-07.
- Provided quick-turnaround maps, exhibits, and presentation materials for numerous economic development prospects and grant applications.
- Coordinated the transfer and/or dissemination of hundreds of gigabytes of digital mapping and data to various consultants and agencies on behalf of several City departments and divisions.

CITY OF REDDING BIENNIAL BUDGET
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- Provided training to multiple City departments in the use of GIS data, mobile GIS software, and applications.

Major Unanticipated Assignments Completed

These are projects where GIS played an unanticipated role during the FY 2005-07 budget cycle producing maps, analysis, or data for completion of some aspect of the project which took significant staff resources:

- Stillwater Business Park
- REU Transmission Line
- Soccer Fields/Sportspark
- Trails Projects
- Oasis Specific Plan Alternatives
- Auto Mall Alternatives/Analysis
- Downtown Parking Study
- Local Hazard Mitigation Plan
- Significant parcel and utility conflations to match ariel imagery

WORKLOAD INDICATORS AND PERFORMANCE MEASURES

Planning Division

Development Applications Received	FY 2005-06	FY 2006-07 Projected	FY 2007-08 Projected	FY 2008-09 Projected
Site Development Permit	36	24	30	36
Use Permit	11	11	12	15
Parcel Map	21	23	22	26
Subdivision	26	17	16	20
Planned Development	12	12	12	12
Rezoning	15	6	6	6
General Plan Amendment	9	3	4	4
All others	183	159	158	190
TOTAL	313	255	260	309

Turnaround times were established in 1996 for nine types of permit applications, with a success rate objective of 80 percent for subdivision maps and 90 percent for all other types of applications:

	FY 2005-06			FY 2006-07		
	No. of Approvals	Goal	Success Rate	No. of Approvals	Goal	Success Rate
Subdivisions	14	80%	86%	8	80%	100%
All Others	123	90%	85%	50	90%	78%

* Through March 10.

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Building Division

	FY 2005-06	FY 2006-07 Estimated	FY 2007-08 Projected	FY 2008-09 Projected
New Single Family (# of units)	498	234	492	500
New Single Family (valuation)	\$ 86,399,000	\$ 48,611,000	\$ 89,102,000	\$ 90,965,000
New Multiple Family (# of units)	203	35	135	145
New Multiple Family (valuation)	17,257,000	3,100,000	10,291,000	10,439,000
New Commercial (# of buildings)	56	66	77	79
New Commercial (valuation)	32,438,000	51,092,000	30,332,000	31,228,000
Remodels & Repairs (valuation)	23,937,000	25,699,000	23,923,000	24,386,000
Other (valuation)	13,362,000	13,293,000	13,019,000	14,035,000
TOTAL	\$ 173,393,000	\$ 141,795,000	\$ 166,667,000	\$ 171,053,000

PERMIT PROCESSING GOALS ^{1 & 2}						
Plan type	Working Days to Review			Target % Success Rate	Maximum Review Time-Days	Other Juristictions
	2004-05	2005-06	2006-07			
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
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 hours	24 hours

¹ 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 \$70,000, and (3) an annual construction valuation of \$175,000,000.

Land Development Division

ACTIVITY	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Projected	FY 2008-09 Projected
Encroachment Permits Plan Checked	348	382	390	405
Grading Permits Plan Checked	95	76	55	60

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Permit Center Division

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Projected	FY 2008-09 Projected
Plans Submitted for Review	2,228	1,647	2,201	2,237
Over-the-Counter Permits Processed	2,422	2,424	2,730	2,812
Total Permits Issued	4,478	4,418	4,551	4,687
Average Monthly Customer Survey Responses	5	5	5	5
Average Score for Customer Survey Responses (1-lowest, 5-highest)	4.8	4.7	4.8	4.8
Transportation Permits Issued	1,076	917	935	954
Encroachment Permits Issued	337	344	351	358
RABA Passes Issued	750	742	765	780

GIS Division

Description	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Estimated	FY 2007-08 Projected	FY 2008-09 Projected
Mapping /Analysis Requests	3,150	3,300	3,500	3,700	3,900
Mapguide Server Map Visits	870,000	920,000	985,000	1,250,000	1,450,000

GOALS AND OBJECTIVES FOR 2007-2009

Planning Division

The Planning Division will continue working towards ensuring that new development meets or exceeds the goals of the community as set forth in the General Plan and Redding Municipal Code. This will be accomplished by coordinating comprehensive citywide reviews of new development projects; supporting and encouraging public involvement in the planning process; and maintaining integrity, a sense of cooperation, and continually working to obtain fairness for customers and the public.

Goal

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

Objectives – Internal Customers

Provide regular and timely updates to management on projects and applications.

- Support economic development efforts and activities.
- Continue support of design and development of Parkview, MLK, and Downtown housing and development projects.
- Provide support for design and development of the Tentative Subdivision Map and Planned Development Plan for the Stillwater Business Park.

Objectives – External Customers

- Fully support Permit Center front-counter operations.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

- Maintain regular contact with key customers and a customer satisfaction rating of 4.5 (excellent).
- Process complete applications within target time lines.

Goal

Continue implementation of the Redding General Plan.

Objectives

- Complete update of the General Plan by June 2008.
- Complete Housing Element Update in 2008.
- Support regional "Blueprint Planning" effort.
- Develop ordinances recognizing changes to housing trends.
 - Complete "parallel development (smart growth) standards" code.
 - Complete cluster-lot and small-lot design guidelines.
 - Revise public/private street standards in conjunction with other Departments.
- Prepare hillside development standards/regulations and revisions to Subdivision Ordinance where necessary.
- Prepare Diestelhorst Neighborhood General Plan amendments.

Goal

Implementation the National Pollution Discharge Elimination System (NPDES) and CEQA mitigation monitoring requirements in project review and conditioning.

Objectives

- Implement NPDES project review and conditioning consistent with the City's NPDES permit.
- Coordinate NPDES implementation efforts with other City departments.
- Provide training to Division staff regarding NPDES standards and requirements.
- Jointly develop and distribute brochures and handouts with other affected departments, clarifying the requirements of NPDES.
- Coordinate CEQA mitigation monitoring and enforcement efforts with other City departments.

Goal

Perform assessment and system evaluation work necessary for the selection and implementation of computerized permit tracking system in FY 2009–10 budget cycle.

Objectives

- Participate in the RFP and selection process for a new tracking system pending budget/Council approval.

- Participate in the development of the system needs evaluation for the new system.

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 processing 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.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

- 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

Implement the adoption and enforcement of the 2007 California Building Standards Code.

Objectives

- Modify the Redding Municipal Code to adopt the 2007 California Building Standards Code to provide consistency with the State Health and Safety Code.
- Provide training opportunities for staff and the construction industry on the new codes.
- Provide training opportunities for the public.
- Implement enforcement of the new codes.
- Update the Division policy manual to be consistent with the new State building codes.
- Update handouts to be consistent with the new codes.

Goal

Implement enforcement of the National Pollution Discharge Elimination System.

Objectives

- Implement NPDES enforcement consistent with the State NPDES permit.
- Coordinate NPDES enforcement efforts with other City departments.
- Provide training to staff.
- Develop and distribute brochures and handouts clarifying the requirements of NPDES.

Goal

Improve communication with the building community.

Objectives

- Invite the 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.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

- Improve public image through the use of public information programs.

Goal

Perform assessment and system evaluation work preliminary to selection and implementation of computerized permit tracking system in FY 2009-10.

Objectives

- Participate in the selection process of a new tracking system pending budget/Council approval.
- Participate in the development of the Division needs assessment for the new system.

Land Development Division

Goal

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

Objective

- Promptly return telephone calls and written correspondence, generally within four hours and four days, respectively.
- Continue to pursue process improvements for Land Development plan review and conditioning.
- Provide project conditioning within two weeks of request.
- Provide first plan check within three weeks and second check within two weeks.

Goal

Perform assessment and system evaluation work preliminary to selection and implementation of computerized permit tracking system in FY 2009-10.

Objectives

- Participate in the selection process of a new tracking system pending budget/Council approval.
- Participate in the development of the Division needs for the new system.

Permit Center Division

Goal

Improve staff awareness of customer needs.

Objective

Invite local developers to share their perspective on Permit Center services through regular outreach efforts.

Goal

Continue to develop information handouts of value to our customers for all services and activities conducted or supported at the Permit Center.

Objectives

- Develop design-detail handout for freestanding carport to facilitate permitting.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

- Develop a sample set of house plans, complete with details and site plan, to facilitate permitting process

Goal

Improve data collection and distribution system between the Building Division and Utility Divisions for new development or change in building uses.

Objectives

- Determine data needs and triggers for distribution.
- Determine path of data from Building Division to Utility billing.
- Automate and simplify where feasible.

Goal

Fill vacant counter Plans Examiner position.

Objectives

- Change position to Plans Examiner from Senior Inspector to broaden the pool of applicants suited to the position.
- Determine if there are other reasons other than salary level that are not making the position attractive to qualified candidates.
- Expand advertising avenues.

Goal

Issue more than 60 percent of all building permits over the counter.

Objectives

- Continue to seek opportunities to simplify the permit process.
- Develop handout materials that will provide enough information to simplify the plan check process.
- Continue to expand online services.

Goal

Perform assessment and system evaluation work preliminary to selection and implementation of computerized permit tracking system in FY 2009-10.

Objectives

- Participate in the selection process of a new tracking system pending budget/Council approval.
- Participate in the identification and development of the Division needs assessment for the new system.
- Complete digital conversion of Department records preliminary to implementation of computerized tracking system.

GIS Division

Goal

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

Objectives

- Develop infrastructure and applications to provide access to GIS data, analysis, reports, documents, and images to the desktop of City staff, to 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 creation and analysis, reporting, imaging, data maintenance, and data delivery to City departments, City consultants, outside agencies, and the public.

Objectives

- Provide timely, efficient, and accurate GIS mapping and analysis 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 and collection, organization, implementation, presentation, and distribution of GIS data and applications.
- Continue maintenance and implementation of new and existing map and data layers and GIS applications.

Goal

Perform assessment and system evaluation work preliminary to selection and implementation of computerized permit tracking system in FY 2009–10.

Objectives

- Participate in the selection process of a new tracking system pending budget/Council approval.
- Participate in the discussion of the Division needs for the new system.

UNMET NEEDS

Planning Division

Professional Consulting Services—\$50,000. These funds provide for maximum flexibility in obtaining specialized services to respond to Council and Planning Commission requests for information on project-related topics, including environmental and traffic impact issues. Such monies may be necessary to support:

- General Plan Update Committee
- Parkview Neighborhood Traffic Protection Plan
- Studies in support of creation of infrastructure financing districts.
- City-County joint Planning Agreement

Economic Development—\$50,000. The Planning Division dedicates a Senior Planner position and support service from other staff to economic development needs on a request-for-service basis. To date, in FY 2006–07, these efforts have consumed approximately 27 percent of the Senior Planner's time. It is anticipated that this support will increase as efforts to develop the Stillwater Business Park accelerate. This position also bears responsibility for processing other major development permits, serves as a project team leader, and is a direct supervisor to other staff. At this time, adjustments to the Planning Division's budget are not requested; however, the amount of time spent in economic development-related activities will be monitored and future staffing needs evaluated if necessary to support this priority activity.

Total Unmet Needs for the Planning Division — \$100,000

Building Division

Operations and Materials/Supplies/Communications — \$25,000. The Division's O & M budget has not kept up with inflation, resulting in a repeated shortfall. This typically becomes evident in the last quarter of each fiscal year when there are insufficient funds to purchase supplies and other materials.

Additional Inspectors — \$260,000. Building inspection services are currently understaffed based on ISO review, and average inspections per inspector per day significantly exceed industry standards. The shortfall is impacting inspection quality and customer service due to the lack of available time to spend with homeowners and contractors, assisting in resolving inspection issues. Two building inspector positions are needed to get the average inspections per inspector per day into alignment with industry standards. The lack of an additional building inspector in Code Enforcement has resulted in the inability to provide adequate code enforcement services in several of the declining neighborhoods in our community.

Upgrade Plan Check Engineer to Senior Engineer — \$15,000. The Plan Check section is currently supervised directly by the Building Official. The result is that this section works without supervision when the Building Official is involved in other duties, such as management of other sections in the Division, meetings, and field issues. Upgrading one engineer position to a Senior Engineer position would make a more balanced organization by creating three sections in the Division with a supervisor over each section.

Total Unmet Needs for the Building and Code Enforcement Division — \$300,000

GIS Division

Consulting Services for New Application Development — \$100,000. The GIS Division has over 20 project requests pending for services that either require custom programming or require specialized expertise beyond current in-house resources. This money would be used to procure consulting services for those projects.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Servers and Application Software - \$75,000. The GIS Division utilizes the minimum level of software application necessary for most projects. As reliance on GIS services has grown, so has the need for more advanced software to handle complex projects and analysis. Servers and application software include: ArcGIS Image Server for Orthoimagery, ArcEditor software for editing Enterprise Multi-user Geodatabases, and database connectivity tools and software for integration of legacy databases.

Update of the 2004 Aerial Orthoimagery - \$100,000. In 2004, the City utilized a variety of funding sources to obtain high-resolution aerial orthoimagery and a digital elevation model of approximately 105 square miles within the City's Planning Area. The aerial imagery is utilized in almost every aspect of the development process from project scoping to code enforcement activities. There is currently a high demand for an update of that aerial imagery, which is now three years old and will be four years old by the time a reflight can be scheduled.

Additional Staffing -- \$120,000. The GIS Division currently has a backlog of over three years worth of GIS service requests. Many of these project and GIS service requests are for core services and processes that are very difficult to outsource effectively. The Division currently does not have sufficient staff resources to meet these needs.

Total Unmet Needs for the GIS Division - \$395,000

Electric



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

ADMINISTRATION
 FULLTIME EMPLOYEES (100%) = 3
 VACANT POSITIONS = 0

ELECTRIC UTILITY DIRECTOR

1 - OFFICE SERVICES SUPRV.

1 - CLERK I

DISTRIBUTION SYSTEM
 FULLTIME EMPLOYEES (100%) = 56
 PARTTIME EMPLOYEES (50%) = 2
 VACANT POSITIONS = 7

ASSISTANT DIRECTOR DISTRIBUTION

CUSTOMER & FIELD SERVICES
 FULLTIME EMPLOYEES (100%) = 37
 PARTTIME EMPLOYEES (50%) = 6
 VACANT POSITIONS = 5

ELECTRIC MANAGER CUSTOMER AND FIELD SERVICES

RESOURCES
 FULLTIME EMPLOYEES (100%) = 4
 PARTTIME EMPLOYEES (50%) = 0
 VACANT POSITIONS = 1

ASSISTANT DIRECTOR RESOURCE PLANNING

FINANCIAL
 FULLTIME EMPLOYEES (100%) = 3
 VACANT POSITIONS = 1

ELECTRIC MANAGER FINANCIAL

ENERGY & ECONOMIC DEVELOPMENT SERVICES
 FULLTIME EMPLOYEES (100%) = 7
 VACANT POSITIONS = 1

ELECTRIC MANAGER ENERGY & ECON. DEV. SERVICES

POWER OPERATIONS
 FULLTIME EMPLOYEES (100%) = 38
 PARTTIME EMPLOYEES (50%) = 1
 VACANT POSITIONS = 4

ASSISTANT DIRECTOR POWER OPERATIONS

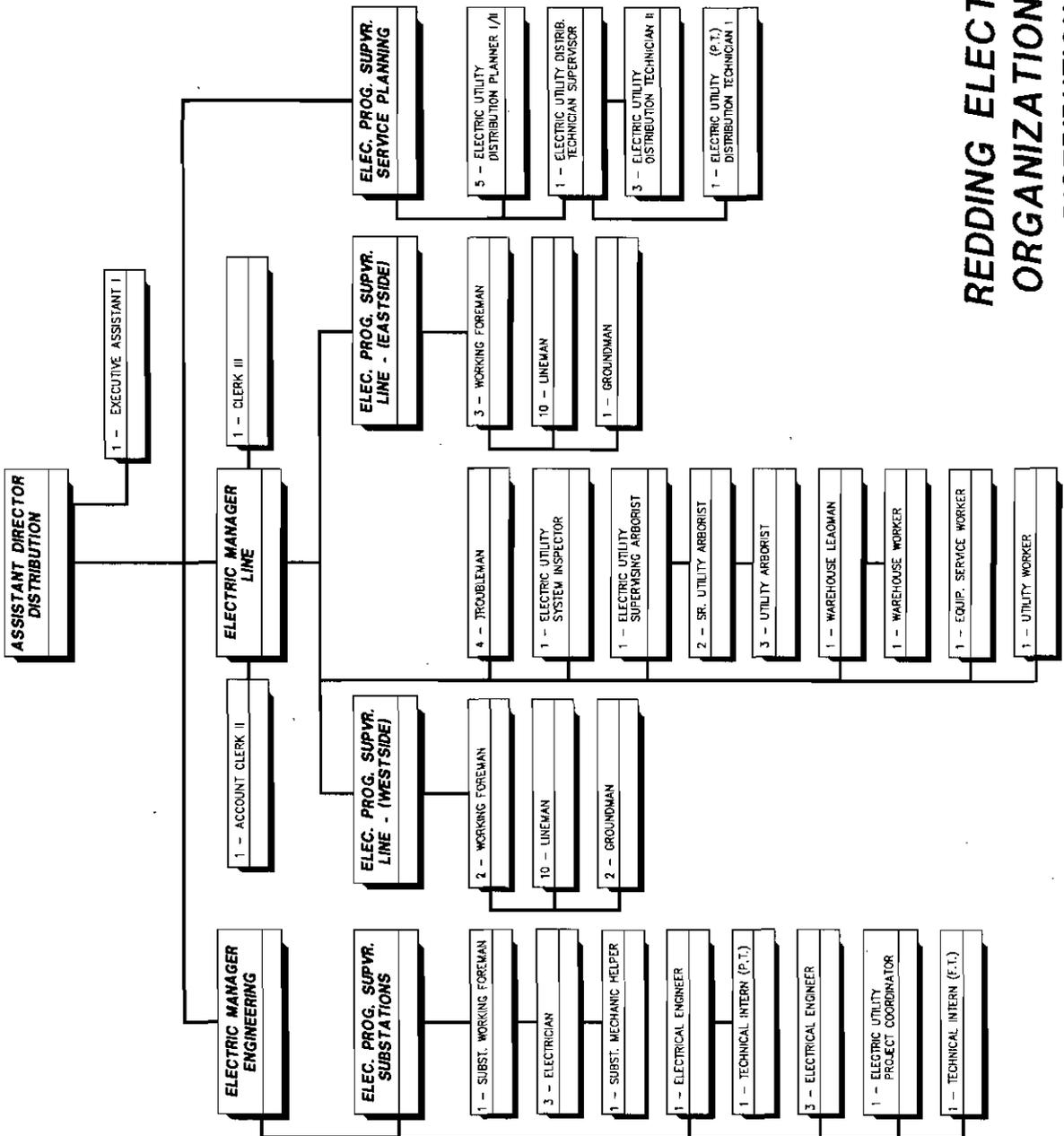
REDDING ELECTRIC UTILITY ORGANIZATIONAL CHART



REDDING ELECTRIC UTILITY ORGANIZATIONAL CHART - DISTRIBUTION SYSTEM -

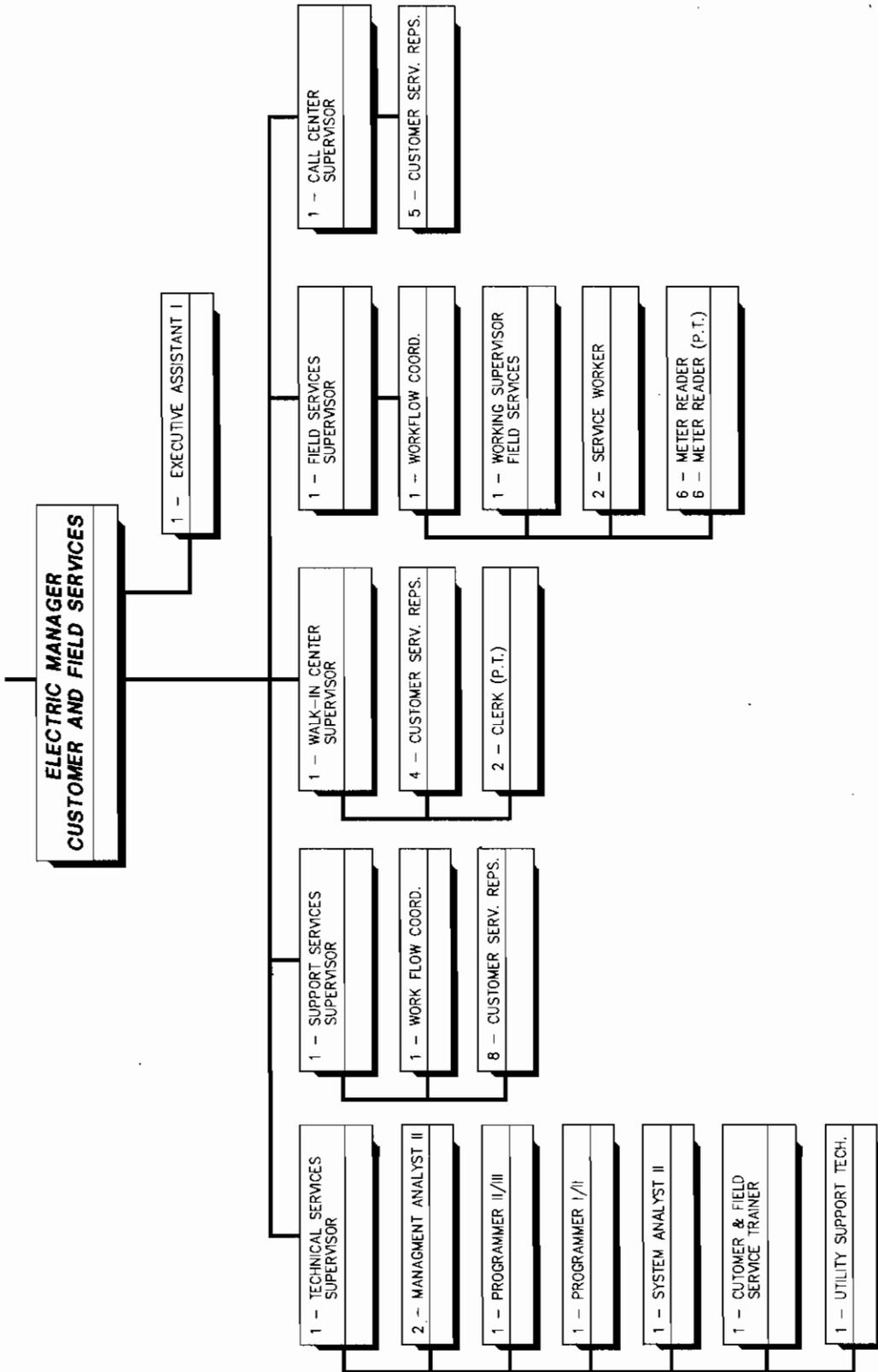
DISTRIBUTION SYSTEM

FULLTIME EMPLOYEES (100%) = 66
PARTTIME EMPLOYEES (50%) = 2
VACANT POSITIONS = 7



CUSTOMER & FIELD SERVICES

FULLTIME EMPLOYEES (100%) = 37
 PARTTIME EMPLOYEES (50%) = 8
 VACANT POSITIONS = 5



REDDING ELECTRIC UTILITY ORGANIZATIONAL CHART - CUSTOMER & FIELD SERVICES -



RESOURCES

FULLTIME EMPLOYEES (100%) = 4
 PARTTIME EMPLOYEES (50%) = 0
 VACANT POSITIONS = 1

**ASSISTANT DIRECTOR
 RESOURCE PLANNING**

1 - EXECUTIVE ASSISTANT I

**ELEC. PROG. SUPVR.
 RESOURCE PLANNING**

2 - ELECTRIC UTILITY
 RESOURCE PLANNER

1 - TECHNICAL INTERN (P.T.)

FINANCIAL

FULLTIME EMPLOYEES (100%) = 3
 VACANT POSITIONS = 1

**ELECTRIC MANAGER
 FINANCIAL**

2 - MANAGEMENT ANALYST II

**ENERGY & ECONOMIC
 DEVELOPMENT SERVICES**

FULLTIME EMPLOYEES (100%) = 7
 VACANT POSITIONS = 1

**ELECTRIC MANAGER
 ENERGY & ECON. DEV. SERVICES**

1 - EXECUTIVE ASSISTANT I

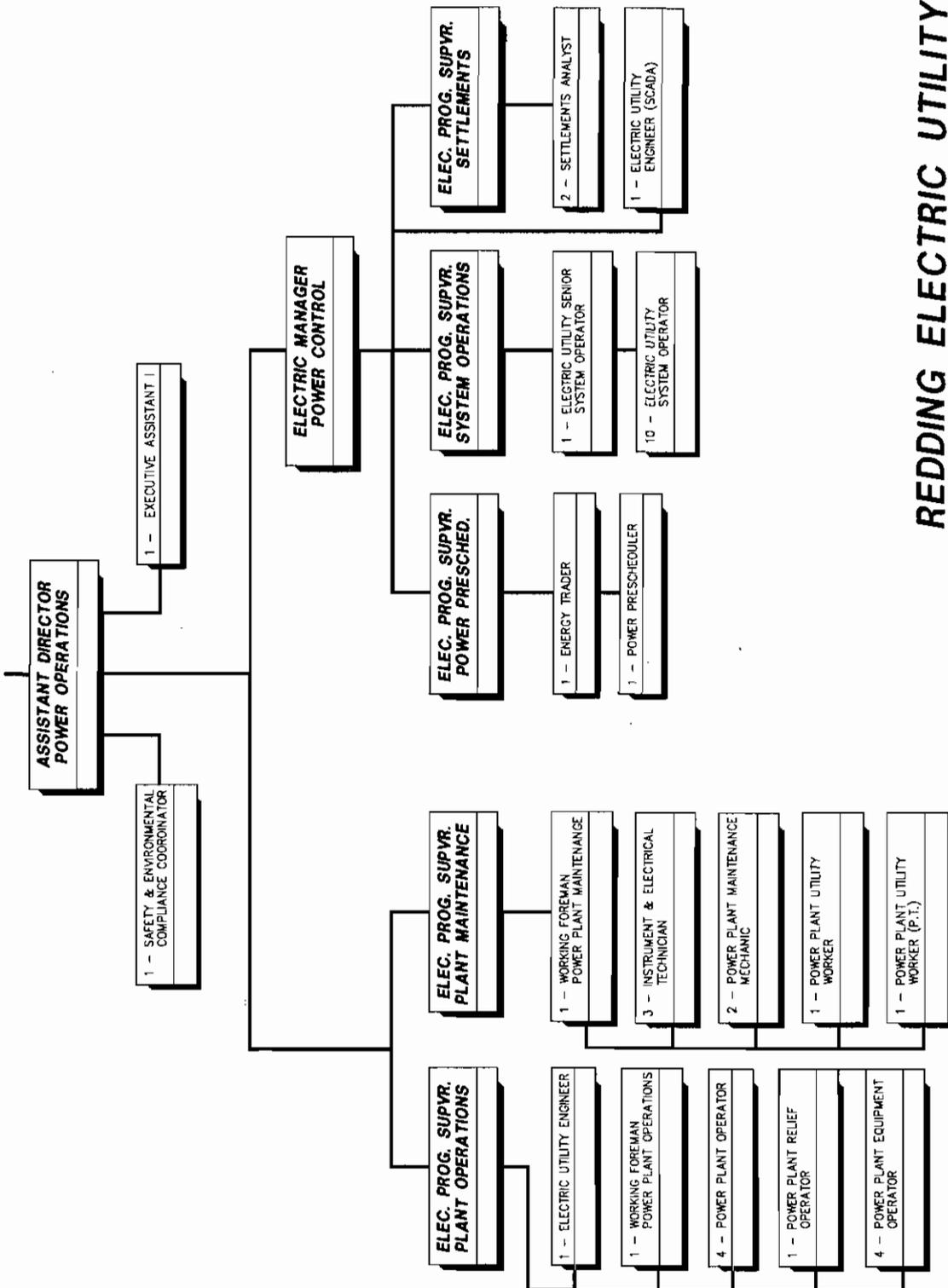
1 - ENERGY SERVICES
 REBATE SPECIALIST

1 - ELECTRIC UTILITY
 RESOURCE PLANNER

2 - ENERGY SERVICES
 ACCOUNTS MANAGER

2 - DEMAND SIDE MANAGEMENT
 COORDINATOR

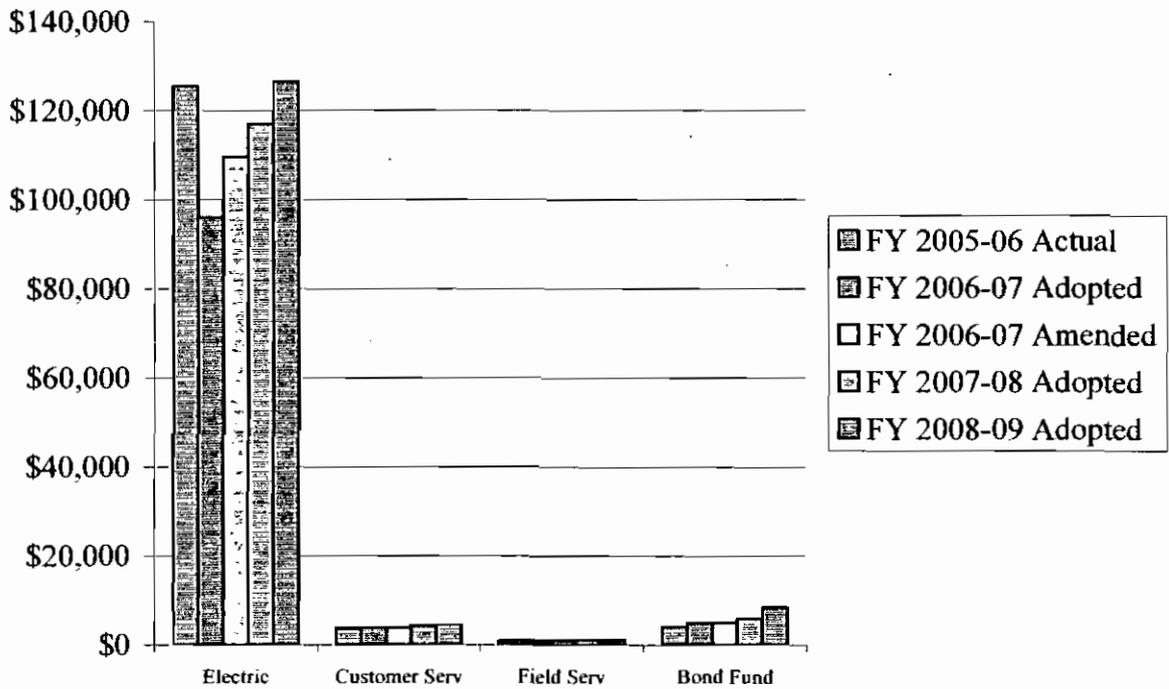
POWER OPERATIONS
 FULLTIME EMPLOYEES (100%) = 38
 PARTTIME EMPLOYEES (50%) = 1
 VACANT POSITIONS = 4



REDDING ELECTRIC UTILITY
ORGANIZATIONAL CHART
 - POWER OPERATIONS -

Electric Utility Department (REU)

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

**ELECTRIC UTILITY DEPARTMENT
(REU)**

Overview

The primary forces shaping REU's budget for FY 2007-08 and FY 2008-09 are rising costs associated with power production and acquisition, particularly natural gas and renewable resources, and Energy Services, with its focus on energy efficiency and demand side management driven by the new State-mandated *Solar Initiative*. While REU's customer base continues to grow, our traditional electric resource portfolio is undergoing dramatic changes, including termination of the Bonneville Power Administration contract, restructuring of our AEP contract, and further legislative pressure promoting environmentally friendly "Green Power" from renewable resources such as solar and wind. REU is integrating these and other resource options such as thermal energy storage into its resource strategy. At the same time, with its continued reliance on natural gas fired generating capacity at the Redding Power Plant, REU is fast building on its already significant expertise 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 more sophisticated gas supply concepts such as long-term natural gas pre-purchases, and the possibility of purchasing in-ground natural gas reserves or storage. REU is committed to providing the safest, most reliable electric service possible, at the lowest possible price to our customers.

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.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Electric	\$ 125,425,145	\$ 95,949,580	\$ 109,611,435	\$ 116,900,250	\$ 7,288,815	\$ 126,526,610	\$ 9,626,360
Customer Service	3,682,246	3,931,970	3,908,330	4,353,320	444,990	4,627,550	274,230
Field Serv	964,749	927,250	927,250	1,139,430	212,180	1,201,180	61,750
Electric System Bond Fund	4,125,596	5,100,000	5,100,000	5,885,000	785,000	8,500,000	2,615,000
TOTAL	\$ 134,197,736	\$ 105,908,800	\$ 119,547,015	\$ 128,278,000	\$ 8,730,985	\$ 140,855,340	\$ 12,577,340

* Excluded carryover amounts

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 2008-09 Adopted	\$ 17,688,010	\$ 93,107,060	\$ 6,045,000	\$ 9,686,540	\$ 126,526,610
	FY 2007-08 Adopted	\$ 16,938,540	\$ 83,662,370	\$ 6,348,000	\$ 9,951,340	\$ 116,900,250
	FY 2006-07 Amended	\$ 15,714,200	\$ 77,857,250	\$ 5,928,145	\$ 10,111,840	\$ 109,611,435
	FY 2005-06 Actual	\$ 14,911,057	\$ 96,241,157	\$ 4,374,110	\$ 9,898,821	\$ 125,425,145
Customer Service	FY 2008-09 Adopted	2,818,310	1,809,240	-	-	4,627,550
	FY 2007-08 Adopted	2,564,570	1,788,750	-	-	4,353,320
	FY 2006-07 Amended	2,303,220	1,605,110	-	-	3,908,330
	FY 2005-06 Actual	2,053,205	1,469,865	159,176	-	3,682,246
Field Service	FY 2008-09 Adopted	1,065,900	135,280	-	-	1,201,180
	FY 2007-08 Adopted	1,007,040	132,390	-	-	1,139,430
	FY 2006-07 Amended	842,110	85,140	-	-	927,250
	FY 2005-06 Actual	842,397	87,566	34,786	-	964,749
Electric System Bond Fund	FY 2008-09 Adopted	-	-	8,500,000	-	8,500,000
	FY 2007-08 Adopted	-	-	5,885,000	-	5,885,000
	FY 2006-07 Amended	-	-	5,100,000	-	5,100,000
	FY 2005-06 Actual	-	-	4,125,596	-	4,125,596
Total	FY 2008-09 Adopted	\$ 21,572,220	\$ 95,051,580	\$ 14,545,000	\$ 9,686,540	\$ 140,855,340
	FY 2007-08 Adopted	\$ 20,510,150	\$ 85,583,510	\$ 12,233,000	\$ 9,951,340	\$ 128,278,000
	FY 2006-07 Amended	\$ 18,859,530	\$ 79,547,500	\$ 11,028,145	\$ 10,111,840	\$ 119,547,015
	FY 2005-06 Actual	\$ 17,806,659	\$ 97,798,588	\$ 8,693,668	\$ 9,898,821	\$ 134,197,736

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.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

This budget-development cycle is noticeably different from the last mainly because in the last cycle REU's employee expenses were driven up dramatically by PERS, PARS, and insurance cost increases, in addition to approved cost-of-living and wage parity increases. As we look to the next two budget years, personnel costs are affected, in the main, by programmatic influences, as discussed below. Net of cross-charges, REU personnel costs are up 8.8% in FY 2007-08 and 5.2% in FY 2008-09.

The Electric Utility's full-time, part-time, and total staffing levels for fiscal years FY 2005-06 through FY 2008-09 are as follows:

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Electric	F/T	130.00	130.00	131.00	133.00	2.00	134.00	1.00
	P/T	2.19	2.19	2.19	2.19	0.00	2.19	0.00
	Total	132.19	132.19	133.19	135.19	2.00	136.19	1.00
Customer Service	F/T	28.00	28.00	28.00	30.00	2.00	31.00	1.00
	P/T	0.96	0.96	0.96	0.96	0.00	0.96	0.00
	Total	28.96	28.96	28.96	30.96	2.00	31.96	1.00
Field Services	F/T	10.00	10.00	10.00	11.00	1.00	11.00	0.00
	P/T	1.44	1.44	1.44	2.88	1.44	2.88	0.00
	Total	11.44	11.44	11.44	13.88	2.44	13.88	0.00
Totals	F/T	168.00	168.00	169.00	174.00	5.00	176.00	2.00
	P/T	4.59	4.59	4.59	6.03	1.44	6.03	0.00
	Total	172.59	172.59	173.59	180.03	6.44	182.03	2.00

For FY 2007-08, the REU budget includes the following five new positions. The *Power Production Division* budget includes one new Senior System Operator responsible for much needed industry-specific training for existing operators, and the necessary training to qualify new operators for compliance with implementation of mandatory reliability standards. This position will also provide daily control room supervision and operation coordination. The dynamics of today's fast-paced electric-power operations requires the flexibility to provide a real-time training environment and the need to fill vacancies quickly with well-trained staff. The *Financial and Resources Division* budget includes one new Management Analyst position. The current position was established ten years ago and the level and complexity of work assigned to the Management Analyst has grown exponentially and far exceeds the scope of work that can be accomplished by just one analyst.

The *Customer and Field Services divisions* budgets includes multiple positions in the FY 2007-08 and FY 2008-09 budgets to jointly support REU and RMU endeavors that are critical to the consistency, accuracy, and integrity of confidential customer information. In FY 2007-08, a System Analyst is being added by the *Customer Service Division* to implement and maintain technical solutions to data management problems associated with gathering and maintaining the millions of pieces of information passing through and residing within our vast customer information and billing system. (REU will absorb 32% of the cost of this position and RMU will absorb the remainder.) This division is also adding a Customer and Field Services Trainer to support the assessment and training activities related to the new Enterprise Resource Planning Program (ERP). The ERP is a comprehensive approach to promote quality control in all areas of customer data acquisition, management, and confidentiality.

CITY OF REDDING BIENNIAL BUDGET
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(REU will absorb 32% of the cost of this position and RMU will absorb the remainder.) In FY 2007-08, the *Field Services Division* is adding a Working Supervisor/Utility Field Supervisor to reduce overtime costs; allow increased control of scheduling, consistency and responsiveness to training needs; enable Meter Shop personnel to focus on their core responsibilities; and handle current and future workload responsibilities. (REU will absorb 50% of the cost of this position and RMU will absorb the remainder.)

Lastly, there are presently six part-time (.48 time), on-call meter readers in *Field Services Division*. At this time, Field Services is *confirming* that three of these on-call Meter Reader positions were added in FY 2006-07 to cover full-time employee industrial injuries, and these positions will be retained for FY 2007-08 and FY 2008-09. Of the three added positions, one is currently covering for an industrial injury suffered by a full-time employee, one position is currently vacant, and one position is filling in for vacation/sick leave. When the injured full-time employee returns to work, the part-time position will be reassigned to data validation in the field. (REU will absorb 50% of the cost of this position and RMU will absorb the remainder as part of the system-wide data validation effort.) The other two positions will be reassigned to an *Electric Distribution Division* project beginning in FY 2007-08. The Distribution Division project is to replace electric meters that have been identified as having duplicate serial numbers. The duplicate meter serial number replacement program is a two-year project and funding for this program is not anticipated to go past the FY 2008-09 budget year. (REU will absorb 100% of the cost of these two positions for FY 2007-08 and FY 2008-09.)

For FY 2008-09, the REU budget includes the following two new positions. The *Power Production Division* budget includes one new Electric Utility Engineer whose duties and salary will be shared with Customer Service and RMU. For Power Production, this position will provide redundant technical support for critical systems; will develop new and improved data and technical systems; provide analytical and tool support; and handle verification and presentation of data input provided to the Control Center. For Customer Service and RMU, this position will be responsible for the telephone system and adjuncts; will direct and manage modification, repair, and preventive maintenance on the telephone system; and will support/manage phone system ACD, skills, VDNs, and vectoring. (REU's share of this position is 83% and RMU's share is 17%.) Finally, the *Customer Service Division* is adding one new Management Analyst position charged with developing a revenue protection program. Customer and Field Services is responsible for the billing and collection of approximately \$120 million of revenue for the five City Utilities. The six-month Revenue Protection pilot program will serve the interests of the Utilities by determining the significance of loss, while identifying specific areas of potential revenue loss through inadequate safeguards, processes, theft, and other means. This position is expected to be self-funding in the sense that a successful revenue protection program will save far more than the cost of the position. If we find this saving does not materialize, then the program and position will be terminated. (REU will absorb 32% of the cost of this position and RMU will absorb the remainder.)

Operation and Maintenance

Operation and Maintenance (O&M) Expenses are grouped into two categories: (1) Electric Utility-specific O&M expenses (Operating Materials), and (2) Interdepartmental Charges. Operating Materials are directly determined by the Electric Utility and include the cost of power and other operating cost. Interdepartmental Charges include: fixed charges from other departments; Cost allocation; In Lieu fees; Rent for the Corporation Yard and Civic Center; and Property Insurance. Total O&M expenses are proposed to increase \$6.0 million (7.6%) for FY 2007-08, followed by an increase of \$9.5 million (11.1%) for FY 2008-09.

With respect to Operating Materials, a major shift in the Electric Utility's Purchase Power supply portfolio occurred in FY 2004-05 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 resulted in higher production costs. Early signs in calendar year 2007

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point to a less than stellar water year, causing REU to anticipate higher costs 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 Operating Materials costs rising 6.6% (\$4.8 million) in FY 2007-08, followed by an increase of 12.4% (\$9.5 million) in FY 2008-09.

For the most part, increases in Interdepartmental Charges in the first year of the proposed budget -- up \$1,280,140 (16.4%)--are due to increases in fixed charges from other departments and an increase in the General Fund allocation, as well as an increase in In-Lieu of tax transfers. For the second year of the budget request, Interdepartmental charges are set to decline \$35,430 (0.4 %) as a result of a decline in In-Lieu.

Debt Service

The Electric Utility Debt Service budgets for FY 2007-08 and FY 2008-09, at \$10.0 and \$9.7 million per year, respectively, reflect the levelized debt service structure of the Utility's existing debt.

When the City Council approved restructuring REU's outstanding distribution debt and issuing additional bonds to finance a portion of generating Unit 5, it also elected to have a level debt service profile for future years. 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

The table below presents the components of the Capital Outlay proposed budgets for FY 2007-08 and FY 2008-09 compared with the actual FY 2005-06 expenditures, and the adopted and amended FY 2006-07 Budget (excluding carry-over amounts).

Description	FY2005-06 Actual	FY2006-07 Adopted	FY2006-07 Amended Excluding Carry Overs	FY2007-08 Proposed	Increase (Decrease)	FY2008- 09 Proposed	Increase (Decrease)
General System Improvements	3,324,275	4,793,200	4,568,200	5,032,000	463,800	5,231,000	199,000
Projects, Programs, & Equipment	1,243,796	759,700	1,359,945	1,316,000	(43,945)	814,000	(502,000)
Total Capital Outlay	4,568,071	5,552,900	5,928,145	6,348,000	419,855	6,045,000	(303,000)

The majority of the capital outlay is 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 capital items being proposed are part and parcel of safely operating a highly aggressive and progressive electric utility in today's market in an efficient manner. The remaining capital items are for projects and programs, as follows:

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FY 2007-08 - Communications Upgrade for power control, \$42,100, and for FY09 \$52,800;

FY 2007-08 - Asphalt paving at the Redding Power Plant (RPP), \$60,000, and for FY09 \$62,100;

FY 2007-08 & 2008-09 - Distribution System Mapping Program for safety and site locating needs, \$400,000 each year; it is anticipated that REU will reclassify an existing position to be responsible for the additional requirements of this program;

FY 2007-08 - Corporation Yard Environmental containment barrier, \$225,000;

FY 2007-08 - Civic Center Modifications for personnel, \$50,000

FY 2007-08 - RPP Data Backup and Document Management systems, \$13,800 and \$50,800, respectively;

FY 2008-09 - Acquisition of PG&E Facilities in West Ridge and Old Oregon Trail annexations, \$50,000;

FY 2008-09 - RPP Voice Recording System, \$35,100;

FY 2007-08 & 2008-09 - Various generation equipment minor projects totaling \$474,300 in FY 2007-08, and \$214,000 in FY 2008-09: Unit 5 turbine Lube (\$45,800) and Cooling Tower Cell (\$53,500); Units 1-3, Control System upgrades (\$125,000 per unit); Unit 5 Painting (\$32,100); Unit 4 Fire System (\$107,000); and Unit 2 Compressor Replacement (\$74,900).

Bond Funded Capital Outlay

The following four major capital projects are proposed to be funded by REU bond proceeds.

First, Stillwater infrastructure costs are budgeted at \$3.5 and \$8.5 million, respectively, for FY 2007-08 and FY 2008-09.

Second, the Airport Substation requires an electrical relay replacement in FY 2007-08 costing \$650,000 thousand to assure continued safe and reliable operation.

Third, Unit 5 at the Redding Power Plant requires a control system upgrade with a cost of \$535,000 in FY 2007-08 to conform to the standard protocol for network communications. The existing system is no longer supported by the manufacturer (ABB) and its failure would render Unit 5 inoperable.

Fourth, small co-generation project costing \$1.2 million is proposed to be built at the Clear Creek Waste Water Treatment Plant in FY 2007-08. This co-generation project will meet the requirements set forth by the City Council in the Renewable Portfolio Standard and Senate Bills 1078 and 107, as well as the requirement for the installation of all cost effective, reliable energy efficiency, demand-side management and renewable energy generation per Assembly Bills 1037 and 2021 (Loading Order). Further, this project will serve as a collaborative effort between the Electric Department and the Wastewater Division of the Municipal Utilities Department. This project will reduce the Wastewater Division's utility bill, while aiding the Electric Department in procuring cost effective, reliable renewable energy resources.

Major Maintenance and Rolling Stock Funds

In addition to the regular 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 proposed from the current \$1.6 million to \$2.5 million beginning in FY 2007-08.

The Rolling Stock Replacement Fund is functionally similar to the Power Plant Maintenance Fund. Proposed FY 2007-08 and FY 2008-09 funding amounts for the Rolling Stock Replacement Fund are \$1.4 million and \$1.0 million, respectively. Funding beyond the two-year budget period is expected to decline to \$400,000 per year.

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. From a risk management perspective, it is prudent utility practice to follow manufacturers' maintenance guidelines to ensure the continued, reliable operation of the generating units. The primary increase in the major maintenance costs are higher manufacturer field support charges, maintenance requirements based upon projected operating hours, as well as manufacturer's guidelines governing major maintenance scheduling. 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 request, 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 is being 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 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.

Actual expenditures for energy efficiency programs in FY07 could exceed REU's expectations, if current trends continue. This high level of expenditure is due to REU's rebate programs for energy efficiency measures that are implemented and installed by customers. However, this unusually high response level is expected to decline in the coming fiscal year.

REU's Public Benefits Program expenditures show a modest increase in Low Income assistance programs from FY 2006-07 of \$528,000 to \$570,000 in FY 2009-08. This increase is primarily driven by REU's work with Redding's Housing Division on the rehabilitation of low-income homes that are inefficient and the new construction of energy efficient, affordable housing.

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The increase in funding for Low Income Assistance related programs was achieved through reductions in spending on renewable resource development. REU's existing Research, Development and Demonstration (RD&D) Projects and renewable resource projects are in place and under measurement and valuation assessments. The future focus of REU on RD&D projects and renewable resources will be on Thermal Energy Storage (TES) and solar photovoltaic (PV) resource development, respectively.

The PV program will be funded entirely outside of the Public Benefit program, pursuant to the California Solar Initiative, as signed into law last year.

Together, these Public Benefits Programs will continue to provide cost-effective and immediate benefits for our community.

The table below provides a summary of the components of the expected FY 2006-07 expenditures and the approved FY 2007-08 and FY 2008-09 expenditures for REU's continuing Public Benefits Program. The expenditures are set at 2.85 percent of REU's forecast retail revenue in the future fiscal years.

Description	Expected FY 2006-07	Proposed FY 2007-08	Proposed FY 2008-09
Research, Development & Demonstration			
Project Expenses	\$ 297,000	\$ 460,000	\$ 510,000
Labor (Estimated)	<u>57,955</u>	<u>20,000</u>	<u>22,500</u>
Sub-Total	\$ 354,955	\$ 480,000	\$ 532,500
Demand Side Management/Efficiency			
Project Expenses	\$ 852,230	\$ 980,000	\$1,005,000
Labor (Estimated)	<u>170,307</u>	<u>120,000</u>	<u>120,000</u>
Sub-Total	\$1,022,537	\$1,100,000	\$1,125,000
Low Income Assistance			
Project Expenses	\$ 448,118	\$ 530,000	\$ 550,000
Labor (Estimated)	<u>79,614</u>	<u>40,000</u>	<u>40,000</u>
Sub-Total	\$ 527,732	\$ 570,000	\$ 590,000
Renewable Resources			
Project Expenses	\$ 171,000	\$ 80,000	\$ 80,000
Labor (Estimated)	<u>36,095</u>	<u>20,000</u>	<u>20,000</u>
Sub-Total	\$ 207,095	\$ 100,000	\$ 100,000
TOTAL PBP Charges	\$2,112,319	\$2,250,000	\$2,347,500

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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					
	2007	2008	2009	2010	2011	2012
Electric Utility Fund Beginning Balance	44.8	36.6	29.2	23.6	21.7	22.7
Rate Adjustments	5.85%	5.85%	5.85%	5.85%	5.85%	5.85%
Revenues (\$ Mil)						
Retail Electric Sales	76.9	82.2	88.5	95.4	103.0	111.0
Wholesale Electric Sales	39.8	28.1	36.8	36.5	27.3	18.2
Miscellaneous Income	3.5	4.9	5.4	5.5	5.7	5.8
Total	120.2	115.1	130.7	137.4	135.9	135.1
Operating Expenses (\$ Mil)						
Power Supply	81.3	77.0	86.3	92.5	89.0	85.6
O & M	20.9	24.2	25.4	25.4	25.4	25.4
Total	102.2	101.2	111.7	117.8	114.4	111.0
Revenue Available for Debt Service	17.9	14.0	18.9	19.6	21.5	24.1
Total Debt Service	9.8	9.6	9.6	9.6	9.6	9.6
Revenue Remaining after Debt Service	8.2	4.4	9.4	10.0	11.9	14.4
Other Revenues & Expenses						
Other Revenues	2.2	1.7	1.4	1.2	1.1	1.2
General Fund Payback for Land Purchase	0.0	0.0	0.2	0.2	0.2	0.2
Revenue-Funded Capital Projects	-6.5	-6.3	-6.0	-5.9	-6.3	-5.9
In-Lieu Payment to City	-4.3	-4.9	-4.9	-4.9	-5.0	-5.1
Rolling Stock, Major Plant Maintenance	-1.4	-2.8	-5.7	-2.3	-0.8	-5.3
Total	-10.0	-12.4	-15.0	-11.8	-10.9	-15.0
Increase (Decrease) in Funds (\$ Mil)	-1.8	-8.0	-5.6	-1.8	1.0	-0.5
Electric Utility Fund Ending Balance (\$ Mil)	36.6	29.2	23.6	21.7	22.7	22.2
Debt Service Coverage Ratio	2.07	1.64	2.13	2.14	2.77	3.08

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

The status of the Electric Utility's goals and objectives for fiscal years 2005-06 and 2006-07 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.

Accomplishment

REU worked diligently to get the Western Sub-control Area established. REU has successfully implemented a reliable and safe daily operating system that captures most of the benefits of the Western resources. Savings to REU over the Independent System Operator alternative have been significant. Work continues to optimize the REU resources with the Western resources.

Goal

Protect Redding's customers from the California electric deregulation fallout as much as possible. Provide an interface with the power markets, including the California Independent System Operator 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 Independent System Operator and the new California power market structure.

Accomplishment

To date, REU has successfully shielded its customers from electric deregulation fallout. Such protection can be measured as a savings to the Redding ratepayers of over \$40 million in retail rates in 2006. Additionally, REU has been able to forgo a retail rate increase in recent years due primarily to its management of its wholesale assets.

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

REU is well ahead of other public power electric systems in its aggressive positions in power supplies and transmission access. The Redding customers have benefited as noted above with reduced rates.

Goal

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

Accomplishment

REU has one of the more aggressive long-term natural gas purchases. Further, REU has procured gas storage and fixed the cost of some gas transmission contracts. Such foresightedness has kept REU's average gas portfolio price well below the wholesale gas market. Mark-to-market estimates show the gas portfolio savings to be well over \$20 million.

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.

Accomplishment

REU has provided significant support to MSR and TANC projects over the last year. Within MSR, REU helped complete a 200MW wind purchase and is continuing to explore joint projects with the other members. At TANC, REU staff chair many of the key committees that are examining future transmission projects that will meet the future needs of TANC members. REU has worked diligently with NCPA to track state and federal legislation like the Solar Initiative known as SB1.

Goal

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

Accomplishment

Through active participation at CMUA and NCPA, REU staff has helped defeat and/or reduce the impacts of numerous state legislative initiatives that had the potential to significantly impact the utility. However, numerous bills did become law that will have key impacts on the utility. REU staff will continue to work to mitigate such impacts where possible.

Goal

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

Accomplishment

REU has remained vigilant in tracking the trends in electric deregulation and trying to insure that REU's customers are not impacted by the whims of deregulation. Thus far, REU's electric rates remain among the lowest in California as proof that REU's position against deregulation provides an overall benefit to REU's customers and not just a select few.

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.

Accomplishment

The fully shapeable energy product provided by the Western Area Power Administration in the past has been replaced by a slice-type product (essentially run of the river) that, at times, is not congruent with the City's load profile. This resource can vary dramatically from delivery year to delivery year (over 200% this past season). REU staff has managed this resource effectively while freeing up additional resources to sell into the wholesale market and continuing to provide a reliable electric product to our customers.

REU has also continued to stabilize energy costs and retail rates through the management of its natural gas resource portfolio and the expansion of gas storage capabilities obtained by the transition from Lodi to the Wild Goose storage facilities. This additional capacity should serve both as protection against system constraints and transmission interruptions, as well as to reduce the effects of market fluctuations in short and long term gas supply prices.

REU has begun taking deliveries from a wind contract that was executed through its M-S-R membership. As of late 2006, the City received an average of 21MW per hour from this new renewable energy project.

Goal

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

Accomplishment

The addition of a third party vendor, Open Access Technology International (OATI), has allowed REU to replace an aging energy accounting system and maintain billing and settlements data in a secure environment. This system separates energy related deals into their financial and physical components, ensuring more accurate settlements and reporting. All data is maintained by OATI on two different extremely secure, remote server sites. REU also has a redundant local database built from data downloaded from these sites. The local database is on a secure server and backed up regularly. This arrangement provides us with the ability to create custom in-house applications and reports. Analysts check the data for completeness, accuracy, and contractual compliance on a daily basis. The increased use of both vendor supplied and local database technology allows REU staff to work through the vast amounts of data in an efficient and accurate manner.

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Goal

Manage the Power Control group to ensure the safe and reliable operation of the City's electric system through 24-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 streamlined resources in both the control center and in the field, restoration times have been managed to very acceptable levels. Four operators and two supervisors in this group have received their North American Electric Reliability Corporation (NERC) certifications.

The real-time operators and preschedulers constantly monitor the energy market for opportunities to reduce power supply costs. These groups have been successful in holding overall costs to below contract levels.

This group received a letter of appreciation from the Western Area Power Administration for their contributions to the reliable operation of the sub-control area.

Goal

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

Accomplishment

With the exclusion of planned maintenance, the Redding Power Plant generating units were available 93.3% of the time over the past biennium, which is above the national average of 90.2% for similar plants. Notably, REU's unit availability was reduced by three percentage points as a result of a single circuit breaker failure on Unit 1 during this period. 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.

Numerous noteworthy generating unit maintenance items were accomplished during this period including overhauls of combustion turbine Units 2, 3, and 5. Unit 5's overhaul included the installation of a new turbine module. Other improvements encompassed upgrading Unit 4's control and governor systems, generator electrical integrity testing, UPS upgrades, and complete unit testing pursuant to Western Electric Coordinating Council protocols.

Goal

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

Accomplishment

During this biennium, all required Shasta County Air Quality Management District, Shasta County Environmental Health Department, California Regional Water Quality Control Board, California Energy Commission, 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.

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.

Accomplishment

During FY 2005-06 and FY 2006-07, REU staff completed the design; awarded and received all major equipment items; awarded the Public Works Construction Contract; and, construction activities are proceeding with the expansion of Canby Substation. During this same period, lines crews installed approximately 17 miles of new 12kV distribution overhead and underground circuits.

Efforts were successful in maintaining 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 reaching a very low 21.3. Although helped by unseasonable mild weather, this number is significantly less than the previous five-year average of 30.8 minutes (excluding major storm events).

The injury and illness rates in the Distribution Group continued to go down (-87.5%) from the previous budget cycle with no lost time injuries as of March 1, 2007.

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 Utility began sending all commercial and residential developments a one-page survey to fill out after electric service has been provided. 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 has received high marks with an overall rating of 4.3 with an impressive survey return rate of approximately 40% during the current budget cycle. The highest overall rating possible is 5 (outstanding) with 4 out of 5 rated as excellent.

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.

Accomplishment

During FY 2005-06 and FY 2006-07, two tree-trimming contracts totaling \$851,600 were awarded to Utility Tree Services, Inc., and Davey Tree Surgery Company. These contracts were to supplement existing Electric Department tree-trimming staff. In addition, more than \$159,000 in contracts was issued to clear vegetation around poles, pad equipment, substations, and other supplemental tree clearing to comply with State standards. The total contract tree-trimming/vegetation-management budget for FY 2005-06 and FY 2006-07 is under budget. During FY 2005-06 and FY 2006-07, staff continued a program started in FY 1999-00 of applying tree growth

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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. In addition, during FY 2005-06 and FY 2006-07, 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 State-mandated inspection programs, and (c) replace aging system elements such as wooden poles and underground facilities.

Accomplishment

During FY 2005-06 and FY 2006-07, 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. 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. During FY 2005-06 and FY 2006-07, more than \$1,000,000 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 2006 summer, REU performed annual infrared (thermographic) inspections of the complete overhead electric system. Another infrared inspection is scheduled for summer, 2007. The benefits of the thermographic inspection were significant and will be performed annually in an effort to comply with State standards for inspection and maintenance. In 2006, and 2007, 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. These predictive tools became mandatory as fluctuating material costs made annual contract bidding on certain items impossible. Staff also continued to repair, when possible, transformers, capacitor banks, 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. 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.

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Accomplishment

During FY 2005-06 and FY 2006-07, staff continued to make changes to transformer specifications, switch specifications, cable specifications, and vault 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 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.

Accomplishment

During FY 2006-07, staff updated short-term and long-term planning studies to develop the two-year budget (FY 2007-08 and FY 2008-09) 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 loads in the event of a single contingency equipment or 12kV feeder main trunk line failure. The studies did show, however, a need for additional capacity at Oregon and Oasis Substations prior to the summer of 2010-2011 to assure all load can be reliably served for a single contingency failures. Funds for these substation expansions are not being proposed in the FY 2007-08 and FY 2008-09 budgets.

Goal

Continue the program that began in FY 2002-03 to convert overhead utility facilities to underground in selected areas of the City.

Accomplishment

The FY 2005-06 and FY 2006-07 budgets included \$500,000 each year to fund conversion of overhead utility lines along major streets to underground. The funds are being 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). The Kraffert Project is scheduled to be complete by August, 2008 to coincide with the completion of the Kraffert sewer line extension. The Hilltop Drive project has gone through City Council for the establishment of an underground district with a deadline for overhead facility removal by October, 2008. For future budget years beyond FY 2008-09, \$500,000 per year is also proposed to be budgeted for undergrounding overhead lines 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.

Accomplishment

A engineering consultant was hired 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. Right-of-way acquisition has started and is expected to continue into FY 2007-08. Once the design, right-of-way acquisition, and permitting is complete, the transmission line construction will be bid as a Public Works Construction Contract if the customer load requires it. REU engineering staff has designed the needed 115kV breaker addition at East Redding Substation. Western Area Power Administration (WAPA) was contracted to design of the needed 115kV breaker addition at the jointly owned WAPA/REU Airport 230/115kV Substation. REU staff has also designed 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 late 2008.

Energy Services Group

Goal

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

Accomplishment

REU sponsored three Key Accounts luncheons for approximately 75-100 customers, City officials, and other dignitaries to provide an open forum for REU to share information with our Key Accounts and provide an opportunity for dialogue on utility service issues that are important for our Key Accounts.

REU also hosted the City Manager's Breakfast that continued to be valuable for the City and for all participants. These informal gatherings 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 five meetings that have been organized by REU staff for the City Manager during this reporting period. With the hiring of the new City Manager, this program will continue at his request as he believes it is a valuable outreach program.

REU's Key Account Management staff continues to foster good relationships with its top 120 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

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

Accomplishment

REU's energy efficiency rebate program was used by more customers in FY 2005-06 and FY 2006-07 than in previous years. The growing success of these programs is primarily due to REU's enhanced outreach efforts to all customer classes to explain the benefits of increased energy efficiency.

Goal

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

Accomplishment

REU has expanded its energy audit services to residential and small commercial customers. 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 straightforward format. During the past fiscal reporting period more than 200 residential audits were completed and approximately 30 commercial businesses were audited.

This service is very valuable to our customers and is very much appreciated by those that take advantage of this opportunity. Combined with the growth in energy efficiency rebates, REU believes that these market segments have seen positive results from Energy Services efforts to expand our service offerings to all customers. From the feedback we have received, customers appreciate this individualized effort.

Goal

Maintain and enhance REU's ongoing public relations campaign to promote community awareness for the City's Electric Utility, and education on electrical safety and energy conservation.

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 5,000 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. During FY 2006-07 REU partnered with Turtle Bay Exploration Park to launch, REU's Energy Experience at Turtle Bay "It's My Planet". This educational program is revolutionizing our educational approach with our elementary and middle school students with subjects ranging from electrical safety to green house gases, and how we all must work in unison to enrich our planet.

Goal

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

Accomplishment

Energy Services staff continue to promote REU and the City of Redding service offerings for new and expanding businesses. Working with the EDC of Shasta County, Energy Services has attended numerous trade shows and gatherings to meet with, and talk to, potential customers that could consider Redding as a location for their facilities and businesses.

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.

Accomplishment

Energy Services staff has actively participated in data gathering, information sharing and related discussions with local, state and federal authorities to take the Stillwater Development to the "next level". This includes negotiations with the first potential occupants of the Business Park and facilitation of new opportunities for additional tenants.

Goal

Manage Redding's Public Benefits Program to maximize its value for our customers and REU.

Accomplishment

Energy Services enhanced its Public Benefits Programs with a primary focus on demand reduction in high efficiency air conditioners. This included raising the standard for rebate eligibility to include a minimum Seasonal Energy Efficiency Rating (SEER) of 14, which is above the State and Federal standard of 13 SEER. Also, REU added an additional requirement for HVAC units to have a minimum Energy Efficiency Rating (EER) rating of 11. While these are different rating scales, the EER rating is a better indicator of system efficiency when operating in higher outdoor temperatures (95°+)

Goal

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

Accomplishment

Energy Services has successfully implemented the Earth Advantage green building program. With 13 participating builders and more than 100 homes built that meet the Earth Advantage standards, REU has received greater participation in the program than initially expected. The energy savings and related environmental benefits from these homes will be long-term values for our community.

Goal

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

Accomplishment

Energy Services staff has actively assisted local and state news media in reporting on REU's programs, services, and overall value to our community. This has included proposing and helping prepare reports for media use on REU programs such as Renewable Energy project developments, Earth Advantage green building program, and cost-effective energy efficiency measures for our customers.

Goal

Assist the Director on on-going 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.

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.

Accomplishment

Energy Services has participated in legislative, regulatory and utility focus groups to ensure REU's interests are addressed and preserved. These efforts will continue to be important as the electric utility industry is scrutinized by regulators and legislators.

Customer Service

Goal

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

Accomplishment

In May of 2005, Key Performance Indicators were established to track performance improvement for the Division. Multiple telephone queues were created to track the number of calls received by call type. In addition, a centralized Workforce Management Program was developed and implemented to monitor and track employee performance and support employees through the fair and equitable distribution of work. Phone queues were created in addition to a centralized Workforce Management Program to support the fair and equitable distribution of work. Moreover, a process was established for creating Standard Operating Procedures for Division-wide policies.

Goal

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

Accomplishment

A direct-line has been established between Customer Service and REU's Power Control Center for communicating vital outage information and other issues. In addition, an electronic spreadsheet was created and implemented in Customer Service to relay "real-time" outage information, from the customer, to the Power Control Center. The implementation of these processes has aided REU in determining the area and cause of the outage in an efficient and timely manner. The phone system sequence and prompting was also changed to accommodate a more efficient communication process.

Goal

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

Accomplishment

The Group Bill process, along with accommodations for the Solar Billing, was implemented to more effectively serve customers in these billing categories.

Goal

Continue to track Key Performance Indicators (KPIs) to enhance customer service levels.

Accomplishment

Operational baselines were established after participation in an American Public Power Association (APPA) Benchmarking Survey. Call Center abandonment rate has been reduced by an average of 50 percent as well as customer transaction times—resulting in customer service representatives handling an average of 65 percent more customer transactions. With the use of technology, our automated system which allows customers to pay either on-line through our website or on the telephone 24/7 increased by 50 percent. Customer Service will continue to identify and assess KPIs based on efficiency and integration.

Field Service

Goal

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

Accomplishment

In response to safety and/or access issues identified in the field, 289 electric Encoder Receiver Transmitter (ERT) meters were installed. In addition, a centralized Workforce Management Program was developed and implemented to monitor and track employee performance and support employees through the fair and equitable distribution of work. In addition, workforce management was centralized to assure the equitable distribution of work according to available resources.

Goal

Develop and implement a comprehensive Revenue Protection Program.

Accomplishment

A comprehensive Revenue Protection Program document has been successfully developed and submitted. The document outlines the implementation of a formal program that mitigates revenue loss as it relates to utility

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billing, such as validation of information processes, theft, diversion, fraud, or meter tampering. The formal program is compliant with City Council resolutions, Municipal Codes, and State Regulations. A pilot program has been prepared for submission in the 2007-09 FY budget process. The success of the pilot program will determine the need for the establishment of the formal Revenue Protection Program.

Goal

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

Accomplishment

The wireless service order process was established in Customer and Field Services. This allows the Customer Service Workers the ability to close service orders in the field with “real time” information. The application of this technology has reduced staff requirements for the service order process by one Full-Time Equivalent (FTE) in Field Services and one FTE in the Customer Service Division. It has increased the efficiency of the service order process. The service order process has also been refined to ensure that customer’s needs are met in an efficient and timely manner.

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	2004-05	2005-06	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Peak Demand (MW)	228.3	243.7	252.9	247.8	252.8
Gigawatt-Hour Sales	762	791	796	798	813
Transmission Line Miles	67.3	67.3	67.3	67.3	67.3
Distribution Line Miles	610	620	627	637	647

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Customer Service

Workload Indicators	2004-05	2005-06	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Electric customers billed monthly	40,059	42,935	44,223	45,550	46,916
Water customers billed monthly	25,730	27,496	28,321	29,170	30,046
Total amount billed (all utilities)	112,200,000	119,291,431	122,870,173	126,556,279	130,352,967
Payment transactions - Credit Card	15,718	52,900	57,000	58,710	60,471
Electronic Funds Transfer	2,426	3,415	3,516	3,621	3,1730
Total Walk-In Traffic – Cashiers	84,338	74,006	72,000	72,000	72,000
Payment transactions – Mailed	403,997	368,000	369,000	371,000	372,000
Customer Service phone calls received	93,650	114,931	116,080	117,241	118,413
Call Center's avg. speed of answer (minutes: seconds)	2:02	1:18	1:18	1:18	1:18
Call Center's longest wait time (minutes: seconds)	2:00	2:30	2:15	2:15	2:15
Call Center's avg. time per call (minutes: seconds)	6:00	3:30	3:30	3:30	3:30
Call Center calls abandoned	12%	8%	6%	6%	6%
Call Center's avg. grade of service	75%	77%	82%	82%	82%
Electric meter reads	494,049	515,221	530,676	546,600	562,991
Water meter reads	324,293	329,954	339,852	350,040	360,552
Utility service requests	41,531	44,888	46,234	47,621	49,050
Utility service miles logged	52,436	78,401	61,707	62,941	64,200
Error ratio per 1,000 meters read	.21	.09	.08	.07	.07

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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	FY2005	FY2006	FY2007 (Est.)	FY 2008 (Proj.)	FY 2009 (Proj.)
1. Transmission and distribution system expense per circuit mile of line ⁽¹⁾	\$5,975	\$6,064	\$5,780	\$6,435	\$6,623
2. Number of employees ⁽²⁾	170.59	172.59	175.03	180.03	182.03
3. Lost work days due to job accidents ⁽⁵⁾	0	0	0	0	0
4. Number of grievances filed each year	7	2	2	2	2
5. Electric retail kWh sales/Electric worker hours ⁽³⁾	2,148	2,204	2,186	2,130	2,148
6. Number of customers per Electric employee ⁽²⁾	242	244	244	241	241
7. Number of outages ^{(5),(6)}	340	345	350	350	350
Average duration of outages(hours) ^{(5),(6)}	2.9	2.9	2.8	2.8	2.8
8. Electric service reliability: ^{(4),(6),(8)}	99.991	99.992	99.993	99.993	99.993
9. Average customer-sustained outage time per year (minutes) ^{(5),(7)}	40.0	39.5	39.0	39.0	39.0
Average customer-sustained outage time per year (minutes) ^{(5),(7)} (excludes major events/storms) ⁽⁸⁾	30.0	29.5	29.0	29.0	29.0
10. Average number of sustained outages per customer per year ^{(5),(7)}	0.48	0.47	0.46	0.46	0.46
Average number of sustained outages per customer per year ^{(5),(7)} (excludes major events/storms) ⁽⁸⁾	0.36	0.35	0.34	0.34	0.34
11. Redding Power Plant Availability %	97.9	89.2	97.3	95	95
12. Redding Power Startup Success %	95.5	98.7	100.0	100	100
13. System average retail rates (¢/kWh)	9.4	9.5	9.6	10.3	10.9
14. Total retail GWh available for use	806	836	832	834	850
15. Cost of power, cents/kWh	4.7	5.3	5.5	6.0	6.1
16. Debt to total assets ratio	.36	.41	.41	.39	.37
17. Total operating expenses to total expense ratio	.87	.93	.90	.88	.88
18. Safety margin, ratio of cash to operating revenue	1:0.22	1:0.34	1:0.30	1:0.25	1:0.19
19. Retail revenue as a percent of total revenue	63%	77%	64%	72%	68%

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.
4. Average Service Availability Index (in percent) = $\frac{\text{Customer hours service availability} \times 100}{\text{Customer hours service demand}}$
5. The information is based upon a calendar year summary.

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6. Number of outages includes outages for any reason.
7. Sustained outage is defined as any outage five minutes or greater in duration. Excludes planned outages and single transformer or service outages.
8. Major event/storms are defined as an event where 10 percent or more of City customers were outaged during a 48-hour period.

Goals and Objectives for Fiscal Years Ending June 30, 2008 and 2009

Resources Group

Goal

Work closely with Western Area Power Administration (Western) to improve the reliable and cost effective operation of the Western Sub-Control Area. Additionally, work with Western on optimizing the hydro-thermal integration between Redding and Western's electric systems.

Objective

Increase the value of Redding's natural gas peaking generation resources within the Western Sub-Control area with better options to schedule Western energy and optimize the Western resource in the post-2004 time period. Help isolate Redding from any impacts of the California Independent System Operator by remaining a part of the SMUD/Western Control Area.

Goal

Protect Redding's customers from the California electric deregulation fallout as much as possible. Provide an interface to the California Independent System Operator 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 evolution of the California Independent System Operator's market such that the City's interests are protected.

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 and ensure that costs are not shifted to Redding, and that Redding's efficient use of its facilities is preserved.

Goal

Manage the long-term resource portfolio to ensure a cost-effective, reliable power supply and transmission access for the City's electric customers. Ensure renewable energy resources are integrated into the traditional power supply in the most reliable and cost effective manner possible.

Objective

Continue to develop a diverse resource portfolio, including energy efficiency and demand-side management resources that provides rate stability while incorporating renewable energy supplies. Recommend a resource replacement strategy for the American Electric Power contract that expires in December 2010.

Goal

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

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Objective

Under current City Council levels of contracting authority, provide for the optimization of the City's natural gas resources; including commodity, transportation, storage and balancing services, with the City's long-term natural gas needs for local electric generation.

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.

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 to secure long-term transmission arrangements.

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 apprised 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.

Goal

Monitor activities at the Western Electric Coordinating Council (WECC) to ensure REU is planning for and operating within the recently enacted requirements of the Energy Policy Act, including such developments as resource adequacy guidelines and reliability standards.

Objective

Participate in the WECC Loads and Resources Subcommittee, as well as other committees that may be formed to address the recently enacted reliability requirements of the Energy Policy Act. Evaluate evolving Greenhouse Gas reduction policies and provide input as necessary to develop future policy directives for the Western Interconnection using impacts to the City as a foundation for decisions.

Goal

Assist the City of Redding with implementation of new State policies relating to climate change and greenhouse gas emissions reduction strategies.

Objective

Provide the City with insight on policy implementation proceedings at the State and guidance and assistance with strategic planning. Monitor REU's power plant emissions reporting and reduction efforts with a primary focus on the impacts associated with new and pending State legislation on REU's electric resource portfolio.

Power Operations Division

Goal

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

Objective

Optimize wholesale revenues through a combination of sales of excess energy, gas, and generation capacity reserves; sales/swaps/exchanges of unutilized natural gas storage and transmission resources; and other approved energy trading transactions that benefit the City's customers. Ensure that energy supplies are adequate to meet customer demands.

Goal

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

Objective

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

Goal

Manage the Power Control group to ensure the safe and reliable operation of the City's electric system through 24-hour dispatching of the electrical system and real-time scheduling of the City's power production, transmission, and contractual resources.

Objective

Communications from distribution dispatchers to field crews, power plant operators, and real-time schedulers will be clear and effective. Procedures manuals will be kept up-to-date and operators will be trained in their use, as well as in current reliability requirements, to ensure a high standard of safe, reliable service to the City's customers.

Goal

Ensure acceptable availability of the City's power production facilities in order to meet the City's peak usage needs, as well as its' daily operational requirements.

Objective

Maintain the City's generating units in accordance with prudent utility practice. Benchmark Redding Power Plant performance against industry accepted National Electric Reliability Council statistics in order to gauge performance, and improve where necessary, for the benefit of the City's customers.

Goal

Ensure continued environmental stewardship of the Redding Power Plant site. Comply with all permit emission requirements.

Objective

Operate and maintain the generating units in accordance with their Operating Permit requirements. Maintain and test Continuous Emissions Monitors as required by the EPA and local jurisdictional agencies. Maintain and submit emission records as required by jurisdictional agencies.

Manage all chemicals received onsite by labeling, storing, using, and disposing of them in a responsible and environmentally sound manner. Train all employees in their safe handling and use.

Keep the Redding Power site in an orderly, well-maintained manner that presents 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 are planned to accommodate new development and maintain a reliable system: completion of the Stillwater Business Park transmission line substation terminals at Airport and East Redding prior to December 2008; and, the installation of approximately 20 miles of new 12kV distribution by June 30, 2009. 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 seven-year average of 30 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 surveys of new businesses/developers 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 FY 1999-00 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 FY 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. It is proposed that a new contract for tree trimming be in place by October 1, 2007. In addition, the application of TGRs implemented at the beginning of FY 1999-00 is planned to

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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 2007-08 and 2008-09, it is planned to continue an overhead and underground inspection program that includes a pole treatment program started in FY 1998-99. 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 FY 2002-03 to convert overhead utility facilities to underground in selected areas of the City.

Objective

The FY 2007-08 and FY 2008-09 budgets are proposed to include \$500,000 each year to fund conversion of overhead utility lines along major streets to underground. The FY 2007-08 and FY 2008-09 funds will be utilized

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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 FY 2008-09, \$500,000 per year is also proposed to be budgeted and, when sufficient underground funds are accumulated, other undergrounding projects along major streets will be proposed.

Goal

To convert the existing 12kV Distribution mapping system from an Automated Mapping/Facilities Management (AM/FM) to an upgraded Geographical Information System (GIS).

Objective

The FY 2007-08 and FY 2008-09 budgets are proposed to include \$400,000 each year to fund conversion of the Distribution AM/FM to a Geographical Information System (GIS). This conversion will allow streamlining workflow practices; provide new services; and, manage data by: providing advanced engineering analysis programs to be used by the Engineering staff; providing Distribution Planners with new staking tools and work order programs; and, providing the model necessary for the an outage management program for Power Control.

Goal

Continue to implement a program to allow the use of rubber gloving in the performance of high voltage electrical line work.

Objective

The objective in the next two years is to fully implement the use of rubber gloves in working with voltages up to 21kV and capture the productivity gains estimated by this program. To this end, the FY 2007-08 and FY 2008-09 budgets are proposed to: include funds required for the training and certification of 29 City employees to use rubber gloves; and, the acquisition, testing, and replacement of the new tools and equipment.

Energy Services Group

Goal

Maximize customer awareness of the potential energy and cost savings from efficiency improvements and assist in developing cost-effective demand-side management measures for all customer classes for REU that will satisfy all state mandated legislation as well as what is best suited for our community.

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 FY 2008-09 as part of REU's expanded Public Benefits Program.

Goal

Increase the awareness of the state-mandated Solar Initiative under Senate Bill 1 and increase development of qualifying solar technologies for REU customers.

Objective

To ensure REU's program is in accordance with legislative requirements.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Goal

Comply with the reporting requirements from Assembly Bill 2021 on REU's existing energy efficiency programs and development of a forecast of the achievable energy efficiency savings in our community.

Objective

REU will meet all legislative requirements and develop a long-term plan for cost-effective energy efficiency improvements for our customers and REU.

Goal

Comply with all requirements related to development of all cost-effective and achievable energy efficiency improvements under the direction of Assembly Bill 1037. Offer appropriate incentives and educational tools which will allow all customer classes the opportunity of installation of solar PV in homes and business pursuant to SB1.

Objective

To ensure REU's program is in accordance with legislative requirements.

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. This connection provides long-lasting business relationships for REU and the City.

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 on-going 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.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objective

Key REU staff will actively assist 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 Benefits 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

Continue the implementation of REU's Earth Advantage® Green Building Program.

Objective

REU's Green Program has been a tremendous success in FY 2006-07, with approximately 11 builders. More than 300 homes have been built or are in the queue to meet the stringent standards of REU's Earth Advantage Program. This Program requires customers, developers and builders to build environmentally responsible homes that are at least 20% more energy efficient than state mandated standards, 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 maintains a positive interface with all media promoting the programs and services both from the perspective of REU and also enlighten the press and media on the positions the City takes on relevant issues.

Goal

Assist the Director on on-going legislative matters that have major impacts on local control and ensure 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

Improve the handling of our communications with both internal and external customers in the most effective and expedient way possible.

Objective

Expand the utilization of technologies used by the Customer and Field Services Division to the five utilities through increased access and training. Implement an Enterprise Resource Program (ERP) which was recommended by the Technology Committee and supported by Redding Municipal Utilities (RMU) to promote quality control in all areas of customer data acquisition, management, and confidentiality.

Goal

Fully implement a Revenue Protection Program.

Objective

Implement a Revenue Protection Pilot Program to provide a comprehensive assessment of the potential revenue loss for the Utilities. Based on the outcome of a pilot program, the assessment conducted will be used for a successful transition to a formal program.

Goal

Increase and improve employee safety and productivity, and reduce the cost of providing customer service.

Objective

Establish a Division-wide training program for employees that includes; cross-training, basic skill-set training, and a monitoring and coaching program.

Field Service

Goal

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

Objective

Establish a daily "Tailgate" meeting for communicating employee safety issues on a regular basis. Continue to improve the identification and mitigation of meter access and employee safety issues in the field.

Goal

Develop a vehicle maintenance and supply program.

Objective

Implement vehicle maintenance and supply program to reinforce and ensure vehicle safety and track vehicle and meter reading supplies and inventory, on a daily basis.

Goal

Improve wireless service order capabilities for all Utility Field Services staff.

Objective

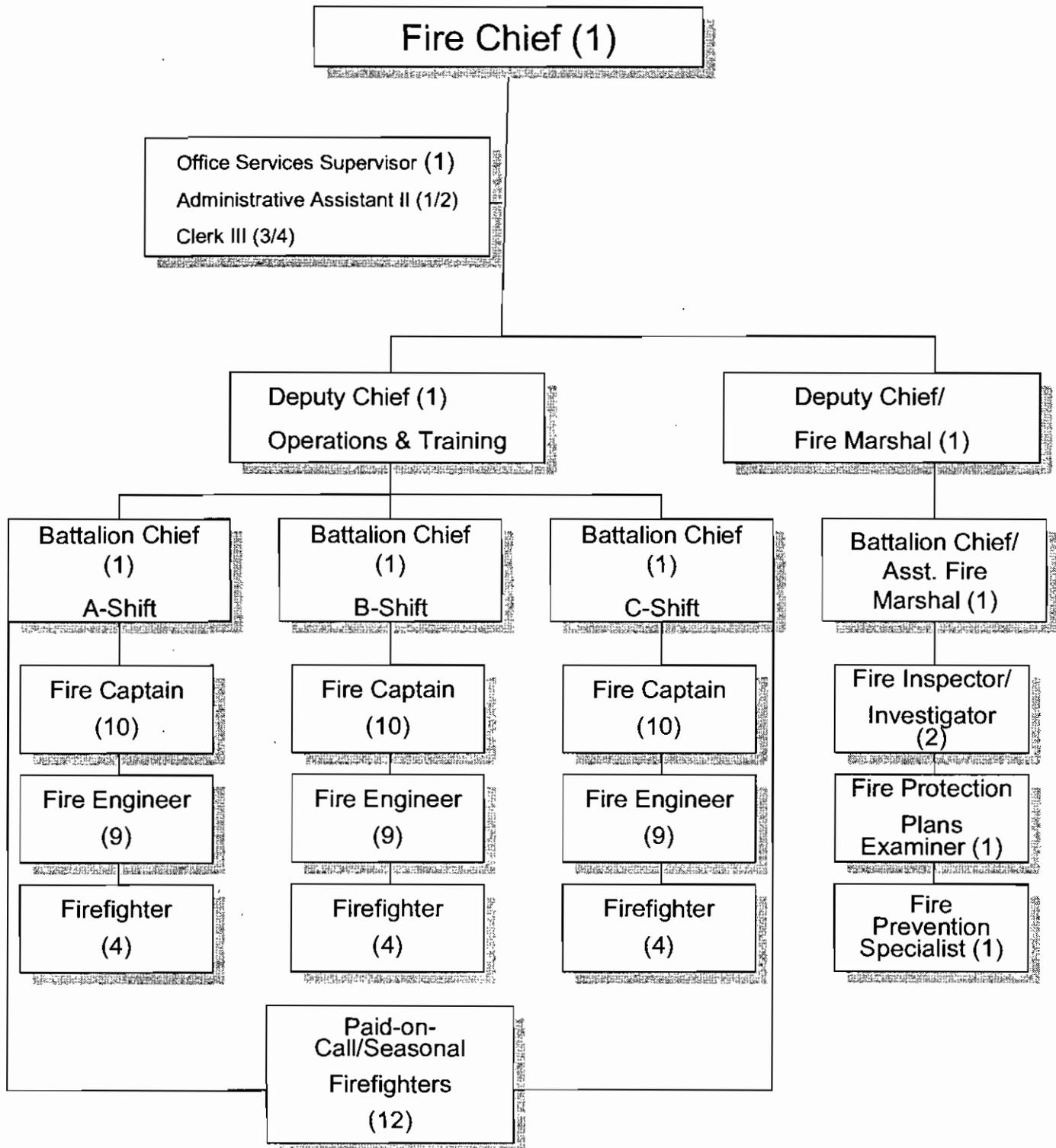
Develop opportunities for validation of Field Services information and provide a higher-level of training to Field Services staff to ensure completion of more complex service orders.

Fire



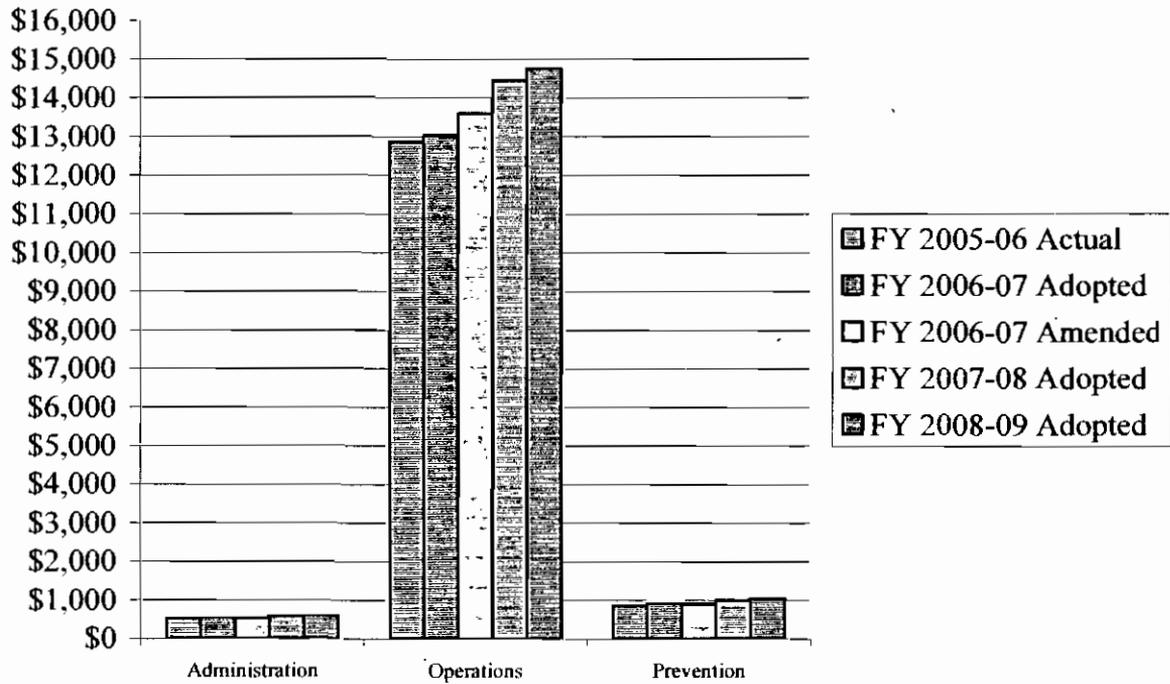
**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

Redding Fire Department Organizational Chart



Fire Department

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

FIRE DEPARTMENT

Overview

The Fire Department's adopted budget for FY 2007-08 totals \$16,050,360 which is \$995,460 more than the amended budget for FY 2006-07 of \$15,054,900. The increase is related to adding three fire fighters, augmenting the seasonal fire fighter's program, an increase in salaries, an increase in overtime, 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 adopted budget for FY 2007-08 is less than the amended budget for 2006-07 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 2008-09, the adopted budget totals \$16,428,950 which is \$378,590 over the FY 2007-08 adopted budget of \$16,050,360. The increase is related to salaries, augmenting the seasonal fire fighter's program, the City's contribution to the California Public Employees Retirement System, health insurance costs, SHASCOM expense and internal service fund charges.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Administration	\$ 521,732	\$ 559,790	\$ 542,800	\$ 582,710	\$ 39,910	\$ 611,160	\$ 28,450
Operations	12,873,043	13,040,040	13,607,080	14,457,430	850,350	14,758,350	300,920
Prevention	865,978	918,320	905,020	1,010,220	105,200	1,059,440	49,220
TOTAL	\$ 14,260,753	\$ 14,518,150	\$ 15,054,900	\$ 16,050,360	\$ 995,460	\$ 16,428,950	\$ 378,590

* Excluded carryover amounts

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 2008-09 Adopted	\$ 455,310	\$ 155,850	\$ -	\$ -	\$ 611,160
	FY 2007-08 Adopted	\$ 428,250	\$ 154,460	\$ -	\$ -	\$ 582,710
	FY 2006-07 Amended	\$ 390,550	\$ 152,250	\$ -	\$ -	\$ 542,800
	FY 2005-06 Actual	\$ 372,255	\$ 149,477	\$ -	\$ -	\$ 521,732
Operations	FY 2008-09 Adopted	12,447,200	2,306,260	-	4,890	14,758,350
	FY 2007-08 Adopted	11,881,730	2,571,070	-	4,630	14,457,430
	FY 2006-07 Amended	10,913,250	2,100,840	444,410	148,580	13,607,080
	FY 2005-06 Actual	10,507,816	2,074,361	67,075	222,791	12,872,043
Prevention	FY 2008-09 Adopted	941,870	117,570	-	-	1,059,440
	FY 2007-08 Adopted	893,690	116,530	-	-	1,010,220
	FY 2006-07 Amended	785,390	106,430	13,200	-	905,020
	FY 2005-06 Actual	789,230	76,748	-	-	865,978
Total	FY 2008-09 Adopted	\$13,844,380	\$ 2,579,680	\$ -	\$ 4,890	\$ 16,428,950
	FY 2007-08 Adopted	\$13,203,670	\$ 2,842,060	\$ -	\$ 4,630	\$ 16,050,360
	FY 2006-07 Amended	\$12,089,190	\$ 2,359,520	\$ 457,610	\$ 148,580	\$ 15,054,900
	FY 2005-06 Actual	\$11,669,301	\$ 2,300,586	\$ 67,075	\$ 222,791	\$ 14,259,753

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

The Department is requesting three additional firefighters in FY 2007-2008 to allow the Department to increase the staffing on one fire engine from 2 to 3. The Department is requesting funding to increase its "Paid-On Call / Volunteer" firefighter cadre from 15 to 30.

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
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	72.00	72.00	72.00	75.00	3.00	75.00	0.00
	P/T	4.05	4.05	3.57	5.57	2.00	7.86	2.29
	Total	76.05	76.05	75.57	80.57	5.00	82.86	2.29
Prevention	F/T	6.00	6.00	6.00	6.00	0.00	6.00	0.00
	P/T	0.00	0.00	0.48	0.48	0.00	0.48	0.00
	Total	6.00	6.00	6.48	6.48	0.00	6.48	0.00
Total	F/T	81.00	81.00	81.00	84.00	3.00	84.00	0.00
	P/T	5.28	5.28	5.28	7.28	2.00	9.57	2.29
	Total	86.28	86.28	86.28	91.28	5.00	93.57	2.29

Significant Issues

1. The three additional firefighters included in this budget reduces the total need from fifteen to twelve. The Department requests that the City Council give strong consideration to including in the cities "Ten Year Plan", provisions to incrementally fund the remaining needed twelve firefighters.
2. The Departments funding of \$170,000 for "Critical Situation Staffing" was eliminated in the fiscal year 2005-2007 budget. This budget restores \$50,000 for increased staffing during extreme weather/wind situations.
3. SHASCOM costs are proposed to increase. The Board of Directors will review that budget in an attempt to eliminate or minimize those cost increases if possible.
4. The Department's annual Rolling Stock allocation will be increased through a one time transfer from other rolling stock funds by \$150,000 in this budget. Finance has agreed to review and reevaluate the Rolling Stock Funds and the recommendations for funding.

2005-2007 Goals and Accomplishments

Administration Division

Goal

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

Accomplishments

1. Completed and occupied; dedication ceremony conducted in December 2005.
2. New fire engine purchased and delivered in Fall 2005; engine fully equipped and put in service at the new station upon its opening in December 2005.

Goal

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

Accomplishments

1. Secured \$500,000 from the SHASTEK Redevelopment Project Area.
2. Grants secured from the Federal Aviation Administration (FAA) for the remainder of the total cost of the fire station.
3. Construction is ahead of schedule, with a completion projection of June 2007.

Goal

Develop a reasonable revenue source to assist in funding future fire stations and fire apparatus.

Accomplishment

Fire Facilities Impact Fee revised using the same methodology as the initial fee implemented in 1999. Draft proposal reviewed and revised by City Staff. Fee proposal submitted to various stake holders, with discussion meetings during March 2007. This proposal will be presented to City Council in May 2007 for consideration.

Goal

Assist with the negotiation of the labor contract (MOU) which expires June 2006.

Accomplishments

1. Assisted Personnel Director and Personnel staff over the course of several months resulting in a new labor contract effective January 28, 2007. The new contract is a five-year term, which was negotiated at a cost just slightly higher than had been identified in the City's 10-year plan.
2. Significant language clean up was accomplished.
3. Operating procedures developed and/or modified to implement changes in the labor contract.

Operations and Training Division

Goal

Continue to improve training methodology.

Accomplishments

1. Scheduling and improved use of resources has been accomplished through better utilization of technology.
2. Computer-based training has been increased, including emergency medical refresher training.
3. Training responsibilities have been delegated to a greater number of employees.

Goal

Reduce job-induced injuries and associated time loss.

Accomplishments

1. Conducted annual health screening for all employees.
2. Conducted annual fitness evaluations.
3. Conducted annual respiratory fitness tests.
4. Conducted injury reduction training by health care and risk management professionals.
5. Conducted mandatory safety meetings for all employees at least quarterly.
6. Conducted safety inspections of all facilities.
7. Corrected unsafe hazards as allowed within budgeted funds.

8. Participated in City's Accident Review Committee.

Goal

Restore number of positions/hours provided by Seasonal Firefighters during high hazard fire season (June-October). This program was reduced during FY 2002-03.

Accomplishment

Remained an unmet need.

Goal

Implement replacement plans for all equipment that has a projected life span.

Accomplishment

Plan completed and included in 2007-09 budget request for adequate funding.

Fire Prevention

Goal

Reduce the threat of wildland fires in the City of Redding.

Accomplishments

1. Reduced vegetative fuel loads on City-owned property by executing contracts to conduct mitigation work.
2. Utilized California Department of Forestry (CDF) to a much larger degree than in the past to perform mitigation work.
3. Increased public awareness through education and more enforcement of fire mitigation laws.

Goal

Conduct timely and effective fire and life safety inspections.

Accomplishments

1. Increased the number of State-required annual inspections.
2. Inspected new businesses in a more timely manner to ensure fire and life safety hazard compliance.
3. Continued to enhance and increase the use of technology to replace paperwork and improve tracking for inspections.

Goal

Become efficient in the new Fire Code and other related codes.

Accomplishment

Training provided for the Fire Inspectors and Staff.

Goal

Maintain the Emergency Operations Center (EOC) and Emergency Operations Plan.

Accomplishments

1. Updated the City Code to comply with the National Incident Management System and the Standardized Emergency Management System (NIMS/SEMS).
2. Conducted training for City staff on NIMS.
3. Conducted an EOC simulation for City staff in April 2007.

Goal

Support and participate on City of Redding committees such as Planning, preparation for the Board of Administrative Review (Pre-BAR), California Emergency Services Association (C-SET), Permit Center, Safety Team.

Accomplishment

Attended 90% of meetings.

Goal

Ensure efficient and timely plan reviews are completed for structural and built-in fire protection systems.

Accomplishments

1. Completed all plan reviews within established time frames.
2. Attended training sessions and have kept up-to-date with the most current standards.
3. Continue to achieve an "A" rating in the customer service surveys.

Goal

Manage the outdoor burning regulations and fire mitigation projects.

Accomplishments

1. Monitored and responded to all complaints.
2. Worked with Shasta County Air Quality Resources Board.
3. Worked with the public in conducting wildland fuel mitigation project.

Goal

Provide the best public fire safety programs in the most efficient and economical way.

Accomplishments

1. Continued researching and developing effective fire prevention tools and educating the public.
2. Continued to provide fire safety information to the public at schools and public events.

Goal

Investigate all fires to determine origin and cause.

Accomplishments

1. All fires are investigated for origin and cause.
2. Provided increased training in fire investigation to improve the knowledge, skills and abilities of fire personnel.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Performance Measures and Workload Indicators

Operations and Training Division

The following table displays some of the workload indicators for the past, present and projected future of the Fire Operations Division:

Workload Indicators	2004 Actual	2005 Actual	2006 Actual	2007 Projected	2008 Projected
Calls for Service	9,857	11,682	11,417	12,000	12,250
Average Response Times in Minutes	6.5	6.92	7.28	6.87	6.50
Total Training Hours Completed	23,800	24,520	24,520	25,400	25,750
Total Number of Company Inspections	2,192	1,636	1,613	1,650	1,675

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	2004 Actual	2005 Actual	2006 Actual	2007 Projected	2008 Projected
Arson Fires	50	50	59	60	65
Fire Investigations	145	130	152	155	165
Fire Inspections (Bureau)	1,885	1,579	1,676	1,700	1,750
Plans Reviewed	563	861	592	600	625
Weed Complaints	300	111	118	100	110
Public Education Requests	74	165	150	160	165
Vegetation Management Inspections	5,500	969	1,101	1,100	1,110
Burn Permits	1,383	1,812	1,333	1,500	1,600

2007-09 Goals and Objectives

Administration Division

Goal

Complete the replacement fire station construction for the Airport Fire Station 7.

Objective

Completion and occupancy by June 2007.

Goal

Complete update of 1999 Fire Facilities Impact Fees.

Objective

Obtain Council review and approval May 2007.

Goal

Complete upgrade of station computer network.

Objectives

1. Success with this budget cycle will bring us within the replacement cycle recommended by the Information Technology Division.
2. Software programs in this budget request will allow us to implement fire pre-plans for our "target hazard" buildings which will provide invaluable information about the building on fire (i.e., special hazards, where the shutoffs are located, etc.). Additionally, it will improve our ability to retain our Insurance Services Office (ISO) Class 3 rating for fire insurance rate setting in the future.

Operations and Training Division

Goal

Improve radio interoperability.

Objective

Resolve the continuing problems with the implementation of a second frequency which will provide a redundant and improve coverage of our single radio frequency.

Goal

Improve training methodology.

Objectives

1. Disperse training responsibilities to various fire station personnel.
2. Continue to improve cooperation with Shasta College, resulting in more fire-related courses being offered.
3. Success with this budget will allow computer fire simulation training to occur.

Goal

Reduce job-induced injuries and associated time loss.

Objectives

1. Conduct annual health screening of all employees.
2. Conduct annual fitness evaluations.
3. Conduct annual FIT testing for Self-Contained Breathing Apparatus (SCBA) and respirators.
4. Conduct injury reduction training by health care and risk management professionals.
5. Conduct mandatory safety meetings. Completed every other month.
6. Train all supervisors in the concept of "hot coaching".
7. Conduct safety inspections of all facilities and equipment.

Goal

Increase certification level of all Division employees.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objectives

1. All personnel assigned to drive fire apparatus certified to the National Fire Protection Association (NFPA) 1021 standard.
2. All officers obtain California State Fire Marshall Fire Officer Certification commensurate with their rank and assignment.

Goal

Improve conditions and protect capital assets.

Objectives

1. Station No. 1: Replace emergency generator.
2. Station No. 2: Landscaping refresh.
New floor coverings.
Replace driveway and small parking area.
3. Station No. 4: New floor coverings in progress.
4. Station No. 5: Replace emergency generator.
Replace sidewalk/driveway.
5. Station No. 7: New station to be completed June 2007.

Fire Prevention Division

Goal

Reduce the threat of wildland fires in the City of Redding.

Objectives

1. Execute contracts to conduct fuel 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.
4. Work with Resource Conservation District in coordinating effective vegetation mitigation plans.
5. Work with homeowners in educating and enforcing fire hazard mitigation.

Goal

Conduct timely and effective fire and life safety inspections.

Objectives

1. Ensure that new businesses are inspected in a timely manner for fire and life safety hazards.
2. Continue to implement technology, including a new computerized tracking system utilizing Palm devices, reducing the paperwork for two Inspectors and office staff.

Goal

Maintain the Emergency Operations Center (EOC) and Emergency Operations Plan.

Objectives

1. Conduct training of EOC members.
2. Continue to provide updated materials to support the EOC, such as evacuation relocation maps of care facilities.

Goal

Support and participate on City of Redding committees, such as Planning, Pre-Bar, C-SET, Permit Center, Safety Team.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objective

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 reviews within established time frames.
2. Attend training sessions, keeping up-to-date with the most current standards.

Goal

Provide the best public fire safety programs in the most economical ways.

Objectives

1. Educate developers and public on fire prevention tools, i.e., residential sprinklers, public education for controlling fires.
2. Provide information at public events, providing up-to-date information regarding fire safety.

Goal

Investigate all fires to determine origin and cause.

Objectives

1. Participate in Shasta Arson Task Force.
2. Participate in training opportunities for fire investigation.
3. Assist Shasta County Fire Department and California Department of Forestry when additional personnel are needed for determining origin and cause of arson fires adjacent to City properties.

Unmet Needs

Deferred maintenance of City-owned fire facilities continues to be an issue. Major unfunded projects are as follows:

1.	Remodel storage building at Station 5	\$31,000
	Total Buildings and Grounds Based on 10-year Plan	31,000

Capital Improvement Projects

1.	Fire Engine Pump (Underground) Test Pit (4,000 gallon)	92,000
	Total Capital Improvements Projects	92,000

Personnel

1.	Staffing for third person on duty	823,392
2.	Fire Training Officer	178,110
3.	Seasonal Firefighter Program	185,400
4.	Management Analyst I	75,316
5.	Fire Investigator	128,900
	Total Personnel	1,391,118

Total Unmet Needs

\$1,514,118

General Government



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

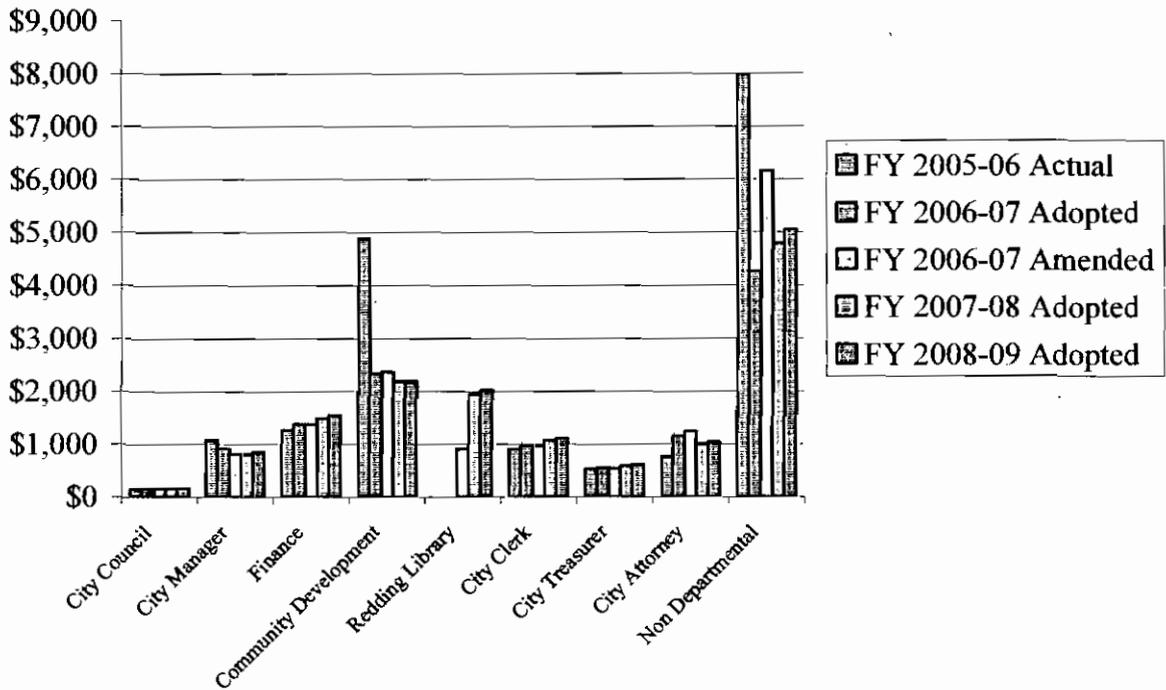
GENERAL GOVERNMENT

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General Government

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 \$161,180 for fiscal year 2007-08, an increase of \$6,270 from fiscal year 2006-07 amended budget of \$154,910. For fiscal year 2008-09, the adopted budget totals \$168,410, an increase of \$7,230 from the adopted budget for fiscal year 2007-08. The increase in both fiscal 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.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
City Council	\$ 145,303	\$ 155,210	\$ 154,910	\$ 161,180	\$ 6,270	\$ 168,410	\$ 7,230

* Excludes carryover amounts

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 2008-09 Adopted	\$ 143,550	\$ 24,860	\$ -	\$ -	\$ 168,410
	FY 2007-08 Adopted	136,320	24,860	-	-	161,180
	FY 2006-07 Amended	130,620	24,290	-	-	154,910
	FY 2005-06 Actual	121,952	23,351	-	-	145,303

Capital Outlay

There is no capital outlay in this budget.

Significant Issues

There are no significant issues.

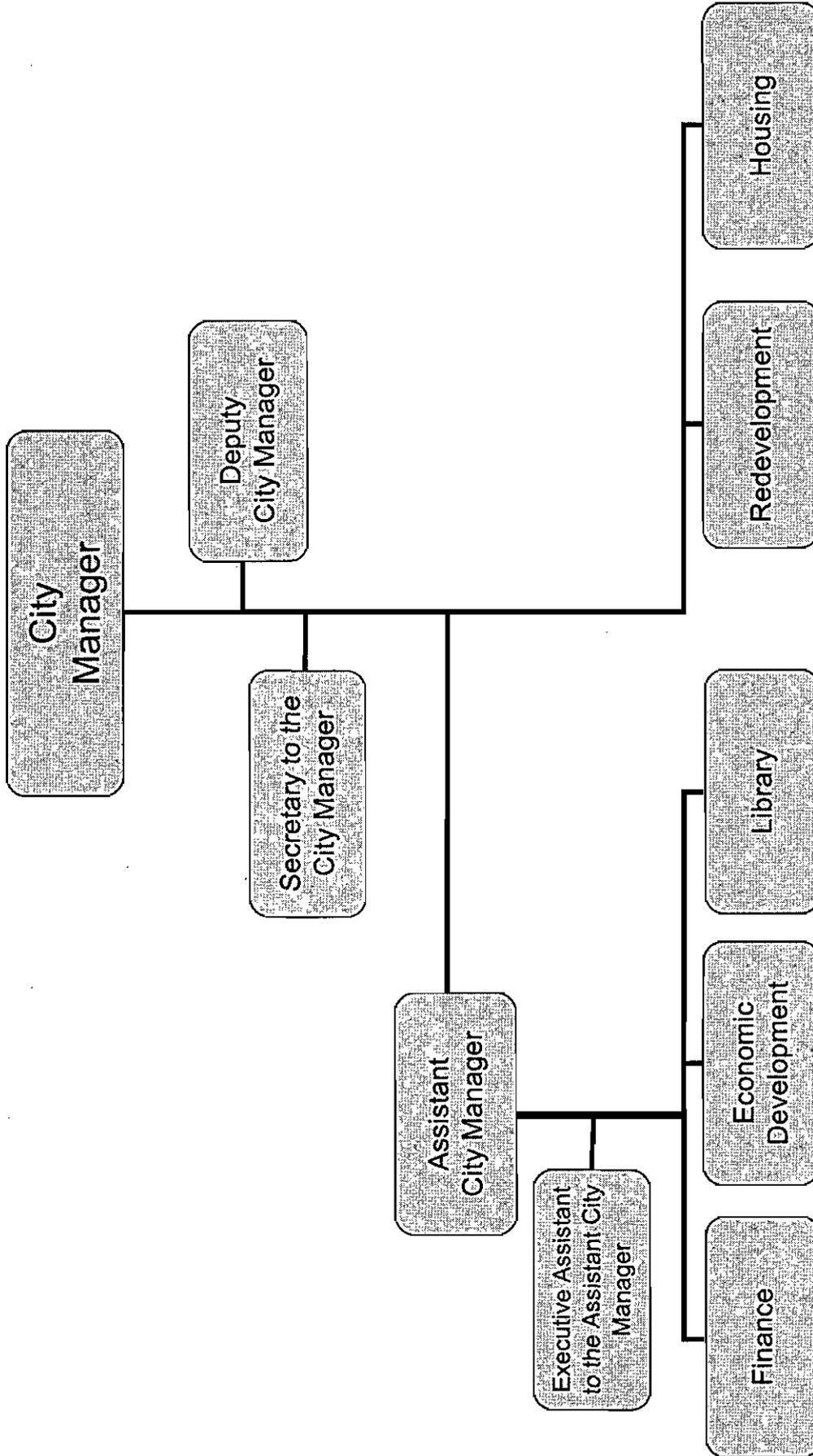
Goals and Objectives

The City's goals and objectives are outlined in the budget message and in each section of this document.

Unmet Needs

None.

City Manager's Office



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 2007-08 totals \$809,570, a decrease of \$15,720 from fiscal year 2006-07 amended budget and for fiscal year 2008-09 totals \$851,020, an increase of \$41,450 from fiscal year 2007-08 adopted budget. The following table outlines the budget in comparison to the previous fiscal year.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
City Council	\$ 1,083,897	\$ 920,740	\$ 825,290	\$ 809,570	\$ (15,720)	\$ 851,020	\$ 41,450

* Excludes carryover amounts

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 2008-09 Adopted	\$ 677,540	\$ 173,480	\$ -	\$ -	\$ 851,020
	FY 2007-08 Adopted	638,440	171,130	-	-	809,570
	FY 2006-07 Amended	669,430	155,860	-	-	825,290
	FY 2005-06 Actual	912,633	171,264	-	-	1,083,897

Capital Outlay

No capital outlay in this budget

Personnel

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
City Manager	F/T	9.00	9.00	8.00	6.00	-2.00	6.00	0.00

Significant Issues

There are no significant issues.

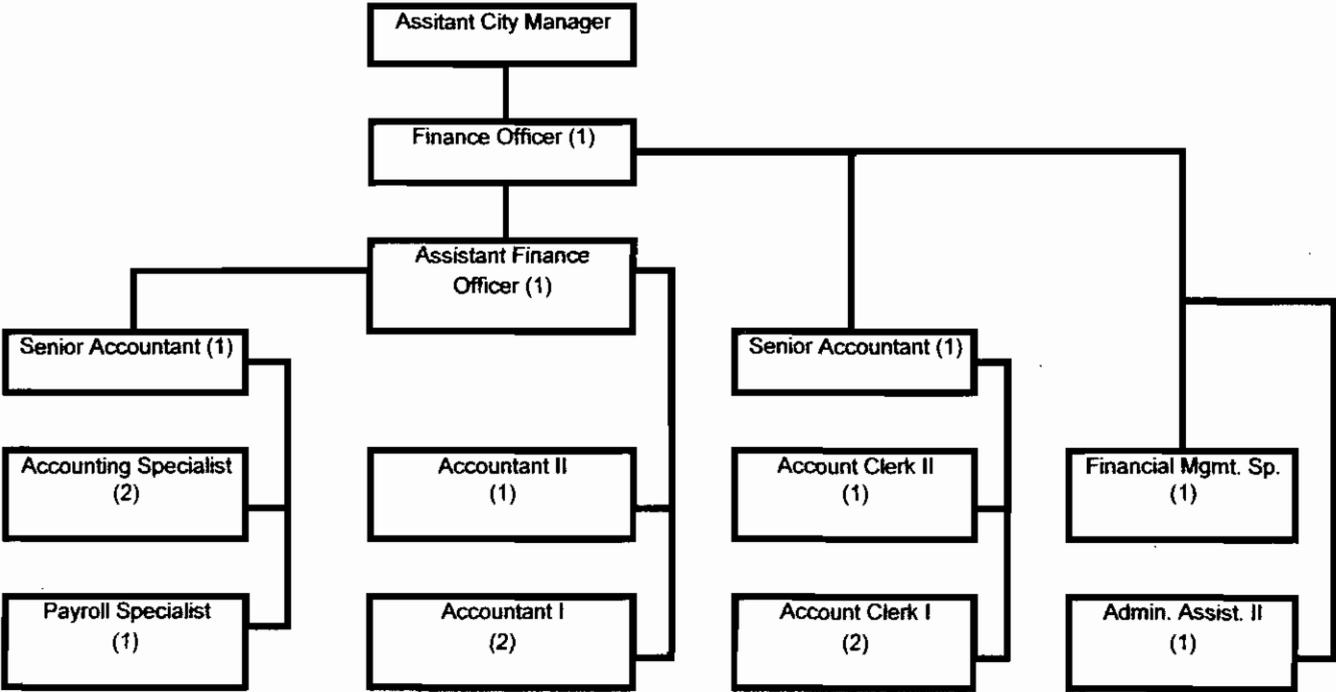
Goals and Objectives

The City's goals and objectives are outlined in the budget message and in each section of this document.

Unmet Needs

None.

City of Redding
Finance Division Organization Chart



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

FINANCE

Introduction

The Finance Division's adopted 2007-08 budget totals \$1,486,550, which is \$104,650 over the FYE 2007 amended budget of \$1,381,900; and for fiscal year 2008-09 it totals \$1,552,730, which is \$66,180 over the FYE 2008 budget. The increase is due primarily to personnel cost increases.

The following is a breakdown of the differences:

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Personnel	\$ 1,002,047	\$ 1,075,390	\$ 1,075,390	\$ 1,167,120	\$ 91,730	\$ 1,227,130	\$ 60,010
Operating Materials	263,757	306,510	306,510	319,430	12,920	325,600	6,170
Capital Outlay	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
TOTAL	\$ 1,265,804	\$ 1,381,900	\$ 1,381,900	\$ 1,486,550	\$ 104,650	\$ 1,552,730	\$ 66,180

* Excludes carryover amounts

The following table displays how the Finance budget is broken down between major expenditure groups.

Division		Personnel	Materials Supplies & Services	Capital Outlay	Debt Service	Total
Finance	FY 2008-09 Adopted	\$ 1,227,130	\$ 325,600			\$ 1,552,730
	FY 2007-08 Adopted	1,167,120	319,430			1,486,550
	FY 2006-07 Amended	1,075,390	306,510			1,381,900
	FY 2005-06 Actual	1,002,047	263,757			1,265,804

Personnel

The following table displays total personnel. The Finance Division is requesting to add back and fund the part-time Financial Management Specialist position at an increase cost of \$37,000.

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Finance	F/T	14.00	14.00	14.00	14.00	0.00	14.00	0.00
	P/T	0.08	0.08	0.08	0.48	0.40	0.48	0.00
	Total	14.08	14.08	14.08	14.48	0.40	14.48	0.00

Status of 2005-06 and 2006-07 Goals and Objectives

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

Reviewed budget requests, identified and prepared recommendations on budget issues for the Budget Committee and the City Manager's Office. Prepared Budget document and worked with City Manager on presenting the City's two-year budget. Prepared recommendations for mid-budget adjustments. Prepared and updated long-range financial plan for City Manager and City Council review

Received the "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the 2005-07 biennial budget.

Completed the Comprehensive Annual Financial Report (CAFR) by December 31 of each year. The completed CAFR and management letter were accepted by City Council in January of each year. The CAFR for 2005-06 received the "Certificate of Achievement for Excellence in Financial Reporting" from the Government Finance Officers Association and we anticipate that the FYE CAFR for 2006-07 will also receive the "Certificate of Achievement for Excellence in Financial Reporting".

Provided timely monthly financial reports to divisions, departments, City Manger and City Council.

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 Wednesday 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

Improved procedures in various finance functions that helped improve operational efficiencies. Improved use of computers to generated work papers for the audit. Reorganized the workload assignments in the Finance Division resulting in more efficient operations within the Division. The efficiency was demonstrated by the reduction of over 15% of the budgeted full-time equivalents in the Division since fiscal year 2004-05.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Workload Indicators and Performance Measures

Finance

<i>Workload Indicators</i>	<i>2005-06 Actual</i>	<i>2006-07 Estimated</i>	<i>2007-08 Projected</i>	<i>2008-09 Projected</i>
Accounts Payable Transactions	12,392	12,500	12,750	13,000
Payroll Transactions	26,696	30,000	30,000	30,000
General Accounts Receivable	20,464	23,000	24,000	25,000
Audit Field Work Completed	12/10/06	12/15/07	12/15/08	12/15/09
Budget presented to Council	-	06/20/07	-	06/20/09

2007-08 and 2008-09 Goals and Objectives

Finance

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. 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, 2007. The two-year budget will qualify for the "Distinguished Budget Presentation Award" from the Government Finance Officers Association.
3. Produce monthly financial reports that are easy to read and understand.

Goal

Process all accounting transactions in a timely and accurate manner.

Objectives

1. Transmit the biweekly payroll by noon on Wednesday 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. Have monthly financial reports available to departments upon completion of month end processing.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

4. Ensure staff is fully trained and 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.

Goal

Ensure information is available to decision makers to assist in maintaining the City's strong financial position.

Objectives

1. Update General Fund Ten Year plan on a monthly basis and maintain a 5% reserve throughout the ten year planning period.
2. Develop a long-term debt policy for City Council review and approval

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 fiscal year 2007-2008 and fiscal year 2008-2009 have not yet been awarded. Grant amounts for FY 2007-2008 are assumed, based on 2006-2007 awards. For fiscal 2007-2008, the adopted budget totals \$2,188,020 and for FY 2008-2009, the proposed budget totals \$2,190,110. The following table outlines the budget in comparison to the previous fiscal year.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
CDBG	\$ 1,174,502	\$ 1,213,380	\$ 1,203,780	\$ 1,150,960	\$ (52,820)	\$ 1,150,960	\$ -
HOME	3,700,713	1,123,740	1,167,490	1,037,060	(130,430)	1,039,150	2,090
Community Development Totals	\$ 4,875,215	\$ 2,337,120	\$ 2,371,270	\$ 2,188,020	\$(183,250)	\$ 2,190,110	\$ 2,090

* Excluding carryover amounts

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

Division		Personnel	Materials Supplies & Services	Capital Outlay	Debt Service	Total
Finance	FY 2008-09 Adopted	\$ 341,160	\$ 166,960	\$ 1,681,990	\$ -	\$ 2,190,110
	FY 2007-08 Adopted	337,950	168,080	1,681,990	-	2,188,020
	FY 2006-07 Amended	441,700	155,620	1,773,950	-	2,371,270
	FY 2005-06 Actual	420,953	137,136	4,317,124	-	4,875,213

Capital Outlay

Capital expenditures for fiscal years 2007-2009 includes expenditures for CDBG and HOME projects and programs.

Personnel

Currently, the Division anticipates no new personnel during the 2007-2008 and 2008-2009 budget years. In fact, during the past two years, the Division had two employees leave. At this time, these two positions are not being filled.

Description		FY 2005- 06 Actual	FY 2006- 07 Adopted	FY 2006- 07 Amended	FY 2007- 08 Adopted	Increase (Decrease)	FY 2008- 09 Adopted	Increase (Decrease)
Community Development	F/T	18.00	18.00	18.00	16.00	-2.00	16.00	0.00
	P/T	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	18.00	18.00	18.00	16.00	-2.00	16.00	0.00

Significant Issues

None.

Status of 2005-2007 Goals and Objectives

Goal

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.

Accomplishment

Ongoing cross-training and education efforts for Housing Division staff over the past two years have benefited 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

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.

Accomplishment

Over the past two years, \$1.9 in private and local dollars were leveraged through the HOME Rental Program, while \$2.1 million was leveraged through the Downpayment Assistance Program. Approximately \$12.5 million in private and other State and Federal dollars were also leveraged through eleven CDBG Public Improvement activities. Six of the eleven activities were designated in either the Downtown area or target neighborhoods.

Goal

Coordinate with the Redding Redevelopment Agency (RRA) to develop a unified, efficient response to large-scale housing development opportunities and neighborhood revitalization efforts.

Accomplishment

To date the Housing Division partnered with the Redding Redevelopment Agency (RRA) and several housing nonprofit organizations to facilitate the development of eleven large-scale development projects. Seven projects have been completed, while the others are in various stages of development. They are listed in the following table:

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Project Name or Address	# Units	Project Amount	Status
5887 - 5931 Cedars Road	10	\$792,000	complete
Eugenia/Milo (new construction)	6	\$730,000	complete
844 & 854 Fell Street & 2739 Akard Avenue	3	\$205,000	complete
End Times/Kenyon	15 beds	\$216,200	complete
Leland/Junior Focus Area (new construction)		\$2-3 million	in progress
Mountain Vistas II - 202 Project (new construction)	40	\$4.3 million	complete
Francis Court (new construction)	12	\$2 million	complete
Linden Apartments (new construction)	30	\$8.2 million	in progress
Compass - 2124 Market Street	3	\$237,200	in progress
RRCD Parkview - 715 Parkview Avenue (new construction)	3	\$418,000	complete
Watson - 1805 Grant/1810 Logan (new construction)	2	\$279,000	in progress
Seda - 2901 - 2907 Mahan Street	4	\$360,000	complete
RRCD - 735 Severtson Street	2	\$353,450	complete
RRCD - 1032 & 1032 ½ State Street	2	\$520,000	complete
Habitat for Humanity - 300-3404 West Street & 1900 Henry Avenue (new construction)	7	\$435,800	complete

Goal

Coordinate with the Redding Redevelopment Agency (RRA) to develop a unified, efficient response to large-scale housing development opportunities and neighborhood revitalization efforts.

Accomplishment

Large-scale, housing development proposals are regularly evaluated by an assessment team consisting of the City Manager or his designee, Housing Division staff and Redevelopment personnel to facilitate a coordinated response.

Goal

Aggressively seek new funding from Federal, State, and other sources which complement City housing, community development, and preservation efforts.

Accomplishment

In the two-year period, the Housing Division has secured \$1.16 million from the Federal-administered Home Investment Partnerships Program, and \$1.8 million from the Federal Community Development Block Grant Program. The City applied for BEGIN funds through the State of California Department of Housing and Community Development, but was not awarded.

Goal

Work to empower target neighborhoods with both the skills and resources to manage quality of life issues in the community.

Accomplishment

The Housing Division, in cooperation with the RRA staff, has built upon previous years' experience 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

Work with nonprofit service organizations to develop capacities to respond to community needs.

Accomplishment

The 2005 and 2006 program years witnessed increased cooperation and capacity-building between the City and local nonprofit groups. These efforts focused on partnering with our local nonprofit groups and Community Development Housing Organizations (CHDOs) to develop affordable housing consistent with the Consolidated Plan. The Housing Division continues to foster and develop the capacity of our CHDOs. In depth workshops and liaison between city/county staff and local nonprofit agencies helped to identify community needs and consensus of funding priorities.

Goal

Proactively respond to housing and neighborhood needs by facilitating development partnerships.

Accomplishment

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 HUD 811 - People with Disabilities Program. The City was awarded \$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 federal and state low-income tax credit funding. Construction is in progress with a scheduled completion date in April 2007.

Goals and Objectives for Fiscal Years Ending June 30, 2008 and 2009

Housing Division Goals

- ▶ To promote a wide range of quality affordable 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 that facilitate affordable housing and economic opportunities for persons of very low, low, and moderate incomes.

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

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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. Expand the capacity of nonprofit housing and service organizations and respond to community needs with an emphasis on special needs projects.
7. Proactively encourage the development of partnerships between developers, financial institutions, and nonprofit agencies.

2007-2009 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 120 low-income households through the Senior Minor Repair Program; and 20 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.
8. Apply for additional funding through the State of California Department of Housing and Community Development and Housing Finance Agency that complements the City's anticipated developments. Potential funding sources are Cal Home funds, Begin funds, and/or HELP funds.

CITY OF REDDING PROPOSED BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

REDDING LIBRARY and BRANCH LIBRARIES

Overview

The City of Redding, in January 2007, took over ownership and operation of the Redding Library and began operating the two Shasta County branch libraries by contract. The libraries are funded by Shasta County, the City of Redding, the City of Anderson and other sources. Redding contribution for fiscal year 2007-08 is \$679,725 and for fiscal year 2008-09 is \$700,117. The Library's proposed budget for fiscal year 2007-08 totals \$1,943,580, which is \$1,030,340 over the fiscal year 2006-07 amended budget of \$913,240. The FYE 2007 amended budget for the Libraries, however, represents operating costs for only one-half of the fiscal year. For fiscal year 2008-09, the proposed budget totals \$2,019,790, which is \$76,210 over the proposed FYE 2008 budget. The following is a breakdown of the differences:

Division	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Proposed	Change	FY 2008-09 Proposed	Change
Redding Library	\$ -	\$ -	\$ 821,185	\$ 1,742,460	\$ 921,275	\$ 1,812,270	\$ 69,810
Branch Libraries	-	-	92,055	201,120	109,065	207,520	6,400
Total	\$ -	\$ -	\$ 913,240	\$ 1,943,580	\$ 1,030,340	\$ 2,019,790	\$ 76,210

*Excludes carryover amounts

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

Division		Personnel	Materials, Supplies, & Services	Capital Outlay	Debt Service	Total
Redding Library	FY 2008-09 Proposed	\$ 73,950	\$ 1,738,320	\$ 0	\$ 0	\$ 1,812,270
	FY 2007-08 Proposed	\$ 72,000	\$ 1,670,460	\$ 0	\$ 0	\$ 1,742,460
	FY 2006-07 Amended	\$ 43,500	\$ 777,685	\$ 0	\$ 0	\$ 821,185
	FY 2005-06 Actual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Branch Libraries	FY 2008-09 Proposed	0	207,520	0	0	207,520
	FY 2007-08 Proposed	0	201,120	0	0	201,120
	FY 2006-07 Amended	0	92,055	0	0	92,055
	FY 2005-06 Actual	0	0	0	0	0
Total	FY 2008-09 Proposed	\$ 73,950	\$ 1,945,840	\$ 0	\$ 0	\$ 2,019,790
	FY 2007-08 Proposed	\$ 72,000	\$ 1,871,570	\$ 0	\$ 0	\$ 1,943,580
	FY 2006-07 Amended	\$ 43,500	\$ 869,740	\$ 0	\$ 0	\$ 913,240
	FY 2005-06 Actual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

CITY OF REDDING PROPOSED BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Capital Outlay

There are no requests for Capital Outlay for the fiscal year 2007-08 and fiscal year 2008-09

Significant Issues

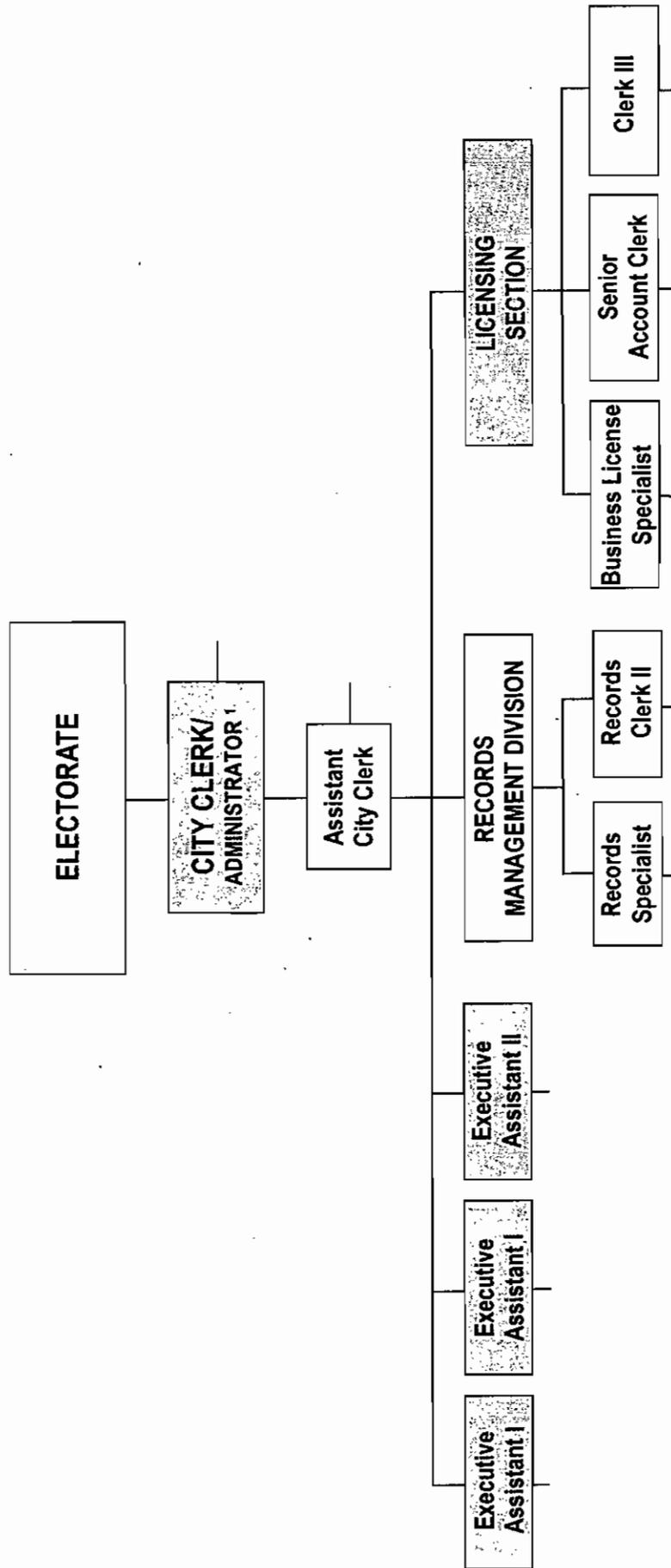
There are no significant issues occurring in this budget cycle

UNMET NEEDS

There are no unmet needs.

CITY CLERK

Organizational Chart



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

CITY CLERK'S DEPARTMENT

Overview

The City Clerk's Department comprises the Office of the City Clerk and the Records Management Division. The adopted budget for FY 2007-08 totals \$1,079,110, an increase of \$103,120 over the FYE 2006-07 Amended Budget. The increase is attributed to escalating Indirect Personnel costs, increased Interdepartmental Charges, mandated and escalating operating and materials costs such as Codification and Advertising/Promotion, and the request for a status change from ¾ to full time for the Clerk III position in the Licensing Section. The adopted budget for FY 2008-09 totals \$1,112,800, \$33,690 over the FY 2007-08 adopted budget due to necessary budgeting of \$8,000 for the 2008 General Municipal Election, and for the aforementioned reasons.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
City Clerk	\$ 646,104	\$ 710,000	\$ 697,720	\$ 784,650	\$ 86,930	\$ 823,720	\$ 39,070
Records Management	260,298	278,270	278,270	294,460	16,190	289,080	(5,380)
TOTAL	\$ 906,402	\$ 988,270	\$ 975,990	\$ 1,079,110	\$ 103,120	\$ 1,112,800	\$ 33,690

* Excludes carryover amounts

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

Division		Personnel	Materials Supplies & Services	Capital Outlay*	Debt Service	Total
City Clerk	FY 2008-09 Adopted	\$ 628,290	\$ 187,430	\$ 8,000	\$ -	\$ 823,720
	FY 2007-08 Adopted	\$ 595,180	\$ 181,470	\$ 8,000	\$ -	\$ 784,650
	FY 2006-07 Amended	\$ 530,500	\$ 161,220	\$ 6,000	\$ -	\$ 697,720
	FY 2005-06 Actual	\$ 487,590	\$ 151,159	\$ 7,355	\$ -	\$ 646,104
Records Management	FY 2008-09 Adopted	205,020	84,060	-	-	289,080
	FY 2007-08 Adopted	195,630	83,830	15,000	-	294,460
	FY 2006-07 Amended	187,240	91,030	-	-	278,270
	FY 2005-06 Actual	178,384	81,914	-	-	260,298
Total	FY 2008-09 Adopted	\$ 833,310	\$ 271,490	\$ 8,000	\$ -	\$ 1,112,800
	FY 2007-08 Adopted	\$ 790,810	\$ 265,300	\$ 23,000	\$ -	\$ 1,079,110
	FY 2006-07 Amended	\$ 717,740	\$ 252,250	\$ 6,000	\$ -	\$ 975,990
	FY 2005-06 Actual	\$ 665,974	\$ 233,073	\$ 7,355	\$ -	\$ 906,402

* Budgeted for State Mandated Animal Fines revenue

Personnel

With preliminary approval to reclassify the Licensing Section Clerk III from ¾ time to full time, the total number of full time employees in the Department is ten. However, it is important to point out that while the City and the workload have grown significantly over the years, the Department has fewer staff now than in fiscal year 1992-93 when the Clerk's office had 12 staff members. The following table displays total personnel for each division.

Capital Outlay

The City Clerk's Department's Capital Outlay of \$8,000 each fiscal year represents mandatory budgeting for State Animal Fines which are offset by revenue in a like amount. Additional Capital Outlay funds in the amount of \$15,000 are budgeted in FY 2007-08 for a digital microfilm scanner system for the Records Management Division and will be paid for with Division reserves.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009.

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
City Clerk	F/T	7.00	7.00	7.00	8.00	1.00	8.00	0.00
	P/T	0.75	0.75	0.75	0.00	-0.75	0.00	0.00
	Total	7.75	7.75	7.75	8.00	0.25	8.00	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
Total	F/T	9.00	9.00	9.00	10.00	1.00	10.00	0.00
	P/T	0.75	0.75	0.75	0.00	-0.75	0.00	0.00
	Total	9.75	9.75	9.75	10.00	0.25	10.00	0.00

Significant Issues

Because Business License revenue is the product of vigorous pursuit for compliance and cannot be tied to population or inflation (business license fees are set; they do not increase with inflation and cannot be increased short of a ballot measure), it may be necessary, at some point in the near future, to further increase Licensing Section personnel if revenue is to increase.

Minimal staffing in the Record's Division is also becoming an issue. Over the past three years, this Division (staffed by two full time employees) has taken on additional duties of formatting and publishing staff reports for the City Council (agenda and minutes publication for the City Council began approximately 9 years ago), and staff reports, minutes and agendas for the Housing Authority, the Redding Area Bus Authority, the Redevelopment Agency and the Redding Municipal Library Board of Trustees, as well as scanning legislative documents to the COR View for staff access from personal computers. These tasks are detail-oriented and quality control is critical and time consuming. In addition, as the City grows, the "trickle-down" effect of numerous capital projects drives up the number of records and other documents which must be imaged. The department will continue diligent efforts toward maintaining status quo staffing, but adequate staffing is critical to maintain the level of quality service.

Performance Measures and Workload Indicators

The following table displays the City Clerk's office workload indicators for the upcoming fiscal years.

Workload Indicator	2005-2006 Actual	2006-07 Estimate	2007-08 Projected	2008-09 Projected
Business Licenses	8,754	9,020	9,286	9,619
Business License Revenue	*\$807,000	\$826,000	\$850,000	\$880,000
Dog Licenses	5,400	5,107	5,200	5,300
Spay/Neuter Vouchers	225	226	230	233
Proclamations, Ceremonial Certificates & Resolutions	48	35	40	42
Legislative Indexing	1,527	1,845	2,050	2,250
Bids	199	200	215	225
Contracts - New/Renewed/Amended/Extended	300	340	360	380
Minutes of Meetings - Council RABA, RHA and Library Board	60	66	66	60

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Workload Indicator	2005-2006 Actual	2006-07 Estimate	2007-08 Projected	2008-09 Projected
Community Room/Council Chambers Rental	48	58	68	78
Special Events Processing	62	67	72	77
Public Hearings	52	60	70	80
Easement/Deeds	133	140	150	160

Records Management

Workload Indicator	2005-06 Actual	2006-07 Estimate	2007-08 Projected	2008-09 Projected
Documents/Maps Prepped/Processed/Stored	989,732	1,052,877	1,120,050	1,191,509
Agendas, Staff Reports and Meeting Minutes Imaged and Published (City Council, RABA, RRA, Housing and Library Board)	60	66	66	60

2005- 07 Goals and Accomplishments Status

Goal

Prepare for the General Municipal Election of November 2006.

Accomplishment

The City Clerk's Office began preparations for the November 7, 2006, General Municipal Election in summer 2006. Preparations included developing/updating a comprehensive Candidates' Guidelines booklet that includes general information about the City, qualifications for office, nomination filing procedures, Candidate's Statement of Qualifications, Fair Political Practices Commission (FPPC) information and filing requirements and Campaign Statements information.

In cooperation with the GIS Division and utilizing information provided by the Shasta County Elections Department, a new color precinct map and updated precinct list were prepared and provided to candidates. Six candidates applied for three positions on the City Council and the City Clerk's position was also up for election. Staff issued/received candidates' nomination papers and Fair Political Practices Commission (FPPC) filings.

The City Clerk and Assistant City Clerk assisted Shasta County Elections Department staff on election night, prepared and submitted a Report to City Council regarding Certification of Election Results and assisted with the City Council reorganization at the regular meeting of December 5, 2006. Oaths of Office for two new City Council Members, Rick Bosetti and Patrick Henry Jones, and one incumbent Council Member, Mary Stegall were administered during the meeting as well as incumbent City Clerk Connie Strohmayer who also took the oath of office. Election results were published on the City's web page.

Goal

Develop a citizens' educational program about City services.

Accomplishment

At the request of the Mayor and City Manager, the City Clerk researched feasibility and development of a citizens' educational program regarding City services. Subsequently, guidelines, processes and procedures were developed for a Citizen's Government Training Program and other initial work was performed. However, during the City Council Priority Setting meeting of May 31, 2005, the Citizen's Education Program failed to receive a high-priority ranking from the City Council and was abandoned at that time.

Goal

Enhance research capabilities of the City's historical records, 1979 and prior.

Accomplishment

The old microfilmed, manual legislative index was imaged and burned to a CD for uploading to the Intranet. As time permits, the City Clerk will complete crafting an introduction and history of the manual system, as well as instructions on how to access information from the manual index. Once completed, City staff will be able to access the old manual indexing system at their own computers to research legislative history and records created between 1955 and 1980, in lieu of going to the Records Division to view the index and attendant legislative ledger cards on microfilm.

Goal

Relocate filing unit in Records Management Division containing active City employee files to a more secure environment.

Accomplishment

The TabTrack filing unit containing active employee files was relocated from the storage room between Records Management and the City Treasurer's offices to the area which previously housed the 16mm camera. The area is fully enclosed and secured with locking doors. The antiquated 16mm microfilm camera was surplus in spring 2005.

Goal

Complete Records Retention Policy for City Council consideration and adoption.

Accomplishment

The draft Records Retention Schedule was completed and is currently undergoing final departmental review. The Schedule will be circulated to City departments for their review in April 2007, and then on to City Council for consideration and adoption in fall 2007.

Goal

Increase interdepartmental commitment and utilization of the City's subject code index and City-wide Records' Management Program and increase staff knowledge to improve efficiencies in City Council processes.

Accomplishment

In cooperation with the City Attorney's Office, the City Clerk provided an in-house training workshop for employees in September 2005, covering myriad procedures relating to agenda and staff report preparation, use of the automated Employee Reference Guide, subject codes, resolutions, contracts, discloseable records and Brown Act compliance. The training was well received.

Goal

Increase business license revenue and enforce compliance measures in accordance with the Municipal Code. (Ongoing).

Accomplishment

Improved efforts to capture business license revenue from commercial and residential property owners by utilizing a list generated by GIS to cross-reference the business license list with property address information provided by the County Assessor's Office. Also utilized information gained from the new section of the business license renewal application asking if the business owner rents or owns the business property.

To protect customers from identify theft, staff worked with IT to enhance programming so that only the last four digits of the customer's social security number print on the business license renewal form. Staff also developed a program that matches existing business license information with information received from the State Board of Equalization (Sales Tax) to reduce time spent on researching leads by eliminating businesses already licensed.

By state law, financial institutions which pay an in-lieu fee to the state are exempt from local business license tax. Not all financial institutions pay the in-lieu. In order to simplify the licensing fee process, a new letter was designed to mail to financial institutions explaining the process necessary to qualify for an exemption.

Designed new business license renewal form for delinquent notices by printing form on pink paper with large red letters stating account is past due.

A "Violation Notice" was created for accounts that have not paid penalty fees to provide an additional opportunity to collect fees that were previously written off.

Goal

Redesign the Business License issued to businesses.

Accomplishment

While plans included a redesign for the business license so that it can be printed in the Licensing Section, further research revealed that this may not be possible and/or cost effective over the current practice where licenses are printed in the I.T. Division, three-per-page. More study is required.

Goal

Research and design new informational pamphlets for Taxi Services, Limo Services and Vehicles for hire explaining the process to obtain a business license.

Accomplishment

Due to time constraints and other priority projects, significant progress was not made on this goal.

Goal

Improve efficiencies of processes through automation. (Ongoing)

Accomplishment

The Fair Political Practices Commission (FPPC) Form 700, associated regulations manual, and instruction memo were made available on the City's Intranet to designated filers who are now notified of filing deadlines via email. This has resulted in a significant savings of time, money, paper, courier resources, etc.

As mentioned earlier, the City's historical records (the microfilmed old manual legislative index) was imaged and burned to a CD for uploading to the AS400. The project is nearing completion and should be available by fall 2007.

The City Council Policy Manual was made available on the Internet for public access in October 2006.

Goal

Improve efficiencies in the Dog Licensing Program and increase the number of spay/neuter vouchers issued. (Ongoing)

Accomplishment

Spay/Neuter Vouchers, issued with dog license, can now be printed with a simple key stroke in the dog license file on the AS400. The new process copies the information already keyed as part of the licensing process onto the voucher form. Previously, vouchers were hand printed on NCR paper by copying information from the dog license, and was a slow, redundant process.

The search program, "Dog Trax," was designed to supplement the existing AS400 program which allowed dog license searches by tag number, address and owner name. This program was expanded to include search fields for dog name, breed, owner, senior-citizen status, dog status (new, moved, county, deceased) or dangerous dog permit. The flexibility of the expanded program enables staff to assist Haven Humane/Animal Control staff and dog owners with improved speed and efficiency.

Staff worked with the City Attorney's Office and Code Enforcement Division to facilitate issuance of Dangerous Dog Permits for dogs declared dangerous through the Administrative Hearing Board Process.

Citations for violations of RMC Title 7, Animals, were formerly issued by Haven Humane/Animal Control but processed through the Shasta County Court System. The Code was amended in March 2006 to allow these citations (still issued by Haven Humane) to be processed by the City of Redding as Administrative Citations. The Clerk's Office is currently working with other City staff to make improvements to the program and clarify the ordinance.

Participated in the Annual "Spay & Neuter Month" in February 2006 and 2007. The department displayed a large banner across Pine Street during the first week of February announcing the event and the City Council adopted a resolution declaring the month of February as "*Spay/Neuter Month*." In addition, the amount of assistance provided by the spay/neuter vouchers was increased from \$30 to \$40 for the month of February 2006 and 2007. This resulted in a dramatic increase (100%, or double) of requests over other months.

In June 2005 and 2006, the City Clerk's Department designed and staffed a booth at the City's Services and Energy Fair. Booth themes and games vary from year-to-year and pet-related prizes sporting slogans or messages encouraging kindness to animals and promoting spay and neuter programs to prevent pet overpopulation are given to participants. All promotional items are purchased with State-Mandated Animal Fines revenue which is also used to supplement the City's Voucher Program fund (\$2 surcharge per license) to eliminate a waiting list for vouchers.

Goal

Improve staff development and training. (Ongoing)

Accomplishment

The City Clerk and staff attended a variety of industry-related conferences and seminars throughout 2005 and 2006 dealing with issues such as election laws, business and dog licensing and revenue, legislation, records management, CEQA and others in order to receive professional certification and re-certification.

Goal

Continue cross-training efforts. (Ongoing)

Accomplishment

Two Executive Assistants completed some cross-training which included assisting the Executive Assistant II with City Council minutes, assembly and distribution of agenda packets and indexing of meeting minutes. They are also receiving instruction in the FPPC forms filing processes.

2007- 09 Goals and Objectives

Goal

Set up the legislative filing and indexing system for the newly-created Municipal Library Board of Trustees.

Objective

Assign indexing code for Library Board and index meeting minutes as appropriate.

Assign subject codes to accommodate various Board functions and actions.

Goal

Enhance research capabilities of the City's historical records, 1980 and prior.

Objective

This project was started under the Goals and Objectives for 2005-07. As time permits, the City Clerk will complete crafting an introduction and history of the manual system, as well as instructions on how to access information from the manual index.

Once completed, City staff will be able to access the old manual 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 and attendant legislative ledger cards on microfilm.

Goal

Organize City Clerk's Office vault and library's research area.

Objectives

Reorganize records maintained in vault and review future space needs for possibly converting old filing cabinets (inside and outside vault) to an additional space-saving "TimesTwo" unit to conserve limited space and maximize filing volume.

Reorganize all printed material in library shelves so that similar information is grouped and alphabetized and can more readily be accessed.

Inventory information housed in old filing cabinets in library area and purge as necessary.

Goal

Plan and perform related tasks in preparation for the General Municipal Election to be held on November 4, 2008.

Objective

Attend New Law & Election Seminar in December 2007 to stay abreast of new legislation governing elections, the Political Reform Act, etc.

Goal (Ongoing)

Continue to explore additional opportunities to convert services, programs, and information resources to the City's web-page or Intranet to enhance public and internal convenience, efficiency, and to reduce paper.

Objective

Update automated, monthly "tickler" notification form distributed to departments to accommodate reorganization of City departments.

Improve the AS400 Contract Tracking Program (Menu "27") to provide additional search/query options, such as date range and name searches.

Automate and streamline the Special Event application process by utilizing a scanner and emailing the application and supporting documents to designated departments for the approval/review process.

Goal (Ongoing)

Continue to increase business license revenue and enforce compliance measures in accordance with the Municipal Code.

Objective

Utilize information obtained from myriad government agencies and other resources to locate unlicensed business owners to improve compliance.

Continue to pursue a high level of compliance through follow up on delinquent accounts, and work with the Police Department for enforcement.

Continue to monitor legislation affecting business licensing through affiliation with CMRTA and the League of California Cities.

Produce informational pamphlets explaining business license requirements for the following specialized business types: Taxi and Limousine Services, vehicles for hire, exempt and non-exempt trucking activities, commercial and residential property ownership (develop a letter to area real estate agents and title companies asking that pamphlets be made available to their clients).

Goal

Improve efficiencies in the Dog Licensing Program.

Objective

Redesign the dog license application for production on the laser printer and eliminate the use for NCR paper.

Surplus antiquated tractor-feeder printers.

Continue to encourage citizens to license their dogs through offering two annual rabies vaccination clinics.

Continue to promote spaying and neutering through public education outreach efforts such as the Annual Spay/Neuter Month campaign, participation in the City's Services and Energy Fair, and promotional give-aways purchased with State-mandated animal fines revenue.

Goal

Finalize Records Retention Schedule.

Objective

Clerk's staff to complete review of the Draft Records Retention Schedule and distribute to Departments in April 2007 for review

Submit final Records Retention Schedule to City Council for consideration and adoption in 2007.

Goal

Upgrade old micrographic reader/printers equipment in Records Management Division.

Objective

Research and review various types of digital microform scanners for compatibility with existing software and equipment.

Purchase new digital scanning system (contingent on approval of funds budgeted).

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Review pros and cons of retaining older reader printers as research back-ups (research limited availability and cost of service contracts).

Goal

Broaden and diversify staff knowledge with educational opportunities

Objective

Obtain approval for requested Travel and Training funds in 2007-09 Budget to provide staff with opportunities to attend seminars, conferences, and other professional training courses.

Continue cross-training efforts to provide coverage during vacations or other absences. The goal is to provide timely service to the public and completion of daily tasks.

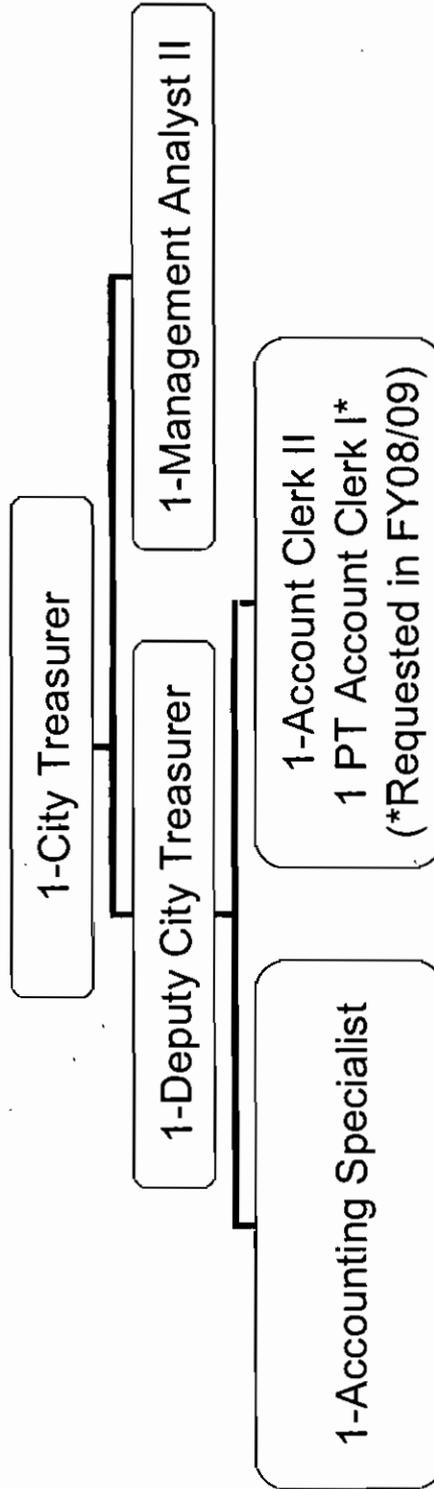
Unmet Needs

City Clerk and Records Management

1.	Additional position for first floor Licensing Section	\$35,000
2.	Restoration of old City Council Minute Books	<u>6,000</u>
	TOTAL	\$41,000

Office of the City Treasurer

Organizational Chart



CITY OF REDDING BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

CITY TREASURER'S OFFICE

Overview

The City Treasurer's adopted budget for fiscal year 2007-08 totals \$590,400, an increase of \$44,590 from the fiscal year 2006-07 amended budget of \$545,810. For fiscal year 2008-09, the adopted budget totals \$624,440, which is \$34,040 over the fiscal year 2007-08 budget. The increases in both years are due primarily to a change in personnel related costs and inter-departmental charges.

Division	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Change	FY 2008-09 Adopted	Change
City Treasurer	\$526,412	\$551,010	\$545,810	\$590,400	\$44,590	\$624,440	\$34,040

* excluding carryover amounts

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 2008-09 Adopted	\$514,640	\$109,800	\$0	\$0	\$624,440
	FY 2007-08 Adopted	\$479,080	\$111,320	\$0	\$0	\$590,400
	FY 2006-07 Amended	\$452,140	\$93,670	\$0	\$0	\$545,810
	FY 2005-06 Actual	\$430,192	\$96,220	\$0	\$0	\$526,412

Capital Outlay

There are no capital outlay expenses in the budget.

Personnel

One new part-time (1,000 hour) Account Clerk I position is included in the FY 2008-09 budget request.

Division	F/T P/T	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Change	FY 2008-09 Adopted	Change
City Treasurer	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	0.48	0.48
	Total	5.00	5.00	5.00	5.00	0.00	5.48	.48

Significant Issues

Personnel costs have risen 6.0% in the FY 2007-08 budget and 4.5% in the FY 2008-09 budget due to the increase in charges related to PERS, PARS, and group insurance expenses. Inter-departmental charges, which are reflected within the Materials, Supplies & Services category, have risen 9.5% in the FY 2007-08 budget and 1.4% in the FY 2008-09 budget.

Status of 2005 – 2007 Goals and Objectives

Goal

Department Support and Customer Service

Objectives

- Develop the revenue analysis program further with individual departments resulting in a revenue management-consulting relationship.
- Continue to explore Electronic Funds Transfer (EFT) expansion: Hangar rentals, HUD payments for Housing, and childcare payments for Recreation.
- Finalize the fully integrated web based payment system for accounts receivable and parking citations.

Accomplishment

The Management Analyst assigned to the Office of the City Treasurer distributes receipts collected data quarterly to all revenue generating departments. The 2005/06 Annual Receipts Collected Report was distributed in November 2006.

Staff of the City Treasurer's Office continues to work with Finance, Housing and Recreation staff to further determine the cost effectiveness of EFT expansion for these programs.

City Treasurer's staff worked closely with Information Technology (I/T) to successfully expand the web-based system to integrate parking citation payments. I/T staff continues the analysis of expanding the web based payments for Accounts Receivable billings.

Goal

Investments

Objectives

- 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.

Accomplishment

The Management Analyst and Deputy Treasurer completed the Bloomberg Fixed Income Certificate program in 2006.

The Management Analyst and Deputy Treasurer continue to seek investment training that falls within the budget allowance for Employee Training. The combination of staffing shortages and reduction in budget has not allowed for offsite investment training.

Goal

Policy and Procedures

Objectives

- Develop investment procedure manual.

Accomplishments

The Management Analyst has drafted a basic investment procedure manual, which continues to be refined as strategy and market environments change.

CITY OF REDDING BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Goal

Staff Development, Education and Supervision

Objectives

- Encourage further education development.
- Encourage further management skill development.
- Encourage further computer and writing skills development.

Accomplishments

The Management Analyst continues day to day improvement in investment knowledge through on-the-job experience and informal education via on-line research and broker discussions. The Accounting Specialist continues to proceed with coursework toward a Bachelors degree by completing pre-requisite courses through Shasta Community College. The Deputy Treasurer has attended several supervisory/management training sessions, and has enrolled in college level courses focusing on general education. The Account Clerk II has attended training in Excel and business writing, and continues to pursue further training in computer skills.

Performance Measures and Workload Indicators

Workload Indicators	2004-05 Actual	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Delinquent Assessments & Penalties Collected	\$1,256,4609	\$78,925	\$36,215	\$35,000	\$ 35,000
Investment Interest Earnings Average Yield	3.108%	3.619%	4.25%	4.3%	4.325%
Number of Checks Deposited	406,031	389,830	390,000	390,000	375,000
Number of Returned Checks	533	548	628	650	600
Number of Credit Card Transactions	71,016	84,062	103,060	125,000	140,000
Credit Card Charges Processed	\$13,351,265	\$13,499,744	\$17,300,506	\$19,000,000	\$21,000,000
Number of Electronic Funds Transfers	27,516	30,171	33,305	36,000	39,600
Electronic Fund Transfer Charges Processed	\$4,853,018	\$5,518,787	\$6,571,815	\$7,650,000	\$8,415,000
Number of Wires Processed	1,950	2,349	2,484	2,800	3,080
Department Reports Received & Processed	3,599	3,742	3,835	3,950	4,070
Number of Checks Processed for Release	68,521 (Estimate)	67,728	68,325	69,528	70,140

Summary of Workload Indicator Analysis

Investment Interest Earnings Average Yield: In last budget cycle projections, investment earnings were expected to increase to 3.0% in 2004/05, 3.3% in 2005/06 and 3.6% in 2006/07. The City's portfolio performance has surpassed these projections with actual earnings as noted above. The City Treasurer expects a leveling off of yield growth, due to the market's expectation of the Federal Reserve reducing the overnight rates significantly this year and into 2008.

Number of Returned Checks: While the number of checks deposited is on the decline due to the increase of electronic transactions, the number of returned checks has increased **9.4%** since the last budget projections.

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 **101.3%**, EFT volume increased **41.4%**, and federal wire transactions increased **55.9%** since the last budget projections.

Department Reports Received & Processed: Department reports received and processed have increased by **20.8%** since the last budget projections.

Number of Checks Processed for Release: The number of checks being processed for release continues to increase, rather than decline relative to the increase in electronic transactions, resulting in increased staffing needs to handle all transactions.

Goals and Objectives for FY 2007-08 and 2008-09

The City Treasurer's Office goals and objectives are broken down by activity center as noted below:

Departmental Support and Customer Service

Goal

To provide the citizens of Redding and fellow departments with efficient payment options that meet their needs and are current with industry standards. To receipt payments in a secure, timely, accurate and efficient manner.

Objectives

- Integrate credit card credits (electronic reversal of payments) into the Request for Demand process;
- Conduct study regarding the impact of credit card processing fees on revenue collected;
- Ensure equipment failure does not impact customer service by requesting appropriations to fund equipment replacement;
- Determine staff time and costs spent on functions not revenue related (RABA activities, parking citation appeal processing, etc.) in order to identify potential revenue sources;
- Continue to explore EFT/ACH expansion:
 - Hangar rentals
 - HUD payments for Housing
 - Childcare payments for Recreation;
- Finalize the fully integrated web based payment system for Accounts Receivable, and encourage the development of web based payments for Recreation programs and City Clerk business and dog licenses; and
- Reorganize and/or restructure the staffing of the City Treasurer's Office, including the addition of a part-time Account Clerk I position, in order to better manage the demands of the current workload, accommodate growth in electronic payment reconciliation and web based payment system development

and implementation, and take on the additional workload due to the formation of the new special assessment districts.

Investments

Goal

To invest the City's 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

Objectives

- Obtain training for all City Treasurer staff on the upgraded SymPro investment software;
- Obtain Bloomberg certification for all interested City Treasurer staff; and
- Continue investment training for the City Treasurer, Management Analyst and Deputy Treasurer as budgets allow.

Policy and Procedures

Goal

To implement tested procedures that ensure the consistent application of policy and provide adequate guidance and stability to processes.

Objectives

- Complete the development of the investment procedure manual;
- Develop and maintain office and procedure manuals; and
- Develop and maintain cash handling manual.

Staff Development, Education/Training, and Supervision

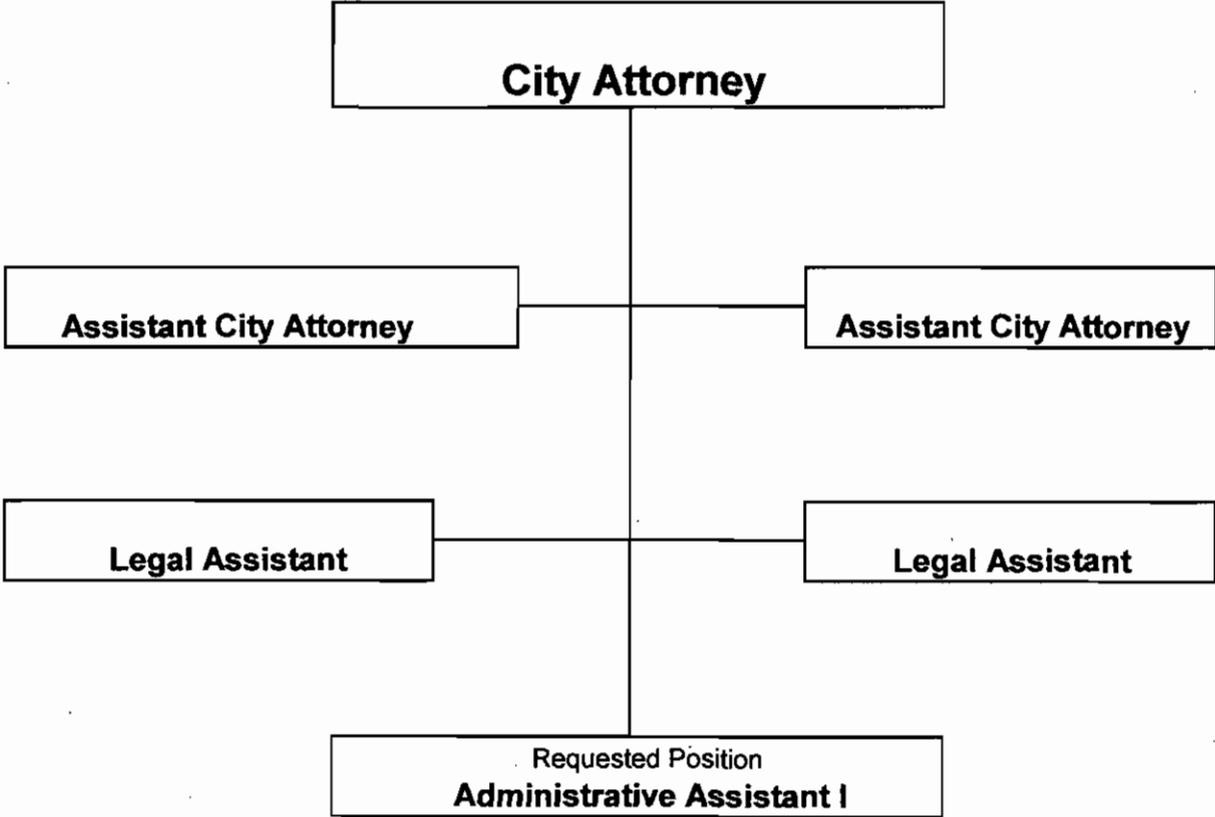
Goal

To provide a supportive 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 from which our customers benefit.

Objective

- Encourage further educational development with all City Treasurer staff to enhance job performance, support career development and improve customer service; and
- Develop succession plans for each position within the Office of the City Treasurer.

**CITY OF REDDING
ATTORNEY'S OFFICE
ORGANIZATION CHART**



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

CITY ATTORNEY

Overview

The City Attorney's proposed budget for fiscal year 2007-08 totals \$1,014,010, which is \$231,490 below the fiscal year 2006-07 amended budget of \$1,245,500. The decrease is primarily related to implementation of a new cost recovery methodology for cross charging client departments and agencies for legal services that go beyond the normal base level of transactional and advisory support.

The proposed budget for fiscal year 2008-09 totals \$1,046,220 which is \$32,210 over the fiscal year 2007-08 proposed budget. The increase is primarily related to an increase in personnel costs.

Division	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Change	FY 2008-09 Adopted	Change
City Attorney	\$ 678,991	\$ 640,450	\$ 726,750	\$ 617,010	\$ (109,740)	\$ 649,220	\$ 32,210
Outside Legal Services	88,333	518,750	518,750	397,000	(121,750)	397,000	0
Total	\$ 767,324	\$ 1,159,200	\$ 1,245,500	\$ 1,014,010	\$ (231,490)	\$ 1,046,220	\$ 32,210

*Excludes carryover amounts

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 2008-09 Proposed	\$ 526,900	\$ 122,320	\$ 0	\$ 0	\$ 649,220
	FY 2007-08 Proposed	496,700	120,310	0	0	617,010
	FY 2006-07 Amended	611,920	114,830	0	0	726,750
Outside Legal Services	FY 2008-09 Proposed	20,000	377,000	0	0	397,000
	FY 2007-08 Proposed	20,000	377,000	0	0	397,000
	FY 2006-07 Amended	150,550	368,200	0	0	518,750
Total	FY 2008-09 Proposed	546,900	499,320	0	0	1,046,220
	FY 2007-08 Proposed	516,700	497,310	0	0	1,014,010
	FY 2006-07 Amended	\$ 762,470	\$ 483,030	\$ 0	\$ 0	\$ 1,245,500

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

There is one new permanent part-time Administrative Assistant I position contained within this budget.

Division		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Proposed	Change	FY 2008-09 Proposed	Change
Attorney's Office	F/T	6.00	6.00	5.00	5.00	0.00	5.00	5.00
	P/T				.50	0.50	.50	0.00
	Total	6.00	6.00	5.00	5.50	0.50	5.50	5.00

Capital Outlay

There are no requests for Capital Outlay for the budget years fiscal year 2007-08 and fiscal year 2008-09

Significant Issues

There are no significant issues occurring in this budget cycle

2005-2007 STATUS OF GOALS AND OBJECTIVES

Goal

Provide timely response to all departments seeking legal support services. Look for additional opportunities to partner with City departments and programs to engage in proactive lawyering as a means of avoiding disputes.

Accomplishment

Developed a simplified system for tracking workload and document processing in July 2005. Created and updated forms of typical contracts used by departments. Since July 2005, the City Attorney's Office has logged in and reviewed an average of 5.30 contracts per day, or in excess of 2,119 documents, while maintaining a 24-48 hour turnaround time. Development Services (30.68%), Redding Electric Utility (9.58%), Redevelopment (8.49%), Housing (7.55%), Community Services (7.22%), Airports (6.51%) and Redding Police (6.37%), make frequent use the contract review system in addition to all other Departments and Divisions.

Implemented an open-door policy so that City staff is free to request assistance from the Attorney's Office via e-mail, appointment, telephone call, or on a drop-in basis. Many Departments make use of this service, which helps to avoid disputes and litigation.

Goal

Finish major overhaul of administrative remedy provisions in the Municipal Code.

Accomplishment

Completed and accomplished in 2005 and 2006. In 2006 the Administrative Hearings Board was appointed and is being supported by the City Attorney's Office for administrative enforcement of Code and Animal violations.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Goal

Assist Development Services with an effort to clarify and consolidate administrative appeal processes set forth in the Municipal Code for development projects.

Accomplishment

Completed and accomplished in 2006 with amendments to both the zoning code and Title 2 of the Redding Municipal Code.

Goal

Partner with City Clerk to provide informative training sessions for City departments on the docketing process and process for obtaining Council action.

Accomplishment

An educational program was presented to City staff on September 15, 2005. In addition, the City Attorney's Office developed and delivered training sessions for state mandated training in the area of ethics and sexual harassment.

Goal

Complete an Internet web page for the City Attorney's Office.

Accomplishment

Completed. Continues to be updated regularly.

PERFORMANCE MEASURES AND WORKLOAD INDICATORS

All matters in which the City Attorney's office is involved, including litigation, are tracked using Outlook computerized calendaring system. New litigation filed during the year, short-term and long-term projects and their aging are workload indicators which the office uses to continuously prioritize its workload.

The City Attorney supports the City Council and the City organization with legal advice 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 liability 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

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 increase and is expected to trend upward at the same rate during the next two fiscal years.

- **Legal Opinions**

A core function of any municipal law office is to render legal opinions. A system has been implemented to document and catalog the written work product of the City Attorney's Office through the issuance of Memorandums of Law. These opinions are reserved for matters of importance where it is anticipated that having written work product will have precedential value to City staff, the public, and future lawyers working in the City Attorney'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 many verbal requests for opinions and assistance as possible.

- **Contracts, Ordinances 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 that 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.

- **Litigation and 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 return of firearms, motions to suppress production of police department 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.

- **Support Administrative Hearing Board**

The City Attorney's office supports the newly enacted Administrative Hearing Board. One of the Assistant City Attorney's supports Haven Humane Society and City staff with regard to violations of the City's Municipal Code, Title 7, Animals while another Assistant City Attorney supports City Code Enforcement staff with regard to issues coming before the Board concerning violations of Title 1, General Provisions.

Beginning July 2007, the City Attorney's Office proposes to assume administrative support responsibilities for the Administrative Hearing Board utilizing the part-time Administrative Assistant I position.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

2007-2009 GOALS AND OBJECTIVES

Goal

Continue to provide timely response to all departments seeking legal support services. Look for opportunities to partner with City departments and programs to engage in proactive lawyering as a means of avoiding disputes.

Objectives

Partner with the City Clerk and IT Department to review electronic data retention policies and practices. Partner with the City Clerk and Purchasing Department to streamline administration and letting of contracts by purchase order under the responsibility of the Purchasing Department and more formal contracts under the responsibility of the City Clerk.

Goal

Partner with new in-house claims administrator to aggressively avoid and/or settle claims and reduce reliance on outside legal counsel for litigation matters not involving extensive discovery or jury trials.

Objective

Establish a positive and constructive working relationship with the new Claims Administrator to be hired in FY 2007.

Goal

Continue to assist Development Services with efforts to clarify and improve administrative processes and standard set forth in the Municipal Code for development projects.

Objective

Provide support to the Department, the Planning Commission and the Council in refining and improving these processes and standards, e.g. consideration of a Parallel Zoning Code, Banner Program and General Plan Update. Support Explore Completed and accomplished in 2006 with amendments to both the zoning code and Title 2 of the Redding Municipal Code.

Goal

Aggressively and creatively support the City's Economic Development efforts.

Objective

Develop a strong and productive working relationship with the City's newly hired Economic Development Director and bring creativity and strong commitment to further the City's policy objectives in the area of redevelopment and economic development

UNMET NEEDS

There are no unmet needs.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 2007-08 total \$ 4,823,410, a decrease of \$ 1,344,613 from fiscal year 2006-07 amended budget. The Non Departmental budget was decreased in fiscal 2007-08 due to a reduction in capital outlay of approximately \$1.4 million. The General City Projects are budgeted as projects and are approved by the City Council outside of this budget process. For fiscal year 2008-09, these budgets total \$5,001,450, an increase of \$ 178,040 from fiscal year 2007-08 Adopted budget. This increase is primarily due to an increase in debt service payments.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Animal Regulation	\$ 518,857	\$ 477,000	\$ 555,200	\$ 629,300	\$ 74,100	\$ 649,240	\$ 19,940
Non Departmental	4,261,615	1,588,290	2,739,253	1,287,570	(1,451,683)	1,298,060	10,490
General Fund Debt Service	2,230,695	2,182,970	2,849,970	2,816,540	\$ (33,430)	3,004,150	187,610
Capital Projects Division	53,869	23,600	23,600	90,000	66,400	50,000	\$ (40,000)
General Fund Sub Total	7,065,036	4,271,860	6,168,023	4,823,410	-1,344,613	5,001,450	178,040
General City Projects	914,468	0	0	0	-		
TOTAL	\$ 7,979,504	\$ 4,271,860	\$ 6,168,023	\$ 4,823,410	\$ (1,344,613)	\$ 5,001,450	\$ 178,040

* Excludes carryover amounts

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

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Division		Personnel	Materials Supplies & Services	Capital Outlay	Debt Service	Total
Animal Regulation	FY 2008-09 Adopted	\$ 33,600	\$ 615,640			\$ 649,240
	FY 2007-08 Adopted	\$ 31,600	\$ 597,700			\$ 629,300
	FY 2006-07 Amended	-	477,000	78,200		555,200
	FY 2005-06 Actual	-	518,857			518,857
Non Departmental	FY 2008-09 Adopted	300,000	727,660	270,400		1,298,060
	FY 2007-08 Adopted	300,000	747,030	240,540		1,287,570
	FY 2006-07 Amended	400,000	739,080	1,604,173		2,743,253
	FY 2005-06 Actual	131,021	1,075,836	3,054,758		4,261,615
General Fund Debt Service	FY 2008-09 Adopted	-	12,000		2,992,150	3,004,150
	FY 2007-08 Adopted	-	12,000		2,804,540	2,816,540
	FY 2006-07 Amended	-	12,000		2,837,970	2,849,970
	FY 2005-06 Actual	-	3,419		2,227,276	2,230,695
Capital Projects Division	FY 2008-09 Adopted	45,000	5,000			50,000
	FY 2007-08 Adopted	45,000	45,000			90,000
	FY 2006-07 Amended	18,600	5,000			23,600
	FY 2005-06 Actual	37,895	15,974			53,869
General City Projects	FY 2008-09 Adopted	-	-			-
	FY 2007-08 Adopted	-	-			-
	FY 2006-07 Amended	-	-			-
	FY 2005-06 Actual	-	-	914,468		914,468
Total	FY 2008-09 Adopted	\$ 378,600	\$ 1,360,300	\$ 270,400	\$ 2,992,150	\$ 5,001,450
	FY 2007-08 Adopted	\$ 376,600	\$ 1,401,730	\$ 240,540	\$ 2,804,540	\$ 4,823,410
	FY 2006-07 Amended	\$ 418,600	\$ 1,233,080	\$ 1,682,373	\$ 2,837,970	\$ 6,172,023
	FY 2005-06 Actual	\$ 168,916	\$ 1,614,086	\$ 3,969,226	\$ 2,227,276	\$ 7,979,504

Significant Issues

Included in this budget are funds for maintenance and repair of the Convention & Visitors Bureau exterior and roof. 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 partner 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

Each year through the budget process, the City Council authorizes staff to expend time and resources to assist in certain community special events. Listed on the following page are the supported events and the amount of support being requested:

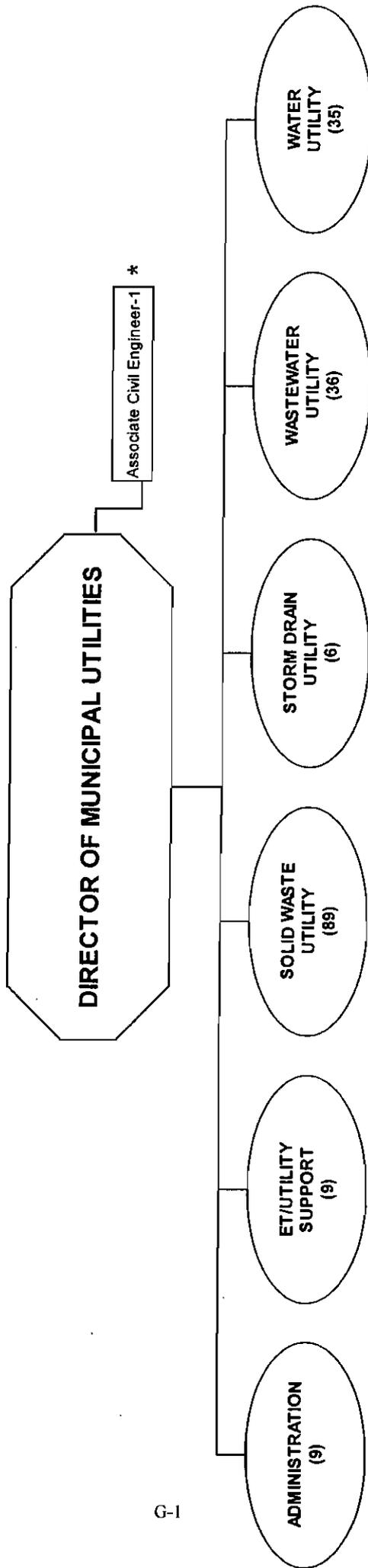
CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Event	FY 2007-08	FY 2008-09
Marketfest	\$ 19,600	\$ 20,180
Banner Program	12,100	12,400
Ducky Derby	3,800	3,900
Christmas Parade	5,660	5,830
Christmas Tree	250	260
Kool April Nites	53,000	54,600
Rodeo	17,000	17,500
Rodeo Parade	5,000	5,150
Air Show	-	25,000
4th of July	44,130	45,580
Big Bike Weekend	18,000	18,000
3 on 3 Basketball	12,000	12,000
Total	\$ 190,540	\$ 220,400

Municipal Utilities

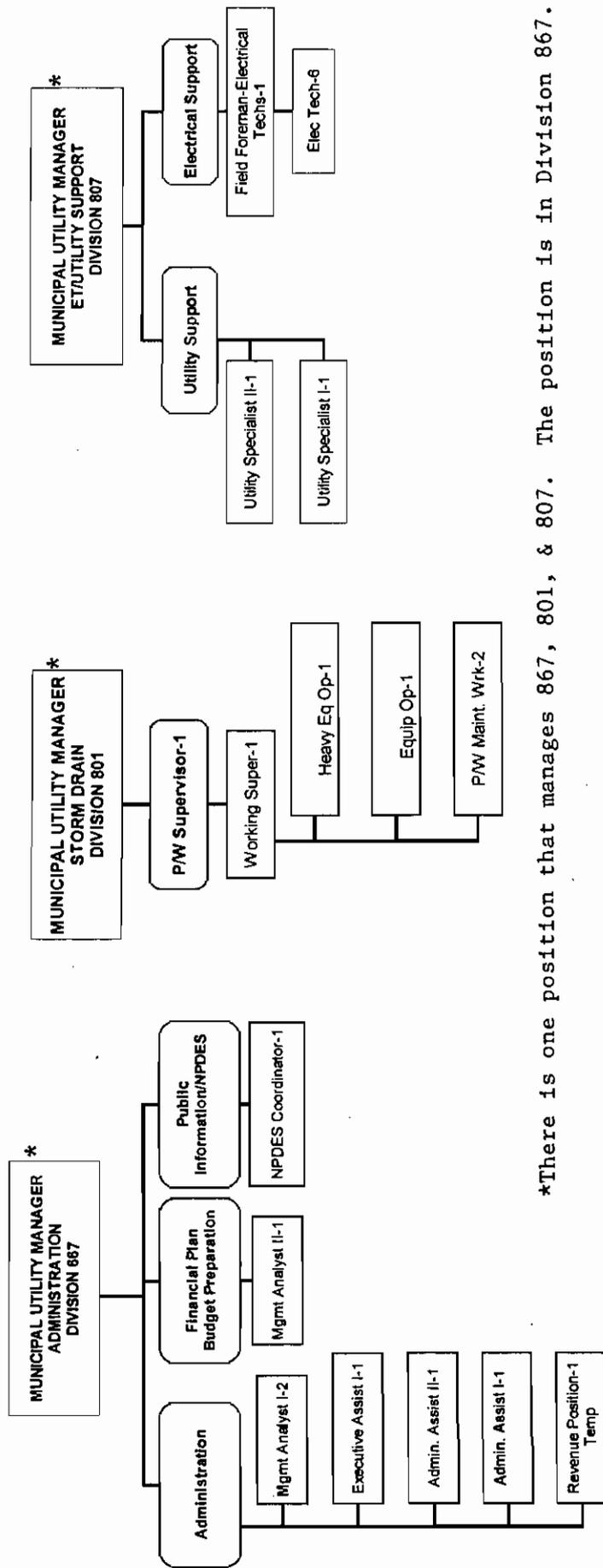
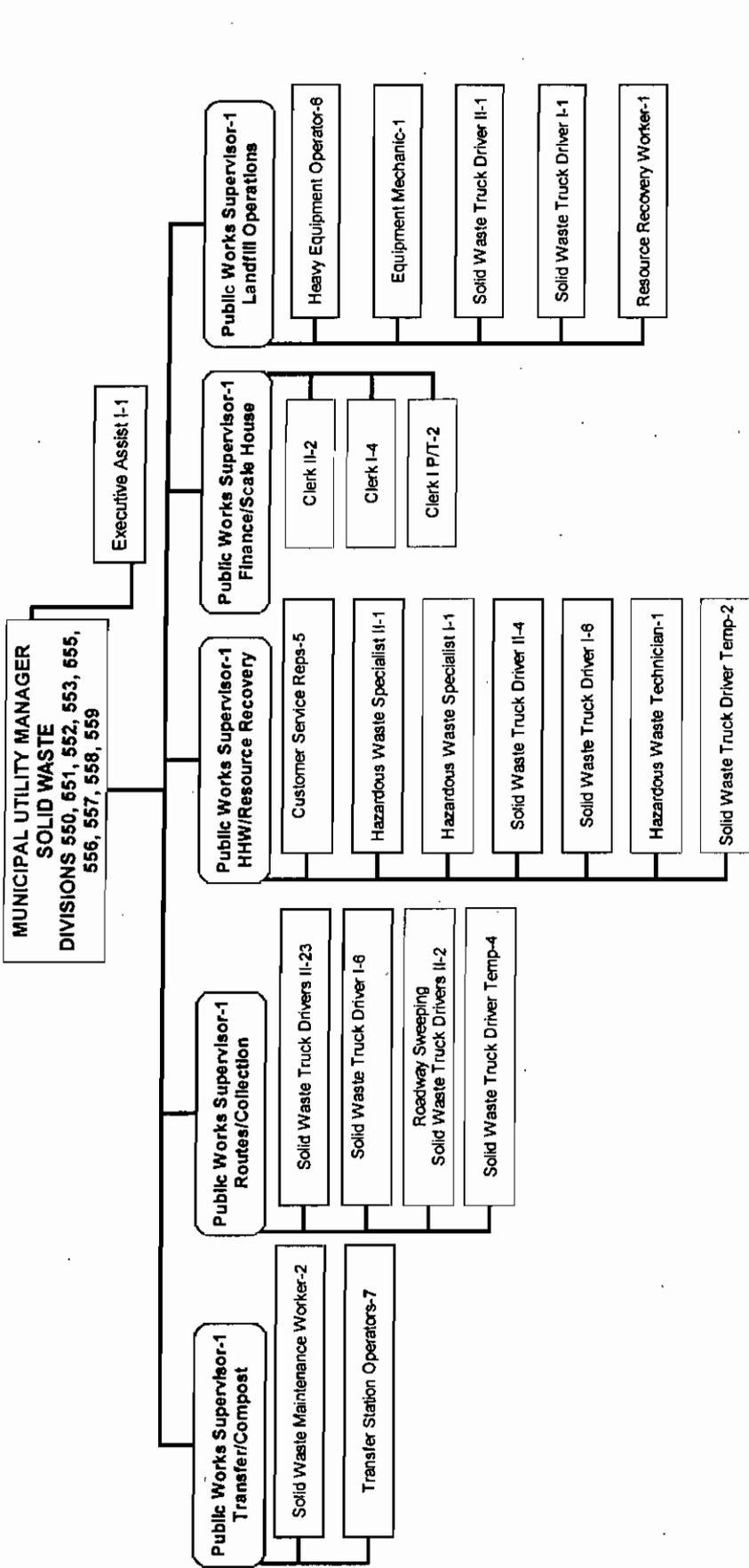


**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**



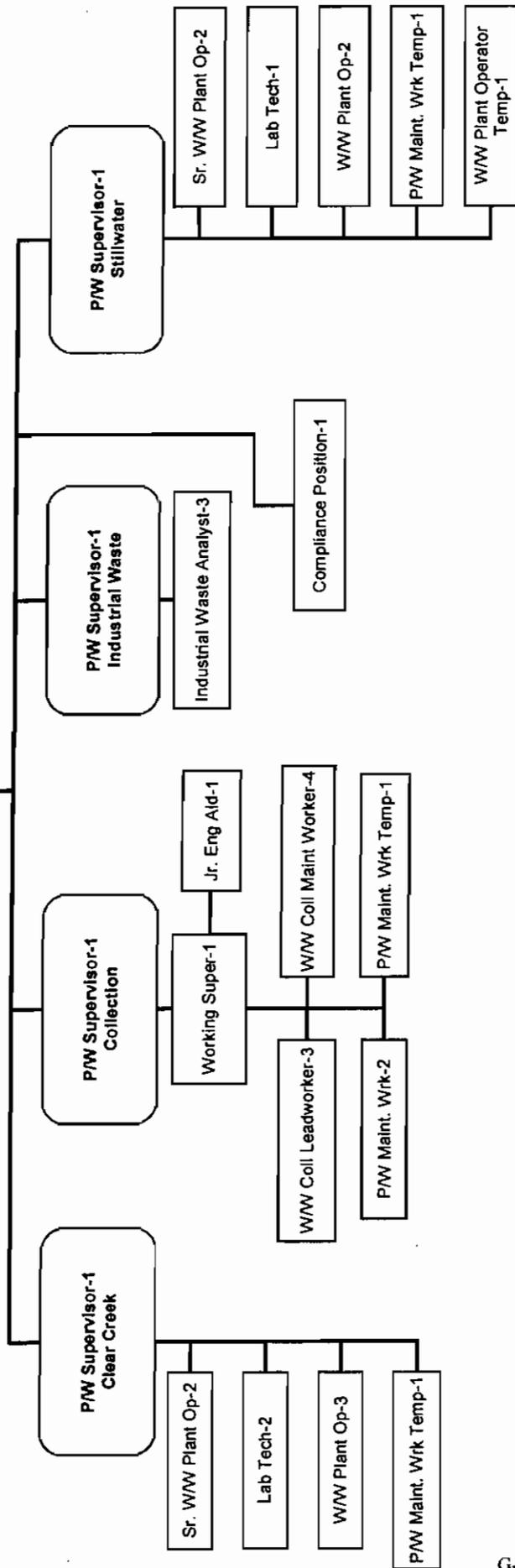
G-1

*The Associate Civil Engineer is in Division 867

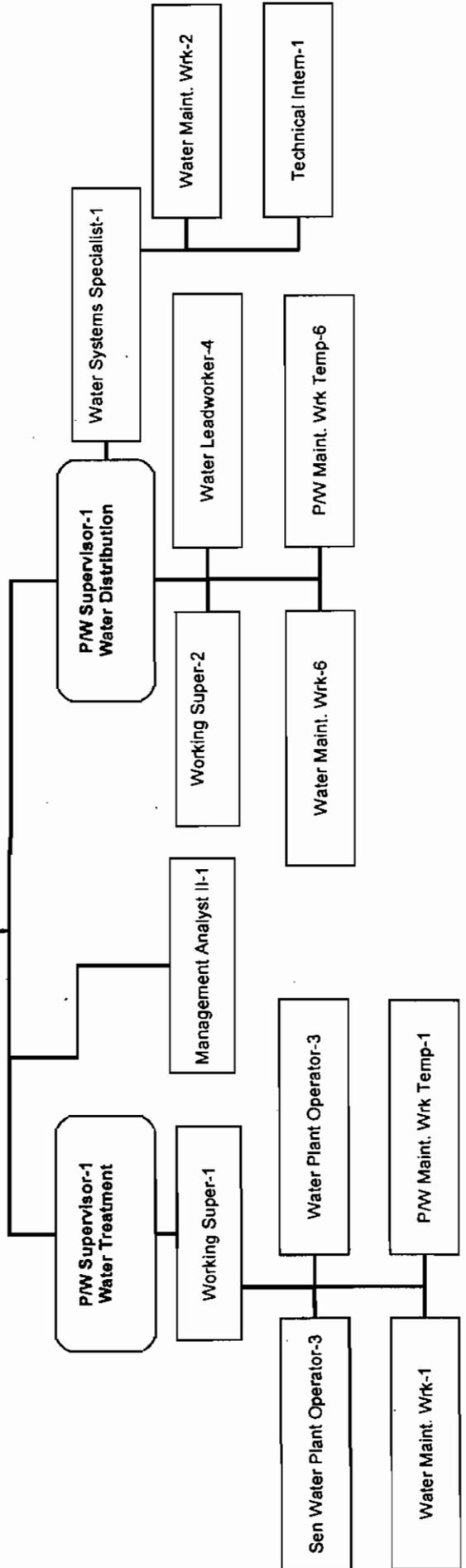


*There is one position that manages 867, 801, & 807. The position is in Division 867.

**MUNICIPAL UTILITY MANAGER
WASTEWATER
DIVISIONS 870, 872, 874, 875**

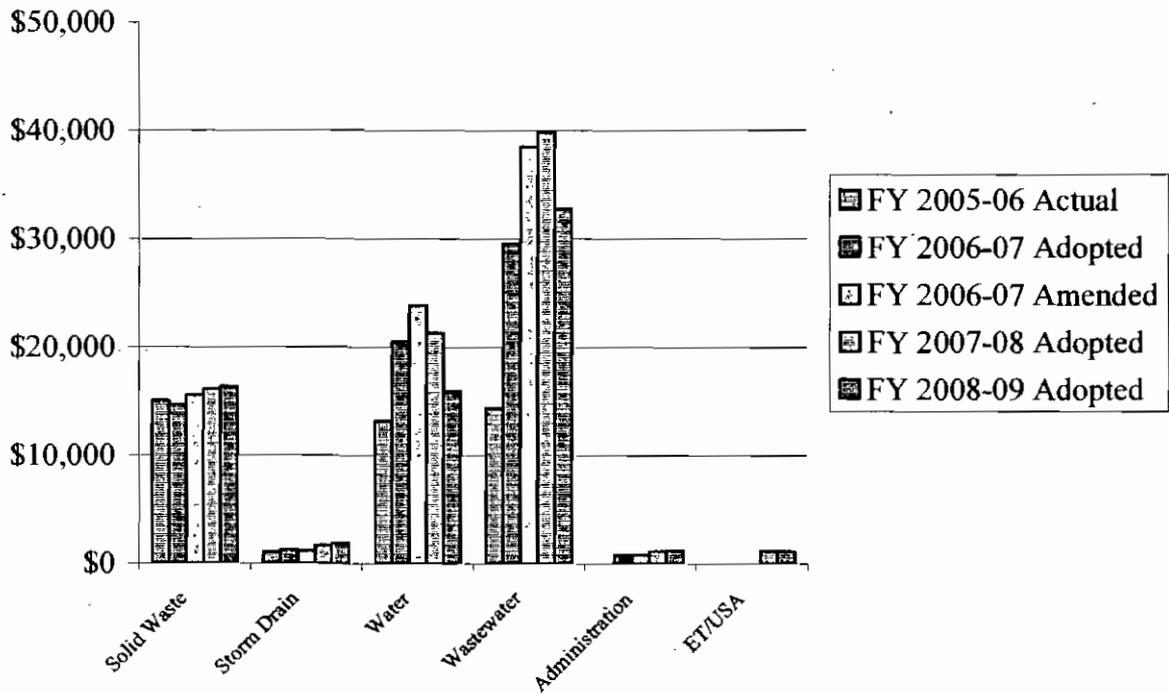


**MUNICIPAL UTILITY MANAGER
WATER
DIVISION 861**



Municipal Utilities

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

REDDING MUNICIPAL UTILITIES

Overview

The Municipal Utilities Department's proposed budget for fiscal year 2007-08 totals \$81,369,670, an increase of \$1,361,665 from the fiscal year 2006-07 amended budget of \$80,008,005 (excluding carry-overs). This increase is primarily due to adjustments in personnel related expenses and the scheduling of construction projects. The proposed budget for fiscal year 2008-09 totals \$69,542,330, a decrease of \$11,827,340 from fiscal year 2007-08 budget. This decrease is primarily due to completion of construction projects.

The Municipal Utilities Department consists of five operating divisions: Administration / Support; Solid Waste Utility; 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 are the challenges of maintaining various components of the underground systems that are continually aging. 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 has a 10-year financial plan. The balance of the Department receives revenue support from the divisions within Municipal Utilities or other City Departments for which they do work.

The following table depicts the Municipal Utilities Department's net budget for the various operating divisions:

Division	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Change	FY 2008-09 Adopted	Change
Solid Waste Utility	\$ 15,156,968	\$ 14,819,220	\$ 15,734,865	\$ 16,280,460	\$ 545,595	\$ 16,530,620	\$ 250,160
Storm Drain Utility	1,041,378	1,276,630	1,182,470	1,672,220	489,750	1,925,450	253,230
Water Utility	13,190,746	20,527,270	23,849,280	21,320,250	(2,529,030)	15,934,060	(5,386,190)
Wastewater Utility	14,364,836	29,523,320	38,456,320	39,750,420	1,294,100	32,792,940	(6,957,480)
Subtotal Enterprise Funds	43,753,928	66,146,440	79,222,935	79,023,350	(199,585)	67,183,070	(11,840,280)
Administration	-	-	785,070	1,155,810	370,740	1,196,130	40,320
ET/USA	-	-	-	1,190,510	1,190,510	1,163,130	(27,380)
Subtotal Internal Service Funds	-	-	785,070	2,346,320	1,561,250	2,359,260	12,940
Totals	\$ 43,753,928	\$ 66,146,440	\$ 80,008,005	\$ 81,369,670	\$ 1,361,665	\$ 69,542,330	\$ (11,827,340)

*Excludes carryovers

This budget is predicated upon the City Council continuing with rate increases enacted in 2005 for Water and Wastewater based on a five-year plan. The budget reflects these increases. In addition, to maintain the various ten-year financial plans, it is likely that rate increases in the following ranges will be considered within the 10-year Proforma timeframe:

- Solid Waste Utility will be in the range of 3 percent rate increases for all customer classes within six of the ten years;
- Water Utility will be in the range of 5 percent and development fee increases in the range of 6 percent;
- Wastewater Utility will be in the range of 5 percent and development fee increases in the range of 8 percent.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 rate increase later.

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

Division		Personnel	Supplies, & Services	Capital Outlay	Debt Service	Total
Administration	FY 2008-09 Adopted	\$ 1,051,340	\$ 144,790	\$ -	\$ -	\$ 1,196,130
	FY 2007-08 Adopted	\$ 1,013,970	\$ 141,840	\$ -	\$ -	\$ 1,155,810
	FY 2006-07 Amended	\$ 686,410	\$ 98,660	\$ -	\$ -	\$ 785,070
	FY 2005-06 Actual	\$ -	\$ -	\$ -	\$ -	\$ -
E/T USA	FY 2008-09 Adopted	1,084,210	78,920	-	-	1,163,130
	FY 2007-08 Adopted	1,113,460	77,050	-	-	1,190,510
	FY 2006-07 Amended	-	-	-	-	-
	FY 2005-06 Actual	-	-	-	-	-
Solid Waste Utility	FY 2008-09 Adopted	6,131,200	8,894,330	600,210	904,880	16,530,620
	FY 2007-08 Adopted	6,010,900	8,587,980	777,000	904,580	16,280,460
	FY 2006-07 Amended	5,672,590	8,259,360	899,135	903,780	15,734,865
	FY 2005-06 Actual	5,118,410	7,356,243	1,779,811	902,504	15,156,968
Storm Drain Utility	FY 2008-09 Adopted	638,880	811,570	475,000	-	1,925,450
	FY 2007-08 Adopted	611,790	510,430	250,000	-	1,372,220
	FY 2006-07 Amended	358,100	464,020	360,350	-	1,182,470
	FY 2005-06 Actual	333,716	545,733	124,843	37,087	1,041,379
Water Utility	FY 2008-09 Adopted	3,117,770	7,330,450	4,261,000	1,224,840	15,934,060
	FY 2007-08 Adopted	3,100,520	7,090,640	9,901,000	1,228,090	21,320,250
	FY 2006-07 Amended	3,292,600	6,356,700	12,982,080	1,217,900	23,849,280
	FY 2005-06 Actual	2,802,348	5,287,155	3,894,747	1,206,493	13,190,743
Wastewater Utility	FY 2008-09 Adopted	3,534,460	6,131,110	19,818,820	3,308,550	32,792,940
	FY 2007-08 Adopted	3,453,950	6,162,760	27,092,820	3,040,890	39,750,420
	FY 2006-07 Amended	3,580,950	4,917,360	26,881,010	3,077,000	38,456,320
	FY 2005-06 Actual	3,022,025	4,676,330	3,740,970	2,925,508	14,364,833
Total	FY 2008-09 Adopted	\$ 15,557,860	\$ 23,391,170	\$ 25,155,030	\$ 5,438,270	\$ 69,542,330
	FY 2007-08 Adopted	\$ 15,304,590	\$ 22,570,700	\$ 38,020,820	\$ 5,173,560	\$ 81,069,670
	FY 2006-07 Amended	\$ 13,590,650	\$ 20,096,100	\$ 41,122,575	\$ 5,198,680	\$ 80,008,005
	FY 2005-06 Actual	\$ 11,276,499	\$ 17,865,461	\$ 9,540,371	\$ 5,071,592	\$ 43,753,923

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 / retro-fit / refurbish program is developed in conformance with a set of criteria provided by the City and implemented utilizing funds made available annually to the Department within the respective operating division. Requirements of the State of California Air Resources Board related to air quality will impact vehicle costs and the timeframe of replacement. 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:

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Capital Projects - 2007-2008

Solid Waste Utility - Funds are budgeted for replacement of worn recycling and green waste carts and to purchase new carts and drop boxes to accommodate growth in the amount of \$157,830. The budget also includes \$85,600 for the purchase of new sanitation containers and drop boxes.

Wastewater Utility - In summary, the major capital expenses in FY 07-08 include: minor line extensions and oversizing in the amount of \$415,000; Phases 2 & 3 of the Westside Interceptor in the amount of \$2,000,000; line replacement / maintenance in the amount of \$1,000,000; line construction in conjunction with South Bonnyview Road construction in the amount of \$2,400,000; Bid Packages for the Clear Creek Treatment Plant Expansion in the amount of \$17,168,000.

Water Utility - Funds are budgeted for general system improvements in the amount of \$200,000, continuation of the polybutylene replacement program in the amount of \$200,000, construction of well number 16 in the amount of \$1,300,000 and \$1,200,000 for the construction of various water mains.

Storm Drain Utility - Capital Improvements are budgeted in the amount of \$250,000 for minor system improvements related to growth. There is also \$200,000 budgeted in each fiscal year for the review of two additional drainage basins which will become a part of the 1993 Storm Drain Utility Master Plan update. This plan, upon its completion, will be the basis of future capital improvement program which will be submitted to the City Council for consideration.

Capital Projects - 2008-2009

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 \$161,820. The budget also includes \$87,670 for the purchase of new sanitation containers and drop boxes.

Wastewater Utility - In summary, the major capital expenses in FY 08-09 include: minor line extensions and oversizing in the amount of \$433,700; line replacement / maintenance in the amount of \$1,000,000; Bid Package construction continuation of the Clear Creek Treatment Plant Expansion in the amount of \$16,799,000; line replacement in conjunction with Caltrans SR 44 project in the amount of \$465,000.

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 \$200,000, construction of well number 15 in the amount of \$1,800,000 and various water line replacements in the amount of \$1,400,000.

Storm Drain Utility - Capital Improvements are budgeted in the amount of \$275,000 for minor system improvements.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

The following table depicts the personnel assigned by division within the Municipal Utilities Department:

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Administration	F/T	0.00	0.00	7.00	7.00	0.00	7.00	0.00
	P/T	0.00	0.00	1.98	2.10	0.12	2.10	0.00
	Total	0.00	0.00	8.98	9.10	0.12	9.10	0.00
ET/USA	F/T	0.00	0.00	0.00	9.00	9.00	9.00	0.00
	P/T	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	9.00	9.00	9.00	0.00
Solid Waste Utility	F/T	66.00	66.00	67.00	68.00	1.00	68.00	0.00
	P/T	4.11	4.11	3.37	3.37	0.00	3.37	0.00
	Total	70.11	70.11	70.37	71.37	1.00	71.37	0.00
Storm Drain Utility	F/T	4.00	4.00	5.00	6.00	1.00	6.00	0.00
	P/T	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	4.00	4.00	5.00	6.00	1.00	6.00	0.00
Water Utility	F/T	30.00	30.00	31.00	27.00	-4.00	27.00	0.00
	P/T	3.80	3.80	3.80	3.80	0.00	3.80	0.00
	Total	33.80	33.80	34.80	30.80	-4.00	30.80	0.00
Wastewater Utility	F/T	31.00	32.00	32.00	31.00	-1.00	31.00	0.00
	P/T	3.15	3.15	3.15	2.40	-0.75	2.40	0.00
	Total	34.15	35.15	35.15	33.40	-1.75	33.40	0.00
Total	F/T	131.00	132.00	142.00	148.00	6.00	148.00	0.00
	P/T	11.06	11.06	12.30	11.67	-0.63	11.67	0.00
	Total	142.06	143.06	154.30	159.67	5.37	159.67	0.00

*Does not include West Central Landfill (a quasi autonomous entity) positions (11 in 05-06 & 06-07, 12 in 07-08 and 13 in 08-09)

Significant Issues

Administration

Besides overall management, the focus here is on the following:

- 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 N.P.D.E.S. 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 assigned to the department.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Solid Waste Utility

The Solid Waste Utility manages and monitors Benton Landfill, the operations and equipment at the County-owned Richard W. Curry/West Central Landfill and the City's Solid Waste Transfer/Recycling Facility. Daily activities include a call center for customer communication and billing, sales, refuse disposal, recycling, green waste, household hazardous waste, street sweeping, and public education. Significant issues for the Solid Waste Utility relate to the following:

Solid Waste Utility (In Thousands)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Beginning Balance	\$ 9,137	\$ 7,514	\$ 6,450	\$ 5,915	\$ 5,178
Revenues	14,900	15,759	16,551	16,958	17,392
Expenses	16,523	16,823	17,086	17,695	18,398
Net Income	(1,623)	(1,064)	(535)	(737)	(1,006)
Ending Balance	\$ 7,514	\$ 6,450	\$ 5,915	\$ 5,178	\$ 4,172

- Increase waste diversion.
- Handle more recyclables and increase revenues.
- Increase efficiency and minimize costs.
- Handle more waste as a result of growth, particularly construction waste.
- Meet State mandates on materials banned from the landfill.

The following table depicts the first five years of the 10-year plan for the Solid Waste Utility. As noted, this is predicated on rate increases:

Storm Drain Utility

This division is responsible for the maintenance of the catch basins, storm drains, ditches, storm channels, and road crossings. The budget, as developed, remains in a positive position during the budget period as a result of revenue adjustments being made as a part of an overall customer account audit. The significant issues for the division are 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 with ever increasing regulatory requirements. The current monthly rate is the same today as it was when established in 1993. The Utility has little to no funding to meet N.P.D.E.S. requirements, emergencies, and funding to replace worn out capital improvements. The focus will be on having property owners maintain detention basins and having developers install low maintenance 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 in a City the size of Redding with this climate.

A significant task will be the continuing update of the Storm Water Master Plan by drainage basin. This effort is to provide for the orderly construction of storm water improvements to meet the needs of development. Additionally it will provide overview regarding federal regulations that will become effective during this budget cycle and aid in 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:

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Storm Drainage Rate Fund (In Thousands)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Beginning Balance	\$ 316	\$ 373	\$ 191	\$ 127	\$ 311
Revenues	1,127	1,262	1,395	1,726	1,742
Expenses	1,070	1,444	1,459	1,542	1,618
Net Income	57	(182)	(64)	184	124
Ending Balance	\$ 373	\$ 191	\$ 127	\$ 311	\$ 435

Storm Drainage Capital Fund (In Thousands)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Beginning Balance	\$ 1,675	\$ 1,161	\$ 1,405	\$ 1,531	\$ 1,972
Revenues	479	494	601	724	822
Expenses	993	250	475	283	292
Net Income	(514)	244	126	441	530
Ending Balance	\$ 1,161	\$ 1,405	\$ 1,531	\$ 1,972	\$ 2,502

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 tables below indicate the estimated financial position for operations and capital over the next five-year period:

Water Utility Rate Fund (In Thousands)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Beginning Balance	\$ 15,275	\$ 7,079	\$ 4,636	\$ 3,390	\$ 1,682
Revenues	13,224	12,924	12,992	13,708	14,539
Expenses	21,420	15,367	14,238	15,416	14,495
Net Income	(8,196)	(2,443)	(1,246)	(1,708)	44
Ending Balance	\$ 7,079	\$ 4,636	\$ 3,390	\$ 1,682	\$ 1,726

Water Utility Connection Fee Fund (In Thousands)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Beginning Balance	\$ 5,036	\$ (4,596)	\$ 292	\$ (1,565)	\$ 5,800
Revenues	3,513	15,392	3,386	11,607	6,502
Expenses	13,145	10,504	5,243	4,242	8,003
Net Income	(9,632)	4,888	(1,857)	7,365	(1,501)
Ending Balance	\$ (4,596)	\$ 292	\$ (1,565)	\$ 5,800	\$ 4,299

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Wastewater

The Wastewater Utility is focusing on mandates for prevention of spills, protecting water quality, and reducing inflow and infiltration. These affect operations and reporting requirements related to minimizing fines. The major capital activity is the expansion and overhaul of the Clear Creek Treatment Plant. This budget cycle will cover Bid Packages 2 and 3 of the 8 phase construction plan.

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:

Wastewater Utility Rate Fund (In Thousands)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Beginning Balance	\$ 10,009	\$ 9,949	\$ (4,789)	\$ (4,658)	\$ (3,488)
Revenues	17,895	25,625	31,494	37,926	27,799
Expenses	17,955	40,363	31,363	36,756	29,352
Net Income	(60)	(14,738)	131	1,170	(1,553)
Ending Balance	\$ 9,949	\$ (4,789)	\$ (4,658)	\$ (3,488)	\$ (5,041)

Wastewater Utility Connection Fee Fund (In Thousands)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Beginning Balance	\$ 14,847	\$ 14,483	\$ 7,336	\$ 10,766	\$ 8,842
Revenues	4,882	5,605	8,504	10,689	7,239
Expenses	5,246	12,752	5,074	12,613	7,266
Net Income	(364)	(7,147)	3,430	(1,924)	(27)
Ending Balance	\$ 14,483	\$ 7,336	\$ 10,766	\$ 8,842	\$ 8,815

Goals and Accomplishments/Goals and Objectives/Unmet Needs

Solid Waste Utility

Performance Measures and Workload Indicators

The Solid Waste Utility is part of the Municipal Utilities Department. The Utility provides mandatory, weekly solid waste collection and 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, recyclable materials and household hazardous wastes from residents and businesses throughout the area. The Facility processes recyclable materials and prepares them for sale to recyclable commodities buyers and the public. Transfer trucks transport waste from the transfer facility to Shasta County's Richard W. Curry/West Central Landfill, which the City operates by agreement with the County, for disposal.

CITY OF REDDING BIENNIAL BUDGET
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The Utility offers the following solid waste programs:

Residential:

- Waste, recyclables and green waste collection.
- Household Hazardous Waste Facility for processing, reuse, and disposal.
- Electronic waste processing, recycling, and disposal.
- Voluntary Recyclables Drop-off Facility for recyclables 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 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 curbed residential and commercial streets.

The following table summarizes activity levels for various measures in the Utility:

REPORT CATEGORY	2003-2004	2004-2005	2005-2006	07/01/06 - 12/31/06	% of Prior Year
Solid Waste Collection					
# Waste Wheelers	318,684	326,822	331,485	167,835	51%
# Dumpsters	34,807	34,923	34,532	17,308	50%
# Collections - Drop-boxes/Trash	3,360	3,269	3,491	1,929	55%
# Collections - Compactors/Trash	1,218	1,233	1,236	651	53%
# Collections - Drop-boxes/Compactors Recycling	1,689	1,691	1,952	947	49%
Waste at Transfer Station					
City Trucks (Tons)	62,844	69,570	71,182	35,041	49%
City Self-haul (Tons)	18,452	17,184	19,252	9,849	51%
Non City Self-haul (Tons)	13,995	14,810	15,600	9,551	61%
Green Waste Buried (Tons)					
Recycling/Trash (Tons)	1,567	1,139	1,569	888	57%
City Sweeper (Tons)	-	-	1,540	754	49%
Total Waste Collected (Tons)	96,858	102,703	109,143	56,083	51%
Diverted Waste (Tons)	30,861	26,188	26,881	13,076	49%
Waste at Landfill					
City Waste Buried (Tons)	91,059	92,744	97,994	48,117	49%
Non City Waste Buried (Tons)	52,859	54,126	54,380	27,770	51%
Total Waste Buried (Tons)	143,918	146,870	150,750	75,887	50%

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REPORT CATEGORY	2003-2004	2004-2005	2005-2006	07/01/06 - 12/31/06	% of Prior Year
Recyclables					
Recyclables Sales (Tons)	11,031	10,424	10,936	5,093	47%
Recyclables Sales (Revenue)	898,868	1,050,573	1,342,666	544,667	41%
Compost Sales (Tons)	4,400	1,880	1,778	1,834	103%
Compost Sales (Yards)	7,334	3,133	2,974	3,057	103%
Compost Sales (Revenue)	\$ 66,230	\$ 42,774	\$ 42,612	\$ 17,425	41%
Wood Chips Sales (Tons)	9,852	12,293	10,716	4,104	38%
Wood Chips Sales (Revenue)	\$ 42,814	\$ 68,418	\$ 59,907	\$ 22,555	38%
Green Waste Sales (Tons)	-	-	-	-	
Green Waste Sales (Yards)	-	-	-	-	
Green Waste Sales (Revenue)	\$ -	\$ -	\$ -	\$ -	
GW Land-applied to SC, LF, & CB Ranch (Tons)	5,452	122	-	269	
# Vehicle Trips					
Total to Transfer Facility	90,611	87,975	96,423	48,782	51%
Total Self-haul to Transfer Facility	69,283	65,229	73,038	36,900	51%
Total to Landfill	38,422	37,848	37,641	18,956	50%
Total Self-haul to Landfill	25,453	25,488	24,859	12,534	50%
Transfer Station/Drop-off/HHW					
# HHW Customers	3,276	3,269	3,175	2,050	65%
# HHW Tons Recycled/Destroyed	95	72	86	49	57%
Drop-off Auction (Tons)	144	144	108		
Drop-off Auction (Revenue)	\$ 28,798	\$ 29,872	\$ 11,996	\$ -	
# Motors Removed	5,383	5,736	6,088	2,763	45%
# Non City of Redding Customers	26,884	26,332	27,499	14,157	51%
Labor					
# Hours Drivers Available	76,960	76,960	76,960	38,480	50%
# Hours Illness/Injury/Lost Time	7,158	6,088	6,154	1,956	32%
# Hours Overtime/Comp Time	6,494	5,152	4,490	2,821	63%
Overtime Dollars	\$ 188,171	\$ 173,796	\$ 172,483	\$ 87,318	51%
# Hours Backfill for Drivers	5,234	5,698	5,033	3,211	64%

Status of Goals and Accomplishments for Fiscal Years Ended 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.

Accomplishments

The Utility provided residential, green waste and recyclables collection for approximately 27,000 households. City collection trucks collected 22,500 tons of waste, 12,400 tons of green waste and 8,325 tons of recyclables in

CITY OF REDDING BIENNIAL BUDGET
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fiscal year 2005-06. This was done with a minimum of incidental overtime. The Utility is projecting to collect 26,200 tons of waste, 14,000 tons of green waste and 9,000 tons of recyclables in fiscal year 2006-07.

Goal

Provide waste and commercial recyclables 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 box customers in a timely and efficient manner, utilizing well-balanced routes and a minimum of overtime. Process increased amounts of waste and construction waste.

Accomplishments

The Utility collected and is projected to collect the following tonnages of commereial wastes in fiscal years 2005-06 and 2006-07:

	<u>FY 2005-06</u>	<u>FY 2006-07</u>
Commercial waste from commercial customers	35,221	40,000
Mixed recyclables from approximately 1,200 customers	590	625
Cardboard from several hundred customers	3,655	3,875
Newspaper from commercial customers	143	167
Office paper from commercial customers	330	385

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.

Accomplishments

The transfer station processed 109,143 tons of waste in fiscal year 2005-06 and is projecting to process about 112,000 tons of waste in fiscal year 2006-07, which is an increase of about 2.5% over processed tonnage for fiscal year 2005-06.

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 contaminant-free as possible to achieve the best possible price. Seek to maximize revenue from the sales of recyclables.

Accomplishments

The Utility processed and sold the following tonnages of recyclables in fiscal year 2005-06:

	<u>Quantity</u>	<u>Revenue</u>
Recyclables	10,936 tons	\$1,342,666
Compost	2,974 yards	\$42,612
Wood fuel	10,716 tons	\$59,907

It is projected that the Utility will process and sell about the same amounts in fiscal year 2006-07.

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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.

Accomplishments

In fiscal year 2005-06, the Utility processed and sold 2,974 yards of compost and 10,716 tons of wood fuel. No green waste was buried at the landfill in fiscal year 2005-06. For fiscal year 2006-07, is estimated that compost yardage and wood fuel tonnage will be within 2% of the fiscal year 2005-06 figures.

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.

Accomplishments

In 2005, 24,447 free disposal coupons, worth \$18 each, were mailed, of which, 1,923 coupons were redeemed. The coupon usage generated 492 tons of waste at a cost of \$28,960. The average cost per customer was \$14.80. In 2006, 24,751 free disposal coupons were mailed, and 2,434 were redeemed, resulting in 653 tons of waste and a cost of \$42,820. The average cost per customer was \$17.59.

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 N.P.D.E.S. requirements.

Accomplishments

Three new and more efficient, high dump sweepers were purchased in 2005, and a second sweeper operator also was added in 2005 to increase the sweeping frequency from once every two months to once per month in residential neighborhoods and from once every two weeks to once per week in commercial areas.

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.

Accomplishments

The scale house staff processed a total of 96,425 transactions in fiscal year 2005-06. More than 27,000 or 28% of these transactions required weighing vehicles at the inbound and outbound scales; thus, they were handled twice. The number of transactions in fiscal year 2006-07 is projected to be about 97,550. Three scale house Clerks (one for each window) have provided expedient and efficient service for customers at the transfer station.

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.

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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.

Accomplishments

The Household Hazardous Waste Facility staff served 3,175 customers in fiscal year 2005-06, collecting 86 tons of hazardous waste. Motors were removed from 6,088 appliances, and the staff collected 250 tons of electronic waste. It is projected that in fiscal year 2006-07, 4,100 household hazardous waste customers will be served, 6,000 appliances will have motors removed, and 381 tons of electronic waste will be processed.

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.

Accomplishments

In 2005, the Utility recorded 21 driver-involved vehicle incidents. The number of driver-involved vehicle incidents was decreased to 17 in 2006. A concerted effort was made to provide training and increase driver awareness at regular safety meetings. Hard hat and safety vest policies were also adopted in fiscal year 2006-07.

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.

Accomplishments

A new Solid Waste Learning Center was built and completed in January 2006. Work stations for a Customer Service Representative and an Executive Assistant were moved into the former conference room to provide space for future growth in the Utility's Customer Service Call Center.

Goal

Review all operations for ADA (Adults with Disabilities Act) compliance.

Objective

Provide the ability to serve all customers.

Accomplishments

Funds were budgeted for this project, and a review of necessary corrections to the planned project were completed. It is projected that this compliance project will be completed by fiscal year 2008-09.

Other Accomplishments

1. The Utility expanded an electronic waste diversion program to provide free e-waste disposal to residents of the City and Shasta County, including the Cities of Anderson and Shasta Lake. By negotiating a good contract with an e-waste processor, it was possible to provide free disposal for not only computers and televisions but other electronics as well.

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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, using a phased-in approach. In 2006, the agreement provided for 100% funding from each jurisdiction for the proportionate usages of the Facility.
3. The Annual Report for 2004 was completed in 2005 and yielded a 56% waste diversion rate. The 2005 Annual Report is yet to be accepted, but it is estimated that the City will have a waste diversion rate of about 59%.
4. The Utility began developing plans for expansion of the Solid Waste Transfer/Recycling Facility to the property that was purchased on the west side of Abernathy Lane.
5. The Utility installed new security cameras in several locations at the transfer station. The staff uses the cameras to monitor illegal dumping and verify load contents.
6. A new cell was developed at the Richard W. Curry/West Central Landfill at a cost of \$6.25 million and is expected to last about four years.
7. The Utility assumed operation and responsibility of the street sweeping operation from the Storm Drain Utility in 2004 and doubled the frequency of sweeping for residential streets to comply with N.P.D.E.S. requirements in 2005. In 2005, the Utility also purchased roll-off boxes to be placed near routes during leaf season to minimize trips to and from the disposal site.
8. The Utility secured an alternate buyer for processed green waste in 2006 and formulated an agreement with Compost Solutions to purchase chipped green waste material at \$6.50 per ton.
9. The Utility readjusted collection routes to maximize and balance the number of residences served by each Solid Waste Truck Driver.
10. The Utility provided better safety training for supervisors and enhanced the Department's safety programs.
11. The Utility set a record for revenue received from the sale of recyclables in the amount of \$1,325,000 for fiscal year 2005-06.

Goals and Objectives for Fiscal Years Ending June 30, 2008 and 2009

Goal

Provide solid waste, recyclables, and green waste collection services for the City's residential customers.

Objectives

Collect solid waste, mixed 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 solid waste and recyclables collection services for the City's commercial customers.

Objectives

Collect solid waste, mixed recyclables, cardboard, and office paper from all of the City's commercial and roll-off box customers in a timely and efficient manner, utilizing well-balanced routes and a minimum of overtime.
Process increased amounts of solid waste and construction waste.

Goal

Process all incoming waste from City collection trucks and self-hauled waste from the public.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objectives

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 that waste will increase with growth in the range of 2% - 5%.

Goal

Process and market the recyclables collected through all of the City's recycling programs.

Objectives

Process, sort and market at the best available price all recyclables collected by the Utility through all of its recycling programs. Materials should be a contaminant-free as possible to achieve the best possible price. Seek to maximize revenue from the sales of recyclables.

Goal

Seek alternate recycling options to avoid burying the City's green waste in the landfill.

Objectives

Look for opportunities to diversify the recycling of green waste collected and processed through the compost operation. Utilize recyclers, such as Wheelabrator Shasta Energy Company, Inc. and Compost Solutions, and the land-application of green waste as an alternative daily cover at the landfill.

Goal

Continue to offer a coupon for free waste disposal, valued at the fee for a full-sized pickup, loaded above the bed level, to single-family residential customers.

Objectives

Mail coupons to the City's single-family residents to encourage cleanup at each residence and neighborhood.

Goal

Sweep streets once per month in residential neighborhoods and once every two weeks in commercial areas.

Objectives

Provide regular sweeping to keep City streets clean and clear of debris and keep debris from streets from entering the City's storm drain systems, thus complying with N.P.D.E.S. standards.

Goal

Process customers' transactions at the scale house in an efficient and expedient manner.

Objectives

Adequately staff the scale house to provide efficient service for transfer station customers. Last year, 96,000 transactions were completed, and it is expected that the number of transactions will increase each year.

Goal

Continue to provide Household Hazardous Waste (HHW) services, including electronic waste and appliance recycling, at the transfer station.

Objectives

Serve HHW customers by accepting, lab packing, and arranging for the disposal of all collected hazardous wastes. Also accept and process, according to the rules and guidelines set for the by the State of California, all electronic waste accepted at the HHW Facility. Collect Freon, mercury switches and used motor oil from appliances and recycle as much as possible.

CITY OF REDDING BIENNIAL BUDGET
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Goal

Reduce the number of at-fault vehicle incidents.

Objectives

Increase safety training and awareness, especially as related to driving and operating equipment. Also address other OSHA-mandated requirements.

Goal

Develop City-owned property on the west side of Abernathy Lane for growth and expansion of the transfer station.

Objectives

Develop and finalize plans to provide access roads, paved storage areas and lighting for Phase I and a phased-in approach for development in later years, as the facility grows.

Unmet Needs / Upcoming Issues

Ensure that rates cover expenses. Rate increases will be needed.

Meet the State's requirements to replace or retrofit solid waste trucks for air emissions and be able to sell surplus vehicles for maximum return.

Expand the ability to meet the demand for drop-box/trash compactor service.

Plan ahead for the following:

- Expand the number of routes from eight to nine as the community continues to grow.
- Possibly relocate the Household Hazardous Waste Facility to the west side of Abernathy Lane.
- Increase public education on recycling and items banned from the landfill.
- Monitor the disposal needs of commercial operations in the City, if they are not met by others.
- Use opportunities to remove re-useable construction debris from the waste stream.

Storm Drain Utility

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 of 195 miles of open ditches/channels, 240 miles of storm drain pipe, 8,500 inlets, 1,400 outfalls, and 3 detention basins. There are four maintenance employees and one supervisor assigned to the maintenance of the storm drain system.

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Workload and Performance Measures	2004-05	2005-06	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Miles of Storm Drain Pipe	201	219.7	240	260	280
Miles of Ditches/Channels	102	109	195	200	205
Number of Maintained Drainage Basins	3	3	3	3	3
Miles of Ditches/Channels Maintained	43.8	45.7	47.0	50.0	53.0
Percentage of Maintained Ditches/Channels to be Inspected Annually	100.0%	100.0%	100.0%	100.0%	100.0%
Percentage of Inspected Ditches/Channels to be Maintained Annually	7.4%	9.9%	13.0%	16.0%	19.0%
Number of Inlets	7,273	8,076	8,500	8,900	9,300
Percentage of Inlets Inspected Annually	68.0%	32.0%	50.0%	50.0%	50.0%
Percentage of Inspected Inlets Requiring Maintenance/Cleaning	16.0%	15.2%	15.0%	15.0%	15.0%
Percentage of Inlets Cleaned/Maintained Annually	3.0%	1.4%	3.0%	3.0%	3.0%

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.

Accomplishments

Progress continues on the implementation of the inventory component of the Storm Drain Maintenance Operational Plan. As new development occurs, this work task will be a continuing effort.

In conjunction with the GIS Division, a software firm is developing a maintenance interface with existing City of Redding data and the mapping system currently in place and maintained by GIS.

During this budget cycle, there will be the fifth annual report of the City of Redding's initial five year permit. Additionally, there will be the development and submittal of the application for the second five year permit. To

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date, the Water Quality Control Board has accepted the work levels as submitted. During this budget cycle, the City Council approved the creation of a N.P.D.E.S. Coordinator position which will oversee the work being done by the various departments and prepare the annual report to the Water Quality Control Board.

Work is in progress on the Churn Creek basin to determine detention opportunities. Additionally, the consultant is reviewing channel improvements as a result of development to allow continued growth options within the drainage basin.

No work was accomplished regarding the inventory of driveway culverts and street crossings due to additional efforts regarding the inspection of new development infrastructure and channel maintenance.

Goals and Objectives for Fiscal Years Ended June 30, 2008 & 2009

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 the Water Quality Control on issues pertaining to N.P.D.E.S. Phase 2 requirements. This will include the development of a permit application for the second five year period.
- ▶ Work closely with Development Services and Transportation & Engineering in the update of the Municipal Code as it relates to Storm Drainage and N.P.D.E.S. requirements.
- ▶ Search for additional funding opportunities for increased maintenance of the system through grants or other funding programs.
- ▶ 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, 2008 & 2009

- ▶ 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 N.P.D.E.S. 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. N.P.D.E.S. implementation alone is estimated to be \$ 1 million +/- annually.

In a study of six California Cities published in January 2005, the cost of compliance with N.P.D.E.S. 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 N.P.D.E.S. compliance break down into 10 categories. These are shown below along with which City department will be responsible:

Construction Site Runoff Control	DSD / TED
Illicit Discharge Detection and Elimination	RMU
Watershed Management	DSD / SS
Industrial and Commercial Programs	RMU / DSD / TED

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Overall Stormwater Program Management	DSD / RMU / TED
Pollution Prevention	RMU
Good Housekeeping for Municipal Operations	All Departments
Public Education Outreach, Involvement	RMU / DSD
Water Quality Monitoring	RMU
Post Construction Monitoring for new Development	DSD / RMU / TED

- *** DSD - Development Services Department
 RMU - Redding Municipal Utilities
 SS - Support Services
 TED -Transportation & Engineering Department

The bulk of these costs will pass to RMU regarding 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.

Water Utility

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 majority of the workload objectives were accomplished during this past 2-year budget cycle.

Performance indicators are as follows:

Performance Measure	2004-05	2005-06	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Number of customers/services	27,043	27,512	27,920	28,390	28,870
Net Annual New Services	630	469	408	470	480
Number of new meter sets	481	710	488	500	510
Quantity of water produced (acre feet)	26,159	27,762	29,516	30,020	30,530
Percentage of days water quality met standards	100%	100%	100%	100%	100%
Number of customer service calls (including water quality)	1,150	1,282	1,551	1,450	1,500
Miles of water mains	note 1	542	544	550	560
Miles of substandard mains	note 2	note 2	46	45	44
Number of main and water service failures/disruptions per year	661	467	560	650	660
Number of polybutylene (PB) service breaks	56	33	8	25	25

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Performance Measure	2004-05	2005-06	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Number of PB scheduled replacement	181	86	3	75	75
Number of PB services remaining	1,627	1508	1497	1397	1297
Total O & M expenditures (x \$1,000)	\$7,344,200	\$8,089,500	\$9,812,400	\$10,133,200	\$10,364,800
O & M cost per acre foot produced	\$281	\$291	\$332	\$338	\$339
Services per employee	901	917	931	946	962

NOTES

1. Prior year estimates based on paper records. 2005-06 on are from GIS data, which resulted in an increase of approximately 70 miles in total water main mileage. Therefore pipe mileage data prior to 2005 are not useful basis for performance measure.
2. For years prior to 2006-07, the measure of substandard mains was based on pipe material type. New measure is pipes smaller than 6" only, so values are not comparable prior to 2006-07.

Goals and Accomplishments for Fiscal Years ended June 30, 2006 & 2007

Goal

Provide clean potable water to the citizens of the City.

Accomplishments

- Met all water quality standards established by the U.S.E.P.A. and the State Department of Health Services - Division of Drinking Water.
- Met city-wide water demands during a historic peak demand period of 51 MGD in July 2006.
- Improved the monitoring and control system for water treatment plants, pumping stations and groundwater wells.

Goal

Provide public information and education on water issues.

Accomplishments

- Provided water quality information through the Consumer Confidence Report to enhance public awareness.
- Hosted the Demonstration House at the City Services Fair, with educational displays on water efficient fixtures and landscaping.
- Distributed free CD's with water-wise landscaping information.
- Conducted print and radio advertising for public awareness of water conservation during peak use periods.
- Funded water efficiency related displays at Turtle Bay.
- Funded rebates for water efficient appliance rebates through REU.

Goal

Maintain and improve the City's existing water supply and distribution facilities.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Accomplishments

- Performed 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.
- Worked with Shasta County Water Agency to complete the Groundwater Basin Management Plan.
- Completed 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.
- Upgraded and replaced aging equipment at the water treatment plants for improved control, energy efficiency and to meet current federal and state water quality regulations.
- Continued on-going program to train staff and prepare for emergency operations.
- Replaced 130 polybutylene water services in the Polybutylene Replacement Program.
- Completed design and started construction on replacement of 8,000 feet of old 6" and 8" cast iron water main in Court Street, south of Eureka Way.
- Repaired and painted the Buckeye Water Treatment Plant back wash water reservoir to maximize its service life.
- Repaired and painted the Buckeye Zone 2 million gallon reservoir located off of Williamson Road in the northern end of the Buckeye Pressure Zone, to maximize its service life.
- Completed the demolition of the two (2) 75 year old Foothill 1.5 million gallon reservoirs and replacement with a new four (4) million gallon reservoir located at Foothill Blvd. and Hillcrest Place.
- Completed the design and construction of environmentally friendly fish screens on the pump intakes at Pump Station #1 on the Sacramento River.
- Complete the engineering and construction of a new maintenance building at the Foothill Water Treatment Plant.
- Improved management capability with inventory control and work orders with Computerized Maintenance Management System (CMMS).
- Continued implementation of recommended security improvement measures recommended from the Vulnerability Assessment.

Goal

Expand the water system capital facilities to accommodate new growth and development.

Accomplishments

- Completed the engineering and environmental permitting, and started construction to expand the Buckeye Water Treatment Plant from 7 million gallons per day to 14 million gallons per day.
- Completed the construction of Enterprise Groundwater Well #14, adding 2 MGD of supply capacity.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

- Completed design and started construction of Enterprise Groundwater Well # 23.
- Completed test well for Enterprise Groundwater Well # 15.
- Completed the engineering and construction of 8,500 feet of 30-inch transmission water main on Keswick Dam Road from Quartz Hill Road to Lake Blvd.
- Completed the engineering and construction of 4,550 feet of 12-inch transmission water main on Clear Creek Rd., to provide an emergency intertie with the Centerville Community Services District for backup supply to the REU Power Plant on Clear Creek Road.

Goals and Objectives for Fiscal Years Ending June 30, 2008 & 2009

Goal

To provide clean potable water to the citizens of the City.

Objectives

- Meet all water quality standards established by the U.S.E.P.A. and the State Department of Health Services - Division of Drinking Water.
- Develop long term strategy and select standard technology for treatment of new groundwater well sources, as needed to meet State and Federal water quality standards.
- Complete monitoring and compliance with the federal Long Term (2) Enhanced Surface Water Treatment (LT2SWT) and Stage 2 Disinfection Byproduct Rule (DBR) programs, to ensure high quality raw water supply and water quality out in the distribution system.

Goal

Provide public information and education on water issues.

Objectives

- Provide water quality information through the Consumer Confidence Report to enhance public awareness.
- Expand the water conservation program outreach to reduce peak season demands, reduce operating costs, maximize the reliability of the City's existing water supplies, and to conserve energy during the high electrical demand periods of the summer.
- Continue to implement the Best Management Practices for the Bureau of Reclamation Water Conservation Plan.

Goal

Improve and maintain the City's existing water facilities.

Objectives

- Continue preventative maintenance and replacement programs for the distribution system valves, hydrants, and customer meters.
- Continue upgrades to communications and electrical equipment to maximize operations reliability and efficiency at pump stations, groundwater wells, and treatment plants.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

- Continue annual replacement of approximately 5,000 feet per year of old cast iron water mains each year.
- Install new 12" water main to serve the Convention Center and Turtle Bay area, in coordination with CALTRANS Dana-to-Downtown construction.
- Replace the Foothill Water Treatment Plant's filter under-drains, to improve capacity and reliability for this critical facility.
- Replace aging, corroded piping and valves at Pump House 1, to improve reliability of the City's primary water supply source.
- Begin preliminary engineering for replacement of 5,000 feet of 18-inch cast iron raw water supply main, for the Foothill WTP.

Goal

Expand the water system capital facilities to accommodate new growth and development.

Objectives

- Finish in-progress construction for expansion of the Buckeye WTP to 14 MGD.
- Convert the primary communications link between the Buckeye WTP and Foothill WTP to a licensed radio system, for improved systems monitoring and control of remote facilities.
- Complete construction of Enterprise Wells (EW) EW-15, EW-16, EW-23, and EW-25, including well head treatment systems for iron and manganese removal as needed.
- Complete construction of 9,000 feet of new 24-inch water main along the Shasta View Drive extension from Rancho Road to Airport Road, to serve new housing development.
- Complete construction of 3,000 feet of new 16-inch water main along Knighton Road, to serve new development and future Veterans Home site.
- Begin long term actions for securing up to 5,000 acre-feet of new surface water supply for the Buckeye and Foothill Water Treatment Plants.

Goal

Promote a safe working environment while maintaining and operating facilities.

Objectives

- Continue to train for hazardous chemical spills at water and wastewater facilities.
- Maintain and repair equipment before premature failures.
- Continue to provide training on equipment and employee safety.
- Implement Vulnerability Assessment security recommendations.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Unmet Needs for Fiscal Years Ending June 30, 2008 & 2009

1. Funding for treatment facilities to remove arsenic and boron from Enterprise Groundwater Well No. 13 as required by U.S. Environmental Protection Agency (EPA).
2. Funding for Foothill Water Treatment Plant pre-treatment facilities to meet the Long Term Two (LT2) Enhanced Surface Water Treatment Regulations as required by EPA (dependent on the outcome of a demonstration study required by State Department of Health Services).
3. Funding for removal of Westwood Manor surface water well system and reservoirs.
4. Additional funding to increase annual replacement of cast-iron and steel water mains within the water distribution system.

Wastewater Utility

The wastewater system consists of the domestic and industrial sewerage collection, treatment, and disposal facilities serving the City. This system includes over 412 miles of interceptor and trunk sewers, sixteen sewer lift stations, and two secondary wastewater and effluent filtration treatment plants. The entire Wastewater Utility staff has worked hard to meet the goals established during the last budget term as listed below. Workload objectives were either accomplished or are in progress. The heavy workload to maintain an aging system and the funding of system rehabilitation and expansion are the major challenges.

Performance Measures and Workload Indicators:

	2004-05 Actual	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
No. of Residential HES	27,307	27,798	29,144	29,636	30,136
No. of Commercial/Industrial HES	11,555	11,822	12,031	12,281	12,531
Total HES Served	38,862	39,620	41,175	41,917	426,67
% Annual Growth Rate	1.85	1.95	3.92	1.80	1.79
Clear Creek Plant MGD** Dry Flow	7.29	7.73	7.56	7.86	8.18
Stillwater Plant MGD Dry Flow	2.40	2.60	2.60	2.70	2.80
Total Peak MGD Flows ***	49	57	57	57	57
Total gpd **** Dry Flow per Total HES	249	261	247	252	257
Miles of Sewer Main	400	406	412	418	424
Total FTE Utility Staff	31.75	34.15	35.15	33.40	33.40
Total HES Served per Total Staff	1,224	1,160	1,171	1,255	1,277

Notes:

- * 1 HE = household equivalent = 240 gpd.
- ** MGD = million gallons per day.
- *** Total peak wet weather flows are limited to 45 MGD at the Clear Creek WWTP and total peak flows listed above 45 MGD are from the Stillwater WWTP.
- **** gpd = gallons per day.

Goals & Accomplishments in 2005-2007

Goal

Begin construction of Capital Improvement Projects (CIP) so that they will be completed within budget and on schedule.

Accomplishments

1. Completed construction of the two 12" parallel force mains below the Sacramento River for the North Market Lift Station. The new force mains have replaced the original force main over the river that had multiple repairs due to leaks.
2. Completed the design and construction of improvements to the second Digester Mixing System at the Clear Creek Treatment Plant and completed rebuilding the Dual-Media Filters.
3. Completed the Clear Creek Plant Facility Plan and the Mixing Zone Study.
4. Preliminary Design is at 98% for the alternative alignments to expand the Boulder Creek Interceptor. Due to limited funding, the construction of this project will be phased in over three years, and is planned to begin in FY 2009-2010.
5. Completed the Preliminary Design to expand the Mary Street Lift Station Trunk Sewer line alignment. A decision was made to construct the alternative that allows for a minimum section of deep sewer, eliminating the possible need for a new lift station, and retaining a lower total construction cost.
6. Preliminary Design of the sewer line and force main for the Stillwater Business Park.
7. Preliminary Design of the South Bonnyview sewer line capacity enhancement project.

Goal

Improve the reliability and cost-effectiveness of the Wastewater Collection System operation.

Accomplishments:

Reduce stoppages in sewer mainlines:

A combination of an aggressive hydro cleaning schedule to prevent stoppages in sewer mains, effective use of the latest Closed Circuit Television (CCTV) and related technologies, annual inspection and maintenance of our remote manhole systems and increased effort to provide inspection of newly constructed systems should result in a continued reduction in mainline stoppages. The 25 year average is 35 stoppages per year. We reduced the number to 20 stoppages in 2006 by utilizing the methods listed below:

- Hydro-cleaned a minimum of 33.3% of all 6"-12" sewer mains.
- Keep the total number of annual mainline stoppages to 20.
- Annually inspect and perform maintenance on 1,240 manholes in our remote areas.
- Perform CCTV inspection of any suspected sewer mains as indicated by hydro-cleaning and manhole inspection.
- Work with Engineering and the Public Works Inspectors to reduce the incidents of defective wastewater systems being accepted.

Locate and eliminate sources of inflow and infiltration:

Previous flow monitoring efforts has allowed the Wastewater Utility to reduce inflow and infiltration through line repairs and sealing projects. Improved monitoring over this budget cycle will provide specific targeted sewer mains, manholes and private laterals for rehabilitation, repair or replacement.

Goal

Improve the reliability and cost-effectiveness of the Wastewater Treatment Plants operation.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Accomplishments:

1. Operated both the Stillwater and Clear Creek Plants to achieve a good compliance record, with only four discharge permit violations, in spite of the growing challenge of keeping treatment operations stable with unreliable aging equipment.
2. Continued to upgrade aging equipment at the Clear Creek Treatment Plant for improved control, energy efficiency, and to meet current safety standards. The work included an influent chemical pumping station, safety upgrades to influent pumping electrical equipment, and compliance analyzers.
3. Constructed an interim effluent overflow bypass at the Stillwater Treatment Plant. This will allow the Stillwater Treatment Plant to maintain compliance while necessary studies, design, and construction of the permanent effluent discharge diffuser is completed.

Goal

Improved industry discharge tracking and environmental compliance while maintaining a business-friendly atmosphere.

Accomplishments

1. Audited 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.
2. Established on-going review process for new utility accounts to ensure proper classification for accurate billing.
3. Responded to customer billing questions regarding the proposed rate restructuring based on both sewage strength and volume.
4. Assisted with the development of the required City of Redding Stormwater Quality Improvement Plan to comply with the federal N.P.D.E.S. Phase II Storm Water regulations.

GOALS & OBJECTIVES FOR 2007-2009

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 of North Market Lift Station, and complete the feasibility study for continuation of this project's force main discharge through the Auditorium Lift Station and Highway 44 to Butte Street.
2. Complete the design, environmental review, and construction of improvements to the Clear Creek Treatment Plant.
3. Design and construct the expansion of the South Bonnyview parallel interceptor.
4. Design the expansion of the Mary Street Lift Station and Trunk Sewers.
5. Complete the Facility Plan and Solids Handling Plan for 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 33% 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 approximately 3,000 feet of old clay sewer main and portions of the sewer connections in west Redding.
4. Upgrade manholes, located in the street right of way, and the remote locations, with newer frames and covers to prevent unauthorized access and vandalism.
5. Ensure compliance with State and Federal regulations:
 - Participated in the establishment of the electronic filing system for reporting sanitary sewer overflows on schedule.
 - Ensure that we conform to the new Waste Discharge Requirements.
 - Actively and effectively participate in the creation of our Sanitary Sewer Master Plan.
 - Establish an effective and reliable Computerized Maintenance Management System.
6. Continue to increase efficiency of our operations with the effective use of new technologies:
 - Upgrade our CCTV operations by procuring a new system that will incorporate enhanced CCTV capabilities, data acquisition, pipe profiling, inclinometer features and sonar.
 - Improve our rainfall monitoring by providing instrumentation that will monitor the rain gauges and show rainfall amounts on our SCADA system.
 - Acquire and utilize a Computer Maintenance and Management System to store and control all manner of wastewater collection system data.
 - Improve our root control and smoke testing capabilities.
 - Conduct hydro cleaning and CCTV in our remote areas.
7. Retain our tradition of efficient operations and excellent customer service:
 - Continue to support and participate in activities that enhance the skills and knowledge of the wastewater collection staff. This will ensure that our staff is properly trained and motivated for the future.
 - Actively participate in the California Water Environment Association including the Voluntary Certification Program, Local Section activities, Annual and Northern Regional Conferences and specialty training.
 - Ensure that personnel remain current with all manner of pertinent training such as safety issues, operation and maintenance, computer skills and laws and regulations.

Goal

Improve the reliability and cost-effectiveness of Wastewater Treatment Plants operations.

Objectives

1. Operate both the Stillwater and Clear Creek Plants to prevent discharge violations.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 in September 2007, to provide local access to technical training on water environment issues.

Goal

Improve industry tracking and environmental compliance while maintaining a business-friendly atmosphere.

Objectives

1. Continue to implement restructured wastewater rate schedule based on both sewage flow and strength that complies with requirements of the State Water Resources Control Board.
2. Continue to 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 N.P.D.E.S. Phase II Storm Water regulations, as follows:
 - a. Implement an illicit discharge detection and elimination program. Including notification of un-permitted 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's remote control underground video inspection system.
 - e. Begin a public education campaign to reduce Storm Water Pollution.

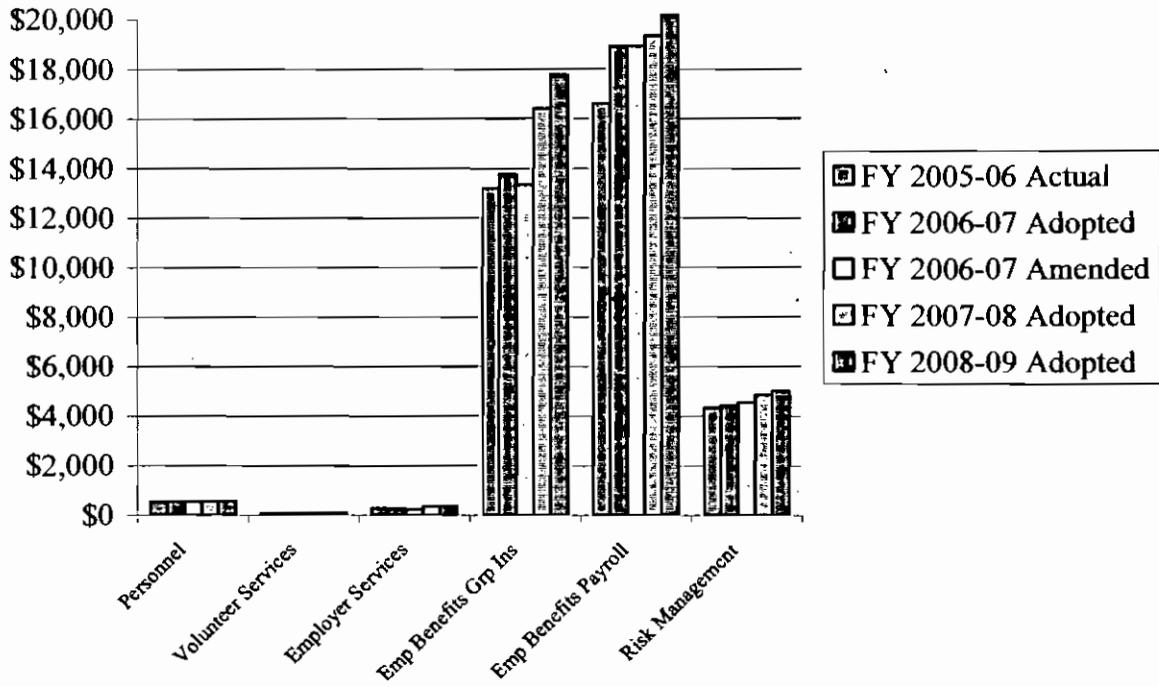
Personnel



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

Personnel

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

PERSONNEL DEPARTMENT

OVERVIEW

The Personnel Department adopted budget for fiscal year 2007-08 totals \$41,700,720, an increase of \$3,963,950 from the fiscal year 2006-07 amended budget. This increase is primarily due to increased costs in group health insurance and PERS Public Employee Retirement System contribution. Costs are also included for increasing one Personnel Analyst position from ¾ time to full time, as well as the increase of a ½ time Clerk position to ¾ time to accomplish the additional workload due to the implementation of ongoing changes in Workers' Compensation rules and regulations associated with SB899 (Workers' Compensation reform law April 2004).

The proposed budget for fiscal year 2008-09 totals \$44,125,240, an increase of \$2,424,520 from the fiscal year 2007-08 proposed budget. This increase is also due primarily to increases in group health insurance and PERS costs.

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Personnel	\$ 526,023	\$ 555,720	\$ 551,530	\$ 570,760	\$ 19,230	\$ 582,910	\$ 12,150
General Fund subtotal	526,023	555,720	551,530	570,760	19,230	582,910	12,150
Volunteer Services	91,881	105,770	105,770	127,120	21,350	129,510	2,390
Employer Services	297,051	274,110	249,110	359,190	110,080	371,980	12,790
Employee Benefits Group Insurance	13,198,872	13,774,720	13,356,050	16,426,990	3,070,940	17,771,540	1,344,550
Employee Benefits Payroll	16,609,628	18,911,420	18,911,420	19,343,620	432,200	20,248,120	904,500
Risk Management	4,341,414	4,436,590	4,562,890	4,873,040	310,150	5,021,180	148,140
Internal Service Fund Subtotal	34,538,846	37,502,610	37,185,240	41,129,960	3,944,720	43,542,330	2,412,370
TOTAL	\$ 35,064,869	\$38,058,330	\$ 37,736,770	\$41,700,720	\$ 3,963,950	\$44,125,240	\$ 2,424,520

* Excluded carryover amounts

The following table displays how the Department's budget is broken down between the major expenditure groups. The 2007-08 amended amount excludes carryovers.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Division		Personnel	Materials Supplies & Services	Capital Outlay	Debt Service	Total
Personnel	FY 2008-09 Adopted	\$ 442,750	\$ 140,160	\$ -	\$ -	\$ 582,910
	FY 2007-08 Adopted	\$ 422,560	\$ 140,700	\$ 7,500	\$ -	\$ 570,760
	FY 2006-07 Amended	\$ 431,890	\$ 119,660	\$ -	\$ -	\$ 551,550
	FY 2005-06 Actual	\$ 408,961	\$ 117,062	\$ -	\$ -	\$ 526,023
Volunteer Services	FY 2008-09 Adopted	112,630	16,880	-	-	129,510
	FY 2007-08 Adopted	107,780	19,340	-	-	127,120
	FY 2006-07 Amended	92,600	13,170	-	-	105,770
	FY 2005-06 Actual	78,844	13,037	-	-	91,881
Employer Services	FY 2008-09 Adopted	156,330	215,650	-	-	371,980
	FY 2007-08 Adopted	148,540	210,650	-	-	359,190
	FY 2006-07 Amended	75,910	173,200	-	-	249,110
	FY 2005-06 Actual	60,103	236,948	-	-	297,051
Employee Benefits Group Insurance	FY 2008-09 Adopted	118,840	17,652,700	-	-	17,771,540
	FY 2007-08 Adopted	118,140	16,308,850	-	-	16,426,990
	FY 2006-07 Amended	86,640	13,269,410	-	-	13,356,050
	FY 2005-06 Actual	83,091	13,115,781	-	-	13,198,872
Employee Benefits Payroll	FY 2008-09 Adopted	-	20,248,120	-	-	20,248,120
	FY 2007-08 Adopted	-	19,343,620	-	-	19,343,620
	FY 2006-07 Amended	-	18,911,420	-	-	18,911,420
	FY 2005-06 Actual	-	16,609,628	-	-	16,609,628
Risk Management	FY 2008-09 Adopted	795,420	4,225,760	-	-	5,021,180
	FY 2007-08 Adopted	751,250	4,121,790	-	-	4,873,040
	FY 2006-07 Amended	547,800	4,015,090	-	-	4,562,890
	FY 2005-06 Actual	468,519	3,851,725	21,170	-	4,341,414
Total	FY 2008-09 Adopted	\$ 1,625,970	\$ 42,499,270	\$ -	\$ -	\$ 44,125,240
	FY 2007-08 Adopted	\$ 1,548,270	\$ 40,144,950	\$ 7,500	\$ -	\$ 41,700,720
	FY 2006-07 Amended	\$ 1,234,840	\$ 36,501,950	\$ -	\$ -	\$ 37,736,790
	FY 2005-06 Actual	\$ 1,099,518	\$ 33,944,181	\$ 21,170	\$ -	\$ 35,064,869

Capital Outlay

The Personnel Department's Capital Outlay request is for \$7,500 to cover costs associated with replacing the existing Personnel phone system which is not warranted and incapable of expansion to be compatible with the updated phone system in Risk Management.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

The following chart gives a breakdown of personnel in the various divisions of the Personnel Departments which have employees:

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Personnel	F/T	7.00	7.00	7.00	7.00	0.00	7.00	0.00
	P/T	0.75	0.75	0.75	0.75	0.00	0.75	0.00
	Total	7.75	7.75	7.75	7.75	0.00	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	5.00	5.00	6.00	7.00	1.00	7.00	0.00
	P/T	0.75	0.48	1.25	0.75	-0.50	0.75	0.00
	Total	5.75	5.48	7.25	7.75	0.50	7.75	0.00
Total	F/T	13.00	13.00	14.00	15.00	1.00	15.00	0.00
	P/T	1.50	1.23	2.00	1.50	-0.50	1.50	0.00
	Total	14.50	14.23	16.00	16.50	0.50	16.50	0.00

PERSONNEL DEPARTMENT

Status of the 2005-06 and 2006-07 Goals and Objectives

Personnel - Recruitment/Training/Payroll Division

Goal

Improve the skills of supervisory and management staff.

Accomplishments

1. Implemented updated Personnel Internet Web page to include salary ranges, Memoranda of Understanding for all bargaining units, Frequently Asked Questions/Answers, etc.
2. Implemented and trained approximately 75 timekeepers from departments throughout the City on new timekeeping system. Implemented the Payroll Timesheet Policy to provide guidelines for employees which support the City's Payroll system requirements.
3. Worked with Information Technology to improve the Applicant Tracking System.
4. Added appropriate signage and provided alphabetical salary ranges to salary binder to make the job seeking process more user friendly.
5. Created a policy entitled "Use of Two-Way Communication Devices While Operating Vehicles or Equipment" in an effort to provide a safe and healthful work environment for employees.
6. Continued to work with departments, the City Attorney, and outside counsel on personnel issues regarding discipline, side letters, policy language, etc.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

7. Continued our commitment to improving the Citywide Employee Wellness Program by facilitating the addition of several new physical fitness centers to the program, including GOA Wellness, Fit One, Cobblestone Health & Wellness, Extreme Fitness, Fit City, and Anytime Fitness providing greater opportunities to our employees to utilize the program to maintain or improve their physical fitness and health.

Goal

Prepare for and successfully complete contract bargaining with applicable represented employee groups.

Accomplishments

5. Established City Council goals and strategies for contract negotiations prior to beginning the negotiations process.
6. Successfully negotiated new contracts with the Redding Peace Officer Association, Redding Police Managers Association, and the International Association of Fire Fighters.
7. Ensured that the new contracts are consistent with the City Councils' direction.

Goal

Prepare for significant turnover due to retirements and attrition.

Accomplishments

1. The Personnel Department worked with several departments to efficiently administer their succession planning programs which included reorganizing the structure of the department (i.e., Police, Development Services, and Transportation and Engineering) to meet the needs of the customers with fewer employees with special consideration of the loss of historical knowledge in some areas.
2. Continued our participation in the Liebert Cassidy Whitmore training consortium - classes included Embracing Diversity, Prevention and Control of Absenteeism, Public Sector Employment Law Update, Annual Audit of Your Personnel Rules, Exercising Your Management Rights, Legal Issues Regarding Hiring, Understanding PERB and Unfair Practices, Performance Evaluations, and Preventing Workplace Harassment.

Risk Management - Workers' Compensation/Liability Claims Division

Goal

Continue to improve the efficiency and responsiveness of the Risk Management Division

Accomplishments

1. Brought the Workers' Compensation program inside the City providing face-to-face contact between the claims adjusters and the employees. Through staff's relationships with local doctors, physical therapists, and other medical providers, we were able to reduce the wait time for employees to obtain ongoing medical treatment. In addition, staff emphasized the importance of the departments' commitment to light duty programs which reduced the number of days employees were off work due to on-the-job injuries.
2. Installed and implemented the ATS Workers' Compensation program which provided customized reports and correspondence and a tickler system which assisted claims adjusters respond to employees in a more timely manner.
3. Raised awareness of employee value to the City by encouraging and promoting communication between the injured worker and the supervisors regarding the importance of the City's light duty program. (Getting the injured worker back to work as quickly as possible reduces legal costs to the City).

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

4. As a result of passage of Assembly Bill 1127, public employers are no longer exempt from Cal/OSHA citations. Hired American Rescue Institute to review departments' safety programs and have assisted two departments, to date, review their safety programs and make changes to become compliant with ongoing changes in Cal/OSHA regulations and safety training.
5. Brought the Liability Claims Program in-house in September 2006. Claims adjusting was only one part of the employee's job duties. In addition, the employee had responsibility for the City's Americans with Disabilities Act (ADA) complaints, writing policies, investigating personnel issues, etc. This provided the City with additional staff to perform important tasks for the same amount of money previously paid to an outside consultant just to perform claims adjusting work.

Goal

Reduce the budget for Workers' Compensation and Liability claims account funds

Accomplishments

1. Saved in excess of \$200,000 the first year the Workers' Compensation program was operated by City staff. In addition, we did not have to borrow money out of reserves during this two-year budget period. In FY 2003-2004 we borrowed \$60,000 from reserves to fund excess Workers' Compensation claims and \$70,000 to fund excess Liability claims.
2. Entered into a contract with Modern Medical to manage our prescription drug program which saved the City about \$500 - \$600 per month in check writing fees.
3. Entered into a contract with Corvel Corporation for bill review and bill pay services realizing a cost savings of \$3.50 per check (previous vendor was \$9.50 per check). Average monthly savings is approximately \$300 per month.
3. Continued the safety training with emphasis on working safely in a safe work environment.
4. Contracted with American Rescue Institute (ARI) to update the City's Injury and Illness Prevention Program and assist departments customize their Injury and Illness Prevention programs.

Volunteer Services Division

Goal

Work to maximize the efficiency and responsiveness of the Volunteer Division

Accomplishments

1. Increased the number of skilled volunteers in the program by 33.
2. The Volunteer Coordinator met periodically with the departments to obtain information about the ongoing needs of the departments. The feedback from departments about service performed by volunteers was very positive.

Goal

Recognize volunteers for their service

Accomplishments

1. Informally surveyed volunteers to find out how they like to be recognized for their contributions to the City. Most said they do not expect to receive a lot of recognition.
2. Increased the number of public officials and managers attending the annual Volunteer Recognition dinner.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Estimated	FY 2007-08 Projected	FY 2008-09 Projected
Recruitments Conducted	43	50	82	60	60	60
Employment applications processed	2,864	2,800	3,890	2,000	2,850	2,850
Employment interest cards processed	2,490	250	1,600	1,900	2,100	2,100
Orientations conducted	230	240	200	180	220	220
Employee training sessions conducted/facilitated by Personnel	10	10	13	12	20	20
Labor contracts negotiated	2	3	3	2	2	3
Personnel transactions	415	450	520	450	460	460
Retirements Processed	16	23	46	40	32	32
Labor/management meetings outside negotiation process	32	29	67	73	50	50
Exit interviews conducted	55	70	82	69	70	70

Risk Management

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Estimated	FY 2007-08 Projected	FY 2008-09 Projected
Workers compensation indemnity claims opened	98	67	49	20	60	60
Workers' Compensation medical only claims opened	80	73	75	46	68	68
Liability claims opened	180	123	162	150	160	160
Liability claims closed without payment	60%	60%	56%	60%	60%	60%

Employer Services

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Estimated	FY 2007-08 Projected	FY 2008-09 Projected
Service Awards	148	149	185	151	111	156
DMV/Physicals	107	115	115	130	135	140
Physicals - Fire Safety, Pre-Employment	55	90	123	160	160	165

2007-08 and 2008-09 Goals and Objectives

Personnel - Recruitment/Training/Payroll Division

Goal

Continue to improve the efficiency and responsiveness of the Personnel Department.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objectives

1. Implement updated Personnel Internet Web page to include classification specifications and afford applicants the ability to complete Interest Cards for various positions and Job Applications on line.
2. Conduct recruitments in a manner that will provide departments with a list of the best qualified candidates for any given position.
3. Conduct labor negotiations in a positive and professional manner; gaining the trust and respect of the bargaining team members.
4. Handle all personnel matters in a confidential professional manner.
5. Respond to citizen and employee inquiries in a expeditious and thorough manner.

Goal

Prepare for and successfully complete contract bargaining with applicable represented employee groups.

Objectives

1. Establish City Council goals and strategies for contract negotiations prior to beginning the negotiations process.
2. Successfully negotiate new contracts with the Service Employees International Union - Clerical, Technical and Professional and Supervisory/Confidential Employees; International Brotherhood of Electrical Workers - Electric and Maintenance Employees; and the Peace Officers Association of Redding - Miscellaneous Employees.
3. Ensure that the new contracts are consistent with the City Councils' direction.

Goal

Work with Departments on ongoing turnover of City staff due to retirements.

Objectives

1. The Personnel Department will need to continue 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 to compensate for the loss of some historical knowledge.
2. Continue to provide supervisory/management training through the Supervisory Training Academy and the Liebert Cassidy Whitmore training consortium.

Risk Management - Workers' Compensation/Liability Claims Division

Goal

Continue to improve the efficiency and responsiveness of the Risk Management Division

Objectives

1. Continue to analyze the structure of the City's Workers' Compensation program and implement changes to streamline processes and procedures.
2. Ensure that all paperwork involving Workers' Compensation claims, Liability claims, Insurance Certificates, etc. are completed accurately and turned in a timely manner.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

3. Continue to stay current with new Workers' Compensation laws.
4. Continue to encourage ongoing communication between the injured worker and the supervisor.
5. Continue to assist City departments in staying compliant with Cal/OSHA regulations, safety training, and how to make the best use of the City's Injury and Illness Prevention Program.

Goal

Reduce the budget for Workers' Compensation and Liability claims account funds

Objectives

1. Continue the safety training with emphasis on working safely in a safe work environment.
2. Provide training and a system of accountability as dictated by the nature of Liability claims (i.e., improve accident investigations) and Workers' Compensation claims (i.e., reduce workplace hazards and improve accident investigations.).
3. Provide Workers' Compensation training for new supervisors and continue to update and train all supervisors regarding changes to Cal/OSHA regulations and requirements.
4. Establish a special investigation unit as required under California Code of Regulations, Subchapter 9, Insurance Fraud in order to make certain that none of our employees' contribute to the number fraudulent claims being filed in violation of State of California Workers' Compensation law.

Volunteer Services Division

Goal

Work to maximize the efficiency and responsiveness of the Volunteer Division

Objectives

1. To enhance City programs and services by matching the varied talents of concerned individuals and groups of all ages, interest and skills with a wide variety of challenging municipal projects.
2. To provide the best and most effective service to the citizens of Redding by assigning volunteers to help City employees enhance and expand their services.
3. To develop a volunteer friendly mind-set among City employees and volunteers.
4. To train volunteers to meet the expectations and requirements defined by the departments participating in the Volunteer Service Program.
5. To build a closer tie between community members and the City of Redding.

Police



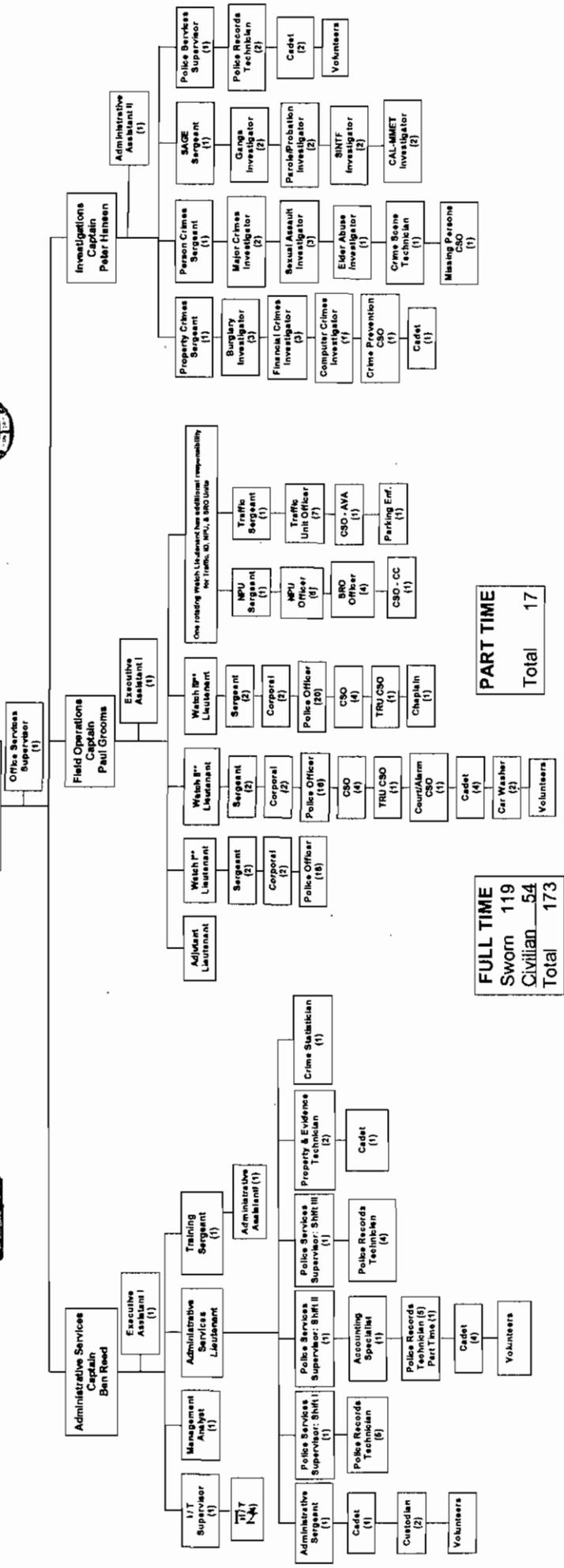
**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**



READING POLICE DEPARTMENT ORGANIZATIONAL CHART



CHIEF OF POLICE
Leonard F. Moty



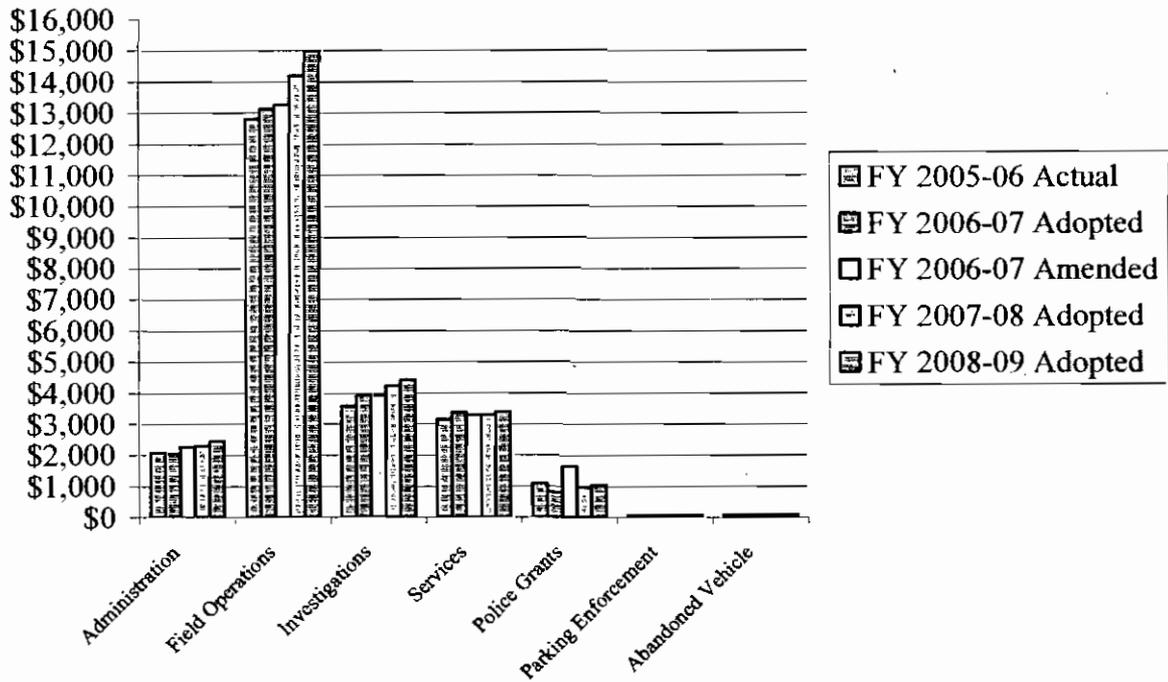
PART TIME
Total 17

FULL TIME
Sworn 119
Civilian 54
Total 173

TOTAL RPD PERSONNEL
190
February 13, 2007

Police Department

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

POLICE DEPARTMENT

Overview

The Police Department's adopted budget for fiscal year 2007-2008 totals \$25,193,010, an increase of \$631,174 from the fiscal year 2006-07 amended budget of \$24,561,836. The adopted budget for fiscal year 2008-2009 totals \$26,484,190, an increase of \$1,291,180 over the fiscal year 2007-08 adopted budget. In both fiscal years the increase is in most part due to the rise in personnel and SHASCOM costs.

In this budget, all grants are budgeted in a separate division. The Police Grants Division assists in tracking the numerous grants the Department receives, particularly the grant funded personnel.

	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Administration	\$ 2,090,681	\$ 2,055,370	\$ 2,271,756	\$ 2,311,570	\$ 39,814	\$ 2,453,220	\$ 141,650
Field Operations	12,807,606	13,134,480	13,268,480	14,198,710	930,230	14,987,560	788,850
Investigations	3,590,348	3,914,250	3,921,458	4,229,810	308,352	4,421,050	191,240
Services	3,151,448	3,375,680	3,294,272	3,290,180	(4,092)	3,399,880	109,700
Police Grants	1,091,601	821,990	1,644,770	979,330	(665,440)	1,035,930	56,600
General Fund Subtotal	22,731,684	23,301,770	24,400,736	25,009,600	608,864	26,297,640	1,288,040
Parking Enforcement	56,315	66,800	66,800	60,770	(6,030)	63,810	3,040
Abandoned Vehicle	86,890	91,890	94,300	122,640	28,340	122,740	100
Special Revenue subtotal	143,205	158,690	161,100	183,410	22,310	186,550	3,140
TOTAL	\$22,874,889	\$ 23,460,460	\$ 24,561,836	\$ 25,193,010	\$ 631,174	\$ 26,484,190	\$ 1,291,180

* Excluding carryover amounts

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, 2008 AND 2009

Division		Personnel	Materials, Supplies & Services	Capital Outlay	Debt Service	Total
Administration	FY 2008-09 Adopted	\$ 1,845,210	\$ 593,010	\$ 15,000	\$ -	\$ 2,453,220
	FY 2007-08 Adopted	\$ 1,731,920	\$ 579,650	\$ -	\$ -	\$ 2,311,570
	FY 2006-07 Amended	\$ 1,675,040	\$ 417,640	\$ 179,076	\$ -	\$ 2,271,756
	FY 2005-06 Actual	\$ 1,564,729	\$ 432,838	\$ 93,114	\$ -	\$ 2,090,681
Field Operations	FY 2008-09 Adopted	13,698,250	1,289,310	-	-	14,987,560
	FY 2007-08 Adopted	12,850,700	1,323,010	25,000	-	14,198,710
	FY 2006-07 Amended	11,716,810	1,438,960	112,710	-	13,268,480
	FY 2005-06 Actual	11,369,912	1,160,328	277,366	-	12,807,606
Investigations	FY 2008-09 Adopted	4,028,110	383,940	9,000	-	4,421,050
	FY 2007-08 Adopted	3,837,520	385,590	6,700	-	4,229,810
	FY 2006-07 Amended	3,527,498	359,150	34,810	-	3,921,458
	FY 2005-06 Actual	3,275,489	249,153	65,706	-	3,590,348
Services	FY 2008-09 Adopted	1,841,930	1,545,450	-	12,500	3,399,880
	FY 2007-08 Adopted	1,749,510	1,520,360	8,610	11,700	3,290,180
	FY 2006-07 Amended	1,807,012	1,473,260	-	14,000	3,294,272
	FY 2005-06 Actual	1,705,573	1,413,896	20,987	10,992	3,151,448
Police Grants	FY 2008-09 Adopted	1,031,480	4,450	-	-	1,035,930
	FY 2007-08 Adopted	974,990	4,340	-	-	979,330
	FY 2006-07 Amended	784,930	4,000	855,840	-	1,644,770
	FY 2005-06 Actual	466,015	7,794	617,792	-	1,091,601
Parking Enforcement	FY 2008-09 Adopted	40,160	23,650	-	-	63,810
	FY 2007-08 Adopted	37,560	23,210	-	-	60,770
	FY 2006-07 Amended	45,970	20,830	-	-	66,800
	FY 2005-06 Actual	43,025	13,290	-	-	56,315
Abandoned Vehicle Abatement	FY 2008-09 Adopted	110,000	12,740	-	-	122,740
	FY 2007-08 Adopted	110,000	12,640	-	-	122,640
	FY 2006-07 Amended	70,000	24,300	-	-	94,300
	FY 2005-06 Actual	67,275	19,615	-	-	86,890
Total	FY 2008-09 Adopted	\$ 22,595,140	\$ 3,852,550	\$ 24,000	\$ 12,500	\$ 26,484,190
	FY 2007-08 Adopted	\$ 21,292,200	\$ 3,848,800	\$ 40,310	\$ 11,700	\$ 25,193,010
	FY 2006-07 Amended	\$ 19,627,260	\$ 3,738,140	\$ 1,182,436	\$ 14,000	\$ 24,561,836
	FY 2005-06 Actual	\$ 18,492,018	\$ 3,296,914	\$ 1,074,965	\$ 10,992	\$ 22,874,889

Capital Outlay

Capital outlay in Police Grants reflects the program cost. Additionally, the Police Department is requesting \$40,310 for fiscal year 2007-08 and \$24,000 for fiscal year 2008-09. This will replace an outdated network server, a scanner, an I/D card maker, a microfilm reader/printer and will cover the cost of remodeling the men's locker room to add additional lockers and space for the current number of officers.

Personnel

This budget includes absorbing two officers previously funded by a grant, and combining two part-time janitor positions into one full time custodian position. RABA will fund \$25,000 toward a police officer, with the General Fund making up the difference. Four police officers were hired in 2005-06 to create a new Police Beat.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Administration	F/T	12.00	12.00	13.00	13.00	0.00	13.00	0.00
	P/T	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Total	12.00	12.00	13.00	13.00	0.00	13.00	0.00
Field Operations	F/T	92.00	92.00	96.00	96.00	0.00	96.00	0.00
	P/T	<u>7.21</u>	<u>7.69</u>	<u>7.69</u>	<u>9.13</u>	<u>1.44</u>	<u>9.13</u>	<u>0.00</u>
	Total	99.21	99.69	103.69	105.13	1.44	105.13	0.00
Investigations	F/T	28.00	28.00	28.00	29.00	1.00	29.00	0.00
	P/T	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Total	28.00	28.00	28.00	29.00	1.00	29.00	0.00
Services	F/T	25.00	25.00	24.00	24.00	0.00	24.00	0.00
	P/T	<u>3.42</u>	<u>1.50</u>	<u>3.42</u>	<u>0.75</u>	<u>-2.67</u>	<u>0.75</u>	<u>0.00</u>
	Total	28.42	26.50	27.42	24.75	-2.67	24.75	0.00
Police Grants	F/T	9.00	9.00	10.00	10.00	0.00	10.00	0.00
	P/T	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Total	9.00	9.00	10.00	10.00	0.00	10.00	0.00
Parking Enforcement	F/T	1.00	1.00	1.00	1.00	0.00	1.00	0.00
	P/T	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Total	1.00	1.00	1.00	1.00	0.00	1.00	0.00
Total	F/T	167.00	167.00	172.00	173.00	1.00	173.00	0.00
	P/T	<u>10.63</u>	<u>9.19</u>	<u>11.11</u>	<u>9.88</u>	<u>-1.23</u>	<u>9.88</u>	<u>0.00</u>
	Total	177.63	176.19	183.11	182.88	-0.23	182.88	0.00

Significant Issues

The Police Department has several areas of concern which are identified as Significant Issues.

Additional Police Officers and Support Staff

The Police Department has developed a 15 year Staffing Plan, which recommended hiring four officers in 2006 and two additional officers each year, based on a manpower study completed in 2002. The City Council added four new police officer positions to our Department in 2006 to help create a new police beat. By restructuring two other units and using a grant-funded position, for a total of seven officers, the new beat was implemented. For this budget cycle two previously grant-funded positions are being added to the Field Ops Division, and two grant-funded DUI officers will be unfunded after December 31, 2008.

Also on the unmet needs list is an Information Technology Supervisor (currently grant-funded).

New Police Building - \$35,000,000

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 property and evidence, essential equipment storage, DNA evidence storage, 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.

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 one information technology supervisor, as well as bulletproof vests, traffic equipment and overtime funding. Grant funding is uncertain from year to year. 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.

Goals and Accomplishments

Fiscal Year 2005/2006 and Fiscal Year 2006/2007

Goal

Continue to maintain Department staffing levels.

Accomplishment

The Department has faced a large turnover in employees due to retirements, new positions added and employees leaving for other employment opportunities. Twenty-two police officers have been hired in FY 2005-06 and FY 2006-07. In addition, there have been over ten non-sworn positions filled, along with several promotions and reassignments. Due to limited qualified applicants, the Department is working on implementing new recruitment strategies.

Goal

Develop and replace our current radio system.

Accomplishment

Through a collaborative effort with City of Redding Information Technology, Electric & Public Works we were able to replace the entire 800 MHz radio system and subscriber units for the police department. Through design and engineering we were able to move the primary radio system from Hill 900 to Southfork Mountain. This improved range and coverage of the radio system. The backup radio system was moved from Southfork to Hill 900 to allow for redundant radio system in the case of catastrophic failure of the primary system.

Goal

Complete upgrade of desktop personal computers and mobile data computers.

Accomplishment

During the FY 2005/2007 budget cycle, \$40,000 each year was budgeted to start replacing the oldest mobile data computers (MDCs). We were able to purchase six new MDCs each year. At this rate it will take six to seven years to complete the cycle. Funding was cut for desktop computers but with savings in other areas we were able to replace several below-standard computers in FYE 2006.

Goal

Work toward a shared and secure law enforcement network.

Accomplishment

Due to other priority projects, resources, and the lack of funding, this project has not been completed but is moving forward.

Goal

Upgrade our intranet capabilities.

Accomplishment

A combined index of General Orders and Instructions has been completed and placed on the intranet. With the hiring of a Crime Statistician, work on a search engine is getting started.

Goal

Upon obtaining additional manpower, reduce response times to emergency calls for service by five percent.

Accomplishment

Four additional police officers were added to the Field Operations Division in 2006 and an additional patrol beat was created. The net effect caused a decrease in response times to emergency calls for service (priorities 0, 1, and 2) by 19 percent. The average response time in that category for 2004 was 14 minutes. The average response time in that category for 2006 was 11 minutes, 46 seconds.

Goal

Enhance the effectiveness of the canine unit, thereby increasing the overall efficiency of patrol officers to locate criminal suspects and drugs.

Accomplishment

The number of canine teams was increased from two to four. Canine training was increased to a total of 16 hours per month per team (statewide standard). A new trainer was selected which enhanced the abilities of each dog. During the past two years, canine teams were responsible for 390 deployments and 216 arrests. Numerous felons surrendered without further incident once a police canine was on scene, thereby improving officer safety and preventing harm to the community.

Goal

Continue to enhance traffic safety and reduce injury collisions through enforcement, engineering, education and equipment.

Accomplishment

The Field Operations Division maintained strong traffic enforcement, focusing on problem neighborhoods, high-incident collision locations, and nighttime DUI enforcement. We successfully completed grant objectives for seatbelt compliance (91%-96%), reduced access to alcohol by minors (decoy program), and implemented automated citation equipment (electronic tickets/electronic court filing). Education efforts involved traffic safety and DUI ads in movie theaters, public safety announcements (radio and TV), high school presentations ("It Was Not An Accident" video), and press releases (seatbelts, red lights, child safety seats). Personnel participated in the Shasta County Injury Prevention Coalition and the Redding Citizens Traffic Advisory Committee. The Department is currently negotiating with a vendor for red light camera enforcement to reduce intersection collisions.

Goal

Continue focus on the critical issue of reducing juvenile crime.

Accomplishment

Neighborhood Police Unit (NPU) officers have expanded the random probation checks over the past two years. Specifically, NPU, with the assistance of Patrol, has conducted juvenile probation checks on offenders in the Juvenile Addicted Offender Program, also known as Drug Court. At the start of each school year, School Resource Officers present updated Gang Awareness Training to each of the schools.

Goal

Reduce the number of unsolved homicide cases.

Accomplishment

This year five unsolved homicide cases were assigned to investigators for review. We have been able to identify a new suspect in a 2000 homicide case. The case was recently re-opened with active investigation ongoing. All unsolved homicide cases have had the evidence reviewed to determine if DNA can be submitted to the Department of Justice.

Goal

Increase community awareness on elder abuse.

Accomplishment

Twelve public service presentations to local community groups have been completed this last fiscal year. In addition, our Investigator was able to utilize the RPOA billboard, located on South Market Street, for a Public Service Announcement promoting Elder Abuse Education (at no cost to the City). Fourteen training sessions on elder abuse have been presented to RPD officers through roll call training this fiscal year.

Goal

Develop a system to electronically transfer police reports to the District Attorney's Office for filing.

Accomplishment

We have implemented the electronic transfer of reports and data to the District Attorney's Office and the Probation Department. We are no longer microfilming documents or making copies of the reports. If a copy is required, anyone authorized can now print it at their desk.

Goal

Schedule requests for records release, copies of reports and background check and develop a records release procedure to reduce time spent processing requests.

Accomplishment

The Services Division implemented a procedure to issue a records release request form for customers who are requesting information. This has reduced staff time and cut wait periods resulting in more efficiently responding to the needs of the community.

Goal

Develop a new Juvenile Arrest Procedure.

Accomplishment

A general order was written to develop consistency and accountability and to improve follow-up between the Police Department, the Courts, Parole and Juvenile Probation.

WORKLOAD AND PERFORMANCE INDICATORS

Workload Indicators	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Projected	2008 Projected
Population	84,560	86,300	87,300	89,193	89,973	90,045	91,416
Calls for Service	77,658	77,344	82,037	85,672	82,556	85,817	89,207
Average Response Time (High Priority Calls)	13:36	14:31	14:04	17:02	11:46	12:50	13:54
Felony Arrests	1,991	2,228	2,253	2,479	2,569	2,727	2,895
Total Booked	4,329	4,663	4,817	4,494	5,374	5,829	6,322
Major Crimes	3,390	3,549	4,151	4,651	3,757	4,240	4,786
Crime Prevention Presentations	129	99	103	185	177	200	200

2007-2009 Budget Years Goals and Objectives

Goal

Continue to maintain Department staffing levels.

Objective

Work with internal and external agencies to recruit and maintain sufficient staffing.

Goal

Increase community awareness and reduce the number of crimes through community education and participation

Objective

Provide community education through public service announcements and community presentations. Work with the schools and other community groups to provide Internet Safety training to parents and young people.

Goal

Provide enhanced career development opportunities in the Investigations Division.

Objective

Continue to rotate personnel through the Investigations Division as they gain experiences in increasingly more challenging cases and assignments.

Goal

Increase level of gang enforcement and education.

Objective

Through community education and strong enforcement efforts, continue our zero tolerance efforts towards gang activity. Continue Shasta Anti-Gang Enforcement activity throughout Shasta County. Expand North State Anti-Gang Enforcement operations in the region. Increase the number of community gang presentations. Continue on going training of law enforcement officers in our region.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Goal

Develop and update our current Mobile Data Computer System.

Objective

Replace mobile data systems in the patrol vehicles with updated and more durable computers. Develop a faster primary connection broadband system to the existing mobile data application to provide more timely information to the officers in the field, thus increasing their efficiency and productivity.

Goal

Reduce alcohol-involved injury/death collision rate through directed enforcement and public awareness.

Objective

Increase DUI enforcement with two full time, dedicated DUI enforcement officers, roving saturation patrols, and DUI checkpoints. Target repeat offenders through search warrant service, surveillance operations, and probation compliance details. Increase public awareness via media relations.

Goal

Complete federally mandated NIMS (National Incident Management System) training for sworn personnel.

Objective

Train all sworn supervisory and management personnel in 2007/2008 NIMS mandates regarding critical incident management.

Goal

Staff and maintain new patrol beat.

Objective

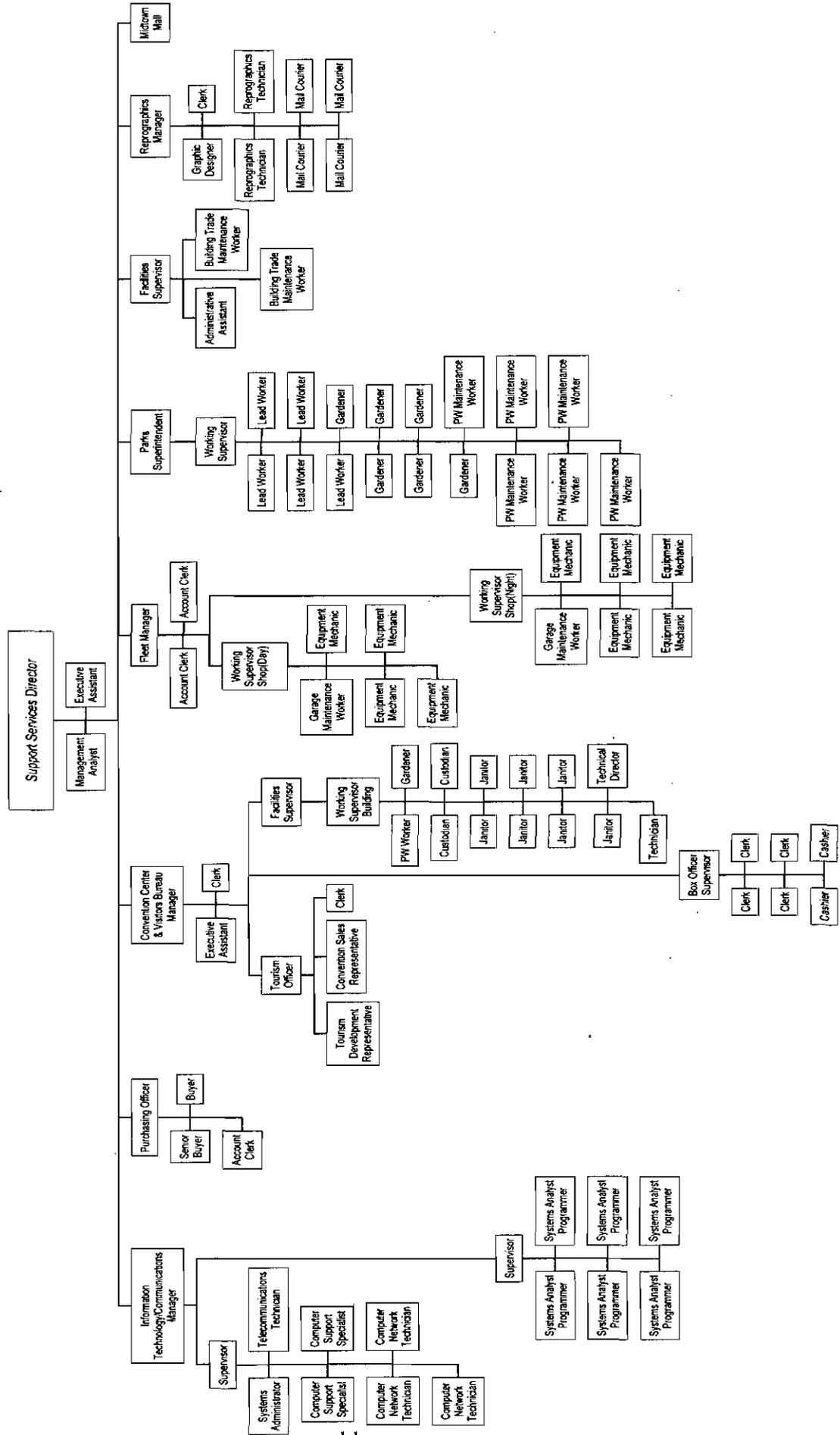
Maintain or increase staffing for new patrol beat delivering service to North Redding and Shasta College.

Support Services



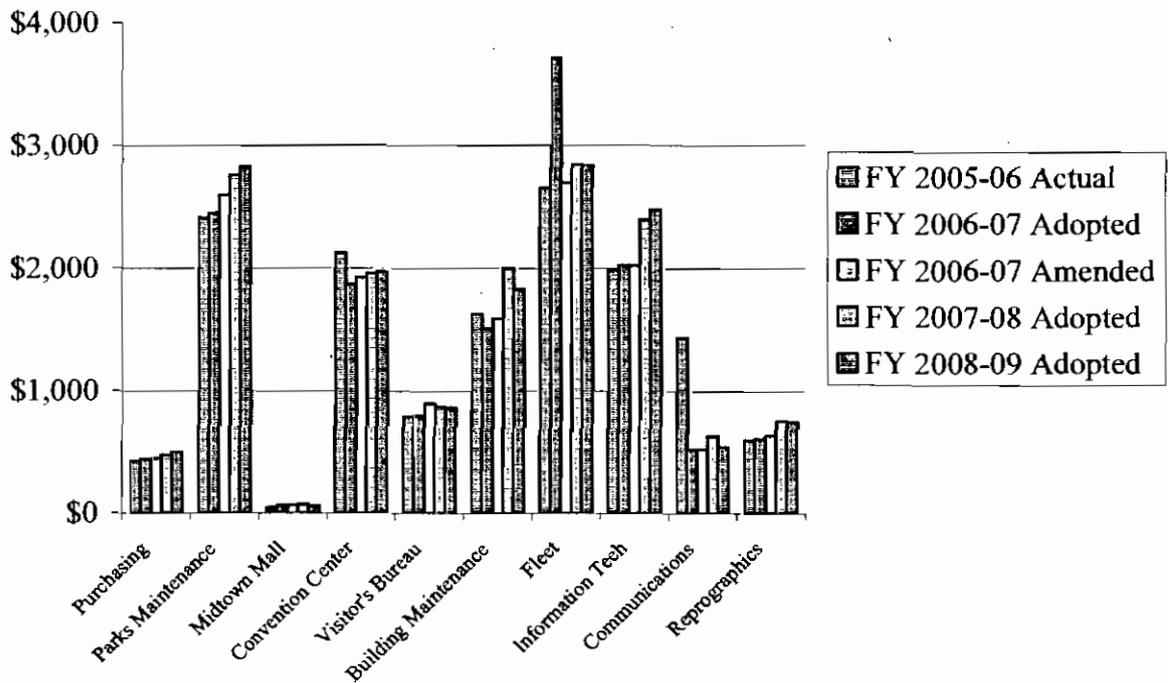
**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

SUPPORT SERVICES DEPARTMENT



Support Services

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

SUPPORT SERVICES DEPARTMENT

Overview

The Support Services Department adopted budget for FY 2007-08 totals \$14,785,290, an increase of \$1,377,690 from the FY 2006-07 amended budget. This increase is primarily due to a citywide wage and benefit increase as well as the addition of new positions in the Parks Maintenance, Building Maintenance, and Information Technology Divisions; and increases in special projects in the Internal Service Fund divisions. The adopted budget for FY 2006-07 totals \$14,717,700, a decrease of \$67,590 from the FY 2007-08 adopted budget. This decrease is primarily due to a reduction in special projects in the Internal Service Fund divisions from the previous year.

Division	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended *	FY 2007-08 Proposed	Change	FY 2008-09 Proposed	Change
Purchasing	\$ 426,052	\$ 443,840	\$ 449,340	\$ 479,740	\$ 30,400	\$ 503,670	\$ 23,930
Parks Maintenance	2,409,822	2,445,920	2,595,260	2,763,980	168,720	2,829,750	65,770
Midtown Mall	64,642	68,260	68,260	74,210	5,950	64,350	(9,860)
General Fund Subtotal	2,900,516	2,958,020	3,112,860	3,317,930	205,070	3,397,770	79,840
Convention Center	2,125,317	1,869,830	1,923,640	1,959,050	35,410	1,971,740	12,690
Visitor's Bureau	793,608	801,550	897,920	869,630	(28,290)	896,110	26,480
Enterprise Funds Subtotal	2,918,925	2,671,380	2,821,560	2,828,680	7,120	2,867,850	39,170
Building Maintenance	1,628,113	1,513,000	1,591,640	2,004,210	412,570	1,833,870	(170,340)
Fleet Maintenance	2,652,036	3,710,330	2,697,920	2,845,250	147,330	2,841,800	(3,450)
Information Technology	1,983,328	2,028,470	2,024,320	2,392,460	368,140	2,480,770	88,310
Communication	1,436,621	523,310	523,370	638,700	115,330	546,610	(92,090)
Reprographics	601,539	609,940	635,930	758,060	122,130	749,030	(9,030)
Internal Service Funds Subtotal	8,301,637	8,385,050	7,473,180	8,638,680	1,165,500	8,452,080	(186,600)
Totals	\$ 14,121,078	\$ 14,014,450	\$ 13,407,600	\$ 14,785,290	\$ 1,377,690	\$ 14,717,700	\$ (67,590)

* Excludes carry over amounts

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, 2008 AND 2009

Division		Personnel	Supplies, & Services	Capital Outlay	Debt Service	Total
Purchasing	FY 2008-09 Adopted	\$ 394,730	\$ 108,940	\$ -	\$ -	\$ 503,670
	FY 2007-08 Adopted	\$ 371,430	\$ 108,310	\$ -	\$ -	\$ 479,740
	FY 2006-07 Amended	\$ 356,900	\$ 92,440	\$ -	\$ -	\$ 449,340
	FY 2005-06 Actual	\$ 341,000	\$ 85,052	\$ -	\$ -	\$ 426,052
Parks Maintenance	FY 2008-09 Adopted	1,772,370	1,057,380	-	-	2,829,750
	FY 2007-08 Adopted	1,700,510	1,063,470	-	-	2,763,980
	FY 2006-07 Amended	1,533,120	937,940	124,200	-	2,595,260
	FY 2005-06 Actual	1,490,786	912,780	6,256	-	2,409,822
Midtown Mall	FY 2008-09 Adopted	-	54,350	10,000	-	64,350
	FY 2007-08 Adopted	-	54,210	20,000	-	74,210
	FY 2006-07 Amended	-	53,260	15,000	-	68,260
	FY 2005-06 Actual	-	48,758	15,884	-	64,642
Convention Center	FY 2008-09 Adopted	1,094,270	726,420	-	151,050	1,971,740
	FY 2007-08 Adopted	1,082,400	727,300	-	149,350	1,959,050
	FY 2006-07 Amended	993,970	780,710	52,000	96,960	1,923,640
	FY 2005-06 Actual	932,509	751,197	365,132	76,479	2,125,317
Visitors Bureau	FY 2008-09 Adopted	419,630	476,480	-	-	896,110
	FY 2007-08 Adopted	397,150	472,480	-	-	869,630
	FY 2006-07 Amended	374,630	458,290	65,000	-	897,920
	FY 2005-06 Actual	352,507	420,899	20,202	-	793,608
Building Maintenance	FY 2008-09 Adopted	595,200	1,238,670	-	-	1,833,870
	FY 2007-08 Adopted	571,580	1,432,630	-	-	2,004,210
	FY 2006-07 Amended	465,050	1,126,590	-	-	1,591,640
	FY 2005-06 Actual	509,568	1,057,546	60,999	-	1,628,113
Fleet	FY 2008-09 Adopted	1,521,260	1,320,540	-	-	2,841,800
	FY 2007-08 Adopted	1,449,330	1,343,920	52,000	-	2,845,250
	FY 2006-07 Amended	1,384,600	1,295,770	17,550	-	2,697,920
	FY 2005-06 Actual	1,365,798	1,260,489	25,749	-	2,652,036
Information Technology	FY 2008-09 Adopted	1,978,690	459,860	42,220	-	2,480,770
	FY 2007-08 Adopted	1,840,750	459,490	92,220	-	2,392,460
	FY 2006-07 Amended	1,534,370	440,810	49,140	-	2,024,320
	FY 2005-06 Actual	1,524,414	354,354	104,560	-	1,983,328
Communication	FY 2008-09 Adopted	102,680	189,430	4,500	250,000	546,610
	FY 2007-08 Adopted	98,420	185,780	104,500	250,000	638,700
	FY 2006-07 Amended	87,040	182,050	4,280	250,000	523,370
	FY 2005-06 Actual	105,042	158,070	1,173,509	-	1,436,621
Reprographics	FY 2008-09 Adopted	413,960	151,070	184,000	-	749,030
	FY 2007-08 Adopted	392,520	151,540	214,000	-	758,060
	FY 2006-07 Amended	360,060	144,970	130,900	-	635,930
	FY 2005-06 Actual	347,910	132,679	120,950	-	601,539
Total	FY 2008-09 Adopted	\$ 8,292,790	\$ 5,783,140	\$ 240,720	\$ 401,050	\$ 14,717,700
	FY 2007-08 Adopted	\$ 7,904,090	\$ 5,999,130	\$ 482,720	\$ 399,350	\$ 14,785,290
	FY 2006-07 Amended	\$ 7,089,740	\$ 5,512,830	\$ 458,070	\$ 346,960	\$ 13,407,600
	FY 2005-06 Actual	\$ 6,969,534	\$ 5,181,824	\$ 1,893,241	\$ 76,479	\$ 14,121,078

Capital Outlay

Midtown Mall

The Midtown Mall Division is proposing \$20,000 in fiscal year 2007-08 and \$10,000 in fiscal year 2008-09 for minor mall projects.

Information Technology

The Information Technology Division is proposing \$92,220 in fiscal year 2007-08 and \$42,220 in fiscal year 2008-09 for capital outlay. In addition to routine upgrades, \$50,000 in fiscal year 2007-08 is for a scheduled upgrade to the IBM iSeries (AS400). \$7,220 has been budgeted each year for the support of the technology needs of the Emergency Operations Center.

Communications

The Communications Division is proposing \$104,500 in fiscal year 2007-08 and \$4,500 in fiscal year 2008-09 for capital outlay. \$100,000 in the first year will be used to perform an analysis and needed repairs on the City's alarm systems. In each fiscal year, \$4,500 for communication needs for the Emergency Operations Center is proposed.

Fleet

The Fleet Maintenance Division is requesting \$52,000 to purchase a particulate matter filter cleaner. This piece of equipment is necessary to clean the filters, which have been required by the State's clean air requirements to be installed on diesel vehicles.

Reprographics

The Reprographics Division has requested \$214,000 in fiscal year 2007-08 and \$184,000 in fiscal year 2008-09. In both years, \$184,000 has been requested for the lease of the City's copiers, including the replacement of two production copiers. In fiscal year 2007-08, \$30,000 has been requested to purchase a mail inserter to replace the old existing one.

Personnel

Parks

The Parks Division's requested budget reflects an increase of 1 full time Gardener and 1 full time equivalent Public Works Maintenance Worker. The additional personnel is needed to help maintain additional parks and facilities for which the Parks Maintenance Division is responsible.

Information Technology

During the FY 2005-07 budget, the Information Technology Division did not fund the Network Administrator position to help offset budget shortfalls. This budget proposes reinstatement of the funding for this position. Also, consistent with the high priority the City Council gave to pursuing a new permit tracking system, this budget proposes adding a new Systems Administrator position funded 100% by the Development Services Department. This position will be tasked with performing a needs analysis and creating specifications for a Request for Proposal seeking a vendor solution. This employee would also be responsible to act as project manager during implementation and will administer the ongoing maintenance and operation of the system. Also proposed in this budget is funding for one part-time Programmer. It is anticipated that a long-term employee will be retiring during this budget cycle and this employee would be employed for a brief period as a part-time Programmer to train his replacement on the extensive accounting and finance systems used by the City.

Building Maintenance

This budget proposes an additional Building Maintenance Trades Worker. This Division has not added any employees in 16 years while the City's facilities have grown substantially. With the recent addition of the 55,000 square foot library, it has become absolutely necessary to add this position to adequately maintain over ½ million square feet of City facilities.

CITY OF REDDING BIENNIAL BUDGET
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Description		FY 2005- 06 Actual	FY 2006- 07 Adopted	FY 2006- 07 Amended	FY 2007- 08 Adopted	Increase (Decrease)	FY 2008- 09 Adopted	Increase (Decrease)
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
	Total	6.00	6.00	6.00	6.00	0.00	6.00	0.00
Parks Maintenance	F/T	18.00	18.00	18.00	19.00	1.00	19.00	0.00
	P/T	2.88	2.88	3.81	4.81	1.00	4.81	0.00
	Total	20.88	20.88	21.81	23.81	2.00	23.81	0.00
Convention Center	F/T	10.00	10.00	10.00	10.00	0.00	10.00	0.00
	P/T	5.58	5.58	6.34	6.34	0.00	6.34	0.00
	Total	15.58	15.58	16.34	16.34	0.00	16.34	0.00
Visitors Bureau	F/T	3.00	3.00	3.00	3.00	0.00	3.00	0.00
	P/T	0.75	0.75	0.75	0.75	0.00	0.75	0.00
	Total	3.75	3.75	5.00	3.75	-1.25	3.75	0.00
Reprographics	F/T	5.00	5.00	5.00	5.00	0.00	5.00	0.00
	P/T	1.23	1.23	1.92	1.92	0.00	1.92	0.00
	Total	6.23	6.23	6.92	6.92	0.00	6.92	0.00
Information Technology	F/T	17.00	17.00	17.00	18.00	1.00	18.00	0.00
	P/T	0.00	0.00	0.00	0.25	0.25	0.25	0.00
	Total	17.00	17.00	17.00	18.25	1.25	18.25	0.00
Communication	F/T	2.00	2.00	2.00	1.00	-1.00	1.00	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	1.00	-1.00	1.00	0.00
Building Maintenance	F/T	6.00	6.00	6.00	5.00	-1.00	5.00	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	5.00	-1.00	5.00	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
	Total	16.00	16.00	16.00	16.00	0.00	16.00	0.00
Total	F/T	83.00	83.00	83.00	83.00	0.00	83.00	0.00
	P/T	10.44	10.44	12.82	14.07	1.25	14.07	0.00
	Total	93.44	93.44	95.82	97.07	1.25	97.07	0.00

Significant Issues

Parks Maintenance

While this budget proposes some additional personnel, the Parks Maintenance Division continues to face the difficult challenge of maintaining additional facilities including parks, landscape medians, water features and other landscaped areas. These new positions will help keep the City's parks and other facilities up to the level of service that the community has come to expect.

Communications

The requested budget for the Communications Division includes funding to perform an analysis and any necessary repairs on the City's alarm systems. The adopted budget also continues to leave one position unfunded in this division.

Fleet

Both the number and complexity of vehicles have increased substantially over the past several years. An additional Mechanic would have helped maintain the existing level of service. Due to funding constraints, the Division will be challenged with meeting the expectations of the departments without this additional resource. Another significant issue this Division is planning for is implementation of the State of California's new clean air requirements.

CITY OF REDDING BIENNIAL BUDGET
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Convention and Visitors Bureau Fund

While the Convention and Visitors Bureau Enterprise Fund is projected to have a positive cash flow throughout the 5-year planning period, it does so with just slightly under \$20,000 by FY 2011-12. 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 2006-07 Estimated	FY 2007-08 Adopted	FY 2008-09 Adopted	FY 2009-10 Projected	FY 2010-11 Projected	FY 2011-12 Projected
Beginning Cash	\$ 312,950	\$ 331,478	\$ 220,478	\$ 162,206	\$ 101,220	\$ 69,725
Revenue	2,646,324	2,718,100	2,809,578	2,911,120	3,022,122	3,137,340
Expenses	(2,627,796)	(2,829,100)	(2,867,850)	(2,972,106)	(3,053,617)	(3,187,440)
Ending Cash	\$ 331,478	\$ 220,478	\$ 162,206	\$ 101,220	\$ 69,725	\$ 19,625

FY 2005-07 Goals and Accomplishments

Convention Center

Goal

Continue to enhance the ticketing system that will help to save expenses and create additional revenue.

Accomplishments

1. Scanning technology remains under review. Staff is not yet convinced that scanning technology will be a good fit, is technically beneficial or is economically practical for the center.
2. New ticketing clients: Redding Rodeo 2006, 2007; "Titanic" Turtle Bay 2007; Professional Bull Riding (PBR) 2006, 2007. Ticketing revenue exceeded projections for 2006 and appears to be exceeding projections for 2007.

Goal

Enhance the Convention Center programming to provide a variety of events that appeal to a broad audience.

Accomplishments

1. The number of events and activities in the U.S. Bank Broadway Series and Community Concert Series has increased.
2. Multi-year contract is now in place for the US Bank Broadway Series.
3. Teen events have taken place in 2006; more events are in the planning stages in conjunction with an outside promoter for 2007 and in conjunction with the Youth Action Commission for 2007.
4. Fulfillment of this objective is an ongoing process. Twenty promoters held events in the Center in 2005 and 2006. Many continue to do so in the current fiscal year and continue to view Redding as a viable market.

Goal

Continue to follow the Capital Improvement Plan to make necessary equipment replacement and building renovations.

Accomplishments

Twenty-three capital projects or purchases were begun in 2005-07. Seventeen of the twenty-three projects have been completed as of this writing.

Goal

Continue to explore all possibilities to enhance revenue.

Accomplishments

1. Request for Proposals for food and beverage services will be issued in the Spring of 2007 to take effect in September of 2007.
2. Long term soft drink agreement finalized and in place. New vending equipment scheduled for installation in March 2007.

Goal

Create and improve electronic marketing plan and tools.

Accomplishments

Website has been updated to contain current event lists, contact information, ticketing information and 24 hour sales, building floor plans, rental and technical information. Much work will need to continue in this area in the coming budget cycle.

Goal

Continue staff development, to ensure safe work environment, and team building.

Accomplishments

1. Staff training is successful and work continues in this area.
2. Monthly, quarterly and annual training opportunities and programs are conducted as the budget allows.
3. Finalizing of the long term stage hand agreement has not been accomplished yet. Work continues on this project.
4. Developing staff appreciation and incentive programs has been discussed and are being pursued.
5. Time studies and staff interviews and discussions have been conducted. Reports and recommendations have been made. Some staffing modifications and organizational changes have been implemented; others will remain goals as budget allows. Work continues in this area.

Goal

Improve contributions and participation in appropriate trade organizations.

Accomplishments

Participated more fully in the International Association of Assembly Managers (IAAM). One additional staff person is now a member of the IAAM. The GM participated in the IAAM annual trade show and meeting as well as District VII meetings in both 2005 and 2006; served as a committee member of the IAAM in 2005-06; will serve on the steering committee for the annual district meeting in 2007, and attended several Chapter meetings in 2005 and 2006.

Goal

Improve utilization of City-owned property including the Convention Center and surrounding areas.

Accomplishments

Broad concepts for the future utilization of the 48-acre Convention Center site were developed. Although pursuit of an area Master Plan was not funded, the Division will attempt to identify specific capital facility needs for the next 10 years.

Convention and Visitors Bureau

Goal

Increase City revenues generated through collection of Transient Occupancy Tax (TOT).

Accomplishments

As reflected in the workload indicators, TOT collections have exceeded budget projections for the past 3 years. The measure of success for overnight stays is the collection of this tax. During the current two-year budget cycle (2005-06 & 2006-07), tax collections have increased to over \$4,000,000.

Goal

Continue to improve the marketing of the City and surrounding areas.

Accomplishments

1. CVB created a multi-page, full color waterfall brochure that is posted on the website, which users can download and print at home. The same information that appears in the brochure is also available online with additional photos and maps.
2. Developing a marketing strategy for new meeting business is in process. In FY 2005-06 Bureau staff participated in 5 trade shows and attended 7 association meetings (combined with sales calls). In FY 2005-06, a promotional brochure was created specific to the group meetings market, promoting Redding meeting venues and area attractions. This brochure was distributed at trade shows and was included in convention packets.
3. Improvements of Channel 8 programming are being explored. Budget constraints moved this objective lower on the priority list and it continues to remain unfunded. With changes in technology and the use of video on the Internet and with the addition of funding from the Business Improvement District, it is anticipated that changes will be made to the Channel 8 video in the next budget cycle. This objective will continue in FY2007-08.
4. Full color "in city" brochure is complete. 30,000 copies have been printed for local distribution. Some Sundial Bridge information is available online, but no brochure has been created. A history on the Sacramento River Trail piece was created by staff and posted to the web.
5. Electronic media kits are now available. Press release information is sent whenever applicable. Additionally, staff responds to frequent requests from our public relations consultant and travel writers for story ideas and information. Event information is also sent to online publications and periodicals on a regular basis, i.e., VIA magazine, RV Journal magazine, etc.
6. Multiple press presentations have been made on an individual, case-by-case basis. In cooperation with the Bureau's regional marketing partner, the Shasta Cascade Wonderland Association, the two organizations continue to move away from multiple media person familiarization trips, as most media commonly want to either be on their own, or want a "one on one" visit with their attraction hosts. This past year, staff provided support in various ways to over 50 media personnel. This includes doing as little as small bits of research, to multi-day escorted trips. Three "FAM" trips for international writers were also conducted this past year, as the multi person familiarization press trip still makes good sense for the press coming from Europe.
7. Developed and improved promotional items. Researched, designed, ordered, and distributed swag: ball caps, key chains, 10-year calendars, refrigerator magnets, etc. In FY 2006-07, promotional swag items were provided at various trade shows, such as ten-year calendars and soccer key tags. An insert (four pages) was added in the ten-year calendars advertising the Redding Convention Center, Sundial Bridge, etc.
8. Bureau staff has continually looked for ways to stretch the advertising budget through the development of strategic alliances. These include ongoing relationships with the Shasta Cascade Wonderland Association, California Travel & Tourism Commission, Eureka/Humboldt County Convention & Visitors Bureau, Mendocino County Tourism Alliance, USDA Forest Service, and the Bureau of Land Management.

Goal

Continue to develop electronic marketing tools by using the latest technology available.

Accomplishments

1. Converted all offered brochures in a downloadable electronic format. All materials available online at www.visitredding.com
2. Digitized and organized photo library. All file photos are catalogued and digitized. A photo file system was created based on the model of the California Film Commission. A cross-reference system was created,

CITY OF REDDING BIENNIAL BUDGET
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as many of the photos fit into more than one category. An index to the photo files was created for easier and quicker access.

3. Recently received password and other information to access web tracking information and started downloading monthly reports in January 2007. Will be producing quarterly and annual reports to staff for both the CVB and the Convention Center website traffic.
4. CVB website is updated regularly and many new features have been added. Updated home page includes: Created new "Quick Links" to Bridge, Big League Dreams, and Aquatic Center; some work to upload various movie files; updated "Things to See and Do" pages with 'e' brochures as referenced above. Will categorize and add information to "Things to See and Do" pages in 2007. Worked with I.T. to create a database driven "Where to Stay" page that could be updated by Bureau staff with the hope of adding pictures in the future. The Dining Guide was also used to create a database of places to eat on the "Food and Wine" pages. Will work to add photos, links to the restaurants, and include categories, i.e., breakfast, lunch, dinner, price range, etc. Approved event entries on an almost daily basis and posted to "Festivals and Events" page. Created a new "Transportation Page" which includes information on car rentals, taxi cabs, airports, limo service, and bus lines. Will work to include a "More Info" link for each item (to include schedules etc.) as well as a link to the individual businesses.
5. Created a brand new "Podcasts" page that is still under construction. The goal is to create "pod casts" that can be used for self-guided tours of the region. Currently, two interviews by Travel Radio International are available on the Pod Casts page. Also created a brand new "Helpful Links" page that includes photos and links to all of our major partners.
6. Completed both the full size CD and the CVB packages for resale and the mini CD of the same 20-minute video. Created CVB press kit in full size and mini CD including video. Mini CDs for film, Convention Center, and meetings have not yet been completed.

Goal

Continue to develop good working relationships with other agencies and local businesses.

Accomplishments

1. Assistance to Turtle Bay is ongoing. CVB has a strong relationship with both the marketing and the public relations staff at Turtle Bay and meet on a regular basis to share ideas; traveled together on a press trip to Oregon as well. In most of the Bureau's paid advertising, Turtle Bay information is included. Also, all media we work with are provided an opportunity and encouraged to visit the Park. Turtle Bay is highlighted or mentioned in almost every story about Redding or the Shasta Cascade region.
2. Staff worked for two years on Big Bike Weekend to make it a viable permanent event for the City and were successful in recommending to the City Council that it was time to pass the event on to a newly formed non-profit committee. With the exception of website updates, and transition support, the CVB will not be producing Big Bike Weekend in the future.
3. Due to easement and construction delays, the trail to Shasta Dam will not be completed until the Summer of 2007. As this trail comes on line, press releases will be developed which highlight the significance of the trail, and they will be distributed to the appropriate media. An online brochure for the new trail is also being developed.

Goal

Continue on staff development, to ensure safe work environment and team building.

Accomplishments

1. Continued staff training including training of front office staff regarding local and regional tourism attractions. Multiple field trips and attraction visits were conducted in the 05-07 period. This program will continue. Other training has been offered and utilized by CVB staff; including Maxtix, Excel, and HTML. Staff training days are ongoing and new ideas are continuously being formed.
2. Familiarization tours of other City departments have not been conducted. This objective will be rolled over into 2007-09 goals.

3. Appreciation and incentive programs have been discussed, but no programs developed fully. This objective has been moved to our future goals with a specific plan for implementation.

Purchasing

Goal

Create a condensed set of core Purchasing Policies and Procedures, to be available on the City's Intranet.

Accomplishment

Have created an abbreviated version of the Purchasing Policies and Procedures and posted it on the City's Intranet. The document has hot-links to our Intranet listing of contracted and convenience blanket purchase order vendors. This Intranet feature has proven to be an effective way to reach employees.

Goal

Develop a tool for citywide use to assist in a consistent and correct release of formal contracts.

Accomplishment

A team consisting of employees from the City Clerk's office, the City Attorney's office, the Engineering Division and the Purchasing Division determined that it was preferable to not incorporate the use of a contract checklist, but rather make sure that the Contract Flow Chart was clear and concise. It has been placed on the Intranet.

Goal

Work with Finance and Information Technology divisions to reduce the size of the vendor database which currently contains over 40,000 entries.

Accomplishment

Together, Finance, Purchasing and Information Technology developed criteria for determining which vendors to keep in the vendor file. The task was very labor intensive, needing line-by-line auditing and was determined not to be cost effective. Instead, Purchasing now only inputs vendor applications supporting current needs and keeps other applications on file for one year. Purchasing staff deactivates vendors in the system that have not been active since 2000.

Goal

Continue to work to consolidate the numerous versions of Terms and Conditions (Ts & Cs) used by the City.

Accomplishment

This goal has not been completed, primarily due to the wide array of goods and services the City procures that often require unique aspects to the transaction's Terms and Conditions. However, the Purchasing division continues to work with the City Attorney to update the most basic set of Ts & Cs as necessary: those for quotation forms and purchase order forms.

Parks

Goal

To ensure that the City receives quality playground projects that comply with current safety requirements.

Accomplishment

New playgrounds were built at Vista Ridge Park, East Oak Park and Jump River Playground in Caldwell Park. All of these new projects comply with current playground requirements.

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.

Accomplishment

1. The Parks Division worked closely with the Community Services Department on the construction of the 1/3 mile Mary Lake Trail extension.
2. The Parks Division worked closely with the Planning Division and the Engineering Division on the construction of the new landscaped medians on Dana Drive and East Cypress Avenue.
3. The Parks Division worked closely with the Planning Division, Engineering Division and Community Services Department on the construction of the Sculpture Park and Hope's Garden at the Civic Center.
4. The Parks Division worked closely with the Planning Division, Engineering Division and developers on the construction of several new Landscape Maintenance Districts.

Goal

Improve the security in Caldwell Park and Enterprise Park.

Accomplishment

New security cameras have been installed in Enterprise Park and additional cameras have been installed in Caldwell Park.

Goal

Continue efforts in improving the quality of Mary Lake and the surrounding area.

Accomplishment

During the summer of 2006, Mary Lake looked the best that it has in several years. The improved condition of the lake is a direct result of the Parks Division's commitment to aggressively treating the algae in Mary Lake.

Building Maintenance

Goal

Assist with ensuring that future maintenance needs are addressed in the construction of Fire Station 8.

Accomplishments

Building Maintenance worked closely with Fire Administration personnel in the design and construction of Fire Hall 8 to ensure building maintenance needs can be efficiently addressed in the future.

Goal

Reduce the backlog of work orders that were generated during safety and ADA inspections.

Accomplishment

Building Maintenance has completed all major safety work orders. Many ADA issues are currently in progress.

Goal

Work with Purchasing on the final resolution of the HVAC contract.

Accomplishment

The final HVAC contract has been completed. The current HVAC contractor is performing well and is being monitored monthly.

Goal

Monitor the progress of the demolition of the north end of the Midtown Mall for the safety and to the satisfaction of the Mall tenants.

Accomplishment

The demolition of the north end of the Mall has been completed. Building Maintenance has worked diligently with the Redevelopment Agency to make many improvements to this area.

Fleet Maintenance

Goal

Continue the City's compliance with mandated State, County, and City regulations.

Accomplishments

1. Maintained compliance with the State-mandated gasoline smog inspection program.
2. Maintained compliance with the State-mandated diesel smoke inspection program.
3. Performed and kept records for 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-mile safety inspections on police pursuit vehicles.
7. Performed a trailer preventative maintenance and inspection program.
8. Maintained compliance with the California Air Resources Board rules regulating Nox and particulate emissions from Solid Waste vehicles.
9. Applied for and received 12 Carl Moyer Fund grants for the reduction of Nox emissions from Solid Waste vehicles.
10. Maintained the Hazardous Materials Business Plan mandated by Shasta County Environmental Health Division.
11. Prepared a plan to comply with California Air Resources Board rules regulating particulate emissions from diesel powered trucks and off-road equipment starting in 2007.

Goal

Provide department driver training.

Accomplishment

Held annual training for the Redding Fire Department.

Goal

Continue to reduce Fleet Maintenance costs.

Accomplishments

1. Provided over 450 hours of technical training for mechanics.
2. Worked with department liaisons to eliminate over 100 surplus sold or underutilized pieces of equipment.
3. Worked with the Purchasing Department on annual competitive bids for parts and service contracts.
4. Continued to assist City departments in identifying and replacing those pieces of equipment with excessive maintenance and repair expenses.

Goal

Maintain all City vehicles in compliance with safety requirements.

Accomplishments

1. Performed aerial bucket truck inspections as required by OSHA.
2. Performed safety inspections on police pursuit vehicles every 3,000 miles.
3. Performed maintenance and safety inspections on Fire Department vehicles as required by National Fire Protection Association.
4. Performed safety inspections all City vehicles and equipment at each oil change.

Goal

Help reduce the number of vehicle accidents.

Accomplishments

Despite renewed emphasis on safety programs, the total number of vehicle accidents has not been reduced. However, neither have they increased in proportion to the increase in the number of vehicles on the road or the increase in the miles driven.

Goal

Eliminate underutilized equipment.

Accomplishments

1. Worked with department liaisons to eliminate over 100 surplus or underutilized pieces of 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

Provide leadership for technology projects for all City departments.

Accomplishments

1. Provided project management and integration support for new applications.
2. Continued to work with Record's Division staff to implement a document imaging solution.
3. Provided new application systems using modern client server graphical user interface programming methods.
4. Completed the installation of a new fiber optic network connecting 17 City facilities (I-net).
5. Continued to maintain and upgrade existing systems.
6. Continued to provide end user support and training.
7. Developed a new cashiering system for the Treasurer's Office.
8. Participated on banking RFP and selection committee.
9. Expanded electronic banking capabilities.
10. Updated payroll processes to meet Auditor required changes.
11. Participated on Library Transition Team to ensure IT and communication needs were met.

Goal

Implement project plan to upgrade 800MHz trunked radio system.

Accomplishments

1. Coordinated orderly migration to upgraded system.
2. Worked with departments to verify interoperability requirements were met by upgraded system.
3. Worked with SHASCOM and RABA to mitigate outages during upgrade.
4. Project was successfully completed on time and under budget.

Reprographics

Goal

Provide the City of Redding with the highest quality copying and off-set printing at the least cost.

Accomplishment

1. Reprographics successfully replaced the City of Redding's 5 year old Xerox copiers, with a 5 year lease of 43 new Canon digital copiers. The new copiers are multifunctional serving as copiers, printers, scanners and with the option of adding a fax feature.
2. Two very old (pre 1980s models) single color offset printing presses were replaced with a mid 1990s model 2 color Hamada press. This press has improved safety and production capabilities. An envelope feeder was also purchased which has increased envelope production by at least 30%.

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Goal

Reduce the cost of laser printing the utility bills.

Accomplishment

Reprographics successfully assumed the responsibility of printing the utility bills previously accomplished by Information Technology, saving Customer Service approximately \$15,000 by migrating the bills from a laser printer to a photocopier.

Performance Measures and Workload Indicators

Convention Attendance and Economic Impact

	2005 Actual	2006 Actual	2007 Projected	2008 Projected
Number of Conventions	46	39	41	42
Number of Delegates	28,265	31,903	34,903	36,000
Delegate Days	108,575	80,781	88,781	92,000
Average Delegates	614	818	535	550
Room Nights	25,986	31,028	34,028	36,000
Economic Impact	\$13,571,875	\$10,097,625	\$11,097,625	\$12,000,000

NOTE: This data has historically been tracked by calendar year, not fiscal year. Data is collected from two outside sources; meeting planners and hotels. It is believed that the hotel data is possibly less accurate than the meeting planners delegate count. The delegate count is used in the economic impact calculations.

Transient Occupancy Tax Collected

Fiscal Year	TOT Collected	Increase
2001-2002	\$2,981,048	8.75%
2002-2003	\$3,239,739	8.68%
2003-2004	\$3,229,784	-3.00%
2004-2005	\$3,501,053	8.30%
2005-2006	\$3,712,162	5.60%
2006-2007(projection)	\$3,860,000	3.83%
2007-2008(projection)	\$4,015,000	4%
2008-2009(projection)	\$4,175,600	4%

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Purchasing

Workload Indicators	2005-06 Actual	2006-07 Projected	2007-08 Projected	2008-09 Projected
No. of Purchase Orders (P.O.s) Issued	2,654	2,260	2,350	2,420
No. Blanket P.O. Transactions	14,923	14,300	15,000	15,300
Quotation Requests Distributed	198	186	195	200
Vendors known to receive quote packages	1,918	1,800	1,900	2,000
Formal Bid/Proposal Projects Opened	98	75	80	80
Std P.O. Transactions Value	13,826,627	12,820,000	13,500,000	13,800,000
Blanket P.O. Transactions Value	5,063,771	4,860,000	5,100,000	5,250,000
Value of Std. & Blanket P.O.s	\$18,890,398	\$17,680,000	\$18,600,000	\$19,050,000
Value of Cal Card Purchases	\$2,645,868	\$2,500,000	\$2,600,000	\$2,700,000

Parks

Workload Indicators	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Improved Park Sites	36.00	39.00	42.00	44.00
Improved Acres	338.2	342.25	371.65	390.90
Unimproved Park Sites	31.00	32.00	32.00	32.00
Unimproved Acres	408.87	414.27	414.27	414.27
Tennis Courts	16.00	16.00	16.00	16.00
Miles of Trails	26.71	28.31	28.31	39.13
Aquatic Facilities	2.00	2.00	2.00	2.00
Athletic Facilities	7.00	7.00	7.00	7.00
Acres of Athletic Facilities	17.5	17.5	17.5	17.5
Landscaped Areas (other than park sites)	34.00	39.00	43.00	44.00
Acres of Landscaped Areas (other than park sites)	10.78	13.36	16.78	17.68
Soccer Fields	3.00	3.00	3.00	3.00
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)	8.00	9.00	9.00	9.00
Acres of City Facilities	74.93	75.58	75.58	75.58
Boat Ramp Facilities	3.00	3.00	3.00	3.00
Ponds/Lakes	2.00	2.00	3.00	3.00
Bridges	8.00	8.00	8.00	8.00
Water Features	7.00	7.00	8.00	8.00

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Building Maintenance

Workload Indicators	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Area (sq. ft) Serviced/Maintained	454,927	517,430	525,430	525,430
Number of Buildings	35	37	38	38
Number of Contracts Administered	38	42	45	50

Fleet

Workload Indicators	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Repair Orders (All)	10,895	10,092	10,000	10,000
Number - City Units*	928	866	836	851
Special Equipment Training	4	6	6	6
Supervisory Training Classes	2	2	2	2

*FY 2005-06 number for City units includes non-licensed vehicles and other gas powered equipment that were maintained by the Fleet Division. As of 2006, some of these items are now maintained by the individual divisions. More of these units will be maintained by the individual divisions by 2007-08.

Information Technology

Workload Indicators	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
System Up Time	99+%	99+%	99+%	99+%
Number of E-mail Accounts	625	650	650	675
Number of Service Calls – Hardware/Office Automation	2,111	2,200	2,200	2,200
Number of Service Calls – Application Programs	300	300	300	300
Number of Wide Area Network (WAN) Connected Facilities	11	17	19	20
Number of Windows Servers	38	41	43	45
Number of AS400 Servers	4	4	4	4
Number of Other Servers (Linux, Sun, Avaya, Unix)	9	10	10	10
Number of Registered Domains	21	21	21	21
Web Applications	9	10	11	12

Communications

Workload Indicators	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Telephone Lines	1,000	1,000	1,000	1,000
Cell phones	414	414	425	450
Data Lines	108	108	108	108
800 MHz Mobile Radios	470	470	470	470

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800 MHz Portable Radios	496	496	496	496
800 MHz Repeaters	14	14	14	15
800 MHz Controllers	3	3	3	3
800 MHz Sites	2	2	2	2
Fire Alarm Systems	14	14	14	14
Burglar Alarm Systems	30	30	30	30
Phone Systems	31	31	33	35

Reprographics

	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Workload Indicators				
Photocopies Reproduced	3,481,588	3,500,000	3,500,000	3,700,000
Press Impressions	3,409,650	3,410,000	3,450,000	3,450,000
Mail Stops	919/ week	951/week	951/week	951/week
Inserters	54,640/week	55,000/week	58,000/week	60,000/week

Goals and Objectives for FY 2007-09

Convention Center

Goal

To raise awareness of the mounting capital needs of the aging facilities and find resources to address those needs.

Objective

Begin the long range planning process and facility benchmarking. Prioritize and justify funding requests to address the facility needs.

Goal

Revitalize the Convention Center landscaping.

Objective

Develop long and short term plans for grounds, irrigation systems, beds and gardens in and around the Convention Center and CVB.

Goal

Continue to enhance the ticketing system that will help to save expenses and create additional revenue.

Objective

1. Research current scanning technology.
2. Recruit new ticketing clients.
3. Develop ticket sponsors.

Goal

Continue to work on organizational restructuring master plan.

Objectives

Work with consultant to further implement identified organizational improvements. Complete the revision of master policies and procedures manual.

Goal

Enhance the Convention Center programming to provide a variety of events that appeal to a broad audience.

Objectives

1. Development of new programming.
2. Develop teen events.
3. Continue to develop relationships with regional promoters and agents.

Goal

Continue to explore all possibilities to enhance revenue.

Objective

1. Issue a food and beverage Request for Proposals with the goal of improving revenues.
2. Explore other revenue possibilities. Example: parking, signage, sponsorships.

Goal

Create and improve electronic marketing plan and tools.

Objective

Upgrade printed and electronic marketing materials.

Goal

Improve contributions and participation in appropriate trade organizations.

Objective

Participate more fully in the International Association of Assembly Managers, Western Association of Convention and Visitors Bureaus (WACVB), and California Tourism Industry Association (Cal Tia), budget allowing.

Convention and Visitors Bureau

Goal

Increase City revenues generated through collection of Transient Occupancy Tax (TOT).

Objective

To work with the local hotel industry to develop a Business Improvement District based on a tourism assessment to be used specifically for marketing purposes. Encourage the participation in the local hotel association. Improve overnight stays by increased promotion and advertising of City and regional attractions.

Goal

Continue to develop specific marketing products to promote the City and surrounding region.

Objective

1. Continue to develop and enhance communication opportunities and marketable itineraries to attract various media.
2. Develop a new marketing strategy for new meeting business.
3. Update Channel 8 programming to include new attractions.

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4. Develop compelling local and regional story ideas and proactively distribute on a regular basis.
5. Refine our billboard cooperative program as new financial resources become available.
6. As financial resources develop with the proposed Business Improvement District, develop radio and newspaper campaigns linked to seasonal activities, attractions, and events.
7. Develop and improve promotional items.
8. Work with State and local representatives to rename Highway 44 West and Auditorium Drive to Sundial Bridge Parkway and Turtle Bay Drive, respectively.

Goal

Continue to develop electronic marketing tools by using the latest technology available.

Objective

1. Continue to create new "e" brochures that will enhance the overall visitor experience, i.e., waterfalls, Sundial Bridge, etc.
2. Continue to offer all hardcopy brochures in a downloadable electronic format.
3. Continue development and organization of the digital photo library.
4. Coordinate efforts to track user sessions on the CVB website to enhance and develop specific marketing strategies.
5. Refine collection of content to meet database development strategies.
6. Continue to research and develop various electronic marketing strategies for possible inclusion of paid placement of website information.

Goal

Continue to develop good working relationships with other agencies and local businesses.

Objective

1. Continue to assist Turtle Bay Exploration Park with advertising and public relations support.
2. Work with the Big Bike Weekend not-for-profit committee to ensure a smooth transition of promotional efforts for the event into their control.
3. Continue to work with the Shasta Cascade Wonderland Association on various marketing programs as appropriate.
4. 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.
5. Create an Emergency Housing Plan to help with Interstate 5 closures.

Goal

Continue to enhance the Meeting Planning Marketing Development Program (Meeting and Convention Sales)

Objectives:

1. Continue to update and expand the electronic database of meeting planners for all segments.
2. Develop a plan to regularly contact those meeting planners from our database.
3. As additional resources develop with the BID, expand our visibility in the meeting-planning arena by participating at appropriate trade shows and by advertising in those publications most commonly used by meeting planners.
4. Expand the opportunities for hotels to both financially and physically participate in our various marketing efforts.
5. Research and consider implementation of an online reservation system for citywide meetings and conventions.

Goal

Increase the City's profile with Group Tour Operators

Objectives:

1. Continue to attend the National Tourism Association's (NTAs) annual convention, and as additional financial resources develop through the implementation of the BID, add other annual tour operator shows as appropriate.
2. Develop a direct mail marketing effort with market and regionally specific tour operators.
3. Develop a "pool" of local guides.
4. Research and consider advertising opportunities in group tour publications as financial resources become available.

Goal

Continue staff development 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. Implement a staff appreciation and incentive program to include a periodic "star" award based on extraordinary customer service.

Purchasing

Goal

Find additional means for the sale or disposal of City surplus goods and materials.

Objective

1. Identify trends in City surplus - number of times a year there is the need to remove surplus items, estimated value of types of items (i.e., rolling stock, office furniture, etc.), type of auction best suited for the equipment/materials (live or Internet).
2. Seek and identify means in which City revenue will be maximized for the sale and disposal of surplus product.

Goal

Allow for the donation of surplus goods and materials to regional non-profit organizations. Explore the possibility of donating to for-profit entity if no interest received from non-profit organizations, or no responses from a reverse bid process. Such donations would divert product from the landfill.

Objective

1. Meet with appropriate City officials to determine which non-profit organizations that could be eligible to receive this type of assistance, and if for-profit entities could receive donations.
2. Update Municipal Code accordingly, and inform the public of the change to policy.

Goal

Examine the City's current spending and signature thresholds to determine if they adequately support the needs of City operations while still protecting the taxpayers' interests. This effort is for transactions that currently do not require City Council approval.

Objective

1. Set up meetings with all departments to elicit feedback.
2. Research expenditure history to see if departments' perceptions are accurate.
3. Query other agencies to compare spending thresholds.

4. If changes are needed, and approved by City Manager's office, Council will be asked to consider a change to the Municipal Code as appropriate.

Goal

Update and streamline Purchasing Manual to reflect current practices.

Objective

1. Redefine scope of document to what is truly pertinent to Purchasing.
2. Rearrange materials so sections of information are not repeated in numerous locations.
3. Update information to conform to current practices.

Parks

Goal

To ensure that the City receives quality projects that will enhance the beauty of the areas, ensure that maintenance issues are addressed, and projects comply with City landscape standards.

Objective

Work closely with other City departments on park, landscape median, and trail projects to ensure all City regulations and guidelines are met. Such projects include South Bonnyview medians, Churn Creek Road medians, North Market Street medians, Hilltop Business Improvement District streetscape, Sundial Bridge to Highway 44 trail, stress ribbon bridge to Keswick Dam trail, Whistling Park and Rivercrest Park.

Goal

Maintain current improvement levels at Mary Lake and the surrounding area.

Objective

The Parks Division continues to aggressively treat the lake to reduce algae.

Goal

Oversee the replacement of park drinking fountains to comply with American with Disabilities Act (ADA) standards.

Objective

Bring all identified fountains into compliance by 2008 as funding allows.

Goal

Ensure compliance with the new California Air Resources Board (CARB) requirements for all diesel powered vehicles and equipment.

Objective

Create a rolling stock replacement plan that meets the State requirements.

Goal

Ensure citizens can enjoy a safe play environment at City parks.

Objective

1. Inspect playground equipment regularly.
2. Repair, replace, or remove items found to be unsafe.

Goal

Maintain current level of service at all facilities managed by the Parks Maintenance Division.

Objective

All parks, athletic fields, trails, street trees, boat ramps and other landscaped areas are satisfactorily maintained.

Building Maintenance

Goal

Maintain City facilities to ensure a safe, presentable, and useable work place for both employees and the public.

Objective

1. Inspect all facilities monthly to ascertain maintenance needs and perform upkeep as needed.
2. Respond to requests for service in a timely manner.
3. Participate in citywide safety programs and remedy identified safety concerns.
4. Participate in citywide effort to address identified American with Disabilities Act needs.

Goal

Oversee the successful completion of Building Maintenance projects.

Objective

1. Assist departments with identifying the need for building maintenance projects, and assist in the overall planning and preparation of the scope of work.
2. Manage the contractors to ensure compliance with plans and specifications on non public works projects.
3. Assist the Engineering staff with the coordination and oversight of public works projects over \$30,000.

Goal

Ensure that warranty items are completed at all new City facilities.

Objective

1. Perform inspections during warranty period to ensure warranty work is identified.
2. Follow up with warranty service providers on all items identified from inspections.

Goal

Assist with ongoing maintenance projects at the Midtown Mall.

Objective

1. Perform necessary repairs to keep the area safe.
2. Continue to work with the Midtown Mall Association and with Redevelopment on all of the improvements at the north end of the Mall in preparation for the opening of the Shasta College Health Center.

Goal

Ensure cost containment measures are maintained.

Objective

1. Provide training for Building Maintenance personnel to keep abreast of latest techniques for maintaining facilities.
2. Optimize use of contract labor to complement in-house work.

Fleet Maintenance

Goal

Ensure the City maintains compliance with required federal, state and county programs.

Objectives

1. Adhere to state required schedule for smog inspection schedules for gasoline powered vehicles.
2. Adhere to state required schedule for smog inspection schedules for diesel smoke inspection program.

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3. Perform inspections and keep records for the state mandated Biennial Inspection of Terminals (BIT) program.
4. Perform and document the OSHA-mandated 90-day crane inspections.
5. Coordinate the annual crane inspections.
6. Create a plan to comply with the new emission reduction programs, as mandated by the California Air Resources Board.

Goal

Ensure safety of City employees who utilize City vehicles.

Objective

1. Hold equipment inspection classes for all departments that utilize both medium and heavy trucks.
2. Provide driver training as necessary.
3. Perform 3,000-mile safety inspections on all police pursuit vehicles.
3. Perform trailer safety inspections.
4. Incorporate safety inspections into all preventative maintenance programs.

Goal

Maintain cost containment measures.

Objectives

1. Provide training for mechanics to stay abreast of new technology.
2. Eliminate underutilized equipment.
3. Optimize use of contract labor to complement in-house work.

Information Technology

Goal

Provide leadership for new technology projects for all City departments.

Objectives

1. Provide project management and integration support for new applications, such as the permit tracking system and enterprise resource planning.
2. Provide new application systems using modern programming methods, including a capital project tacking system and interactive web page services.
3. Maintain and upgrade existing systems such as point of sale system enhancements, Solid Waste scale house software, and payroll/timekeeping system enhancements.
4. Provide end user support and training.
5. Provide web site training and user group coordination.

Goal

Maintain a robust citywide network infrastructure.

Objectives

1. Ensure network availability at 99.99% or better uptime.
2. Maximize use of cable operator provided fiber optic network (I-net).
3. Maintain deployment of best network security policies and practices.
4. Expand the use of wireless broadband technologies for field personnel.

Goal

Enhance office automation and desktop support.

Objective

1. Migrate files from individual local storage to centralized redundant servers.
2. Deploy rapid installation services (RIS) technologies to streamline the provisioning of hardware.
3. Prepare for deployment of Windows Vista.
4. Explore opportunities for deployment of thin client architecture.

Communications

Goal

Implement project plan to perform FCC required 800MHz trunked radio system rebanding.

Objectives

1. Coordinate orderly migration during rebanding process.
2. Work with departments to verify interoperability requirements are met by rebanded system.
3. Work with SHASCOM, RABA and other system users to mitigate outages during rebanding.

Goal

Coordinate assessment of fire/safety systems.

Objectives

1. Provide project management for system assessments.
2. Coordinate necessary improvements identified by assessment.
3. Negotiate system maintenance contract for all sites.

Goal

Investigate use of voice over internet protocol (VoIP) technologies.

Objective

Roll out pilot program utilizing VoIP to evaluate performance features, stability and functionality of this technology.

Goal

Create a new cell phone usage policy.

Objective

Form a taskforce to evaluate user needs and create a usage policy that complies with state and federal laws.

Reprographics

Goal

Provide the City of Redding with the highest quality copying, graphic design, and offset printing at the least cost.

Objective

1. Prepare RFP, and procure and install new digital photocopier(s) to replace the City's Xerox 5390 analog production photocopier and the Xerox 470, which is currently printing the utility bills.
2. Optimize the outsourcing of printing and graphic design services to compliment in-house staff work.

Goal

Expand multimedia services to the City of Redding.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objective

Provide staff training in the areas of digital photography, Power Point creation, digital black and white and color printing, electronic job submission by our customers for digital copier/printers, CD/DVD creation, webpage design, etc.

Goal

Optimize the use of technology and techniques to contain postage and mailing costs.

Objective

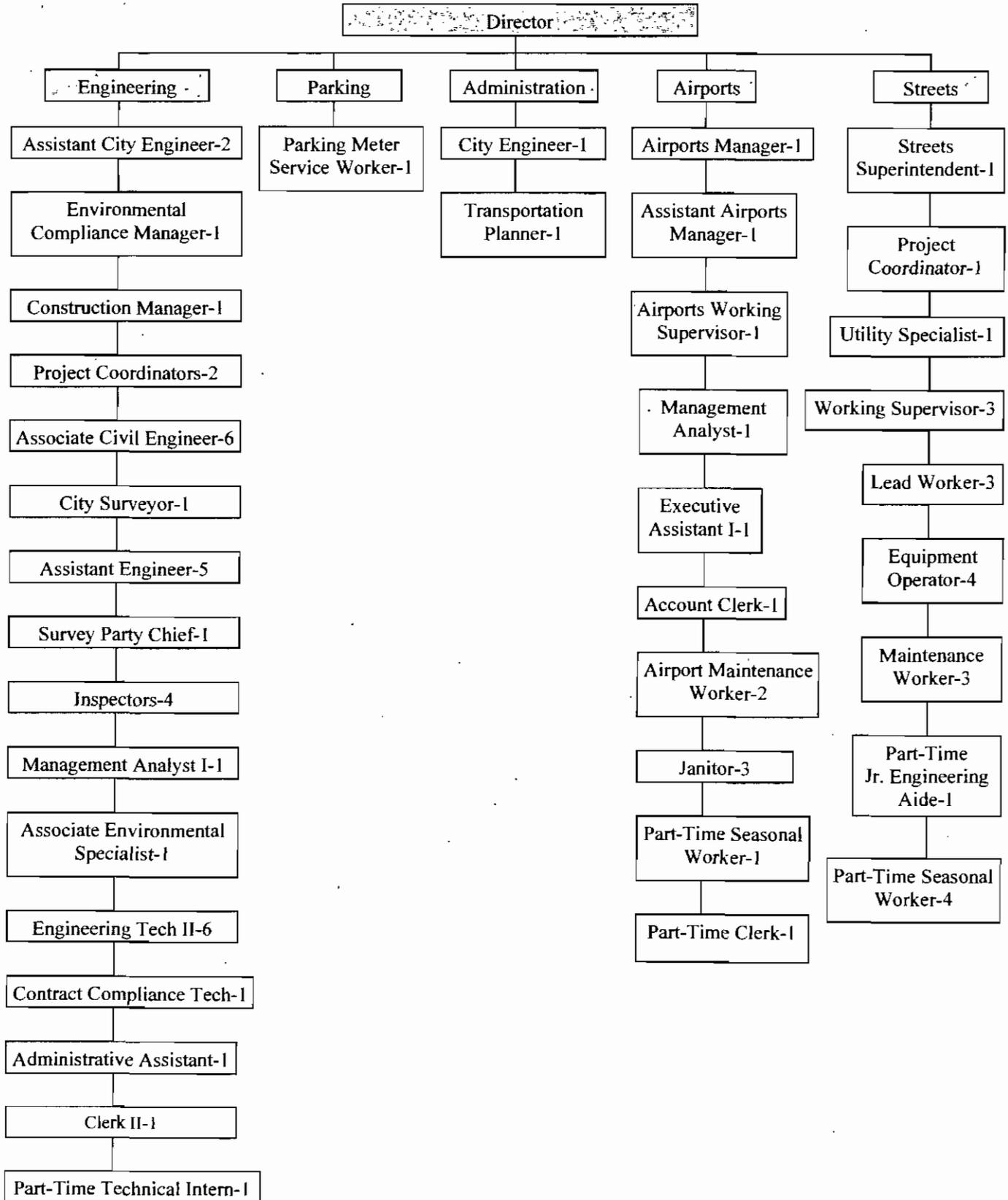
Implement methods such as electronic submission of daily postal reports to the United States Postal Service (USPS), new bar coding formats, and 11 digit zip codes to maximize USPS discounts.

Transportation & Engineering



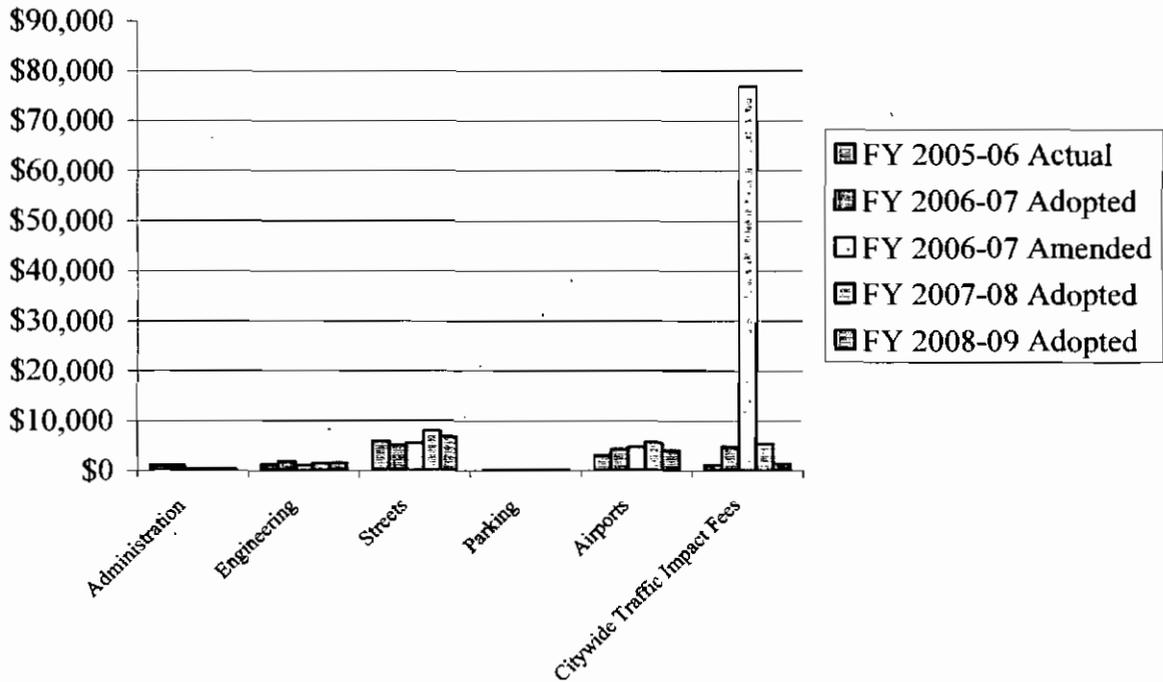
**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

Transportation and Engineering Department



Transportation & Engineering

Expenditure Comparisons (In Thousands)



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008, AND 2009

TRANSPORTATION AND ENGINEERING DEPARTMENT

OVERVIEW

The Transportation and Engineering Department's adopted budget for FY 2007-08 totals \$20,954,990, which is \$67,597,023 below the FY 2006-07 amended budget (excluding carryovers) of \$88,552,013. For FY 2008-09 the adopted budget totals \$14,224,310, which is \$6,730,680 under the adopted FY 2007-08 budget. The large decrease from FY 2007-08 from FY 2006-07 is due to the Cypress Street Bridge Project and Bonnyview Project were included in the FY 2006-07 amended budget.

The Transportation and Engineering Department consists of six operating divisions: Administration, Engineering, Airports, Redding Area Bus Authority (RABA) Transit System, Streets, and Parking Operations. RABA is a quasi-autonomous agency with its own governing authority and is not covered in this section

Description	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended*	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Administration	\$ 973,724	\$ 1,061,680	\$ 282,146	\$ 202,550	\$ (79,596)	\$ 212,790	\$ 10,240
Engineering	1,172,350	1,868,050	1,032,969	1,478,810	445,841	1,532,900	54,090
Streets	5,930,289	5,137,640	5,588,308	7,980,380	2,392,072	6,874,490	(1,105,890)
General Fund Subtotal	8,076,363	8,067,370	6,903,423	9,661,740	2,758,317	8,620,180	(1,041,560)
Parking	94,039	97,020	97,070	113,800	16,730	117,090	3,290
Airports	3,067,663	4,275,470	4,741,770	5,710,450	968,680	4,118,180	(1,592,270)
Citywide Traffic Impact Fees	1,097,083	4,883,350	76,809,750**	5,043,700	(71,766,050)	1,018,860	(4,024,840)
Dana Traffic Impact Fees	15,256	-	-	425,300	425,300	350,000	(75,300)
Total	\$ 12,350,404	\$ 17,323,210	\$ 88,552,013	\$ 20,954,990	\$ (67,597,023)	\$ 14,224,310	\$ (6,730,680)

*Excluding carryovers

** Also includes Grant Revenue such as Cypress Bridge Project

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

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008, AND 2009

Division		Personnel	Materials Supplies & Services	Capital Outlay	Debt Service	Total
Administration	FY 2008-09 Adopted	\$ 79,990	\$ 132,800	\$ -	\$ -	\$ 212,790
	FY 2007-08 Adopted	\$ 75,780	\$ 126,770	\$ -	\$ -	\$ 202,550
	FY 2006-07 Amended	\$ 160,046	\$ 122,100	\$ -	\$ -	\$ 282,146
	FY 2005-06 Actual	\$ 689,526	\$ 173,054	\$ 111,144	\$ -	\$ 973,724
Engineering and Design	FY 2008-09 Adopted	1,003,650	518,520	-	10,730	1,532,900
	FY 2007-08 Adopted	955,780	512,300	-	10,730	1,478,810
	FY 2006-07 Amended	632,119	400,850	-	-	1,032,969
	FY 2005-06 Actual	637,154	476,195	59,001	-	1,172,350
Streets	FY 2008-09 Adopted	1,538,750	1,811,740	3,524,000	-	6,874,490
	FY 2007-08 Adopted	1,481,070	1,795,310	4,704,000	-	7,980,380
	FY 2006-07 Amended	1,652,174	1,307,430	2,586,704	42,000	5,588,308
	FY 2005-06 Actual	1,608,552	2,132,847	2,145,404	43,486	5,930,289
Parking	FY 2008-09 Adopted	87,470	29,620	-	-	117,090
	FY 2007-08 Adopted	84,150	29,650	-	-	113,800
	FY 2006-07 Amended	77,560	19,510	-	-	97,070
	FY 2005-06 Actual	78,596	15,443	-	-	94,039
Airports	FY 2008-09 Adopted	826,720	1,347,980	1,811,000	132,480	4,118,180
	FY 2007-08 Adopted	789,930	1,323,310	3,464,150	133,060	5,710,450
	FY 2006-07 Amended	750,420	1,172,330	2,591,820	227,200	4,741,770
	FY 2005-06 Actual	714,817	1,114,222	1,007,084	231,540	3,067,663
Citywide Traffic Impact Fees	FY 2008-09 Adopted	-	16,980	88,100	913,780	1,018,860
	FY 2007-08 Adopted	-	16,610	4,116,700	910,390	5,043,700
	FY 2006-07 Amended	-	4,500	76,805,250	-	76,809,750
	FY 2005-06 Actual	-	13,925	1,083,158	-	1,097,083
Dana Traffic Impact Fees	FY 2008-09 Adopted	-	-	350,000	-	350,000
	FY 2007-08 Adopted	-	-	425,300	-	425,300
	FY 2006-07 Amended	-	-	-	-	-
	FY 2005-06 Actual	-	-	15,256	-	15,256
Total	FY 2008-09 Adopted	\$ 3,536,580	\$ 3,857,640	\$ 5,773,100	\$ 1,056,990	\$ 14,224,310
	FY 2007-08 Adopted	\$ 3,386,710	\$ 3,803,950	\$ 12,710,150	\$ 1,054,180	\$ 20,954,990
	FY 2006-07 Amended	\$ 3,272,319	\$ 3,026,720	\$ 81,983,774	\$ 269,200	\$ 88,552,013
	FY 2005-06 Actual	\$ 3,728,645	\$ 3,925,686	\$ 4,421,047	\$ 275,026	\$ 12,350,404

Administration Division

The Administration Division consists of the Department Director and a Transportation Planner. The Division has two main functions—general management of the Department and to serve as staff for RABA.

Engineering Division

The Engineering Division consists of design, utility planning, project management, transportation, survey and mapping, and construction management and inspection. The Division has a staff of 32 authorized full-time positions, with 32 of those currently filled. Eleven of the staff are licensed engineers and three are licensed surveyors. The Division provides engineering and other related services to City departments.

Streets Division

The Streets Division provides citywide maintenance associated with streets, alleys, traffic signs, street-name signs, street striping, pavement markings, sidewalks, curbs/gutters, weed abatement, special parades/projects, and 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, and one employee dedicated to the parking facilities.

Parking Division

The Parking Division system consists of operation and maintenance of 483 parking meters, the collection of meter revenue and the cleaning of seven municipal parking lots and two Downtown demonstration blocks. There is one employee dedicated to this work task.

Airports Division

The Airports Division is responsible for the operation, maintenance, and capital improvement of the Redding Municipal and Benton Airports. Currently, there are seven full-time and two part-time employees dedicated to this operation.

Citywide Traffic Impact Fees

Citywide Traffic Impact Fees provide for costs of street widening and reconstruction, traffic signals, transit facilities, bike paths, bridge widenings, and freeway interchange improvements related to new development in accordance with the development forecast under the City of Redding General Plan.

Dana Traffic Impact Fees

Dana Traffic Impact Fees provide for the costs of street widening and reconstruction, traffic signals, bridge widenings, and freeway interchange improvements related to new development within the Dana Drive traffic impact fee zone in accordance with the development forecast under the City of Redding General Plan.

PERSONNEL

The following table depicts the personnel assigned by division within the Transportation and Engineering Department.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008, AND 2009

Description		FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Increase (Decrease)	FY 2008-09 Adopted	Increase (Decrease)
Administration	F/T	8.00	8.00	2.00	2.00	0.00	2.00	0.00
	P/T	1.71	1.71	0.00	0.00	0.00	0.00	0.00
	Total	9.71	9.71	2.00	2.00	0.00	2.00	0.00
Engineering	F/T	38.00	38.00	32.00	34.00	2.00	34.00	0.00
	P/T	0.48	0.48	0.48	0.48	0.00	0.48	0.00
	Total	38.48	38.48	32.48	34.48	2.00	34.48	0.00
Streets	F/T	18.00	18.00	19.00	16.00	-3.00	16.00	0.00
	P/T	1.77	1.77	2.25	2.31	0.06	2.31	0.00
	Total	19.77	19.77	21.25	18.31	-2.94	18.31	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
	Total	1.00	1.00	1.00	1.00	0.00	1.00	0.00
Airports	F/T	7.00	7.00	7.00	7.00	0.00	7.00	0.00
	P/T	2.19	2.19	2.19	3.13	0.94	3.13	0.00
	Total	9.19	9.19	9.19	10.13	0.94	10.13	0.00
Total	F/T	72.00	72.00	61.00	60.00	-1.00	60.00	0.00
	P/T	6.15	6.15	4.92	5.92	1.00	5.92	0.00
	Total	78.15	78.15	65.92	65.92	0.00	65.92	0.00

* Does not include RABA (an autonomous entity) positions

CAPITAL OUTLAY

Administration Division

There are no capital improvements scheduled.

Engineering Division

There are no capital improvements scheduled.

Streets Division

Based on the findings in the Pavement Management Program Report, the Streets Division is requesting \$6 million each year in capital funds for street maintenance. An additional \$200,000 is requested for sidewalk repair.

Parking Division

There are no capital improvements scheduled.

Airports Division

The Airports Division capital program consists of several airport infrastructure improvements, as well as procurement of a new truck, a sweeper, a tractor/mower, a point-of-sale computer, and a ticket-distribution machine.

Citywide Traffic Impact Fee Program

Projects budgeted include plan line studies, traffic signals, and the widening of Airport Road.

Dana Traffic Impact Fee Program

Projects budgeted include a traffic signal and the widening of Browning Street.

SIGNIFICANT ISSUES

Administration Division

The focus of the Division is overall management of the Department and serving as staff for RABA. Significant issues can be found within the individual divisions.

Engineering Division

The biggest issue facing the Division continues to be the delivery and support of a large capital program and significant land development trends, while maintaining standards, master planning, and general record management.

Streets Division

The preservation of the City's streets continues to be a challenge as funding sources are limited and costs are high. This is a challenge facing most cities.

Parking Division

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.

Airports Division

The Airports Division continues to pursue enhanced air service. The Airports Manager met independently with Delta Airlines, American West/US Airways, and United Airlines, presenting opportunities to each of them for enhanced air service out of the Redding Municipal Airport.

Airport Financial Plan

Airport Fund (in thousands)	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
Beginning Cash	\$ (41)	\$ 9	\$ 277	\$ 178	\$ 530	\$ 1,035	\$ 1,482
Revenue	5,815	4,365	12,550	6,902	4,743	6,602	3,246
Expenditures	5,765	4,097	12,649	6,550	4,238	6,155	2,589
Ending Cash (non-dedicated)	60	178	269	486	756	1,078	1,435
Ending cash (dedicated PFC's)	(51)	99	(91)	44	279	404	704
Total ending cash	\$ 9	\$ 277	\$ 178	\$ 530	\$ 1,035	\$ 1,482	\$ 2,139

STATUS OF 2005-2007 GOALS AND OBJECTIVES

Engineering Division

Goal

Maintain internal customer service and project efficiency.

Accomplishments

- Utilized scoping documents for nearly every project delivered.
- Maintained low bid under the engineer's estimate on 39% of the projects. Overall, the engineer's estimate was 6% below the low bid, which is close to the objective.
- Maintained change orders not related to pre-approved changes in scope were routinely below 5%.
- Provided increased assistance to other departments attempting to manage engineering consultant contracts by providing the Capital Improvement and Maintenance Project Submittal Requirements guidebook and being available for questions.
- Increased site inspection of capital projects. The majority of capital projects had site inspection of approximately four hours per day.

Goal

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

Accomplishments

- Completed record drawings for capital projects. This task has been 75% successful.
- Required as-builts prior to acceptance of land development improvements. This task has been 75% successful.
- Continued to index record drawings. This task is 85% complete.
- Promptly returned telephone calls and written correspondence, generally within four hours and four days, respectively. Phone calls and written correspondences were returned timely and generally within the goal.

Goal

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

Accomplishments

- Purchased or developed software to provide programwide management of the Capital Improvement Plan (CIP). CIP information was incorporated into a data base to facilitate project status tracking and future CIP updates.
- Developed status reports for customers. The Capital Project Status Report spreadsheet was developed. Monthly meetings providing project status updates are held at RMU.
- Maintained budgeted level of cross charges. Cross-charge budget levels were accomplished.

- Increased one-on-one communication with other departments needing engineering services. Monthly meetings are held with RMU to provide project status updates. Other meetings are held as necessary with other departments to provide project updates.

Goal

Continue to increase the quality of surveys and map processing.

Accomplishments

- Provided accurate and complete field and office surveys for design and land disposition. This objective was met.
- Reviewed and evaluated development-related submittals. First check within three weeks and second check within two weeks. This objective was met.
- Reviewed and evaluated development-related submittals. First check within three weeks, second check within two weeks. This objective was met.
- Performed surveys for correction of citywide vertical datum. This is an ongoing project with work performed as time allows. The project is approximately 25% complete.

Streets Division

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 the Pavement Management Program System to reflect new street segments and improvements made on the existing system.
- Utilized the Pavement Management Program in determining selection for streets to be resurfaced and/or slurry sealed.
- Increased routine maintenance pertaining to pothole patching and selective removal and replacement of failed sections of asphalt. Due to additional priorities within the Division, crack sealing stayed status quo.
- Developed written operational procedures for inclusion in a maintenance and operations plan.

Goal

Improve the pavement rating status of City roadways with the funding levels approved by the City Council.

Accomplishments

- Slurry sealed approximately 27 miles of roadways.
- Resurfaced approximately 8.5 miles of streets.

Goal

Develop various inventories and cost estimates to assist future budget and maintenance plan development.

Accomplishments

- Continued to establish inventories related to street striping and legends and input into a computer data base.
- Continued to update inventory of traffic-control devices (signs and signals). Began a program utilizing laptop computers to reduce staff time requirements.
- A complete inventory of sidewalk conditions within the commercial and residential sections of the City has not been established. However, staff has developed a continual tracking list of uplifted or damaged sidewalks.

Goal

Enhance public safety on public streets.

Accomplishments

- Worked with the Police Traffic Unit regarding citizen requests for additional traffic controls within specific areas of the City.
- Maintained, with available funding, signs, striping, and pavement markings through both in-house operations and outside contractual services.

Parking Division

Goal

Maintain and manage parking structure and offsite parking facilities owned by the City.

Accomplishment

- Continued to inventory current facilities.
- City staff continued to work closely with property owners and business owners in the Downtown core. Parking facility maintenance has increased and improved due to a full-time employee assigned to the parking structure.

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. Met independently with Delta Airlines, America West/US Airways, and United Airlines, presenting opportunities to each of them for enhanced air service out of the Redding Municipal Airport.
- Promoted the lease/or sale of surplus property at both airports; leased vacant land and facilities at the Redding Municipal Airport and Benton Airpark.
- Scheduled capital projects and carryover projects were all under construction or completed by June 30, 2006.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008, AND 2009

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; leased vacant land and facilities at the Redding Municipal Airport and Benton Airpark.

PERFORMANCE MEASURES AND WORKLOAD INDICATORS

Engineering Division

Activity	2005-06 Actual	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Subdivision Parcel Maps	24	20	15	17
Subdivision Final Maps	15	17	15	17
Lots Recorded	432	425	300	375
Property Line Adjustments	63	50	45	45
Encroachment Permits	337	344	351	358
Value of CIPs Advertised for Bid	\$24,500,000	\$91,000,000	\$47,000,000	\$47,000,000
Number of CIPs Advertised for Bids	31	40	42	42
Participation Agreements	2	2	3	3
Grading Permits	95	76	55	60
Easements	50	80	80	80
RFPs Prepared and Circulated	7	11	6	4

Streets Division

Description	2004-05	2005-06	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Miles of Streets Maintained	449	450.5	454	455	456
Miles of Street Striping	393	394	396	398	400
Number of Regulatory Signs	4,080	4,480	4,500	4,520	4,540
Number of Warning Signs	2,390	1,578	1,586	1,599	1,620
Number of Guide/Service Signs	1,625	1638	1,528	1530	1540
Number of Traffic Signals	75	78	80	83	83
Miles of Sidewalk	579	582	586	590	594

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008, AND 2009

Miles of Streets Resurfaced	4.2	5.6	2.9	1.5	1.5
Miles of Streets Preserved	10	15.5	11.5	5	5
Miles of Wheel Path Grinding In-House	N/A	N/A	6.5	0	6.5
Tons of Asphalt Material Wheel Path Grinding In-House	N/A	N/A	2,441	0	2,441

Parking Division

Description	2004-05	2005-06	2006-07 Estimated	2007-08 Projected	2008-09 Projected
Number of On-Street Parking Meters	436	436	436	436	436
Number of Off-Street Parking Meters	111	111	111	47	47
Number of Parking Spaces	N/A	N/A	1,354	1,288	1,288
Number of Parking Lots	7	7	7	6	6

Airports Division

Description	2005-2006 Actual	2006-2007 Estimated	2007-2008 Projected	2008-2009 Projected
Enplanements/ Deplanements Totals	131,310	133,500	137,505	141,630
Aircraft Ops. Totals	71,048	77,500	79,050	80,631
Autos Parked in Public Lot	94,673	95,000	96,500	97,500
Acres of Land Leased	704	711	719	721
Acres of Land Sold	0	0	1	1
Aircraft (total) T-Hangars/Open/ Tie-Down Leases	219	223	225	227
Facility and Ground Leases	37	40	42	46
Ground Lease Amendments and Renewals	10	12	10	11

2007-09 GOALS AND OBJECTIVES

Administration Division

Goal

Effectively manage the Department and assist the Divisions in meeting their goals.

Objective

- Meet regularly with Division Managers to discuss progress on objectives.

Engineering Division

Goal

Maintain internal customer service and project efficiency.

Objectives

- Continue to use scoping documents on all projects.
- Maintain average contract bid within $\pm 5\%$ of engineer's estimate.
- Keep corrective contract change orders at $\pm 5\%$ of construction cost.
- Provide increased assistance to other departments attempting to manage engineering consultant contracts.
- Continue increased level of site inspection of capital projects.

Goal

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

Objectives

- Complete record drawings for capital projects within time frames.
- Require record drawings prior to acceptance of land development improvements.
- Continue to index record drawings for new projects and index the County drawings and microfiched drawings.
- Promptly return telephone calls and written correspondence, generally within four hours and four days, respectively.

Goal

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

Objectives

- Provide programwide management of the Capital Improvement Plan.
- Continue to develop status reports for customers.
- Maintain budgeted level of cross charges.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008, AND 2009

- 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.

Streets Division

Goal

Continue to manage and maintain current roadways system with approved funding.

Objectives

- Utilize the Street Work Calendar to monitor and improve efficiency and daily work productivity.
- Continue to rate existing pavement conditions on arterial roadways every four years and collectors and residential roadways every two years utilizing the current Pavement Management System.
- Explore alternative paving methods such as rubberized cape seals, micro seals, and other advanced paving technologies.

Goal

Improve the pavement rating status of City roadways within the funding levels approved by the City Council.

Objectives

- Slurry seal approximately 10 miles of streets.
- Crack seal 3 to 5 miles of streets.
- Wheel Path grind approximately 6.5 miles utilizing in-house staff, FY 2008-09.
- Wheel path grind approximately 10 miles utilizing outside contractual services.
- Seek additional funds for street maintenance that may become available during each of the fiscal years.

Goal

Continue with the development of various inventories to assist future budget and maintenance plan development.

Objectives

- Work closely with Information Technology and GIS to complete the inventory of street striping, pavement markings, and signs.
- Finalize and establish a computerized inventory system that will be used for collection of all inventories associated within the Streets Division.

Parking Division

Goal

Maintain and manage parking structure and offsite parking facilities owned by the City.

Objective

- Complete an inventory program that exhibits existing striping and pavement markings, parking meters, planter boxes, and signs within the Downtown parking structure.
- Complete an inventory of all off-site parking lots. In detail, show parking spaces, asphalt square footage, striping/pavement markings, and parking meters, if applicable.
- Continue to work with property owners/business owners in the downtown.
- Continue with the current level of maintenance in and around the Downtown parking facility.

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 the Redding Municipal Airport.
- Complete scheduled capital projects and carryover projects on schedule.

Goal

Improve the Division's financial position by lowering or eliminating 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.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008, AND 2009

UNMET NEEDS

Engineering Division

• Easement acquisition (per year)	\$ 100,000
• Control Network Survey Project (staff time)	\$ 100,000
• Survey grade GPS with fixed-base station	\$ 80,000
• Increased rolling stock	\$ <u>40,000</u>
Engineering Division Total	\$ 320,000

Streets Division

Street maintenance continues to be the major challenge for the Streets Division. The current Pavement Management Program (PMP) 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 segments need to be repaved or sealed. The current dollar amounts for repair assigned by the PMP totals \$49.5 million. Of this amount, the breakdown is as follows:

• Overlay	\$ 28,200,000
• Reconstruction	\$ 13,600,000
• Seal coats	\$ 6,100,000
• Routine maintenance/crack sealing	\$ <u>1,600,000</u>
Streets Division Total	\$ 49,500,000

The current pavement condition index is 78. The rating system is based on a 0 to 100 scale. The 78 rating would place the overall pavement condition within the City at a "C" rating.

Airports Division

• Deferred maintenance on City-owned buildings	\$ 390,000
• Gravity feeder sewer hookup	\$ 400,000
• Resurface pavement	\$ 285,000
• Remove and replace external terminal building and access road signage	\$ 615,000
• Enhance landscaping at both Airports	\$ 500,000
• Drainage ditch improvements	\$ 150,000
• Convert overhead utilities to underground within hangar area	\$ 135,000
• Drainage improvement to retention pond	\$ 120,000
• Resurface automobile parking lots at Benton Airpark	\$ 800,000
• Full-time Airport Maintenance Worker	\$ <u>75,000</u>
Airport Division Total	\$ 3,470,000

Appendix



**City of Redding
Biennial Budget
Fiscal Years Ending June 30, 2008 & 2009**

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

APPENDIX

Glossary	L-3
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CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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.

ADOPTED BUDGET: 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 DOCUMENT: 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 BUDGET: Funds that are used to account for 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 OUTLAY: Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, plant, plant improvements, projects, infrastructure, and all other tangible or intangible assets that have initial useful lives extending beyond one year and cost more than \$5,000

CAPITAL PROJECT: A permanent physical addition to the City's assets including the design, construction and/or purchase of lands, buildings, facilities or major renovations. Capital projects do not include the direct purchase of equipment vehicles or machinery, unless part of a larger project.

CASH BASIS OF ACCOUNTING: Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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, such as 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.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

GOAL: The desired result of accomplishments within a given time frame

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 one 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.

OBJECTIVE: The necessary steps that need to be accomplished to achieve a desired goal.

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 - PERS: A state or local governmental entity entrusted with administering one or more pension plans.

RABA: Redding Area Bus Authority.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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.

NOTES

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

FUND DESCRIPTIONS

Governmental Funds

General Fund – The General Fund accounts for all financial resources of a governmental unit that are not legally required to be accounted for in another fund.

Special Revenue Funds – these funds account for the proceeds derived from specific revenue sources that are legally restricted to expenditures for specified purposes.

The City has the following Special Revenue Funds

1. **Parking Fund** - This fund was established to account for the receipts of parking-related revenues and expenditures.
2. **Rolling Stock Replacement Fund** – Established to account for funds designated for rolling stock and equipment replacement.
3. **Gas Tax Street Improvement Fund** – Established to record State and Federal Funds that are restricted to the construction and maintenance of the city's street system. The Funds are transferred to the General Fund after the appropriate expenditures are made in the General Fund.
4. **Local Transportation Fund** – Established to record local transportation revenues that are restricted for maintenance of the street system of the city. The Funds are transferred to the General Fund after the appropriate expenditures are made in the General Fund.
5. **Library Fund** – Established to account for revenues and expenditures associated with the Library in Shasta County
6. **Community Development Block Grant Fund** - This fund was established to account for programs financed by Community Development Block Grant Funds.
7. **Public Safety Fund** - This fund was established to account for approximately \$272,500 annually received from the State for Public Safety.
8. **Special Development Fund** - This fund was established to account for receipts and disbursements of development funds. Financing is provided by construction fees paid by developers, and expenditures are restricted by element.

Enterprise Funds – Enterprise funds account for operation: a) financed and operated in a manner similar to a private business enterprise. The intent of a governing body is that the cost of providing goods or services be financed primarily through user charges; and b) where the governing body has decided that periodic determination of revenues earned and expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City has the following Enterprise Funds

1. **Airport Fund** - This fund was established to account for the operations of the City's airports.
2. **Electric Utility Fund** – This fund was established to account for the operations of the City's electric utility, a self-supporting activity which renders a service on a user-charge basis to residents and businesses.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

3. **Water Utility Fund** – This fund was established to account for the operations of the City’s water utility, a self-supporting activity which renders a service on a user-charge basis to residents and businesses.
4. **Wastewater Utility Fund** – This fund was established to account for the operations of the City’s wastewater utility, a self-supporting activity which renders a service on a user-charge basis to residents and businesses.
5. **Storm Drainage Utility Fund**- This fund was established to account for the operations of the City’s storm drainage utility, a self-supporting activity which renders a service on a user-charge basis to residents and businesses.
6. **Solid Waste Fund** - This fund was established to account for the operations of the City’s solid waste collection and disposal services, a self-supporting activity which renders a service on a user-charge basis to residents and businesses.
7. **Tourism/Convention Fund** - This fund was established to account for the operations of the Convention Center and Visitors Bureau.

Internal Service Funds – Used to finance and account for special activities and services performed by a designated department for other departments within the same governmental unit on a cost reimbursement basis.

The City has the following Internal Service Funds:

1. **Fleet Maintenance Fund** - This fund was established to account for all motorized and communications equipment utilization by City departments.
2. **Information Technology Fund** - This fund was established to account for the data processing activities utilized by all City departments.
3. **General Support Services Fund** - This fund was established to account for general support services utilized by all City departments.
4. **Risk Management Fund** - This fund was established to account for the self-insurance activities of the City associated with general liability and workers compensation.
5. **Building Maintenance & Construction Fund** - This fund was established to account for the day-to-day maintenance of buildings, including janitorial, air conditioning, gardening and upkeep.
6. **Records Management** - This fund was established to account for the cost associated with maintaining the City’s records system.
7. **Employer Services** - This fund was established to account for employment related costs such as union negotiations and hiring costs.
8. **Geographic Information Systems** - This fund was established to account for maintaining the City’s geographic information system.
9. **Communications**- This fund was established to account for costs associated with maintaining the city’s telephone and radio systems.
10. **Reprographics** - This fund was established to account for the costs associated with printing, mailing, sorting, and delivery of main and in-house documents.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

11. **Volunteer Services** - This fund was established to account for costs associated with the City's volunteer worker program.
12. **Employee Benefits Payroll** - This fund was established to accumulate the City's various payroll taxes and benefits, and then disburses them to the appropriate vendors and agencies.
13. **Employee Benefits Group Insurance** - This fund was established to account for the self-insurance activities of the City associated with medical, dental, prescription drug and vision care of the City employees, retirees and dependents.
14. **Redding Municipal Utilities Administration** - This fund was established to account for the administration unit over the City Utilities, except Electric. It also accounts for the cost of electrical technician services and the USA/Locate services of the City.

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, the City Council considered a proposal to authorize 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 the Budget document as a management plan by which to control expenditures and obligations of the City in advance.

POLICY

1. The City Council does hereby authorize the City Manager to administratively transfer appropriations
2. Appropriations shall be transferred only for purposes previously approved by the City Council
3. Appropriations shall not be transferred between Funds
4. Appropriations shall 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 the 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 BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 be 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 with revenue sources which are generated from a broad 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 by controlling costs and by seeking alternative financing for City services which focus on user fees for responsive services and by the upgrading and/or enhancement of the property tax base.
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 responsibilities 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 by 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 be stated to facilitate the budget development process.

PURPOSE

To facilitate the budget development process by establishing base-level procedures for the development of the Budget.

POLICY

It is the policy of the City Council of the City of Redding:

1. That budget decisions to increase service levels or add a new program will be financed with either a new revenue source, rate adjustment, or by a deliberate reduction in, or elimination of, existing services.
2. That decisions to reduce service levels or eliminate programs will be based 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 based 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 both 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 better life. More specifically, "self reliance" should:
 - Encourage community involvement;
 - Foster economic development to enhance the tax base and retain and create employment opportunities;
 - Strengthen our neighborhoods 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	
<p>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.</p> <p>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.</p> <p>7. To employ good management practices when planning for service delivery by including in budget requests money to pursue activities, such as:</p> <p>Office automation and computer applications that increase productivity;</p> <ul style="list-style-type: none"> • 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. <p>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.</p>				

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

**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 obligation 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 basis.

The comprehensive financial plan for the City of Redding is composed of spending, financing, and performance plans for three types of budgets: operating, debt service, and capital improvement. All budgets must be sound: the spending plan (expenditures and transfers out) must equal or be less than the financing plan (revenues, transfers in, and use of fund balance).

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 budget.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

**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, the 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 the 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 actions 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 BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 beginning of each fiscal year. Certain items budgeted in the prior year are rebudgeted as a carryover. These items are difficult to identify for numerous reasons, and each year a certain number are over- looked in the budget process. This policy would authorize the City Manager to routinely carry over items previously approved, but not rebudgeted.

PURPOSE

This policy would authorize the City Manager to rebudget previously approved and budgeted items in accordance with Council 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 by Council Resolution.
2. The item(s) was not rebudgeted 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 change, nor does the amount of the funding source change.
4. There is no impact upon fund reserves.
5. The purpose for which the item(s) was rebudgeted does not change. .

In the event the item(s) does not meet these conditions, it must be approved by the City Council and may not be rebudgeted as part of this policy.

PROCEDURE

The procedure for utilizing the Rebudget of Prior Year Appropriations is provided in the City of Redding Budget Policies and Procedures 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 by the City government have a fiscal impact, either positive or negative, and yet these impacts have not in the past always been formally evaluated. Projects may be undertaken, commissions established, 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 greater accountability to the public we serve, would be 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 higher level of responsibility, accountability, and fiscal integrity for the City government by 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 by this policy would be:

- a. The best available estimate of the capital outlay cost of projects;
- b. The best 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 being negotiated or otherwise considered, including benefits;
- f. Operating costs (and realistic labor 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 prescribed. The form of the statement should be tailored, however, to provide the City Council with the basic information necessary to reach a sound decision.

It is anticipated that during the transitional period (the first year or two this policy is in effect), the City Council will be evaluating currently-existing programs with the objective of determining areas in which program costs that have developed over the years may no longer be justified.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

**CITY OF REDDING
COUNCIL POLICY**

SUBJECT: ESTABLISHMENT OF UNRESERVED FUND BALANCE	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
	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 shortfalls 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 the orderly provision of services to the citizens of Redding.

POLICY

It is the policy of the City Council of the City of Redding:

1. To establish an unreserved fund balance within the General Fund of not less three percent (3%) of the appropriations for any fiscal year.
2. Moneys set aside in the unreserved fund balance shall not be reduced below the 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 resources 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 the unreserved fund balance to determine if adequate levels of reserve are maintained based on the economic conditions of the area.

PROCEDURE

Specific procedures to achieve the purpose stated above are provided in the 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 Replacement Fund to accumulate resources to purchase rolling stock (i.e., vehicles and related equipment). The purpose of establishing the Rolling Stock Replacement Fund was to manage rolling stock resources in the most efficient manner possible. To provide departments with the mechanism to manage their rolling 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 Replacement Fund to the originating division's budget where the funds could be expended for rolling stock.

POLICY

The City of Redding has established a Rolling Stock Replacement Fund to accumulate resources to purchase rolling stock. The Rolling Stock Replacement Fund shall accumulate resources 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 budget or by amendment to the budget. A separate accounting of each division's transfers in, sale of rolling stock, interest earnings and transfers out will be maintained for the Rolling Stock Replacement Fund.

No rolling stock will be purchased in the Rolling Stock Replacement Fund. To purchase rolling stock, cash will be transferred from the Rolling Stock Replacement Fund to the originating division's budget. All cash transfers to the Rolling Stock Replacement Fund, along with revenue generated from the sale of rolling stock and interest earnings, may be transferred back to the originating division's budget 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 Replacement Fund.

PROCEDURE

Transfers from the Rolling Stock Replacement Fund to the originating division's budget via an appropriation transfer request (reference Council Policy 401).

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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 BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

**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 indication 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 has 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 shall 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 BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

CITY OF REDDING
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
EQUIPMENT REPLACEMENT FUND		422	07/01/2001	1

BACKGROUND

The city has established a Replacement Fund to accumulate resources to purchase certain equipment. The purpose of establishing the Equipment Replacement Fund was to manage equipment resources in the most efficient manner possible. 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 from the the Equipment Replacement Fund. To purchase equipment, cash will be transferred from the Equipment Replacement Fund to the originating division's budget. All cash transters 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 epartment director. Council approval for the appropriation of funds is not necessary if the division's request does not exceed the cash accumulated in the Equipment Replacement Fund.

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 REDEVELOPMENT AGENCY
DEBT SERVICE
BUDGET SUMMARY**

ACCOUNTS	212-10-300 CANBY/HILLTOP/CYPRESS			215-10-300 MARKET STREET			195-10-300 MIDTOWN		
	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
Revenue and Reserves:									
Beginning Funds and Reserves									
Estimated Revenue	4,889,300	4,880,400	4,876,080	914,820	920,020	918,370	0	0	0
	2,365,570	2,376,650	2,384,370	480,600	485,600	486,250	36,580	38,040	39,440
Total Revenue and Reserves	7,254,870	7,257,050	7,260,450	1,395,420	1,405,620	1,404,620	36,580	38,040	39,440
Expenditure Appropriations:									
Materials, Supplies & Services	152,060	165,980	173,180	61,540	69,060	72,340	1,050	1,200	1,200
Debt Service	2,222,410	2,214,980	2,211,390	413,860	418,190	416,810	35,530	36,840	38,240
Total Expenditure Appropriations	2,374,470	2,380,970	2,384,570	475,400	487,250	489,150	36,580	38,040	39,440
Year End Funds and Reserves:									
Bond Reserve with Fiscal Agent	4,880,400	4,876,080	4,875,880	920,020	918,370	915,470	0	0	0
Year End Restricted Funds	2,222,410	2,222,410	2,222,410	418,190	418,190	418,190	0	0	0
	2,657,990	2,653,670	2,653,470	501,830	500,180	497,280	0	0	0
Year End Unrestricted Funds	0	0	0	0	0	0	0	0	0

**REDDING REDEVELOPMENT AGENCY
DEBT SERVICE
REVENUE**

NUMBER	ACCOUNTS	212-952 CANBY/HILLTOP/CYPRESS		215-963 MARKET STREET		195-960 MIDTOWN			
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET		
2-1110	Tax Increment	2,305,570	2,276,650	2,284,370	462,600	465,600	36,470	37,900	39,300
4-1400	Property Tax Penalties	0	0	0	0	0	40	40	40
9-9110	Investment Income	0	0	0	0	0	70	100	100
9-9170	Fiscal Agent Interest	60,000	100,000	100,000	18,000	20,000	0	0	0
	Total Revenue	2,365,570	2,376,650	2,384,370	480,600	485,600	36,580	38,040	39,440

**REDDING REDEVELOPMENT AGENCY
DEBT SERVICE
EXPENDITURES**

NUMBER	ACCOUNTS	212-952 CANBY/HILLTOP/CYPRESS			215-983 MARKET STREET			195-960 MIDTOWN		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
2001	Materials, Supplies & Services:									
2254	Cost Allocation Reimbursement	2,540	0	0	410	0	0	0	0	0
2488	Specialized Services/Tech - Audit	0	0	0	0	0	0	0	0	0
2911	Tax Administration Fees - County	134,520	150,980	168,180	53,130	61,060	64,340	1,050	1,200	1,200
	Fiscal/Paying Agent Fees	15,000	15,000	15,000	8,000	8,000	8,000	0	0	0
	Total Materials, Supplies & Services	152,060	185,980	173,180	61,540	69,060	72,340	1,050	1,200	1,200
6501	Debt Service - Bond Payments									
6945	Interest Expense Parking Fund							21,600	21,210	20,800
6775	Loan Repayment Principal							13,930	15,630	17,440
8875	Bond Market Street 2003 Interest	0	0	0	0	0	0	0	0	0
8778	Bond Market Street 2003 Principal	0	0	0	233,860	228,190	221,810	0	0	0
6976	Bond CHC Series A Interest	1,137,410	1,109,990	1,076,390	180,000	190,000	195,000	0	0	0
6502	Bond CHC Series A Principal	1,085,000	1,105,000	1,135,000	0	0	0	0	0	0
6757	Electric Fund Interest Expense	0	0	0	0	0	0	0	0	0
6957	Lease Revenue Bond Interest	0	0	0	0	0	0	0	0	0
	Lease Revenue Bond Principal	0	0	0	0	0	0	0	0	0
	Total Debt Service	2,222,410	2,214,990	2,211,390	413,860	418,190	416,810	35,530	38,840	38,240
	TOTAL EXPENDITURES	2,374,470	2,380,970	2,384,570	475,400	487,250	489,150	36,580	38,040	39,440

Note: Midtown's expenditures were increased to reflect additional revenue funds for debt service.

**REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
BUDGET SUMMARY**

ACCOUNTS	CANBY/HILLTOP/CYPRESS			MARKET STREET		
	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
Revenue and Reserves:						
Beginning of Fiscal Year	13,634,250	2,121,320	3,657,270	2,129,690	945,830	1,003,500
Estimated Revenue	5,909,580	8,507,320	9,132,340	2,465,760	2,455,340	4,206,990
Total Revenue and Reserves	19,543,830	10,628,640	12,789,610	4,595,450	3,401,170	5,210,490
Expenditure Program Appropriations:						
Materials, Supplies & Services	88,700	90,400	90,400	14,900	15,900	15,900
Contract Services	441,650	479,090	440,960	134,630	152,150	158,540
Loans from C/H/C Surplus Property Proceeds	0	0	0	0	0	0
Interdepartmental Charges	133,110	153,000	156,970	22,060	23,420	24,080
Pass-Throughs	2,341,360	2,473,880	2,593,900	1,372,370	1,461,200	1,549,040
Capital Outlay Projects	14,332,790	3,775,000	7,461,250	2,163,420	745,000	3,255,000
Communication and Computer Equipment	0	0	0	0	0	0
Total Expenditure Programs	17,337,610	6,971,370	10,743,480	3,707,380	2,397,670	5,002,660
Unbudgeted Funds	2,206,220	3,657,270	2,046,130	888,070	1,003,500	207,630
Year End Adjustments ⁽¹⁾	75,000			338,040		
Pass-Through Reserves (Previous Years)	-159,900			-280,280		
Year End Available Funds	2,121,320	3,667,270	2,046,130	945,830	1,003,500	207,630

(1) Return of budgeted funds: \$75,000 Plan Amendment in each Project Area; S Market Landscape \$63,040; Library \$200,000.

**REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
REVENUE**

NUMBER	ACCOUNTS	194-950 CANBY/HILTOP/CYPRESS			196-961 MARKET STREET		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
2-1110	Property Tax Increment	4,641,480	5,004,120	5,343,450	2,215,760	2,360,340	2,511,690
4-1400	Property Tax Penalties	10,000	10,000	10,000	3,500	4,000	4,000
5-3100	Real Estate Rentals - Lithia	0	423,200	211,600	0	0	0
5-3100	Real Estate Rentals - Kenworth	12,000	0	0	0	0	0
5-5020	Fund Transfers	0	0	0	0	0	0
6-1200-18	State Grants - Grange Street Traffic Calming	0	0	0	125,000	0	0
6-1300	CDBG Funds	0	0	0	0	0	0
6-1300	Shasta County Grant - fiber optic relocation	0	0	0	0	0	0
7-2010-11	Contribution - Operation Public Works	25,000	0	0	0	0	0
7-2010-18	Contributions - Capital Public Works (HHBID)	110,000	490,000	300,000	0	0	0
7-2010-18	Contributions - Capital Public Works (Vitalis)	0	0	3,191,290	0	0	0
7-2100	Contributions - Developers	0	0	0	0	0	0
7-4100	Miscellaneous Sale - Kenworth Property to Vitalis	0	1,530,000	0	0	0	0
7-4100	Miscellaneous Sale - Additional Property to Vitalis	0	699,000	0	0	0	0
7-4100	Miscellaneous Sale - Browning Street Property	410,000	0	0	0	0	0
7-4200	Loan for Mall Removal	0	0	0	0	0	1,600,000
7-9100	Miscellaneous Revenue	1,100	1,000	1,000	1,500	1,000	1,000
9-3100	Property Rentals - Pine Street	0	0	0	0	0	0
9-7200	Principal - Loan to Buckeye Project Area	0	0	0	0	0	0
9-7220	Loan Repayment - Pass Through	0	0	0	0	0	0
9-9110	Interest on Investment	400,000	200,000	75,000	60,000	60,000	60,000
9-9170	Fiscal Agent Interest	300,000	150,000	0	60,000	30,000	30,000
	Total Revenue	5,909,580	8,507,320	9,132,340	2,465,760	2,455,340	4,206,690

Note: Items noted in blue are revised revenue projections for current year.

**REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
EXPENDITURES**

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
2253	Materials, Supplies & Services:						
2254	Professional Services	30,000	30,000	30,000	5,000	5,000	5,000
2256	Specialized Svcs/Tech - Audit	15,000	15,000	15,000	2,000	2,000	2,000
2281	Consulting Services	3,500	3,500	3,500	3,000	3,000	3,000
2311	Office Equipment Maintenance Repair	1,200	1,200	1,200	0	0	0
2442	Communication Expense	3,200	3,200	3,200	0	0	0
2444	Postage/Mailing Expense	500	500	500	100	100	100
2446	Operating Material/Supplies	5,000	5,000	5,000	2,000	2,000	2,000
2472	Small Equipment/Furniture	3,000	3,000	3,000	0	0	0
2473	Advertising/Promotion	4,500	4,500	4,500	1,300	1,300	1,300
2631	Books/Dues/Subscriptions	10,000	12,000	12,000	1,500	2,000	2,000
2641	Property Assessments	500	500	500	0	500	500
2671	Civic Center Rent	0	0	0	0	0	0
2782	Travel Expense	7,000	7,000	7,000	0	0	0
2791	Training Expense	3,000	3,000	3,000	0	0	0
	Computer Equipment	2,300	2,000	2,000	0	0	0
	Total Materials, Supplies & Services	88,700	90,400	90,400	14,900	15,900	15,900
2902	Loans from C/H/C Surplus Property Proceeds	0	0	0	0	0	0
2903	Principal	0	0	0	0	0	0
	Interest	0	0	0	0	0	0
	Total Loans	0	0	0	0	0	0
	Contract Services - Staff	441,650	479,090	440,960	134,630	152,150	158,540
	Interdepartmental Services	133,110	153,000	156,970	22,060	23,420	24,080
2249	Capital Outlay and Other Programs	14,332,790	3,775,000	7,461,250	2,163,420	745,000	3,295,000
	Pass-throughs to Taxing Entities and Schools	2,341,360	2,473,880	2,593,900	1,372,370	1,461,200	1,549,040
	TOTAL EXPENDITURES	17,337,610	6,971,370	10,743,480	3,707,380	2,397,670	5,002,560

NOTE: The 2006-07 budget contains carryover funds from the 2005-06 fiscal year. Pass-throughs were increased in current year to recognize increase in Shasta County and Shasta Mosquito Abatement District's allocation.

**REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
CONTRACT SERVICES**

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
1954	Contract Services	280,050	320,760	274,980	116,630	118,800	124,120
1963	Redevelopment Staff	122,500	80,000	84,000	0	0	0
1965	City Manager/Deputy City Manager	0	33,700	35,850	0	15,350	16,420
1966	City Attorney	2,100	0	0	0	0	0
1967	Planning	37,000	44,610	46,130	18,000	18,000	18,000
	Finance Staff						
	Total Contract Services	441,650	479,090	440,960	134,630	152,150	158,540

**REDDING REDEVELOPMENT AGENCY
INTERDEPARTMENTAL SERVICES**

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
2001	Interdepartmental Charges:	69,750	87,840	90,470	8,500	10,360	10,680
2101	Cost Allocation Plan Reimbursement	9,880	11,770	11,300	0	0	0
2104	Fixed Charge - Bldg Maintenance	11,930	10,880	11,420	0	0	0
2105	Fixed Charge - Information System	11,730	13,250	13,580	0	0	0
2106	Fixed Charge - Print Shop	500	500	500	0	0	0
2107	Fixed Charge - Fleet Maintenance	11,690	9,300	9,690	5,840	4,650	4,840
2108	Fixed Charge - Risk Management	3,050	2,990	3,090	0	0	0
2109	Fixed Charge - Records Management	230	210	240	0	0	0
2116	Fixed Charge - Communication	4,050	5,950	6,280	2,720	3,410	3,560
2117	Fixed Charge - GIS	630	730	740	0	0	0
2118	Fixed Charge - Volunteer Services	420	330	410	0	0	0
2119	Fixed Charge - Employer Service	7,500	7,500	7,500	5,000	5,000	5,000
2162	Variable Charge - Legal	1,750	1,750	1,750	0	0	0
	Variable Charge - Mail						
	Total Interdepartmental Charges	133,110	153,000	156,970	22,060	23,420	24,080

**REDDING REDEVELOPMENT AGENCY
CAPITAL OUTLAY PROJECTS AND OTHER PROGRAMS**

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
4002	Capital Outlay Projects:						
4081	Public Safety Facility	380	0	0	0	0	0
4190	Facade Program	31,790	25,000	25,000	162,130	75,000	75,000
4316	Property Management/Sales Expense	35,000	25,000	25,000	15,810	20,000	20,000
4451	California/Placer Street Renovation	0	0	0	690,000	40,000	0
4460	Development Partnership	0	300,000	300,000	205,000	0	0
4501	So Market St Landscape (Phase 3) Corridor Improvements	0	0	0	63,040	0	0
4503	Building Improvements	2,100	0	0	0	0	0
4533	Open Space/River Access	722,230	0	0	113,440	0	0
4536	Preliminary Engineering Work - General	27,000	75,000	75,000	30,000	30,000	30,000
4539	Railroad Avenue Facade Program	0	0	0	17,500	10,000	10,000
4543	Parkview Facade Program	0	0	0	25,000	10,000	10,000
4546	Parkview Streetscape - Design	0	0	0	0	75,000	0
4591	Downtown Parking Consultant	0	0	0	0	75,000	0
4604	Water Features (incorporated into N. Market Improvements)	1,307,210	0	0	0	0	0
4610	North Market Corridor Improvements	0	0	0	0	0	0
4613	Library	9,340	0	0	200,000	0	0
4717	Entry Features	1,723,610	0	0	100,000	0	0
4717	Property Acquisition - Redding Kenworth	0	0	0	11,180	0	0
4720	Property Acquisition - Lithia Purchase	0	1,880,000	7,036,250	0	0	0
4735	Downtown Property Acquisition	0	0	0	3,760	0	0
4776	Downtown Mall Roof Removal	0	0	0	50,000	0	0
4784	Court Street/Schley Intersection Realignment	7,076,670	0	0	0	0	0
4786	Churn Creek Road Realignment	1,983,200	1,470,000	0	0	0	0
4819	Hilltop Drive Streetscape Improvements	0	0	0	104,820	0	0
4826	Grange Street Traffic Calming	0	0	0	254,670	0	0
4877	Downtown Mall/Shasta College Improvements	1,339,260	0	0	0	0	0
4889	Hilltop/Hwy 44 Overcrossing	0	0	0	42,070	110,000	110,000
4908	Downtown Plan/Improvements	0	0	0	0	0	0
4927	Cypress Avenue Bridge	75,000	0	0	75,000	0	0
	Plan Amendment	0	0	0	0	0	0
	Total Capital Outlay Projects	14,332,790	3,775,000	7,461,250	2,163,420	745,000	3,255,000
5711	Capital Outlay Equipment Exceeding \$5,000	0	0	0	0	0	0
5699	Computers/Communication Projector 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	14,332,790	3,775,000	7,461,250	2,163,420	745,000	3,255,000

NOTE: The 2006-07 budget contains carryover funds from the 2005-06 fiscal year

**REDDING REDEVELOPMENT AGENCY
HOUSING
BUDGET SUMMARY**

ACCOUNTS	2006-07			2007-08			2008-09		
	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									
Beginning of Fiscal Year ⁽¹⁾	9,190,410	2,051,120	11,241,530	3,958,240	936,650	4,894,890	2,531,660	689,080	3,220,740
Estimated Revenue	2,782,300	1,406,900	4,189,200	2,859,220	806,480	3,665,700	2,637,170	844,480	3,481,650
Total Revenue and Reserves	11,972,710	3,458,020	15,430,730	6,817,460	1,743,130	8,560,590	5,168,830	1,533,560	6,702,390
Expenditure Program Appropriations									
Materials, Supplies & Services	91,700	26,700	118,400	99,700	31,700	131,400	103,700	36,700	140,400
Debt Service	772,500	0	772,500	772,700	0	772,700	771,700	0	771,700
Contract Services - Staff	764,550	0	764,550	745,610	0	745,610	818,600	0	818,600
Interdepartmental Charges	57,570	2,110	59,680	54,790	2,350	57,140	56,020	2,420	58,440
Capital Outlay Projects and Programs	7,413,650	2,739,210	10,152,860	2,713,000	1,020,000	3,733,000	3,013,000	520,000	3,533,000
Communication and Computer Equipment	0	0	0	0	0	0	0	0	0
Total Expenditure Program Appropriations	9,099,970	2,768,020	11,867,990	4,385,800	1,054,050	5,439,850	4,763,020	559,120	5,322,140
Unbudgeted Funds	2,872,740	690,000	3,562,740	2,431,660	689,080	3,120,740	405,810	974,440	1,380,250
Year End Adjustments⁽²⁾	1,085,500	246,650	1,332,150	100,000	0	100,000	100,000	0	100,000
Year End Available Funds	3,956,240	936,650	4,894,890	2,531,660	689,080	3,220,740	505,810	974,440	1,480,250

(1) Beginning funds include bond proceeds held in Division 971, Special Projects.
 (2) Year End Adjustments - Other Housing \$100,000 in each year; Fern Property Acquisition \$1,122,000; Parkview Relocation Services \$110,150.

**REDDING REDEVELOPMENT AGENCY
HOUSING
REVENUE**

NUMBER	ACCOUNTS	2006-07		2007-08		2008-09		COMBINED PROPOSED BUDGET
		213-953 C/H/C REVISED ESTIMATE	216-964 MARKET ST REVISED ESTIMATE	213-953 C/H/C PROPOSED BUDGET	216-964 MARKET ST PROPOSED BUDGET	213-953 C/H/C PROPOSED BUDGET	216-964 MARKET ST PROPOSED BUDGET	
2-1110	Tax Increment	1,736,760	669,590	1,820,190	706,480	1,906,950	744,480	2,651,430
5-3100	Real Estate Rentals	0	0	0	0	0	0	0
6-1300	CDBG Funds	0	0	0	0	0	0	0
6-2650	Federal Grant for Transitional Housing	0	0	0	0	0	0	0
7-2010-14	Developer Fees	5,140	0	5,140	0	0	0	0
7-2100	Contributions-Developers	0	0	0	0	0	0	0
7-4100	Sale of Property - Parking Lot No. 4	0	588,000	588,000	0	0	0	0
7-4300	Bond Proceeds	0	0	0	0	0	0	0
7-9100	Miscellaneous Revenue	1,000	0	5,000	0	5,000	0	5,000
9-7200	Loan Repayment Principal - Parkview	74,300	41,310	115,610	0	0	0	0
9-7400	Loan Repayment Interest - Parkview	15,000	8,000	23,000	0	0	0	0
9-7200	Loan Repayment Principal	0	0	163,460	0	163,460	0	3,720
9-7400	Loan Repayment Interest	0	0	470	0	470	0	1,400
9-7610	Late Payment Charges	100	0	100	0	100	0	100
9-7630	Interest Payments on Housing/Rehab Loans	30,000	0	25,000	0	25,000	0	25,000
9-7635	Principal Payments on Housing/Rehab Loans	70,000	0	70,000	0	70,000	0	70,000
9-7636	Forgivable Loan Principal	0	0	0	0	0	0	0
9-7640	Interest Payments on Housing/DAP Loans	200,000	0	200,000	0	200,000	0	200,000
9-7645	Principal Payments on Housing/DAP Loans	200,000	0	175,000	0	175,000	0	175,000
9-7646	Mortgage Credit Cert. Fees	0	0	0	0	0	0	0
9-9110	Interest on Investment	300,000	100,000	300,000	100,000	400,000	100,000	300,000
9-9170	Fiscal Agent Interest	150,000	0	100,000	0	100,000	0	50,000
	Total Cash In	2,782,300	1,406,900	2,859,220	806,480	2,637,170	844,480	3,481,650

Note: Items noted in blue are revised revenue projections for current year.

**REDDING REDEVELOPMENT AGENCY
HOUSING
EXPENDITURES**

NUMBER	ACCOUNTS	2006-07			2007-08			2008-09		
		213-953 C/H/C AMENDED BUDGET	216-964 MARKET ST AMENDED BUDGET	COMBINED AMENDED BUDGET	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
2253	Materials, Supplies & Services:	0	0	0	0	0	0	0	0	0
2254	Professional Services/Consultant	4,000	700	4,700	4,000	700	4,700	4,000	700	4,700
2281	Specialized Services/Technical	500	0	500	500	0	500	500	0	500
2311	Office Equipment Maintenance/Repair	1,200	0	1,200	1,200	0	1,200	1,200	0	1,200
2442	Communication Expense	500	0	500	500	0	500	500	0	500
2444	Postage and Mailing Expense	4,000	0	4,000	4,000	0	4,000	4,000	0	4,000
2446	Operating Material Supplies	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000
2467	Small Equipment/Furniture	1,500	0	1,500	1,500	0	1,500	1,500	0	1,500
2468	Loan Fees (U.S. Escrow)	60,000	25,000	85,000	65,000	30,000	95,000	70,000	35,000	105,000
2472	Tax Administration Fees	1,500	0	1,500	1,500	0	1,500	1,500	0	1,500
2473	Advertising/Promotion	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
2631	Books/Dues/Subscriptions	500	1,000	1,500	500	1,000	1,500	500	1,000	1,500
2641	Property Assessments	0	0	0	0	0	0	0	0	0
2671	Civic Center Rent	3,000	0	3,000	3,000	0	3,000	3,000	0	3,000
2782	Travel Expense	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
2791	Employee Training	0	0	0	0	0	0	0	0	0
2911	Computer Equipment	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000
	Fiscal/Paying Agent Fees									
	Total Materials, Supplies & Services	91,700	26,700	118,400	99,700	31,700	131,400	103,700	36,700	140,400
6755	Debt Service:									
6756	Series A Interest	284,620	0	284,620	264,820	0	264,820	243,820	0	243,820
6955	Series B Interest	167,880	0	167,880	167,880	0	167,880	167,880	0	167,880
	Series A Principal	320,000	0	320,000	340,000	0	340,000	360,000	0	360,000
	Total Debt Service	772,500	0	772,500	772,700	0	772,700	771,700	0	771,700
	Contract Services - Staff	764,550	0	764,550	745,610	0	745,610	818,600	0	818,600
	Interdepartmental Services	57,570	2,110	59,680	54,790	2,350	57,140	56,020	2,420	58,440
	Capital Outlay and Other Programs	7,413,650	2,739,210	10,152,860	2,713,000	1,020,000	3,733,000	3,013,000	520,000	3,533,000
	TOTAL EXPENDITURES	9,099,970	2,768,020	11,867,990	4,385,800	1,054,050	5,439,850	4,763,020	559,120	5,322,140

NOTE: The 2006-07 budget contains carryover funds from the 2005-06 fiscal year.

**REDDING REDEVELOPMENT AGENCY
HOUSING
CONTRACT SERVICES**

NUMBER	ACCOUNTS	2006-07			2007-08			2008-09		
		213-953 C/H/C AMENDED BUDGET	216-964 MARKET ST AMENDED BUDGET	COMBINED AMENDED BUDGET	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
1954	Contract Services:									
1963	Redevelopment Staff	284,260	0	284,260	293,760	0	293,760	332,170	0	332,170
1965	City Manager's Office	122,500	0	122,500	80,000	0	80,000	84,000	0	84,000
1966	City Attorney's Office	0	0	0	15,350	0	15,350	16,430	0	16,430
1967	Planning	5,790	0	5,790	0	0	0	0	0	0
1990	Finance Staff	17,000	0	17,000	18,500	0	18,500	20,000	0	20,000
	Community Development Staff	335,000	0	335,000	338,000	0	338,000	366,000	0	366,000
	Total Contract Services	764,550	0	764,550	745,610	0	745,610	818,600	0	818,600

**REDDING REDEVELOPMENT AGENCY
HOUSING
INTERDEPARTMENTAL SERVICES**

NUMBER	ACCOUNTS	2006-07			2007-08			2008-09		
		213-953 C/H/C AMENDED BUDGET	216-964 MARKET ST AMENDED BUDGET	COMBINED AMENDED BUDGET	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
2001	Interdepartmental Charges:									
2101	Cost Allocation Plan Reimbursement	21,020	2,110	23,130	15,450	2,350	17,800	15,910	2,420	18,330
2104	Fixed Charge - Bldg Maintenance	6,580	0	6,580	7,850	0	7,850	7,540	0	7,540
2105	Fixed Charge - Information System	4,090	0	4,090	3,740	0	3,740	3,920	0	3,920
2106	Fixed Charge - Print Shop	1,250	0	1,250	3,320	0	3,320	3,420	0	3,420
2107	Fixed Charge - Fleet Maintenance	300	0	300	300	0	300	300	0	300
2116	Fixed Charge - Risk Management	11,690	0	11,690	9,300	0	9,300	9,690	0	9,690
2118	Fixed Charge - GIS	4,970	0	4,970	6,710	0	6,710	7,050	0	7,050
2119	Fixed Charge - Employer Service	1,670	0	1,670	2,120	0	2,120	2,190	0	2,190
2162	Fixed Charge - Legal Service	4,000	0	4,000	4,000	0	4,000	4,000	0	4,000
	Variable Charge - Mail	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
	Total Interdepartmental Charges	57,570	2,110	59,680	54,790	2,350	57,140	56,020	2,420	58,440

**REDDING REDEVELOPMENT AGENCY
HOUSING
CAPITAL OUTLAY AND OTHER PROGRAMS**

NUMBER	ACCOUNTS	2006-07		2007-08		2008-09		COMBINED PROPOSED BUDGET
		213-953 C/H/C AMENDED BUDGET	216-964 MARKET ST AMENDED BUDGET	213-953 C/H/C PROPOSED BUDGET	216-964 MARKET ST PROPOSED BUDGET	213-953 C/H/C PROPOSED BUDGET	216-964 MARKET ST PROPOSED BUDGET	
4050	Projects and Programs:							
4190	Mobile Home Repair	100,000	0	100,000	0	0	0	0
4500	Property Management/Sales Expense	0	20,160	20,160	0	0	20,000	20,000
4512	Parkview Neighborhood Acquisition	13,340	0	13,340	0	0	0	0
4519	Parkview Relocation Services	0	110,150	110,150	0	0	0	0
4522	Predevelopment	30,000	0	30,000	0	50,000	0	50,000
4523	Downtown 300	0	1,425,780	1,425,780	0	0	0	0
4524	Target Neighborhoods - Property Acquisition	1,000,000	0	1,000,000	0	0	0	0
4529	Lake Boulevard Planning	75,000	0	75,000	0	0	0	0
4538	Lake Boulevard Development	0	0	0	0	625,000	0	625,000
4545	Fem Property Acquisition	985,500	136,500	1,122,000	0	0	0	0
4631	Neighborhood Infrastructure Improvements	0	0	0	0	0	0	0
4641	First Time Homebuyer Counseling	13,000	0	13,000	0	13,000	0	13,000
4756	Parking Lot #4 Acquisition	100,000	0	100,000	0	100,000	0	100,000
4801	Other RRA Housing (foreclosures)	0	0	0	0	0	0	0
4802	Housing Rehabilitation	305,100	0	305,100	0	675,000	0	675,000
4812	Downpayment Assistance Program	11,070	0	11,070	0	0	0	0
4829	Transitional Housing	139,610	0	139,610	0	0	0	0
4885	Redding Hotel	276,500	0	276,500	0	0	500,000	500,000
4919	Substantial Rehab/New Development	806,830	249,400	1,056,230	0	0	0	0
4922	Parkview Mixed Use Development	454,620	0	454,620	0	0	0	0
4923	Parkview Scattered Residential Infill	35,050	0	35,050	0	0	0	0
4931	Parkview Area Traffic Improvements	267,000	0	267,000	0	750,000	0	750,000
4933	Parkview Infrastructure Improvements	460	0	460	0	0	0	0
4935	Parkview Incentives - Homeowner Rehab	245,000	0	245,000	0	0	0	0
4936	Parkview Incentives - DAP Plus	33,400	0	33,400	0	0	0	0
4940	Parkview Other Residential Incentives	451,810	158,830	610,640	0	0	0	0
4943	Junior Street Residential Project	1,000,000	52,390	1,052,390	0	0	0	0
4945	Residential Development - The Woods	20,350	0	20,350	0	0	0	0
4946	MLK Planning	183,300	0	183,300	0	0	0	0
4947	MLK Incentives - Homeowner Rehab	137,670	0	137,670	0	0	0	0
4948	MLK Incentives - Rental Rehab	235,000	0	235,000	0	0	0	0
4949	MLK Incentives - DAP Plus	9,490	0	9,490	0	0	0	0
4950	MLK Other Residential Incentives	33,690	0	33,690	0	0	0	0
4952	MLK Infrastructure Improvements	50,000	0	50,000	0	500,000	0	500,000
4953	MLK Linden Avenue Development	381,350	0	381,350	0	0	0	0
4954	MLK Residential Infill	3,000	0	3,000	0	0	0	0
4955	MLK Land Acquisition	7,500	0	7,500	0	0	0	0
4961	Parkview Housing Development	7,010	0	7,010	0	0	0	0
	Residential Code Enforcement							
	Total Projects and Programs	7,413,660	2,739,210	10,152,860	1,020,000	2,713,000	520,000	3,833,000
5711	Capital Outlay Equipment Exceeding \$5,000	0	0	0	0	0	0	0
	Computer Equipment	0	0	0	0	0	0	0
	Total Communication/Computer Equipment	0	0	0	0	0	0	0
	Total Capital Outlay and Other Programs	7,413,660	2,739,210	10,152,860	1,020,000	2,713,000	520,000	3,833,000

NOTE: The 2006-07 budget contains carryover funds from the 2005-06 fiscal year.

**REDDING REDEVELOPMENT AGENCY
SHASTEC
BUDGET SUMMARY**

ACCOUNTS	197-965 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
Revenue and Reserves:									
Beginning Funds and Reserves	2,685,860	5,490,020	3,316,340	1,085,360	1,453,440	1,857,250	0	847,250	947,250
Estimated Revenue	15,652,000	1,034,790	918,410	408,080	444,540	486,120	1,373,960	995,650	998,360
Total Revenue and Reserves	18,337,860	6,524,810	4,234,750	1,493,440	1,897,980	2,343,370	1,373,960	1,942,900	1,945,610
Expenditure Appropriations:									
Materials, Supplies & Services	225,250	3,000	3,000	20,000	20,000	20,000	45,000	50,820	53,530
Contract Services	30,420	39,350	40,160	0	0	0	0	0	0
Interdepartmental Charges	8,950	6,120	6,280	0	730	750	0	0	0
Pass-Throughs	240,000	260,000	280,000	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	381,730	844,830	944,830
Capital Outlay Projects	12,393,220	2,900,000	1,250,000	20,000	20,000	0	0	0	0
Total Expenditure Appropriations	12,897,840	3,208,470	1,578,440	40,000	40,730	20,750	426,730	995,660	998,360
Year End Funds and Reserves	5,440,020	3,316,340	2,655,310	1,453,440	1,857,250	2,322,620	947,250	947,250	947,250
Year End Adjustments ⁽¹⁾	50,000	0	0	0	0	0	947,250	947,250	947,250
Bond Reserve with Fiscal Agent	0	0	0	0	0	0	0	0	0
Year End Available Funds	5,490,020	3,316,340	2,655,310	1,453,440	1,857,250	2,322,620	0	0	0

(1) Return of budgeted funds: \$50,000 from the Airport/Fountain Project.

**REDDING REDEVELOPMENT AGENCY
SHASTEC
REVENUE**

NUMBER	ACCOUNTS	197-965 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
2-1110-01	Tax Increment	1,031,110	507,490	591,110	358,080	364,540	386,120	401,230	950,650	953,360
4-1400-01	Property Tax Penalties	1,500	2,300	2,300	0	0	0	0	0	0
6-1200-18	State Grant - Capital	13,110	0	0	0	0	0	0	0	0
7-4300-01	Bond Proceeds	13,986,280	0	0	0	0	0	947,250	0	0
9-9110-01	Investment Income	120,000	125,000	125,000	50,000	80,000	100,000	0	0	0
9-9170-01	Fiscal Agent Interest	500,000	400,000	200,000	0	0	0	25,500	45,000	45,000
	Total Revenue	15,652,000	1,034,790	918,410	408,080	444,540	486,120	1,373,980	995,650	998,360

Note: Numbers highlighted in blue are revisions to revenue projections

**REDDING REDEVELOPMENT AGENCY
SHASTEC
EXPENDITURES**

NUMBER	ACCOUNTS	197-865 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-08 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
2253	Materials, Supplies & Services:									
2254	Professional Services	1,000	1,000	1,000	0	0	0	0	0	0
2444	Specialized Services/Tech - Audit	1,000	1,000	1,000	0	0	0	0	0	0
2468	Operating Material/Supplies	1,000	1,000	1,000	0	0	0	0	0	0
2811	County Tax Administration Fees	0	0	0	20,000	20,000	20,000	45,000	45,820	48,530
2812	Fiscal/Paying Agent Fees	0	0	0	0	0	0	0	5,000	5,000
	Bond Issuance Costs	222,250	0	0	0	0	0	0	0	0
	Total Materials, Supplies & Services	225,250	3,000	3,000	20,000	20,000	20,000	45,000	50,820	53,530
3954	Contract Services									
2254	Redding Redevelopment Staff	18,420	23,350	24,160	0	0	0	0	0	0
2254	Anderson Redevelopment Staff	6,000	8,000	8,000	0	0	0	0	0	0
	Shasta County Redevelopment Staff	6,000	6,000	8,000	0	0	0	0	0	0
	Total Contract Services	30,420	39,350	40,160	0	0	0	0	0	0
	Interdepartmental Services									
	Cost Allocation Reimbursement	8,450	5,620	5,780	0	730	750	0	0	0
	Variable Charge - Mail	500	500	500	0	0	0	0	0	0
	Total Interdepartmental Charges	8,950	6,120	6,280	0	730	750	0	0	0
	Pass-Through to Other Taxing Entities									
	Debt Service - Bond Payments	240,000	260,000	280,000	0	0	0	0	0	0
6777	Bond Interest - SHASTEC 2006	0	0	0	0	0	0	381,730	688,830	689,830
6977	Bond Principal - SHASTEC 2006	0	0	0	0	0	0	0	245,000	255,000
	Total Debt Service	0	0	0	0	0	0	381,730	944,830	944,830
	TOTAL EXPENDITURES	504,620	308,470	329,440	20,000	20,730	20,750	426,730	995,650	998,360

**REDDING REDEVELOPMENT AGENCY
SHASTEC
CAPITAL OUTLAY PROJECTS AND OTHER PROGRAMS**

NUMBER	ACCOUNTS	197-965 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
	Capital Outlay Projects:									
4261	Sacramento River Bridge Widening	0	1,000,000	0	0	0	0	0	0	0
4312	Stillwater Industrial	10,000,000	0	0	0	0	0	0	0	0
4334	Old Oregon Trail Widening/Alignment	400,000	1,250,000	0	0	0	0	0	0	0
4340	Planning Studies	200,000	0	0	20,000	0	0	0	0	0
4341	Supportive Housing Program	0	0	0	20,000	0	0	0	0	0
4513	Fire Station No. 7	500,000	0	0	0	0	0	0	0	0
4518	Airport/Fountain Project	50,000	0	0	0	0	0	0	0	0
4537	Airport/Highway 44 Ramp Traffic Signal	169,780	0	0	0	0	0	0	0	0
4652	North Street Widening	0	650,000	0	0	0	0	0	0	0
4732	Riverside Avenue/I-5 Project	0	0	1,250,000	0	0	0	0	0	0
4865	Substantial Rehab/New Development	526,860	0	0	0	0	0	0	0	0
4925	Clover Creek Drainage	16,480	0	0	0	0	0	0	0	0
4927	Plan Amendment	350,000	0	0	0	0	0	0	0	0
4965	Fig Tree/Airport Road Traffic Signal	160,100	0	0	0	0	0	0	0	0
4980	North Street/Riverside TS/Drainage									
	Total Capital Outlay Projects	12,393,220	2,900,000	1,250,000	20,000	20,000	0	0	0	0

**REDDING REDEVELOPMENT AGENCY
BUCKEYE
BUDGET SUMMARY**

ACCOUNTS	CAPITAL PROJECTS			HOUSING		
	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
Revenue and Reserves:						
Beginning of Fiscal Year	279,420	408,150	694,840	147,430	234,460	230,230
Estimated Revenue	335,500	374,530	419,580	90,030	99,770	111,270
Total Revenue and Reserves	614,920	782,680	1,114,420	237,460	334,230	341,500
Expenditure Program Appropriations:						
Materials, Supplies & Services	12,700	17,280	18,610	3,000	4,000	5,000
Contract Services	4,610	10,560	10,920	0	0	0
Loans from C/H/C Surplus Property Proceeds	0	0	0	0	0	0
Pass-Through Allocations	50,000	60,000	65,000	0	0	0
Capital Outlay Projects	139,460	0	0	0	100,000	0
Total Expenditure Programs	206,770	87,840	94,530	3,000	104,000	5,000
Unbudgeted Funds	408,150	694,840	1,019,890	234,460	230,230	336,500
Year End Adjustments	0	0	0	0	0	0
Year End Available Funds	408,150	694,840	1,019,890	234,460	230,230	336,500

**REDDING REDEVELOPMENT AGENCY
BUCKEYE
REVENUE & EXPENDITURES**

NUMBER	ACCOUNTS	198-968 CAPITAL PROJECTS			220-970 HOUSING		
		2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET	2006-07 AMENDED BUDGET	2007-08 PROPOSED BUDGET	2008-09 PROPOSED BUDGET
	REVENUE						
2-1110	Property Tax Increment	320,100	349,080	379,080	80,030	87,270	94,770
4-1400	Property Tax Penalties	400	450	500	0	0	0
9-9110	Interest on Investment	15,000	25,000	40,000	10,000	12,500	16,500
	Total Revenue	335,500	374,530	419,580	90,030	99,770	111,270
	EXPENDITURES						
	Materials, Supplies & Services:						
2001	Cost Allocation Plan Reimbursement	200	780	810	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	11,000	15,000	16,300	3,000	4,000	5,000
	Total Materials, Supplies & Services	12,700	17,280	18,610	3,000	4,000	5,000
	Contract Services						
1954	Redding Redevelopment Staff	4,610	10,560	10,920	0	0	0
	Total Contract Services	4,610	10,560	10,920	0	0	0
2249	Pass-Through Allocations	50,000	60,000	65,000	0	0	0
	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
	Capital Projects						
4271	Water Line Improvements	89,460	0	0	0	0	0
4279	Lake Blvd Sidewalk Improvements	50,000	0	0	0	0	0
4885	Substantial Rehab/New Development	0	0	0	0	100,000	0
	Total Capital Projects	139,460	0	0	0	100,000	0
	Total Expenditures	206,770	87,840	94,530	3,000	104,000	5,000

Note: Numbers highlighted in blue are revisions to revenue projections.

REDDING AREA BUS AUTHORITY

**REDDING AREA BUS AUTHORITY
2007-08 BUDGET**

ACCOUNTS	2006-07 As Amended	2007-08 Requested	2007-08 + (-)	EXPLANATION
1950 Personnel	250,020	204,620	(45,400)	
2252 Security Contracts	30,000	51,520	21,520	Transportation, RMU, Police, Parking and Finance staff
2257 Landscape Maintenance	25,000	25,000	0	Security services for Downtown Transit Center (DTC)
2274 Vehicle Fuel/Lubricant	584,900	700,000	115,100	Landscape maintenance for DTC/Maintenance Facility
2276 Vehicle Repair/Maintenance	20,000	20,000	0	Fuel prices have increased significantly
2277 Vehicle Tires/Tubes	72,500	72,500	0	Accounts 2276 - 2279 represent general repair for transit vans/coaches; age of fleet is requiring more maintenance
2279 Vehicle Parts/Supplies	230,900	300,000	69,100	Maintenance Facility and DTC utilities
2291 Utility Expense	61,600	61,600	0	
2311 Communication Expense	38,000	38,000	0	Includes lease lines connecting the DTC and Maint Fac
2331 Purchased Transportation	2,614,300	2,827,570	213,270	Contract Operator
2332 Contract Services	11,500	11,500	0	Miscellaneous contracts for pest control, mats, etc.
2443 Printing Outside	21,500	28,000	6,500	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	133,200	47,800	Media advertising--newspaper, radio, and television
2473 Books/Dues/Subscriptions	10,000	10,000	0	Dues for transit organizations, subscriptions, etc.
2475 Insurance Expense	62,000	62,000	0	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	56,460	95,740	39,280	Interdepartmental charges; City allocation general support
2104 Fix Charge - Infor Systems	4,090	3,740	(350)	Based on support needed to run computer equipment
2105 Fix Charge - Print Shop	2,290	1,860	(430)	Provides some of RABA's brochures and informational material
2106 Fix Charge - Fleet Maintenance	0	570	570	Service for one RABA vehicle
2107 Fix Charge - Risk Mgmt	200	0	(200)	Based on usage
2108 Fix Charge - Records Mgmt	1,730	1,630	(100)	Based on usage
2109 Fix Charge - Communications	18,980	19,600	620	Based on number of radios/telephones
2116 Fix Charge - GIS	51,130	58,090	6,960	Based on usage
2130 Administrative Overhead	69,500	48,220	(21,280)	Based on usage
2162 Variable Charge - Mail	1,090	1,090	0	
4047 Overall Work Program	70,000	108,100	38,100	Funded by Shasta Co. MPO; includes travel/training costs, rider-ship analyses, updating web page to include interactive mapping
Total Operating Expenses	4,439,900	4,930,960	491,060	

**REDDING AREA BUS AUTHORITY
2007-08 BUDGET**

ACCOUNTS	2006-07 As Amended	2007-08 Requested	2007-08 + (-)	EXPLANATION
Expenses				
CAPITAL OUTLAY				
4103 Maintenance Fac Improvements	1,485,540	0	(1,485,540)	Adding improvements to Maintenance Facility, i.e., bays, parking
4413 Vans	397,160	280,000	(117,160)	Acquisition of four Demand Response vans
4422 Administration/Office/Other	180,640	35,940	(144,700)	Furniture/graphics, dispatch computers, miscellaneous equipment
4425 Radio Communication Equipment	5,540	0	(5,540)	
4662 Passenger Loading Improvements	216,740	30,000	(186,740)	Bus stop improvements (pullouts, benches, curbs/sidewalk work)
5045 Support Vehicles	30,000		(30,000)	
5095 Bus-Transit	0	319,000	319,000	Acquisition of one coach
5096 ARB Retrofits	120,000		(120,000)	
Total Capital Outlay	2,435,620	664,940	(1,770,680)	
TOTAL EXPENSES	6,875,520	5,595,900	(1,279,620)	

**REDDING AREA BUS AUTHORITY
2008-09 BUDGET**

ACCOUNTS	2007-08 Requested	2008-09 Requested	2008-09 + (-)	EXPLANATION
Expenses				
1950 Personnel	204,620	207,850	3,230	Transportation, RMU, Police, Parking and Finance staff
2252 Security Contracts	51,520	53,970	2,450	Security services for Downtown Transit Center (DTC)
2257 Landscape Maintenance	25,000	25,000	0	Landscape maintenance for DTC
2274 Vehicle Fuel/Lubricant	700,000	770,000	70,000	Fuel prices have increased significantly
2276 Vehicle Repair/Maintenance	20,000	20,000	0	Accounts 2276 - 2279 represent general repair for
2277 Vehicle Tires/Tubes	72,500	72,500	0	transit vans/coaches; age of fleet is
2279 Vehicle Parts/Supplies	300,000	300,000	0	requiring more maintenance
2291 Utility Expense	61,600	61,600	0	Maintenance Facility and DTC utilities
2311 Communication Expense	38,000	38,000	0	Includes lease lines connecting the DTC/Maint Fac
2331 Purchased Transportation	2,827,570	2,912,390	84,820	Contract Operator
2332 Contract Services	11,500	11,500	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	133,200	138,200	5,000	Media advertising--newspaper, radio, and television
2473 Books/Dues/Subscriptions	10,000	10,000	0	Dues for transit organizations, subscriptions, etc.
2475 Insurance Expense	62,000	62,000	0	Errors/omissions for Board and other RABA improvements
2480 Other Allowances	2,000	2,000	0	Maintenance Facility/DTC and other RABA improvements
2599 Building Repair/Maintenance	5,000	5,000	0	Allowance for Board members for monthly meetings
2641 Civic Center Rent	16,110	16,110	0	Miscellaneous building repairs--windows, minor repairs, etc.
City Interdepartmental Charges				RABA allocated share
2001 Cost Allocation Plan	95,740	98,610	2,870	Interdepartmental charges; City allocation general support
2104 Fix Charge - Information Systems	3,740	3,920	180	Based on support needed to run computer equipment
2105 Fix Charge - Print Shop	1,860	1,940	80	Provides some of RABA's brochures and informational material
2106 Fix Charge - Fleet Maintenance	570	560	(10)	Service for one RABA vehicle
2107 Fix Charge - Risk Mgmt	0	0	0	Based on usage
2108 Fix Charge - Records Mgmt.	1,630	1,660	30	Based on usage
2109 Fix Charge - Communications	19,600	19,700	100	Based on number of radios/telephones
2116 Fix Charge - GIS	58,090	59,580	1,490	Based on usage
2130 Administrative Overhead	48,220	51,960	3,740	Based on usage
2162 Variable Charge - Mail	1,090	1,090	0	Based on usage
4047 Overall Work Program	108,100	70,000	(38,100)	Funded by Shasta Co. MPO; includes travel/training costs, ridership analyses, implementing transit plans
Total Operating Expenses	4,930,960	5,066,840	135,880	

**REDDING AREA BUS AUTHORITY
2008-09 BUDGET**

ACCOUNTS	2007-08 Requested	2008-09 Requested	2008-09 + (C)	EXPLANATION
Expenses				
CAPITAL OUTLAY				
4103 Maintenance Facility	0		0	
4413 Vans	280,000	292,000	12,000	Acquisition of four Demand Response vans
4422 Administration/Office/Other	35,940	37,300	1,360	Furniture/graphics, dispatch computers, miscellaneous equipment
4425 Radio Communication Equipment	0		0	
4662 Passenger Loading Improvements	30,000	31,000	1,000	Bus stop improvements (pullouts, benches, curb/sidewalk work)
5045 Support Vehicles	0		0	
5095 Bus-Transit	319,000	658,000	339,000	Acquisition of two coaches
5096 ARB Retrofits	0		0	
Total Capital Outlay	664,940	1,018,300	353,360	
TOTAL EXPENSES	5,595,900	6,085,140	489,240	

**REDDING AREA BUS AUTHORITY
2007-08 BUDGET
REVENUES**

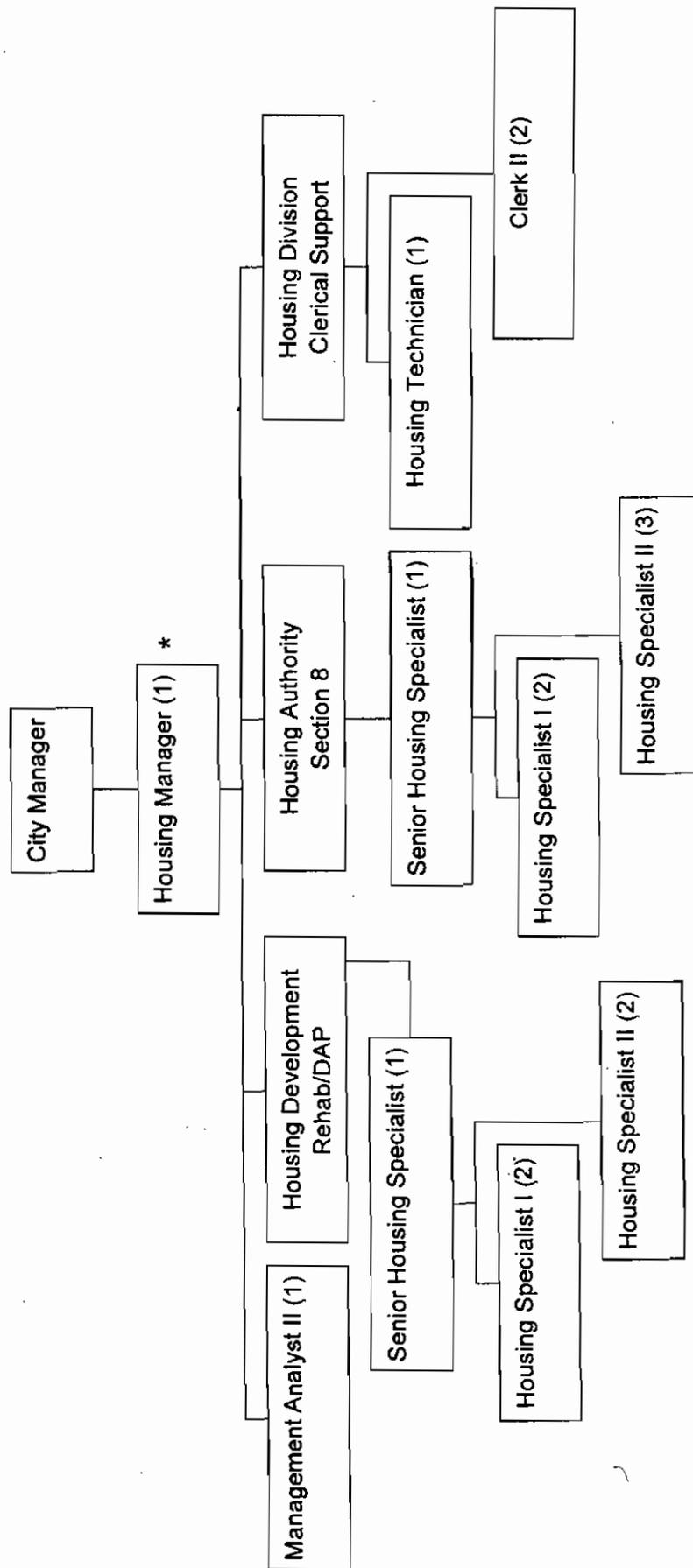
ACCOUNTS	2006-07		2007-08		EXPLANATION
	As Amended	Requested	Requested	+ (-)	
Passenger Fares	819,650	739,000	(80,650)		Based on actual revenues
Other Transit Revenue	10,400	28,000	17,600		Back of bus advertising
Non-transit Revenue	14,500	38,000	23,500		Interest income and miscellaneous revenues
Shasta County	82,300	85,000	2,700		Operating the Burney Express
Shasta Co. RTPA Overall Work Program	62,300	96,000	33,700		Federal planning funds to be used for operations
Operating					
TDA	2,700,750	3,944,900	1,244,150		Funds for operations; includes funds from the cities of Anderson, Redding, and Shasta Lake and portions of Shasta County
Federal	750,000	0	(750,000)		Federal funds to be used for operations
Capital TDA	1,934,100	135,000	(1,799,100)		Local 20% match for Federal and TDA funded capital acquisitions
Federal	501,520	530,000	28,480		Funds for capital acquisitions for computers, passenger loading improvements, and miscellaneous equipment
Total Revenues	6,875,520	5,595,900	(1,279,620)		

**REDDING AREA BUS AUTHORITY
2008-09 BUDGET
REVENUES**

ACCOUNTS	2007-08	2008-09	EXPLANATION
	As Requested	Requested + (-)	
Passenger Fares	739,000	790,000	Based on actual revenues
Other Transit Revenue	28,000	30,000	Back of bus advertising
Non-transit Revenue	38,000	43,000	Interest income and miscellaneous revenues
Shasta County	85,000	90,000	Operating the Burney Express
Shasta County RTPA			
Overall Work Program	96,000	62,000	Federal planning funds to be used for operations
Operating			
TDA	3,944,900	3,855,140	Funds for operations; includes funds from the cities of Anderson, Redding, and Shasta Lake and the County of Shasta
Federal	0	200,000	Federal funds to be used for operations
Capital			
TDA	135,000	200,000	Local 20% match for Federal and TDA funded capital acquisitions
Federal	530,000	815,000	Funds for capital acquisitions for computers, passenger loading improvements, Maintenance Facility Improvements, and Radio Communications (antennae)
Total Revenues	5,595,900	6,085,140	489,240

REDDING HOUSING AUTHORITY

Housing Division of the City of Redding Organizational Chart



*All of the personnel from the Housing Manager down reside in Division 990 and charge their time to Divisions 993, 994, 996, and 930.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009
HOUSING AUTHORITY OF THE CITY OF REDDING (RHA)
(Division 930)

Overview

The Housing Authority of the City of Redding (RHA) provides housing assistance through the Housing Choice Voucher Program to those individuals and families in Redding who are unable to pay prevailing rents for safe and decent housing without sacrificing other basic physical and social needs. This program is subsidized by the United States Department of Housing and Urban Development (HUD). The funds are deposited monthly directly into the RHA bank account based on a budget developed by HUD.

Housing Authority revenue from HUD consists of two types: administrative fees and housing assistance payments (HAP). Administrative revenue projected for 2007-08 is \$795,831. Total administrative expenditures are expected to total \$816,410 and are in excess of revenues by 2.6 percent. Housing Authority reserves and additional revenue sources (i.e., reimbursements and investment income) are being used to offset this shortfall. The revenue for the Section 8 Housing Choice Voucher program is determined by HUD. HAP revenue for rental assistance payments to landlords is expected to total \$5,886,307.

The total Housing Authority budget for 2007-08 totals \$6,774,300 a decrease of \$203,650 (2.9 percent) under the FY 2006-07 amended budget. The total Housing Authority budget for 2008-09 totals \$6,788,350, an increase of \$14,350 over the FY 2007-08 adopted budget.

The continuance of preserving an adequate reserve fund for the Housing Authority remains a critical issue. When costs continue to escalate and the revenue stream decreases and, at this point, is uncertain after March 2007, the Housing Authority must maintain a reserve account to meet expected and unexpected expenditures.

Division	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended *	FY 2007-08 Adopted	Change	FY 2008-09 Adopted	Change
RHA	\$7,140,851	\$6,845,820	\$6,977,860	\$6,774,300	\$(203,560)	\$6,788,650	\$14,350

*excluding carryover amounts

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

Division		Personnel	Operating Materials	Interdepart- mental Charges	Capital Outlay	Total
RHA	FY 2007-08 Adopted	\$611,040	\$47,320	\$158,050	\$5,957,890	\$6,774,300
	FY 2008-09 Adopted	\$643,030	\$41,980	\$160,750	\$5,942,890	\$6,788,650
	FY 2006-07 Amended Excluding Carryovers	\$690,770	\$50,160	\$150,080	\$6,086,850	\$6,977,860
	FY 2005-06 Actual	\$659,763	\$345,762	\$147,717	\$5,987,609	\$7,140,851

Capital Outlay

Capital expenditures for fiscal years 2007-2009 include expenditures for Housing Assistance Payments (HAP) to landlords/owners on Section 8 Housing Choice Voucher participants and salary of the Family Self-Sufficiency Coordinator. In FY 2007-2008, Capital Outlay also includes funds set aside for the purchase of a replacement vehicle.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Personnel

Currently, the Division (the combination of the 930, 993, 994, and 996 Divisions) anticipates no new personnel during the 2007-08 and 2008-09 budget years. In fact, during the past two years, the Division had two employees leave. At this time, these two positions are not being replaced (one in the 930 Division and one in the 993 Division).

Division	F/T P/T	FY 2005-06 Actual	FY 2006-07 Adopted	FY 2006-07 Amended	FY 2007-08 Adopted	Change	FY 2008-09 Adopted	Change
Community Development	F/T	18.00	18.00	18.00	16.00	0.00	16.00	0.00
	P/T	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Significant Issues

None.

Status of 2005-2007 Goals and Objectives

Goal

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 the Section 8 Housing Choice Voucher rental assistance program, the Section 8 Family Self-Sufficiency Program, loan servicing, program monitoring, and rental/owner-occupied activities; (2) The bulk of statistical management continues to be maintained by the Management Analyst and clerical staff; (3) Continuing education and training has improved staff knowledge and performance in data entry capability, and neighborhood new development projects and tracking; and (4) team field inspections utilizing the new HAPPY software system has been implemented and has increased our efficiency.

Goal

Anticipate and prepare for changes in HUD rental assistance programs.

Accomplishments

During the past two years, the RHA has responded successfully to budget changes mandated by HUD. Those changes altered the revenue sources (Housing Assistance Payments to landlords/owners and Administrative Fees) of the RHA. The RHA has modified its processes to accommodate the reduction of resources. The RHA has maintained its performance rating of High by scoring 99 percent, last year, on its yearly assessment by HUD's Section 8 Management Assessment Program.

Goals and Objectives for Fiscal Years Ending June 30, 2008 and 2009

Goals

- To administer the Section 8 Housing Choice Voucher Program in a manner consistent with HUD's mandates.
- To develop and implement strategies to provide rental assistance benefits to qualifying low- and moderate-income households.

CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

Objectives

1. Broaden and diversify staff capabilities through cross-training, education, and other mechanisms designed to improve staff abilities to recognize opportunities and needs that facilitate affordable housing and economic opportunities for persons of very low, low, and moderate incomes.
2. Anticipate and prepare for changes in HUD's rental assistance program.

2007-2009 PERFORMANCE MEASURES

1. 100 percent of waiting list admissions will be consistent with selection criteria and order of admission policies.
2. 100 percent of all rent determinations will be both consistent with written policy and will be reasonable based on current rents for comparable units.
3. At least 98 percent of all family income and deductions files will include current written verifications, correct calculation of deductions, and use an appropriate utility allowance.
4. Housing Quality Standards (HQS) re-inspections for quality control purposes will be conducted on a number of units as described by HUD to meet its minimum sampling. The number of inspections to be completed will be approximately 25 per year.
5. 100 percent of all failed inspections will result in correction of deficiencies cited or termination of rental assistance within eight weeks.
6. 100 percent of new voucher leases will have a voucher payment standard which will be consistent with the currently adopted payment standard that is between 100 and 110 percent of the most recently published Fair Market Rents. When applicable, the approved exception payment standard will be utilized.
7. 100 percent of all assisted families will be reexamined.
8. The Housing Authority will maximize its budget authority as issued by HUD. Due to budgetary changes from HUD, the Housing Authority can no longer project a utilization rate. Expenditures based on actual costs will be monitored monthly to maximize the use of available funds.
9. At least 95 percent of the maximum number of FSS families possible for enrollment will be enrolled.

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CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2008 AND 2009

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