City of Redding Biennial Budget

Fiscal Years Ending June 30, 2012 & 2013

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To ***access*** the Main, General Government and Appendix TOC pages or the Index, press the same keys (**Shift + Ctrl + N**) and type in the following page:

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

DISTINGUISHED BUDGET AWARD

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished
Budget Presentation
Award

PRESENTED TO

City of Redding

California

For the Biennium Beginning

July 1, 2009

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, 2009. 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 City will not be submitting it current budget to the GFOA.

Resolution No. 2011 - 111

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDDING APPROVING AND ADOPTING THE BIENNIAL BUDGET FOR FISCAL YEARS ENDING JUNE 30, 2012 AND 2013

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 Department; 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 considered the Proposed Budget to serve the residents of the City of Redding; and

WHEREAS, the Proposed Budget reflects previously approved legislative direction of the present and former City Councils to employ cost accounting formulas and methodologies carried forward from budget to budget including, but not limited to: a cost allocation plan apportioning the cost of shared resources among the various departments which benefit from those resources, internal service funds and enterprise funds, and a payment-in-lieu of property tax (PILOT) from the Redding Electric Utility (REU) to the General Fund; and

WHEREAS, the City Council first adopted the PILOT upon approving the budget for fiscal year 1988-89. Before doing so, the City surveyed 34 cities with public power utilities regarding their use of in-lieu payments or operating transfers (a transfer from a utility fund to a general fund in an amount determined without reference to the value of utility assets) and found that half used one or the other method; and

WHEREAS, the City Council has approved continuation of the PILOT in every budget since 1988-89. Upon adoption of the FY 1992-1993 budget, the City Council amended the PILOT to include the value of capital improvement projects undertaken during the budget year in the asset base to which the 1% payment in lieu of tax is applied. Upon adoption of the FY 2002-2003 budget, the City Council further revised the PILOT to adjust the value of assets for inflation in the calculation of the PILOT. Upon adoption of a two-year budget in June 2005, the City Council amended the PILOT into its current form by including the value of joint-venture assets in which REU has a share in the asset base to which the 1% payment in lieu of tax is applied. The City's practice is to estimate the value of its assets over the life of a two-year budget and to calculate the PILOT based on that estimate and to correct any variance between the PILOT calculated for the last two-year budget and the actual asset value experienced in that time. Estimates are necessary because the PILOT formula:

(i) includes capital projects to be completed in the two future years covered by a budget and (ii) uses an estimate of inflation during that time. The City Council has included the PILOT pursuant to this formula in each budget since June 2005, most recently on June 11, 2009, with respect to the current-two-year budget, which appropriates funds for City police, fire and other services for the 2009-10 and 2010-11 fiscal years; and

WHEREAS, in light of the adoption of Proposition 26 on November 2, 2010, which precludes certain new fees, levies or charges but is not retroactive as to local governments, the City Council desires to maintain the existing PILOT utilizing the current accounting formula and methodology as last modified in 2005. Attachment A to this Resolution reflects the electric in-lieu computation worksheet incorporated into the Proposed Budget and is hereby incorporated by reference into this Resolution. The City Council understands that Proposition 26 does not vitiate legislation adopted prior to November 3, 2010, such as the PILOT.

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, 2012 and 2013, at this time.

3. That the budget appropriations referred to hereinabove are set forth in the Proposed Budget for fiscal years ending June 30, 2012 and 2013, and that said budget appropriations are hereby approved as the Biennial Budget for the City of Redding for the fiscal years ending June 30, 2012 and 2013.

4. That should any section, subsection, clause, or provision of this Resolution or the Biennial Budget it adopts for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Resolution and the Biennial Budget; it being hereby expressly declared that this Resolution and the Biennial Budget, and each section, subsection, sentence, clause, and phrase hereof would have been adopted irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

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 22nd day of June, 2011, and was duly adopted at said meeting by the following vote:

AYES:	**COUNCIL MEMBERS:**	**Bosetti, Dickerson, Sullivan, and McArthur**
NOES:	**COUNCIL MEMBERS:**	**Jones**
ABSENT:	**COUNCIL MEMBERS:**	**None**
ABSTAIN:	**COUNCIL MEMBERS:**	**None**

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

JUN 30 2011

PAMELA MIZE
CITY CLERK OF THE CITY COUNCIL
OF THE CITY OF REDDING, COUNTY OF SHASTA,
STATE OF CALIFORNIA
BY D. Duncan

MISSY McARTHUR, Mayor

ATTEST:

PAMELA MIZE, City Clerk

FORM APPROVAL:

FOR RICHARD A. DUVERNAY, City Attorney
BARRY E. DeWALT

Attachment A

City of Redding
Electric In-Lieu Computation
For FYE 20012 and 2013

Ln	Description	Total	FYE 2010	FYE 2009	FYE 2008	FYE 2007	FYE 2006	FYE 2005	FYE 2004	FYE 2003	FYE 2002	FYE 2001	FYE 2000	Pre 2000
1	Appreciating	$367,821,936	$ 27,456,300	$ 27,968,320	$23,950,670	$ 8,197,222	$ 6,528,374	$ 17,568,266	$ 8,454,982	$ 5,284,866	$ 46,294,194	$ 3,990,281	$ 4,743,087	$ 187,385,374
2	Vehicle, Equip. Furn.	8,600,550	33,488	661,592	1,091,764	578,116	359,807	788,055	595,730	988,535	570,997	1,585,796	280,502	1,066,168
3	Subtotal	376,422,486	27,489,788	28,629,912	25,042,434	8,775,338	6,888,181	18,356,321	9,050,712	6,273,401	46,865,191	5,576,077	5,023,589	188,451,542
4	Vehicle etc Accum. Dep.	6,191,227	1,374	63,618	207,600	209,329	259,538	567,878	536,209	948,235	485,202	1,564,648	280,502	1,065,894
5	NBV of Vehicle etc.(Line 2- 4)	2,409,323	32,114	597,974	883,964	368,787	100,269	220,177	59,521	39,300	85,795	21,148	0	274
6	Tank COTP		42,807,335											
7	SOT		637,748											
8	MSR		54,580,050											
9	Total		125,481,433											
10	In-Lieu Computation													
11	2% Increase factor		1.0200	1.0404	1.0612	1.0824	1.1041	1.1262	1.1487	1.1717	1.1951	1.2190	1.2434	1.2682
12	Base Vehicles Equip. etc (Line 5) (NBV no 2% adjustment)	2,409,323	32,114	597,974	883,964	368,787	100,269	220,177	59,521	39,300	85,795	21,148	0	274
13	Joint Powers base (Historical costs only) (Line 9)	125,481,433	125,481,433	0	0	0	0	0	0	0	0	0	0	0
14	Appreciating assets (Line 1 X Line 23, except "Total Column")	438,027,371	28,005,426	29,098,240	25,416,643	8,872,937	7,207,852	19,784,721	9,712,117	6,192,063	55,325,847	4,864,130	5,897,433	237,649,963
15	Add accounts payable not in download	2,224,791	2,224,791											
16	Total Base	568,142,918	155,743,764	29,696,214	26,300,607	9,241,724	7,308,121	20,004,898	9,771,638	6,231,363	55,411,642	4,885,278	5,897,433	237,650,237
17	In-lieu for FYE 2011 (Line 16 X 1%)	5,681,429	$ 280,054	$ 290,962	$ 254,166	$ 88,729	$ 72,079	$ 197,847	$ 97,121	$ 61,921	$ 553,258	$ 48,641	$ 58,974	$ 2,376,500
18	Actual charge for 2011	5,968,000												
19	FYE 2011 Adjustment	(286,571)												
20	Estimated 2012 Amount (Line 17 X 1.03 - 3% increase)	5,851,872												
21	Adjustment (Line 19)	(286,571)												
22	Total PILOT 2012	$ 5,565,301												
23	Rounded	$ 5,565,300												
24	Estimated 2013 Amount (Line 22 X 1.03 - 3% increase)	$ 6,027,428												
25	Rounded	$ 6,027,400												

Div. 888 and 889 are excluded from above calculations

MUNICIPAL OFFICIALS

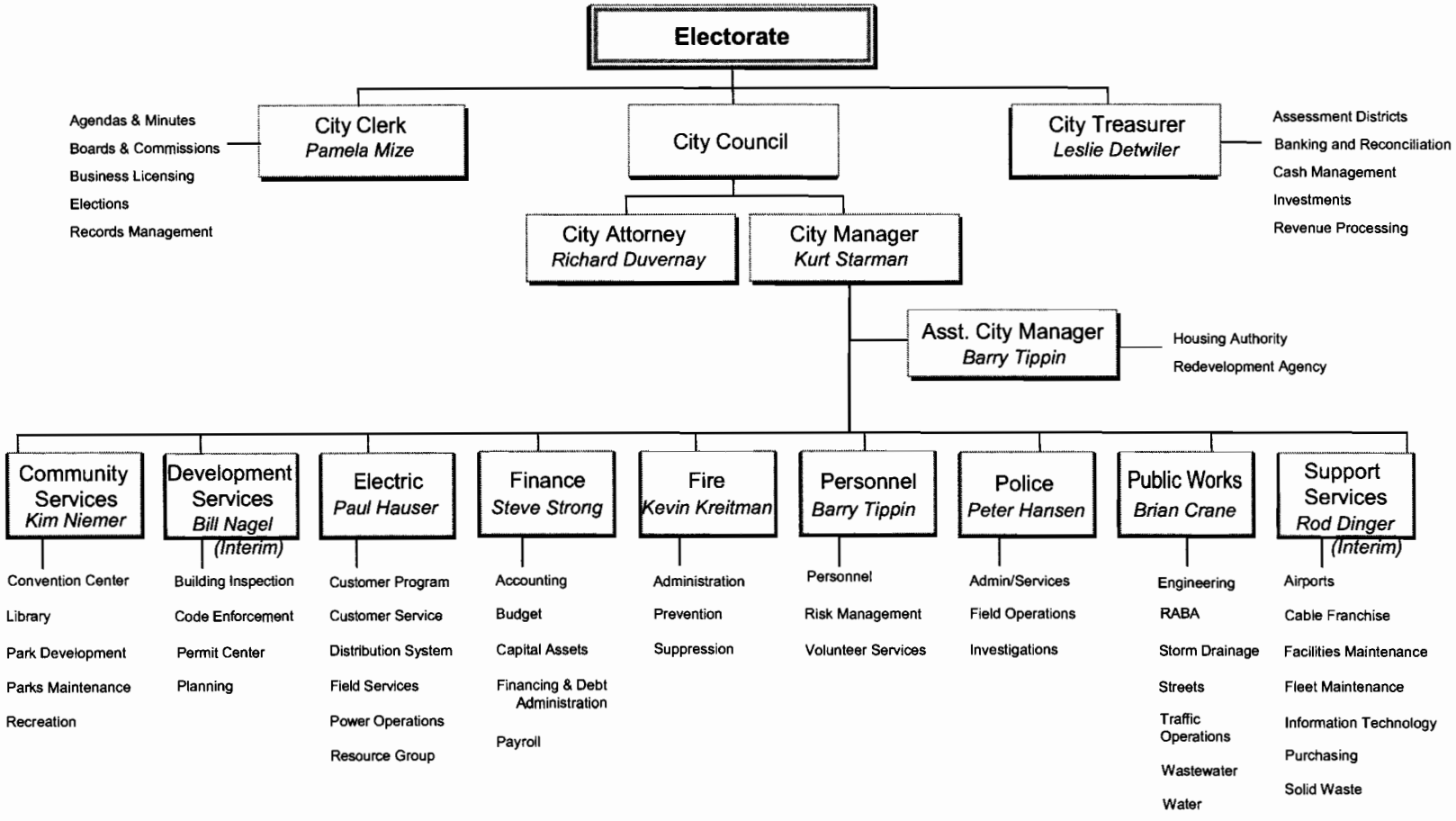
City Council

Mayor ..... Missy McArthur
Vice Mayor ..... Dick Dickerson
Council Member ..... Rick Bosetti
Council Member ..... Patrick H. Jones
Council Member ..... Francie Sullivan

Administrative Personnel

City Manager ..... Kurt Starman
Assistant City Manager ..... Barry Tippin
City Attorney ..... Richard Duvernay
City Clerk ..... Pamela Mize
City Treasurer ..... Leslie Detwiler
Director of Community Services ..... Kim Niemer
Interim Director of Development Services ..... Bill Nagel
Director of Electric ..... Paul Hauser
Director of Finance ..... Steve Strong
Director of Personnel ..... Barry Tippin
Director of Public Works ..... Brian Crane
Interim Director of Support Services ..... Rod Dinger
Fire Chief ..... Kevin Kreitman
Police Chief ..... Peter Hansen

City of Redding Organization Chart



Effective 7/01/2011

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, 2011 and end on June 30, 2013.

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 Department 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 departments. Other City divisions will review applicable requests and prepare recommendations

Preliminary Hearings

Starting in March, the Finance Department 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, Assistant City Manager and others assigned by the City Manger. In the past citizens have been used on the City Manager's Budget Committee, however there were none appointed for the current budget cycle. The preliminary recommendations of the Finance Department (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 other members 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 a date for workshop(s). 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 Department 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 and debt service payments as expenditures.
7. Encumbered amounts are recorded as the equivalent of expenditures in the budget as opposed to a reservation of fund balance under GAAP.

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 Department 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 percent cash reserve will be presented to Council for their approval.

All funds should maintain a 5 percent of annual expenditures reserve, except internal service funds which should maintain a 1 percent 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 allocations are made to Streets and Public Works in the General Fund and to all non General Fund divisions; however, costs allocation to internal service funds are allocated on to user divisions.

In addition to its cost allocation plan the City charges a payment in lieu of taxes (PILOT) to the Electric Utility and Airport funds. In addition, when the Convention Center Fund is fully operational the City will charge a PILOT to the Convention Center Fund. The PILOT is similar to property tax charges and is based on 1 percent of the estimated value of a funds capital and joint venture assets. Estimated value for most assets is determined based on historical cost increased by 2 percent a year for a twelve year period. For equipment, furniture and vehicles, the depreciated historical cost is used as estimated value.

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 four largest source of revenue are sales tax, property tax, fixed reimbursements (cost allocation) and in-lieu property tax. These four sources make up over 70 percent 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.

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.

BUDGET DEVELOPMENT CALENDAR
FOR
BIENNIAL BUDGET 2011-13

DUE DATE	ACTION
1/26/11 to 2/11/11	All departments prepare and submit preliminary budget requests for building maintenance projects for two years.
01/31/11	Budget reports will be distributed.
2/15/11	Budget kickoff meeting held in Council Chambers 2:00 pm.
3/03/11	Council priority workshop will be held.
1/24/11 to 2/23/11	Internal Service Funds -- prepare allocations and return to Finance. Due by February 23, 2011
1/24/11 to 3/04/11	Departments prepare and enter budget information for Biennial Budget 2011-13 based on "status quo" budget or as directed in separate budget memo. Prepare issue papers for items not in "status quo" budget. Final date to enter information is March 4, 2011.
3/04/11 to 3/11/11	Departments' issue papers are due by March 4, 2011. Departments prepare department overview, which include goals and objectives and performance measures. Due by March 11, 2011. Also, prepare organizational chart for department.
3/07/11 to 3/25/11	Finance Department reviews budget and develops preliminary recommendations.
3/07/11 to 3/25/11	Departments answer Finance questions regarding budget and, if requested, prepare additional issue papers.
3/28/11 to 4/07/11	Departments discuss budget and department overviews with Finance.
4/18/11 to 5/06/11	City Manager reviews budget and makes preliminary decisions.
5/9/11	City Manager makes final budget decisions.
5/09/11 to 6/3/11	Finance Department prepares Proposed Budget for City Manager.
June 2011	City Manager presents Proposed Budget to City Council; City Council establishes date(s) for budget workshop(s).
June 2011	City Council reviews Proposed Budget and amends it as necessary. Budget is adopted.
7/29/11	Finance Department 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

CITY OF REDDING

INTERNAL COMMUNICATION

DATE: June 8, 2011
B-130-070

TO: Honorable Mayor and Council Members

FROM: Kurt Starman, City Manager

SUBJECT: Biennial Budget for Fiscal Year 2011-12 and Fiscal Year 2012-13

The severe recession has had a significant impact on most cities and counties in California. The City of Redding has had to make a number of difficult decisions since 2008 in order to reduce its budget to reflect the current economy.

General Fund revenue, in particular, decreased precipitously due to the recession. For example, Sales Tax revenue, which is the City's largest source of General Fund revenue, decreased from $23.3 million in Fiscal Year 2005-06 to $17.8 million in Fiscal Year 2009-10. That represents a 23.6 percent decrease over a very short period of time. Other revenue – such as building-related fees – also decreased rapidly during that same time frame. Consequently, the City had to reduce its expenses by a like amount in order to maintain a balanced budget. That resulted in the elimination of 106 full-time positions and 20 full-time equivalent part-time positions. Some of these reductions were accomplished via attrition. Regrettably, the City had to lay off many employees, too.

Good News....

The good news is that General Fund revenue has now stabilized to some extent. The unemployment rate is still extremely high in Shasta County and the local economy is still extremely weak and fragile. Nevertheless, the City of Redding has seen some positive (but mixed) signs over the past 12 months. Sales Tax revenue, for example, has stabilized and demonstrated some modest signs of improvement. Transient Occupancy Tax revenue has also demonstrated some modest signs of improvement over the past few months. On the other hand, there is still downward pressure on some other revenue sources, such as Property Tax revenue and building-related fees. We are certainly not "out of the woods" yet.

Bad News....

For all intents and purposes, General Fund revenue is flat. That is not great news, but it is far better than the dramatic decreases that the City has experienced since 2008. Unfortunately, some of the City's expenses are increasing very rapidly. There are two topics, in particular, that account for the majority of this increase – the cost associated with retirement benefits and group health insurance. The cost associated with retirement benefits, for example, will increase by approximately $2.9 million in Fiscal Year 2011-12, due in large part to investment portfolio losses experienced by the California Public Employees' Retirement System in 2008 and 2009. The cost associated with group health insurance recently increased by approximately $1.6 million per year. To compound matters, it is anticipated that the cost associated with retirement benefits and group health insurance will continue to increase rapidly for several more years.

The Problem....

As noted above, General Fund revenue is essentially flat. On the other hand, some expenses are increasing rapidly. That, in turn, creates a significant financial challenge for the City of Redding. The cost increases referenced above are impacting every City fund and every City department (including the City's utilities). The problem is most pronounced, however, in the General Fund. If the City does not take corrective action, the General Fund reserve will be depleted within one year. Therefore, the City must reduce General Fund expenses by approximately $3 million on an ongoing basis in order to maintain a prudent reserve.

It is extremely difficult to reduce the General Fund budget by an additional $3 million. As noted above, the City has already implemented a number of difficult and painful budget reductions. Those reductions include the temporary closure of Fire Station No. 2 and the elimination of 21 full-time Police Officer positions.

In my opinion, it would not be prudent to eliminate additional Police Officer positions or Firefighter positions at this time. It is important to note, however, that the Police Department budget and the Fire Department budget account for approximately 65 percent of General Fund expenses. If the City cannot make significant reductions in these two budgets, it will be far more difficult to identify the savings that will be needed.

The Solution....

At its regular meeting on April 19, 2011, the City Council discussed and approved, in concept, a comprehensive strategy to balance the Biennial Budget for Fiscal Year 2011-12 and Fiscal Year 2012-13. The comprehensive strategy included four elements, as follows:

Periodic Closure of City Hall and Other City Facilities

The City Council agreed, in concept, to close City Hall and some other City facilities a minimum of 26 times per year (essentially every other Friday). The City has subsequently negotiated a concession with the Service Employees International Union (SEIU) that will enable the City to implement this plan on or about July 1, 2011. Many of the City's unrepresented employees will also participate in this unpaid furlough program. It is anticipated that this action will save the General Fund approximately $900,000 per year.

I would like to take this opportunity to thank the SEIU and our employees for working with the City of Redding on this issue in a cooperative and collaborative manner.

Temporary Closure of Convention Center

The Convention Center is heavily subsidized by Transient Occupancy Tax revenue and other General Fund revenue. This subsidy currently totals approximately $1.4 million per year. Notwithstanding the City's best efforts to rectify this situation over several years, the problem is becoming worse each year. It is anticipated that the subsidy will continue to increase.

This, in turn, will place a greater demand on the General Fund. The Convention Center is an important community amenity. Nevertheless, it is difficult to justify a $1.4 million subsidy for an amenity when the City is being forced to make significant reductions to core services. The City has been forced, for example, to close Fire Station No. 2 and eliminate 25 percent of the positions in the Police Department.

Per the City Council's discussion last April, the proposed Biennial Budget assumes that the City will temporarily close the Convention Center in January 2012. The Convention Center fund will also temporarily suspend the payment of debt service to the City's Risk Management fund until the facility is re-opened. It is anticipated that

this action will "free up" approximately $650,000 of Transient Occupancy Tax revenue that can be used to balance the General Fund budget. It will also avoid the need to advance an additional $350,000 out of the General Fund reserve each year to cover the Convention Center's systemic budget deficit. Regrettably, the temporary closure of the Convention Center will mean the elimination of more than 20 full- and part-time positions.

Measure A

The voters approved Measure A in November 2010. The intent of Measure A is to require all City employees to eventually pay the "member contribution" to the California Public Employees' Retirement System (i.e., nine percent of pay for public safety members and seven percent of pay for miscellaneous members). Measure A will be implemented over time as the City negotiates new labor agreements with its various bargaining units. As a point of reference, if all of the City's employees agreed to pay the "member contribution" immediately, it would save the City approximately $4.2 million per year.

The City is currently negotiating new labor agreements with two bargaining units – the Redding Peace Officers Association and the International Brotherhood of Electrical Workers - Electric Unit. It is anticipated that the new labor agreements will generate savings for the General Fund and the Electric Fund. It is too early, however, to calculate those savings today. The proposed Biennial Budget assumes that the General Fund will be able to capture a minimum of $200,000 of savings in Fiscal Year 2011-12 and a minimum of $400,000 of savings in Fiscal Year 2012-13. It is important to note, however, that these figures are just assumptions at this time for planning purposes. The actual savings may be more or less than these amounts depending on the outcome of the meet and confer process.

Other Budget Reductions

The General Fund savings identified above are significant, but they are not sufficient to fully close the entire $3 million gap. Therefore, the proposed Biennial Budget includes reductions in other General Fund departments to close the remaining gap. I am pleased to report, however, that these additional reductions do not result in the need for any additional layoffs at this time. The most significant adjustment includes utilizing some of the remaining General Fund proceeds from the Stillwater Business Park bond issuance to pay the General Fund's share of the debt service on those bonds in Fiscal Year 2011-12 and Fiscal Year 2012-13. This action will save the General Fund approximately $675,000 per year over the next two years.

Storm Clouds on the Horizon....

The good news is that the four items listed above will enable the City to re-balance the General Fund and maintain a five-percent reserve. The bad news is that there are other items that may still have a negative impact on the General Fund in the near future:

Vehicle License Fee Revenue

The Redding Police Department (and other law enforcement agencies) receives a small portion of the Vehicle License Fee (VLF) revenue that the State of California collects each year. These funds are used to offset the cost of "booking fees" and to fund the Citizens' Option for Public Safety (COPS) grant program. The Governor's proposed budget currently contemplates funding both of these initiatives again in Fiscal Year 2011-12. That may change, however, if other aspects of the Governor's proposed budget are not implemented (such as the Governor's proposal to ask the voters of California to extend some taxes).

If the VLF funds are not included in the final State budget for Fiscal Year 2011-12, the Redding Police Department will lose approximately $500,000 in revenue. In order to be conservative, the Police Chief and I have developed a

contingency plan to address this potential problem. Regrettably, that plan would include the elimination of three Police Officer positions via attrition by the end of calendar year 2011.

Redevelopment

The Governor's proposed budget includes the elimination of all of the redevelopment agencies in California on July 1, 2011. That proposal failed in the Assembly earlier this year, but it is still possible that the Governor's proposal may pass. If the Governor's proposal is implemented, it will impact the Redding Redevelopment Agency (RRA) and the City's General Fund. The RRA would need to eliminate 4.5 full-time equivalent positions. In addition, the RRA would no longer be able to reimburse the City for support services.

Proposition 26

Most of the city-owned electric utilities in California make periodic payments to their city's General Fund. This is a common practice. In the case of the City of Redding, the Redding Electric Utility (REU) makes a "payment in-lieu of taxes" to the General Fund each year that is equal to one percent of the utility's total assets. For all intents and purposes, that payment is intended to reflect the property taxes that a private company would be required to pay each year. The City has followed this practice for well over 20 years.

In November 2010, the voters of California approved Proposition 26, which pertains to how the State of California and local jurisdictions can implement and collect certain fees. The City does not believe that Proposition 26 impacts the payment in-lieu of taxes described above because that payment has been in place for many years and there is nothing in the express language of the measure or the ballot material to indicate it was intended to apply retroactively. In fact, the arguments in the measure to the voters suggested it would not affect previously approved legislative enactments.

With that said, however, a small group of REU customers disagrees with the City's interpretation of the grandfathered status of the payment in-lieu of taxes. That group has sued the City in an effort to terminate the payment in-lieu of taxes from the REU to the General Fund. If, for argument's sake, the plaintiffs prevail in this litigation, the General Fund would lose approximately $5.5 million in revenue from the REU in Fiscal Year 2011-12 (and every year thereafter). That, of course, would require draconian reductions to City services. If those reductions were allocated to each General Fund department on a pro rata basis, each department's budget would have to be reduced as follows:

Department	Pro Rata Reduction
Police	$2,390,922
Fire	$1,687,150
Public Works	$17,588
Development Services	$350,356
Community Services	$432,090
General Government	$444,560
Non-Departmental	$177,333
Total	$5,500,000

Economy

As noted above, the severe recession has had a significant impact on the City's budget since 2008. With that said, however, there have been some recent signs of improvement. The proposed Biennial Budget assumes that California and Shasta County are at the bottom of the business cycle. The proposed Biennial Budget also assumes that the economy will continue to modestly improve over the next two years.

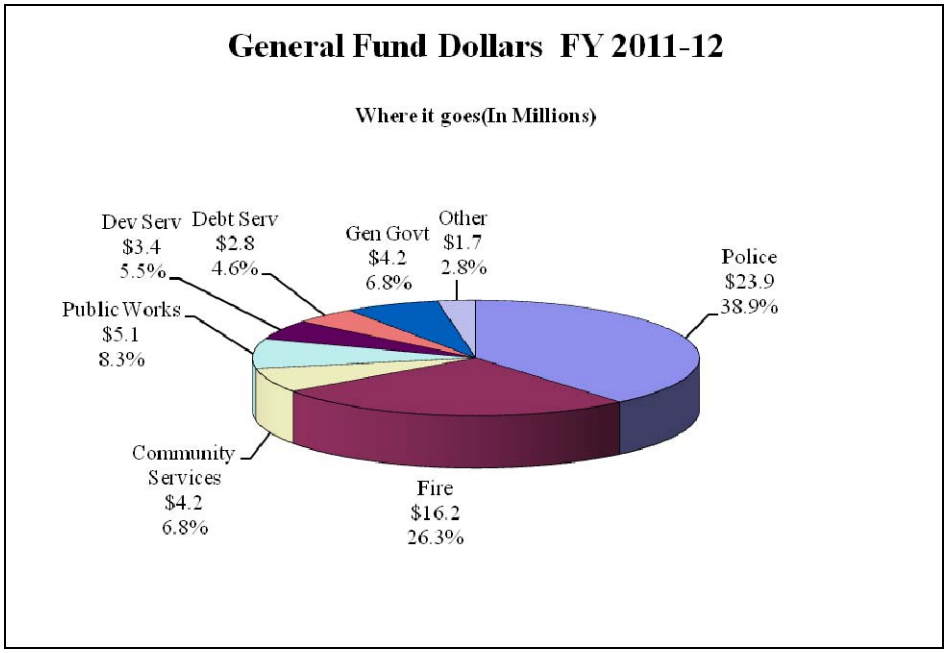
The assumptions described above are consistent with the assumptions that the State of California is utilizing to develop its budget. These assumptions are also consistent with what most economists predict will happen. Nevertheless, it is possible that the local economy may continue to languish (or get worse). For that reason, the City will need to remain vigilant and continue to periodically adjust its budget to reflect the current economic environment.

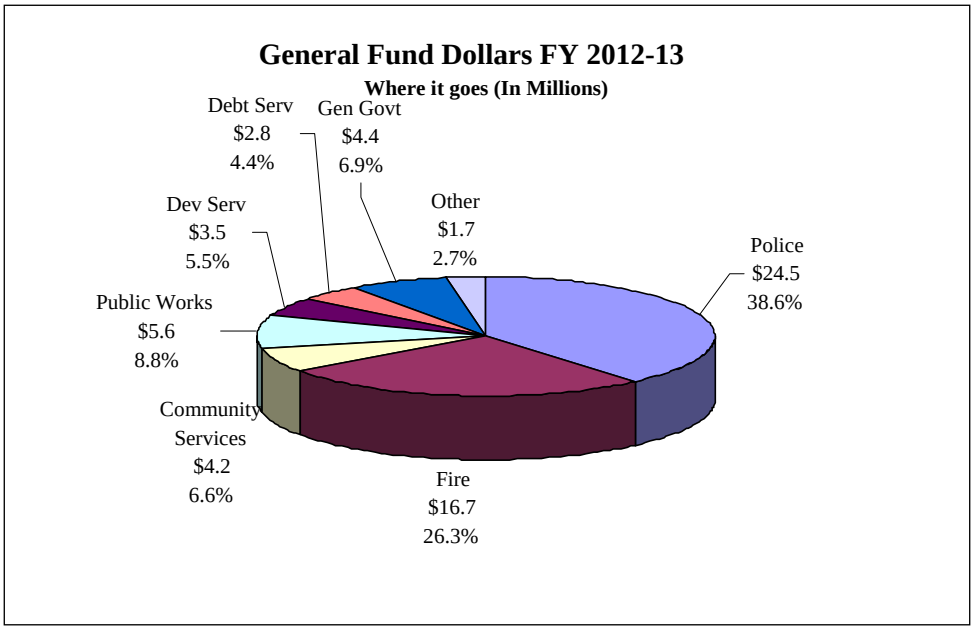
Budget Overview

The budget for Fiscal Year 2011-12 totals $308,899,314, which represents a decrease of approximately 31.5 percent when compared to the amended budget for Fiscal Year 2010-11. The budget for Fiscal Year 2012-13 totals $293,445,980, which represents a decrease of approximately 5.0 percent when compared to the proposed budget for Fiscal Year 2011-12.

General Fund

The General Fund budget for Fiscal Year 2011-12 totals $61,441,180, which represents a decrease of approximately 13.7 percent when compared to the amended General Fund budget for Fiscal Year 2010-11. The General Fund budget for Fiscal Year 2012-13 totals $63,355,060, which represents an increase of approximately 6.4 percent when compared to the proposed General Fund budget for Fiscal Year 2011-12. As the figures below indicate, approximately 65 percent of the General Fund is utilized to fund public safety services (i.e., the Redding Fire Department and the Redding Police Department).





Enterprise Funds

The City of Redding owns and operates several 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 2011-12 includes approximately $247,957,344 to operate the departments and divisions referenced above. The budget for Fiscal Year 2012-13 totals approximately $233,240,645. The majority of these projected expenditures are associated with the Electric Utility.

Enterprise Funds		
Fund	FY 2011-12	FY 2012-13
Electric	$152,001,980	$147,537,440
Solid Waste	17,497,620	18,296,320
Storm Drainage	2,079,430	1,714,150
Water	22,193,812	21,270,672
Wastewater	39,054,742	39,058,863
Airport	13,419,070	4,267,110
Convention Center	1,710,690	1,096,090
Total	$247,957,344	$233,240,645

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 highlighted in the Budget Summary section of this document. 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

The City of Redding has developed long-range Financial Plans for the General Fund and for each of the City's Enterprise Funds. These long-range Financial Plans typically cover a five- or ten-year planning period. These plans 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 and counties, the City of Redding does not focus its efforts exclusively on developing a balanced budget for a one- or two-year period of time. 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 it is essential in order to avoid unanticipated financial problems in the future.

As noted above, the severe recession has had a significant impact on many of the City's funds. Consequently, it is more difficult to maintain a balanced budget over a five- or ten-year period of time. Many of the City's Development Impact Fee Funds, for example, are struggling due to the dramatic decrease in construction activity. That decrease in construction activity has resulted in a significant reduction in impact fee revenue. Nevertheless, many of the City's Development Impact Fee Funds have long-term debt obligations that need to be satisfied. Consequently, the City will need to manage and monitor these funds very closely over the next several years.

In addition, the City continues to struggle to adequately fund its Storm Drain Utility. Due to the passage of Proposition 218 and related legislation, the City has not been able to raise its Storm Drain fee since 1993. Nevertheless, costs continue to increase every year due to inflation and additional regulatory requirements, particularly new rules and regulations associated with the National Pollutant Discharge Elimination System (NPDES).

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 2011-12, the City of Redding's Gann Limit is approximately $173.6 million. The budget for Fiscal Year 2011-12 appropriates $46.2 million that is subject to the Gann Limit. Thus, the City of Redding's budget for Fiscal Year 2011-12 is well below the maximum allowed by law.

Council Policy 219

Council Policy 219 (CP 219), Personnel Costs, was put into effect as of August 5, 2009. The purpose of CP 219 is to express the City Council's intention to continue to monitor and contain personnel costs in order to avoid potential financial problems in the future. The policy requires that the City Council strive to constrain personnel-related expenses, with a particular emphasis on containing the cost associated with benefits. The goal of the policy is that personnel costs shall not exceed 73.0 percent of the total General Fund budget in any given fiscal year. For

Fiscal Year 2011-12, the percentage of personnel costs is 72.1 percent and for Fiscal Year 2012-13, it is 72.2 percent.

New Positions

The City of Redding has implemented a number of significant budget reductions since 2008. These reductions included the elimination of 106 full-time positions and 20 full-time equivalent part-time positions. In addition, the City continues to maintain a selective hiring freeze in order to generate additional salary savings where possible. With that said, however, the proposed Biennial Budget does contemplate the creation of one new position in each fiscal year. In Fiscal Year 2011-12, it is proposed to add a Building and Facility Mechanic in the Wastewater Utility. In Fiscal Year 2012-13, it is proposed to add a Property Evidence Clerk to work on property evidence issues in the Police Department and on medical waste handling and disposal with the Solid Waste Utility. One-half of this position will be funded by the Solid Waste Utility.

New Positions			
Department/ Division	Classification	FY 2011-12 Number of Positions	FY 2012-13 Number of Positions
Police	Property Evidence Clerk		1
Wastewater	Building and Facility Mechanic	1	
Total		1	1

In addition to the two new positions described above, the proposed budget also contemplates a reorganization of the City Clerk's Office. Like most City departments, the City Clerk's Office has eliminated several positions over the past few years (including the Assistant City Clerk position in 2010). The elimination of the Assistant City Clerk position has created some operational difficulties in the City Clerk's Office. In addition, it has required the City Clerk to upgrade other positions within the City Clerk's Office on a regular basis. Therefore, the proposed Biennial Budget contemplates a reorganization that includes:

1. The elimination of two Executive Assistant I positions;
2. Re-creating the Assistant City Clerk position; and
3. Creating a new Clerk III position.

The reorganization of the City Clerk's Office will not change the total number of positions within the City Clerk's Office. The reorganization will simply "upgrade" one Executive Assistant I position to an Assistant City Clerk position and "downgrade" another Executive Assistant I position to a Clerk III position. This reorganization will solve most of the operational problems referenced above and eliminate the need to provide temporary upgrades to existing personnel on a regular basis. It is anticipated that this reorganization will save the City's General Fund approximately $15,000 each year.

Investment in Technology

As noted above, the City of Redding has eliminated many City positions since 2008 in order to reflect the current economic environment. That does not mean, however, that the work that needs to be accomplished has decreased. In fact, in many areas the demand for City services has increased over the past few years. Consequently, it is

essential that the City of Redding continue to invest in technology in order to be more efficient and more productive. To that end, the proposed Biennial Budget includes funds for three large-scale technology projects:

1. A $1.6 million investment to upgrade the City's communications system to a Voice Over Internet Protocol (VOIP) system. This upgrade is primarily driven by the needs of the Redding Electric Utility, both in the Customer Service Division and at the Redding Power Plant. However, this investment will enhance the City's entire communications system.

2. A $50,000 investment to start transitioning many of the City's employees to a centralized desktop environment. This investment will eliminate the need to purchase stand-alone personal computers for many City employees. This, in turn, will reduce the cost of each work station. This strategy will also enable the Information Technology Division to provide more efficient and cost-effective services to its internal clients.

3. A $564,600 investment to acquire and implement routing software and GPS technology in the Solid Waste Utility and the Redding Electric Utility. This new technology will enable both utilities to schedule work in a more efficient and productive manner. It is anticipated that the Solid Waste Utility, in particular, will be able to streamline its routes and allocate resources more effectively. This, in turn, will reduce fuel consumption and postpone the need for additional City staff in this area.

Capital Improvement Plan

Notwithstanding the severe recession, the City of Redding has adopted an ambitious Capital Improvement Plan as outlined in the Budget Summary section of this document. The proposed budget allocates approximately $101.5 million for capital projects over the next two years. These projects are described in more detail within each department's budget section within this document. It is important to note, however, that this figure does not include some of the major projects that the City Council has already approved, such as the Stillwater Business Park Phase 1B project and "Bid Package 5" at the Clear Creek Wastewater Treatment Plant. 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. Most of these projects are critical in order to accommodate growth and maintain a high quality of life in the community.

Street Maintenance

Notwithstanding my comments above about the City's ambitious Capital Improvement Plan for the next two years, I would be remiss if I did not mention the City's Street Maintenance Budget. As the City Council is well aware, the City has had to reduce its Street Maintenance Budget since 2008 due to the severe recession. Unfortunately, the proposed Biennial Budget for Fiscal Year 2011-12 and Fiscal Year 2012-13 does not include any discretionary General Fund resources for this purpose. Consequently, the City will continue to rely exclusively on Gas Tax revenue, Transportation Development Act revenue, and other "transportation-specific" revenue to fund its street maintenance program. That revenue is not adequate to properly maintain the 950 lane miles of roadways that the City maintains. Consequently, the City is falling behind each and every year. The condition of the City's streets (particularly residential streets) continues to deteriorate. The City will need to allocate additional resources for this purpose when the economy improves.

City Council Priorities

The City Council conducted a "Priority-Setting Workshop" in March 2011. Per the City Council's direction, the City will continue to place a high priority on the following projects and topics over the next two years:

1. A new Police Facility to accommodate the Redding Police Department;

2. Completing the work that will be necessary to add "Churn Creek Road North" to the City's General Plan and Transportation Element;

3. Seeking additional resources to construct the next phase of the Oasis Road / Interstate 5 Interchange;

4. Fund and implement a "Complete Streets" planning effort;

5. Continue to evaluate potential public/private partnerships in an effort to reduce costs;

6. Continue to work with the Administrative Office of the Courts on the construction of a new Courthouse in Downtown Redding;

7. Secure resources to update the Downtown Specific Plan; and

8. Continue to place an emphasis on economic development and job creation – which includes completing Phase 1B of the Stillwater Business Park.

Acknowledgements

The City of Redding is a large and complex organization. The City is fortunate to have an excellent management team and outstanding employees. It requires a tremendous amount of time and effort to prepare the City's Biennial Budget. I would like to take this opportunity to thank and acknowledge all of the City employees that helped prepare the proposed Biennial Budget for Fiscal Years Ending 2012 and 2013.

Summary

The Biennial Budget for Fiscal Year 2011-12 and Fiscal Year 2012-13 is an important fiscal and policy document. It enables the City Council to establish and fund its priorities for the community. It has been an extremely challenging task this year to prepare the proposed Biennial Budget due to the severe recession. Nevertheless, I believe that the budget document addresses the priorities that have been established by the City Council. I also believe that the Biennial Budget is a sound and prudent financial plan. Therefore, I respectfully transmit to the City Council the Biennial Budget for Fiscal Year 2011-12 and Fiscal Year 2012-13.

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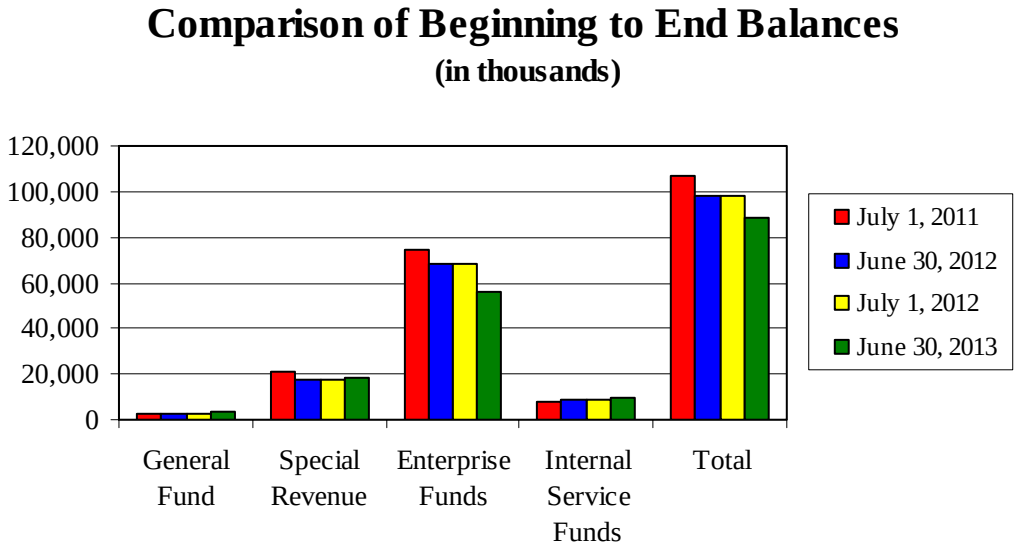
BUDGET SUMMARY

COMPARATIVE FUND SUMMARY - ALL FUNDS

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

The first column, **Projected Funds Available**, shows the estimated beginning cash balance for each fund. It is not the beginning fund balance. The second column, **Projected Revenue**, shows the revenue estimated from all sources for each fund. The third and fourth columns, **Fund Transfers In** and **Fund Transfers Out**, show funds transferred from one fund to another fund. The fifth column, Expenditure Programs, shows the level of appropriations for the various departments and division of the City. The last two columns, **Adjustments and Restricted Reserves** show any amounts that are restricted for specific purpose and any adjustments to match each individual fund's ten year plan. **Budget Reserves** shows budget reserves for any other eligible purpose. Projected Funds Available for fiscal year 2012-13 includes any restricted reserves.

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



Comparative Fund Summary for FY 2011-2012 - ALL FUNDS
(In Thousands)

	Projected Fund Balance 07/01/2011	Projected Revenue 2012-13 [3]	Fund Transfers In	Fund Transfers Out	Expenditure Programs 2011-12 [4]	Adjustments & Restricted Reserves [1]	Projected Fund Balance 06/30/2012	
GENERAL FUND	$ 2,968	$ 57,434	$ 5,496	$ (2,590)	$ 61,441	$ 1,123	$ 2,990	
SPECIAL REVENUE FUNDS								
Parking Fund	1	252	-	-	190	(60)	3	
Rolling Stock Replacement	5,700	-	3,670	(43)	-	(3,500)	5,827	[2]
Gas Tax Street Improvement Fund	1,692	3,582	-	(4,146)	-	-	1,128	
Local Transportation Fund	-	200	-	(200)	-	-	-	
Library	758	996	657	(50)	1,899	-	462	
Branch Libraries	100	191	-	-	216	-	75	
CD Block Grant Fund	400	1,950	-	-	1,952	-	398	
Special Development Fund							-	
Storm Drain Capital	-	445	-	-	-	(445)	-	
Capital Improvement	400	100	-	(827)	63	674	284	
Traffic Impact Fee	9,985	1,500	-	-	3,558	-	7,927	
Dana Traffic Impact Fee	-	3	-	-	-	-	3	
Park In-Lieu	1,345	50	-	-	-	-	1,395	
Park Development	985	393	-	(51)	937	-	390	
General Special Revenue	-	272	-	(272)	-	-	-	
TOTAL SPECIAL REVENUE FUNDS	21,366	9,934	4,327	(5,589)	8,815	(3,331)	17,892	
ENTERPRISE FUNDS								
Tourism/Convention Fund	-	210	1,501	-	1,711	-	-	
Storm Drain Utility Fund	2,861	1,198	-	-	2,079	143	2,123	
Municipal Airport Fund	586	13,144	-	(140)	13,419	20	191	
Electic Utility Fund	19,400	149,498	-	(1,829)	152,002	3,633	18,700	
Water Utility Fund	11,597	16,435	-	(100)	22,194	2,400	8,138	
Wastewater Utility Fund	31,903	23,199	90	(150)	39,055	17,297	33,284	
Solid Waste Collection and Disposal	8,100	16,537	-	(1,066)	17,498	130	6,203	
TOTAL ENTERPRISE FUNDS	74,447	220,221	1,591	(3,285)	247,958	23,623	68,639	
INTERNAL SERVICE FUNDS								
Information Technology	300	2,118	-	-	2,192	-	226	
Fleet Maintenance	26	2,701	-	-	2,695	-	32	
Building Maintenance & Construction	50	1,769	-	-	1,783	-	36	
Records Management	5	236	-	-	238	-	3	
Employer Services	9	958	-	-	897	(60)	10	
Geographic Information Services	10	569	-	-	570	-	9	
Communications	5	449	-	-	444	-	10	
Reprographics	40	641	-	-	659	-	22	
Volunteer Services	5	134	-	-	135	-	4	
Risk Management	7,217	5,288	50	-	4,330	-	8,225	
Employee Benefits Payroll	-	24,000	-	-	24,000	-	-	
Employee Benefit Group Insurance	-	21,050	-	-	21,011	-	39	
Redding Municipal Utilities Admin.	514	2,516	-	-	2,811	56	275	
TOTAL INTERNAL SERVICE FUNDS	8,181	62,429	50	-	61,765	(4)	8,891	
Subtotal	106,962	350,018	11,464	(11,464)	379,979	21,411	98,412	
Less: Charges Between Funds	-	(71,079)	-	-	(71,079)	-	-	
NET TOTAL	$ 106,962	$ 278,939	$ 11,464	$ (11,464)	$ 308,900	$ 21,411	$ 98,412	

[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 for FY 2012-2013 - ALL FUNDS
(In Thousands)

	Projected Fund Balance 07/01/2012	Projected Revenue 2012-2013 [3]	Fund Transfers In	Fund Transfers Out	Expenditure Programs 2012-2013 [4]	Adjustments & Restricted Reserves [1]	Projected Fund Balance 06/30/2013
GENERAL FUND	$ 2,990	$ 59,406	$ 6,037	$ (2,354)	$ 63,355	$ 1,149	$ 3,873
SPECIAL REVENUE FUNDS							
Parking Fund	3	252	-	-	192	(60)	3
Rolling Stock Replacement	5,827	-	3,996	-	-	(3,500)	6,323 [2]
Gas Tax Street Improvement Fund	1,128	3,677	-	(4,585)	-	-	220
Local Transportation Fund	-	300	-	(300)	-	-	-
Library	462	1,170	779	(50)	1,903	-	458
Branch Libraries	75	196	-	-	217	-	54
CD Block Grant Fund	398	1,950	-	-	1,952	-	396
Special Development Fund							-
Storm Drain Capital	-	445	-	-	-	(445)	-
Capital Improvement	284	100	-	(829)	24	675	206
Traffic Impact Fee	7,927	3,000	-	-	1,315	-	9,612
Dana Traffic Impact Fee	3	3	-	-	-	-	6
Park In-Lieu	1,395	50	-	(200)	-	-	1,245
Park Development	390	404	200	(51)	940	-	3
General Special Revenue	-	272	-	(272)	-	-	-
TOTAL SPECIAL REVENUE FUNDS	17,892	11,819	4,975	(6,287)	6,543	(3,330)	18,526
ENTERPRISE FUNDS							
Tourism/Convention Fund	-	-	1,100	-	1,096	-	4
Storm Drain Utility Fund	2,123	1,200	-	-	1,714	(54)	1,555
Municipal Airport Fund	191	4,382	-	(140)	4,267	20	186
Electric Utility Fund	18,700	146,732	-	(2,129)	147,537	-	15,766
Water Utility Fund	8,138	16,452	-	(100)	21,271	4,446	7,665
Wastewater Utility Fund	33,284	23,417	90	(150)	39,059	9,597	27,179
Solid Waste Collection and Disposal	6,203	16,965	-	(1,092)	18,296	-	3,780
TOTAL ENTERPRISE FUNDS	68,639	209,148	1,190	(3,611)	233,240	14,009	56,135
INTERNAL SERVICE FUNDS							
Information Technology	226	2,230	-	-	2,304	-	152
Fleet Maintenance	32	2,697	-	-	2,690	-	39
Building Maintenance & Construction	36	1,739	-	-	1,753	-	22
Records Management	3	247	-	-	246	-	4
Employer Services	10	963	-	-	902	(60)	11
Geographic Information Services	9	601	-	-	602	-	8
Communications	10	450	-	-	447	-	13
Reprographics	22	657	-	-	676	-	3
Volunteer Services	4	148	-	-	148	-	4
Risk Management	8,225	5,339	50	-	4,365	-	9,249
Employee Benefits Payroll	-	25,016	-	-	25,016	-	-
Employee Benefit Group Insurance	39	23,090	-	-	23,038	-	91
Redding Municipal Utilities Admin.	275	2,554	-	-	2,856	57	30
TOTAL INTERNAL SERVICE FUNDS	8,891	65,731	50	-	65,043	(3)	9,626
Subtotal	98,412	346,104	12,252	(12,252)	368,181	11,825	88,160
Less: Charges Between Funds	-	(74,737)	-	-	(74,737)	-	-
NET TOTAL	$ 98,412	$ 271,367	$ 12,252	$ (12,252)	$ 293,444	$ 11,825	$ 88,160

[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

REVENUE ASSUMPTIONS

General Assumptions

- California's economy will be stagnant through during the fiscal year 2011-12 and then start to recover. Over all there will be very little growth in the economy in fiscal year 2011-12. In fiscal year 2012-13 the economy will continue to improve.
- Local construction activity will remain below historic levels in fiscal years 2012 and 2013.
- The inflation rate will be approximately 2.5 percent in fiscal years 2012 and 2013.
- Interest rates associated with City investments will remain relatively constant during fiscal years 2012 and 2013 (approximately 2%).
- The City of Redding's population will grow by approximately 1 percent.
- In general, revenue will grow below its historical average during fiscal year 2012 and the growth rate will start to return to its historical average in fiscal year 2013.

Specific Assumptions

General Fund

- It is assumed no increase in property tax in fiscal year 2012 and an increase of 3 percent in fiscal year 2013. (Property tax revenue grew by over 5 percent in the ten years prior to 2008. Since 2008 property taxes have decreased by about 4.5 percent for the three year period.)
- It is assumed in fiscal year 2012 that sales tax will increase by 3.5 percent and by 4.5 percent in fiscal year 2013. Sales tax revenue grew, on average, by 5.2 percent per year in the years prior to this last downturn in the economy. However, there were significant declines in fiscal years 2008, 2009, and 2010. Recently the City has seen growth of approximately two percent in sales tax. It is anticipated that the economy will improve slightly in fiscal year 2012.
- Transient Occupancy Tax (TOT) revenue is assumed to increase by 4.0 percent. (TOT revenue grew, on average, by 6.2 percent per year in the ten years prior to 2008; however, since 2008 TOT has decreased by about 6 percent each year.)
- 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 decrease slightly in fiscal year 2012 and increase slightly in fiscal year 2013. (These combined revenues grew by over 10 percent per year between FYE 1999 and FYE 2008. The large increases are due to one-time increases and high building activity, which has decreased over the last several years.)

- Revenue from other governmental agencies will increase by 3 percent. (Historical growth rates are erratic.)

- Revenue from internal departments are based on actual charges for fiscal year 2012 and are assumed to increase by 3 percent in fiscal year 2013. (Historical growth rates are erratic, but have consistently been around 3 to 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.)

- 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 at rates proposed to City Council.

- Storm Drainage fees are not scheduled to increase.

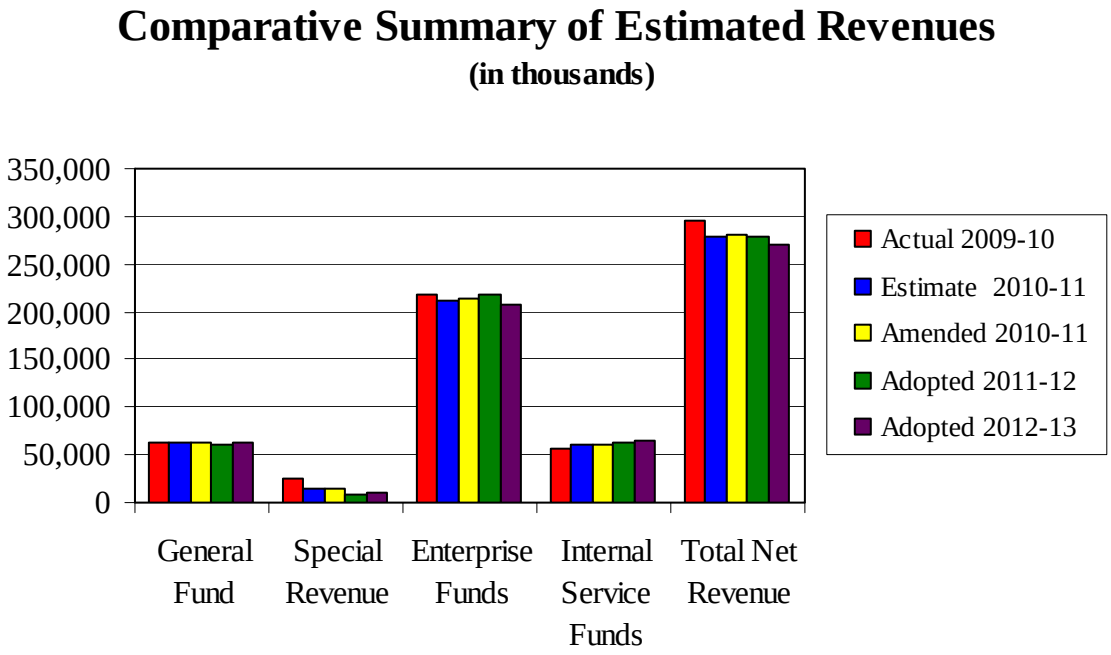
Internal Service Funds

- In general, revenue will be the amounts reflected in other funds as internal service fund expenditures.

COMPARATIVE SUMMARY OF ESTIMATED REVENUES

The following table and graph provide a four-year review of revenues for all funds. The table is divided by fund type and subtotaled for each of the fund types. Within each fund type is the total for each fund. For the General Fund, the total for each type of revenue is included. The detail is provided in a subsequent schedule. The first column of this table, **Actual Revenue 2009-10**, shows the actual revenue for each fund. The second column, **Budget Estimate 2010-11**, shows the revenue estimate originally adopted in the budget for the current fiscal year, while the third column, **Revised Estimate 2010-12**, 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 2011-12** and **Budget Estimate 2012-13**, show the revenue estimates for the next two fiscal years for all funds.

Total net revenue for fiscal year 2011-12 is estimated at $278,937,520 and for fiscal year 2012-13 is estimated at $271,367,590. Revenue from Special Revenue Funds total $8,671,360 and $10,509,100, respectively, revenue from Enterprise Funds total $218,526,500 and $206,726,900, respectively, revenue from Internal Service Funds total $62,478,940 and $65,779,830, respectively, and General Fund revenue totals $60,339,990 and $63,088,550, respectively.



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2012 AND 2013

COMPARATIVE SUMMARY OF REVENUE PROGRAMS

	Actual Revenue 2009-2010	Budget Estimate 2010-2011	Revised Estimate 2010-2011	Budget Estimate 2011-2012	Budget Estimate 2012-20113
GENERAL FUND					
Taxes	$ 38,335,795	$ 37,939,120	$ 37,939,120	$ 38,824,000	$ 40,402,620
Licenses and Permits	841,816	934,590	934,590	989,000	1,028,540
Fines, Forfeits, and Penalties	1,110,690	870,100	870,100	527,500	540,000
Revenue from Internal Departments	12,905,703	12,654,740	12,654,740	13,437,220	14,437,220
Revenue from Other Govermental Agencies	3,589,196	5,576,790	5,576,790	1,877,770	1,888,170
Other Revenues	4,063,407	2,608,370	2,608,370	2,278,100	2,334,100
Charges for Current Services	1,942,513	1,899,710	1,899,710	1,675,400	1,726,900
Revenue from the Use of Money & Property	811,160	803,000	803,000	731,000	731,000
TOTAL GENERAL FUND	63,600,280	63,286,420	63,286,420	60,339,990	63,088,550
SPECIAL REVENUE FUNDS					
Asset Seizure	22,699	-	-	-	-
Parking Fund	300,972	253,050	253,050	251,330	251,630
Rolling Stock Replacement	772,386	4,574,490	4,574,490	3,627,420	3,996,360
Gas Tax Street Improvement Fund	(787,973)	(624,540)	(624,540)	(563,430)	(907,220)
Local Transportation Fund	412,803	-	-	-	-
Library	2,019,654	1,972,880	1,382,433	1,602,510	1,899,280
Branch Library	235,597	202,310	334,801	190,500	196,210
CD Block Grant Fund	2,352,351	3,478,220	3,478,220	1,949,870	1,949,870
Special Development Fund	19,606,014	5,229,130	5,049,270	1,612,660	3,122,470
General Special Revenue	-	500	500	500	500
TOTAL SPECIAL REVENUE FUNDS	24,934,503	15,086,040	14,448,224	8,671,360	10,509,100
ENTERPRISE FUNDS					
Tourism/Convention Fund	2,408,656	2,849,990	3,095,546	1,711,680	1,100,150
Storm Drain Utility Fund	1,232,203	1,500,160	1,500,160	1,197,910	1,200,210
Municipal Airport Fund	4,813,757	3,322,730	5,966,950	13,004,110	4,241,890
Electric Utility Fund	153,438,971	126,508,520	126,508,520	147,668,580	144,602,670
Water Utility Fund	15,648,403	18,234,490	18,234,490	16,335,470	16,351,870
Wastewater Utility Fund	22,333,228	43,485,770	43,485,770	23,138,630	23,357,280
Solid Waste Collection and Disposal	17,587,441	15,733,090	15,733,090	15,470,120	15,872,830
TOTAL ENTERPRISE FUNDS	217,462,659	211,634,750	214,524,526	218,526,500	206,726,900
INTERNAL SERVICE FUNDS					
Information Technology	2,198,510	2,260,230	2,260,230	2,118,010	2,229,540
Fleet Maintenance	2,925,784	2,747,760	2,747,760	2,700,960	2,696,660
Building Maintenance & Construction	1,740,398	1,729,550	1,729,550	1,768,960	1,739,240
Records Management	308,658	301,750	301,750	235,900	246,590
Employer Services	386,612	768,190	768,190	957,580	962,570
Geographic Information Services	718,711	603,700	603,700	569,370	601,400
Communications	462,542	481,610	481,610	448,780	449,790
Reprographics	637,130	631,150	631,150	640,560	656,940
Volunteer Services	145,136	154,740	154,740	134,490	148,010
Risk Management	5,461,734	5,162,370	5,162,370	5,337,880	5,389,010
Employee Benefits Payroll	20,175,907	22,216,850	22,216,850	24,000,400	25,015,620
Employee Benefit Group Insurance	17,646,672	20,155,230	20,155,230	21,050,230	23,090,330
Redding Municipal Utilities Admin.	2,877,446	2,914,470	2,914,470	2,515,820	2,554,130
TOTAL INTERNAL SERVICE FUNDS	55,685,240	60,127,600	60,127,600	62,478,940	65,779,830
SUBTOTAL - ALL REVENUE	361,682,682	350,134,810	352,386,770	350,016,790	346,104,380
Less: Charges between funds	**(66,313,587)**	**(71,460,490)**	**(71,463,970)**	**(71,079,270)**	**(74,736,790)**
NET TOTAL	$ 295,369,095	$ 278,674,320	$ 280,922,800	$ 278,937,520	$ 271,367,590

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Budget Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
GENERAL FUND				
TAXES				
Property Taxes	$ 15,266,757	$ 14,573,000	$ 14,573,000	$ 15,010,120
Sales Tax-Nondedicated	17,766,978	17,947,000	18,760,000	19,700,000
Transient Occupancy Tax	3,482,149	3,525,000	3,666,000	3,813,000
Viacom Cablevision	678,267	708,480	695,000	716,000
Pacific Gas & Electric Co.	210,139	237,000	220,000	226,500
Business License Tax	755,439	771,880	725,000	747,000
Real Property Transfer Tax	176,066	176,760	185,000	190,000
Total Taxes	38,335,795	37,939,120	38,824,000	40,402,620
LICENSES AND PERMITS				
Animal Licenses	47,817	73,500	73,500	75,700
State Animal Fines Collected	2,457	8,000	-	-
Building Permits	527,440	570,000	620,000	645,000
Engineering Encroachment Permit	48,860	51,190	50,000	52,000
Electical Permits	76,898	80,400	100,000	104,000
Transportation Permit	12,225	16,000	10,000	11,000
Plumbing Permits	53,452	56,500	56,500	58,760
Mechanical Permit	63,677	67,000	67,000	69,680
Engineering Grading Permits	8,990	12,000	12,000	12,400
Total Licenses and Permits	841,816	934,590	989,000	1,028,540
FINES, FORFEITS, AND PENALTIES				
Traffic Safety Fines	877,496	715,600	363,000	372,000
Code Enforcement Fines	78,017	26,000	46,000	46,000
Other Fines & Fees	149,219	121,000	118,500	122,000
Assessment District Deliquent Fines & Fees	5,958	7,500	-	-
Total Fines, Forfeits & Penalties	1,110,690	870,100	527,500	540,000
REVENUE FROM INTERNAL DEPARTMENTS				
Overhead Administration Charge	6,370	(100)	-	-
Fixed Reimbursements	3,493,860	3,784,860	3,829,830	3,926,740
Real Estate Rentals	1,200	-	-	-
Redevelopment Payments	1,867,000	760,000	877,810	542,240
Posse Grandstand Repayment	13,037	13,000	13,000	13,000
In-lieu Payment from 821--Muni Airport	115,000	125,000	145,000	145,000
In-Lieu Payment from Division 854-Electric	6,055,950	5,968,000	5,565,300	6,027,400
In-Lieu Payment from Convention Center	68,000	68,000	-	-
Total Revenue from Internal Departments	11,620,417	10,718,760	10,430,940	10,654,380

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Budget Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
REVENUE FROM OTHER GOVERMENTAL AGENCIES				
State Grant Capital for Police	216,629	-	-	-
State Grant Operating for Police	918,260	1,998,980	-	-
State Grant Operating for Public Works	450,000	450,000	-	-
State Grant Capital for Public Works	13,331	-	-	-
State Grant Operating for Rec & Culture	-	50,000	-	-
Federal Grant - Operating - Police	346,042	1,532,310	961,770	1,005,170
Federal Grant - Capital - Public Works	149,684	-	-	-
Shasta County Grant - Operating - Police	1,600	-	-	-
Reimbursement of Mandated Costs	61,387	54,000	70,000	73,000
POST Grant - Operating - Police	69,124	113,300	85,000	85,000
Home Owner Property Tax Relief	156,360	163,000	160,000	165,000
Motor Vehicle In-Lieu Tax	268,465	310,000	320,000	330,000
School District Contrib-Operating-Police	579,418	304,200	75,000	75,000
Redding Rancheria Payment	100,000	100,000	100,000	100,000
Contribution RABA - Operating - Police	25,000	25,000	25,000	25,000
Buckeye Fire Service Dist-Operating-Fire	45,000	45,000	5,000	5,000
Buckeye Fire District - Capital - Fire	-	250,000	-	-
SHASCOM - Payroll	20,014	25,000	25,000	25,000
MPO Revenue-Operating-Public Works	168,882	156,000	51,000	-
Total Revenue - Other Government Agencies	3,589,196	5,576,790	1,877,770	1,888,170
OTHER REVENUES				
Late Fees	1,657,737	1,810,080	1,865,000	1,921,000
Mall - Air Conditioning & Heating	(3,912)	-	-	-
Contributions-Operating-Rec & Culture	80,000	90,000	80,000	80,000
Contributions - Operating - Police	25,416	7,600	5,000	5,000
Contributions - Operating - Fire	5,000	1,000	1,000	1,000
Contributions - Operating - Public Works	7,145	1,500	-	-
Contributions - Operating - Planning	-	-	1,500	1,500
Contributions-Operating-Rec & Culture	55,491	-	-	-
Sale of Property	1,802,475	-	10,000	10,000
Loan Proceeds	-	268,770	-	-
Spay/Neuter Surcharge	648	2,000	-	-
Compensation - Loss & Property Damage	24,754	10,000	-	-
Miscellaneous Receipts	146,820	202,500	249,100	249,100
Misc. RCAC Donations and Falcom Match $	74,036	35,780	8,000	8,000
Miscellaneous Receipts	187,797	179,140	158,500	158,500
Total Other Revenues	4,063,407	2,608,370	2,378,100	2,434,100

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Budget Estimate 2010-2011	Proposed Estimate 2011-2012	Proposed Estimate 2012-2013
CHARGES FOR CURRENT SERVICES				
Assessment District Administration Fees	986	5,600	5,600	5,600
Planning Permits (Subdivisions)	179,590	186,600	150,000	154,000
Building Plan - Record Fees	8,641	13,000	13,000	13,000
Building Plan - Check Fees	276,665	289,000	309,000	318,000
Fees for Outside Plan Checks	-	100	-	-
Plan Check Fees - Fire Department	32,997	35,310	30,000	31,200
Engineering Land Development Fees	161,333	161,800	75,000	75,000
Technology Surcharge	61,487	68,000	65,000	70,000
Sale of Publications	27,076	18,200	12,000	12,000
Building Permit List	2,904	2,100	3,000	3,000
Animal Shelter Fees	7,587	8,000	9,000	9,300
Inspection Fees	2,100	2,100	10,000	10,000
Fingerprint Fees	66,475	44,000	65,000	67,000
Treasurers Fees	-	600	-	-
A/D Segregation Fees	-	600	-	-
Fire Permits & Fees	51,978	59,000	46,000	47,000
DUI - Emergency Response	62,295	68,000	64,000	65,900
Swimming Pool Receipts	109,740	114,000	119,000	122,500
RAC Swim Shop / Rental	23,254	41,500	25,000	25,800
RAC Admission	89,826	94,000	95,800	98,700
RAC Swim Team	10,898	10,000	9,000	9,300
Swimming Pool Concession	52,929	67,000	55,000	56,600
Other Charges & Fees	283,975	75,300	41,500	43,000
Recreation Sports	127,220	109,000	139,000	143,000
Recreation Classes	82,116	83,000	84,000	87,000
Recreation Camps Trips	74,229	64,400	80,000	82,500
Recreation Fitness	39,885	31,000	43,000	45,000
Recreation Daycare Summer	158,889	161,000	172,000	177,000
Ticket Surcharge on Ticket Sales	-	87,000	35,000	35,000
Other Fees & Charges	-	500	500	500
Bad Debt Writeoff	(52,562)	-	(80,000)	(80,000)
Total Charges for Current Services	1,942,513	1,899,710	1,675,400	1,726,900
REVENUE FROM THE USE OF MONEY & PROPERTY				
Rental - Land or Facility	690,478	620,000	620,000	620,000
SHASCOM Base Rent - Police Portion	41,224	41,500	41,500	41,500
SHASCOM Base Rent - Fire Portion	41,224	41,500	41,500	41,500
Investment Income	37,977	90,000	25,000	25,000
Fiscal Agent Investment Income	257	10,000	3,000	3,000
Total Revenue - Use of Money & Property	811,160	803,000	731,000	731,000
General Fund Net Transfers In (Out)	1,285,286	1,935,980	2,906,280	3,682,840
TOTAL GENERAL FUND	$ 63,600,280	$ 63,286,420	$ 60,339,990	$ 63,088,550

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Budget Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
PARKING FUND				
On-Street Parking Meters	$ 58,715	$ 62,000	$ 60,000	$ 60,000
Off-Street Parking Meters	411	500	-	-
Parking Space Rental & Permit Fees	3,243	5,000	2,000	2,000
Parking Fines & Fees	30,750	-	25,000	25,000
Repayment of Advances	29,121	37,250	42,130	43,130
Miscellaneous Receipts	13,625	50,000	12,000	12,000
Fees for Services-Fines,Towing, Etc.	124,137	92,000	91,000	91,000
Bad Debt Writeoff	(349)	-	-	-
Investment Income	3,221	1,700	700	1,000
Interest on RRA Loan	19,098	20,000	18,500	17,500
Net transfers in (out)	19,000	(15,400)		
TOTAL PARKING FUND	$ 300,972	$ 253,050	$ 251,330	$ 251,630
ROLLING STOCK REPLACEMENT				
Sale of Property	$ 72,463	$ -	$ -	$ -
Miscellaneous Receipts	36,332	-	-	-
Investment Income	190,601	-	-	-
Net transfers in (out)	472,990	4,574,490	3,627,420	3,996,360
TOTAL ROLLING STOCK REPLACEMENT	$ 772,386	$ 4,574,490	$ 3,627,420	$ 3,996,360
GAS TAX STREET IMPROVEMENT FUND				
Federal - ISTEA	$ 1,053,022	$ 950,000	$ 960,000	$ 950,000
State of California - Section 2105	489,480	463,000	482,750	500,000
Section 2106	465,408	434,000	455,000	480,000
Section 2107	651,395	660,000	642,440	670,000
Section 2107.5	7,500	7,500	7,500	7,500
Senate Bill 300 Gas Tax	-	-	1,014,510	1,050,000
St AB 2928 (Chpt 91 10/00) AB438 CH113 01	777,540	937,900	-	-
Investment Income	24,958	15,000	20,000	20,000
Net transfers in (out)	(4,257,276)	(4,091,940)	(4,145,630)	(4,584,720)
TOTAL GAS TAX IMPROVEMENT FUND	$ (787,973)	$ (624,540)	$ (563,430)	$ (907,220)

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Revised Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
LOCAL TRANSPORTATION FUND				
State Allocations - SB 325	$ 412,803	$ -	$ 200,000	$ 300,000
Net transfers in (out)	-	-	(200,000)	(300,000)
TOTAL LOCAL TRANSPORTATION FUND	$ 412,803	$ -	$ -	$ -
LIBRARY				
State Grant Operating for Rec & Culture	$ 98,154	$ 86,540	$ -	$ -
Contributions-Operating-Rec & Culture	46,935	-	-	-
Library Operations	1,005,324	1,035,490	900,750	1,071,970
Other Charges & Fees	114,278	87,550	85,000	87,550
Investment Income	23,963	10,300	10,000	10,300
Net transfers in (out)	731,000	753,000	606,760	729,460
TOTAL LIBRARY	$ 2,019,654	$ 1,972,880	$ 1,602,510	$ 1,899,280
BRANCH LIBRARIES				
State Grant Operating for Rec & Culture	$ 12,965	$ 12,410	$ -	$ -
Contributions-Operating-Rec & Culture	35,512	-	-	-
Branch Library - Shasta County	144,932	149,280	150,040	154,540
Branch Library - Anderson	29,812	30,710	30,860	31,790
Other Charges & Fees	12,059	9,600	9,300	9,580
Investment Income	317	310	300	300
TOTAL BRANCH LIBRARIES	$ 235,597	$ 202,310	$ 190,500	$ 196,210
CD BLOCK GRANT FUND				
State Grant Operating for Community Devel	$ 320,000	$ 296,000	$ -	$ -
Federal-HUD-Operating-Community Developmnt	766,600	1,381,440	962,580	962,580
HOME Funds-Operating-Community Development	702,288	1,200,480	596,990	596,990
Loan Repayment-Principal	420,205	470,000	300,000	300,000
Loan Repayment-Interest	141,964	130,000	90,000	90,000
Late Payment Charges	1,294	300	300	300
TOTAL CD BLOCK GRANT FUND	$ 2,352,351	$ 3,478,220	$ 1,949,870	$ 1,949,870

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Revised Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
SPECIAL DEVELOPMENT FUND				
State Grant Capital for Public Works	$ 531,239	$ 198,950	$ -	$ -
State Grant Operating for Rec & Culture	21,606	360,000	-	-
State Grant Capital for Rec & Culture	595,450	-	-	-
Federal Grant - Capital - Public Works	643,900	-	-	-
Federal Grant - Operating - Public Works	6,805	80,000	-	-
Federal Grant - Capital - Public Works	15,175,471	1,349,390	-	-
Contributions - Capital - Public Works	8,921	-	-	-
Contributions-Operating-Rec & Culture	56,192	8,500	-	-
Contributions-Capital-Recreation & Culture	2,314	-	-	-
Reimbursement	184,219	220,390	-	-
Traffic Impact Fee	1,371,313	1,700,000	1,500,000	3,000,000
Dana Drive Traffic Impact Fees	-	40,000	-	-
Rental - Land or Facility	1,450	-	3,480	3,480
Fire Facilities	213,584	80,000	100,000	100,000
Capital Improvement	2,350	-	-	-
Parks Development	392,550	400,000	392,550	404,330
Storm Drainage	224,618	260,000	100,000	100,000
Electric Service	36,224	65,000	45,000	45,000
Park In-Lieu Fees	17,424	50,000	50,000	50,000
Investment Income	390,385	535,000	300,000	300,000
Fiscal Agent Investment Income	1,197	-	-	-
Net transfers in (out)	(271,198)	(118,100)	(878,370)	(880,340)
TOTAL SPECIAL DEVELOPMENT FUND	$ 19,606,014	$ 5,229,130	$ 1,612,660	$ 3,122,470
GENERAL SPECIAL REVENUE				
Sales Tax-Dedicated to Public Safety	$ 272,517	$ 272,500	$ 272,500	$ 272,500
Net transfers in (out)	(272,517)	(272,000)	(272,000)	(272,000)
TOTAL GENERAL SPECIAL REVENUE	$ -	$ 500	$ 500	$ 500
TOURISM/CONVENTION FUND				
In House Promotion	$ 9,270	$ 225,000	$ -	$ -
Transient Occupancy Tax	348,217	-	-	-
Other Fines & Fees	396	-	-	-
Repayment of Advances	(55,840)	(52,500)	-	-
Federal Grant-Capital-Convention Center	25,560	47,450	-	-
Miscellaneous Receipts	238	3,170	-	-
Catering Fees	62,804	74,270	30,000	-
Rental Fees	126,943	212,180	75,000	-
Ticket Surcharge on Ticket Sales	78,882	233,810	40,000	-
Other Fees & Charges	102,108	185,660	65,000	-
Bad Debt Writeoff	(500)	(550)	-	-
Investment Income	86	2,000	-	-
Fiscal Agent Investment Income	26	1,000	150	150
Net transfers in (out)	1,710,466	1,918,500	1,501,530	1,100,000
TOTAL TOURISM/CONVENTION FUND	$ 2,408,656	$ 2,849,990	$ 1,711,680	$ 1,100,150

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Revised Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
STORM DRAIN UTILITY FUND				
Storm Drainage - Monthly Fee	$ 1,156,772	$ 1,517,960	$ 1,149,410	$ 1,151,710
Miscellaneous Receipts	315	-	500	500
Bad Debt Writeoff	1,142	(2,100)	(2,000)	(2,000)
Investment Income	78,784	14,300	50,000	50,000
Net transfers in (out)	(4,810)	(30,000)	-	-
TOTAL STORM DRAIN UTILITY FUND	$ 1,232,203	$ 1,500,160	$ 1,197,910	$ 1,200,210
MUNICIPAL AIRPORT FUND				
Hangar Rent	$ 428,368	$ 477,000	$ 497,000	$ 504,000
Tie-Down Rent	52,843	53,500	76,000	78,000
Facilities/Ground Rent	494,508	597,970	528,000	535,100
Ground Lease	225,323	236,740	203,000	207,000
Fuel Concession	115,813	134,000	130,000	135,000
Landing Fees	198,400	190,000	165,000	182,000
Car Rental Concession Fee	263,544	264,000	294,000	294,000
Restaurant & Concession	36,041	36,000	36,000	37,000
Permit Fees	54,555	45,000	47,000	47,000
Automobile Parking	308,904	410,000	290,000	290,000
Miscellaneous Operating Revenue	3,839	1,400	2,500	2,500
Airport Security Fees	1,670	1,800	1,200	1,200
State Grant CAAP	-	-	20,000	-
Passenger Facility Charges	203,817	215,100	170,000	170,000
State Grant Operating for Transportation	2,314	-	225,000	-
State Grant Capital for Transportation	-	-	93,620	19,880
Federal Grant - Operating - Transportation	255,132	205,000	204,660	204,660
Federal Grant - Capital - Transportation	2,294,167	614,650	5,723,750	470,250
Federal Grant - Operating - Transportation	38,698	-	-	-
Federal Grant - Capital - Transportation	189,349	-	3,744,900	795,150
Contributions - Capital - Transportation	-	-	350,000	-
Compensation - Loss & Property Damage	763	-	-	-
Miscellaneous Receipts	408	200	342,230	408,900
Bad Debt Writeoff	(718)	-	-	-
Fiscal Agent Investment Income	40	650	250	250
Net transfers in (out)	(354,021)	(160,280)	(140,000)	(140,000)
TOTAL MUNICIPAL AIRPORT FUND	$ 4,813,757	$ 3,322,730	$ 13,004,110	$ 4,241,890

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Revised Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
ELECTIC UTILITY FUND				
Service Reconnect Fee	$ 92,641	$ 130,000	$ 110,000	$ 110,000
Service Connect-Priority	33,094	30,000	32,000	32,000
Site Delivery Fees	2,350	1,500	1,500	1,500
Transfer Fees	61,025	60,000	60,000	60,000
Credit Report Fees	4,555	5,000	5,000	5,000
Bad Debt Collections	114,627	100,000	110,000	120,000
Power Sales Retail	91,633,436	102,100,000	110,700,000	118,000,000
Power Sales Wholesale	28,096,027	12,408,000	9,256,000	6,418,000
Solar Energy Surcharge	937,674	1,000,000	1,000,000	1,000,000
Natural Gas Sales - Wholesale	25,966,255	6,312,000	21,748,000	14,537,000
PREPAY GAS DISCOUNT	497,015	-	1,428,000	1,428,000
Accident & Damage Insur.	406,159	317,500	362,100	362,100
Misc-Temp Banners	2,900	-	-	-
Field Service Meter Reading Allocation	618,130	673,590	673,530	688,170
Customer Service Allocation from Utilities	3,280,720	3,433,650	3,305,450	3,463,900
Federal Grant - Operating - Electric	892,700	-	-	-
Contributions - Operating - Electric	27,623	-	-	-
Sale of Property	47,632	60,000	50,000	50,000
Miscellaneous Receipts	942,651	51,000	101,000	101,000
Bad Debt Writeoff	(132,989)	(45,800)	(45,000)	(45,000)
Investment Income	1,526,436	1,120,000	600,000	400,000
Net transfers in (out)	(1,611,690)	(1,247,920)	(1,829,000)	(2,129,000)
TOTAL ELECTRIC UTILITY FUND	$ 153,438,971	$ 126,508,520	$ 147,668,580	$ 144,602,670
WATER UTILITY FUND				
Power Sales Retail	$ 13,537,735	$ 15,921,700	$ 14,590,510	$ 14,619,690
Metered Sales - In City	94,691	88,000	94,880	95,070
Fire Service Revenue	62,006	64,730	58,410	58,410
Fire Hydrant Rental	42,635	70,000	50,000	50,000
Off-Site Charges	1,294,343	1,998,480	1,026,670	1,065,750
Service & Meter Installation Fees	24,081	58,350	24,780	24,780
Paving Cut Fees	1,260	6,000	1,300	1,300
Front Footage Charges	-	7,370	-	-
Miscellaneous Operating Revenue	14,509	10,610	32,340	33,310
Real Estate Rentals	219,437	-	232,800	239,780
Sale of Property	12,526	5,300	16,770	17,270
Miscellaneous Receipts	1,352	-	-	-
Bad Debt Writeoff	(29,770)	(27,000)	(29,770)	(29,770)
Investment Income	438,549	155,950	336,780	276,280
Interest - 1977 Sewer Sinking Fund	869	50,000	-	-
Net transfers in (out)	(65,820)	(175,000)	(100,000)	(100,000)
TOTAL WATER UTILITY FUND	$ 15,648,403	$ 18,234,490	$ 16,335,470	$ 16,351,870

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Revised Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
WASTEWATER UTILITY FUND				
Sewer Service Charges	$ 18,315,857	$ 19,861,560	$ 21,235,950	$ 21,419,840
Pretreatment Fees	598	-	-	-
Expansion/Improvmt Fees	1,717,427	1,973,930	1,373,160	1,375,900
Sewer Tap Fees	1,618	7,560	2,390	2,390
Front Footage Charges	3,664	54,860	3,670	3,680
Real Estate Rentals	3,799	17,140	4,050	4,170
Federal Grant - Capital - Wastewater	1,824,582	-	-	-
State Loan Funds	-	21,025,000	-	-
Sale of Property	1,000	-	-	-
Miscellaneous Receipts	13,306	93,090	15,110	15,550
Bad Debt Writeoff	(54,360)	(35,000)	-	-
Investment Income	610,827	436,630	564,300	595,750
Net transfers in (out)	(105,090)	51,000	(60,000)	(60,000)
TOTAL WASTEWATER UTILITY FUND	$ 22,333,228	$ 43,485,770	$ 23,138,630	$ 23,357,280
SOLID WASTE COLLECTION AND DISPOSAL				
Power Sales Fixed Usage	$ 6,411,833	$ 6,539,200	$ 6,794,560	$ 6,994,650
Commercial Containers	5,327,456	5,661,530	5,511,950	5,671,000
Drop Boxes	1,378,585	1,537,000	1,435,190	1,476,600
Revenue Set Aside for Monitoring Cost	162,711	143,000	150,000	150,000
Special Pickups	5,724	8,000	8,000	8,000
Transfer Charges	925,075	1,007,000	925,590	952,300
County Reimbursement for HHW and E-Waste	205,887	97,500	190,000	190,000
Miscellaneous Operating Revenue	107,253	80,270	80,260	80,270
Real Estate Rentals	1,880	-	1,880	1,880
State Grant Operating for Solid Waste	46,140	-	-	-
Cardboard	198,849	70,000	170,000	170,000
White Paper Recycling	27,690	23,700	25,000	25,000
Glass Recycling	43,088	32,800	35,000	35,000
Curbside Recycling	637,569	550,000	550,000	550,000
Multi-Family Recycling	30,866	20,000	25,000	25,000
Commercial Recycling	9,987	13,000	10,000	10,000
Battery Recycling	4,006	280	2,000	2,000
Volunteer Drop Off	229,221	178,000	178,000	178,000
Special Handling Scrap Metal	34,883	30,000	30,000	30,000
Electronic Recycling Revenue	84,687	-	80,000	80,000
Miscellaneous Receipts	48,650	43,050	42,000	43,050
Street Cleaning Contract	16,680	16,680	16,680	16,680
Bad Debt Writeoff	(33,452)	-	(30,000)	(30,000)
Investment Income	315,333	334,920	306,000	306,000
Net transfers in (out)	1,366,840	(652,840)	(1,066,990)	(1,092,600)
TOTAL SOLID WASTE COLLECTION & DISPOSAL	$ 17,587,441	$ 15,733,090	$ 15,470,120	$ 15,872,830

STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Revised Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
INFORMATION TECHNOLOGY				
Data Processing Allocation	$ 2,190,220	$ 2,234,730	$ 2,113,010	$ 2,224,540
Miscellaneous Receipts	-	500	-	-
Investment Income	8,290	25,000	5,000	5,000
TOTAL INFORMATION TECHNOLOGY	$ 2,198,510	$ 2,260,230	$ 2,118,010	$ 2,229,540
FLEET MAINTENANCE				
Equipment Rental Charges	$ 2,921,506	$ 2,727,700	$ 2,696,960	$ 2,692,660
Compensation - Vehicle Damage	10,954	7,060	-	-
Miscellaneous Receipts	1,715	10,000	2,000	2,000
Bad Debt Writeoff	(10,386)	-	-	-
Investment Income	1,995	3,000	2,000	2,000
TOTAL FLEET MAINTENANCE	$ 2,925,784	$ 2,747,760	$ 2,700,960	$ 2,696,660
BUILDING MAINTENANCE & CONSTRUCTION				
Building Maintenance Allocation	$ 1,731,980	$ 1,714,290	$ 1,765,660	$ 1,735,940
Miscellaneous Receipts	1,153	2,000	800	800
Investment Income	7,265	13,260	2,500	2,500
TOTAL BUILDING MAINTENANCE & CONSTRUCTION	$ 1,740,398	$ 1,729,550	$ 1,768,960	$ 1,739,240
RECORDS MANAGEMENT				
Records Management Allocation	$ 307,250	$ 300,750	$ 235,300	$ 245,990
Non-Recurring	777	-	-	-
Investment Income	631	1,000	600	600
TOTAL RECORDS MANAGEMENT	$ 308,658	$ 301,750	$ 235,900	$ 246,590
EMPLOYER SERVICES				
Employer Services Allocation	$ 382,080	$ 391,190	$ 580,080	$ 585,070
Legal Services Allocation	-	377,000	377,000	377,000
Miscellaneous Receipts	3,502	-	-	-
Investment Income	1,030	-	500	500
TOTAL EMPLOYER SERVICES	$ 386,612	$ 768,190	$ 957,580	$ 962,570
GEOGRAPHIC INFORMATION SERVICES				
Geographic Information Services Allocation	$ 717,550	$ 601,000	$ 568,220	$ 600,250
Sale of Publications	175	700	150	150
Investment Income	986	2,000	1,000	1,000
TOTAL GEOGRAPHIC INFORMATION SERVICES	$ 718,711	$ 603,700	$ 569,370	$ 601,400

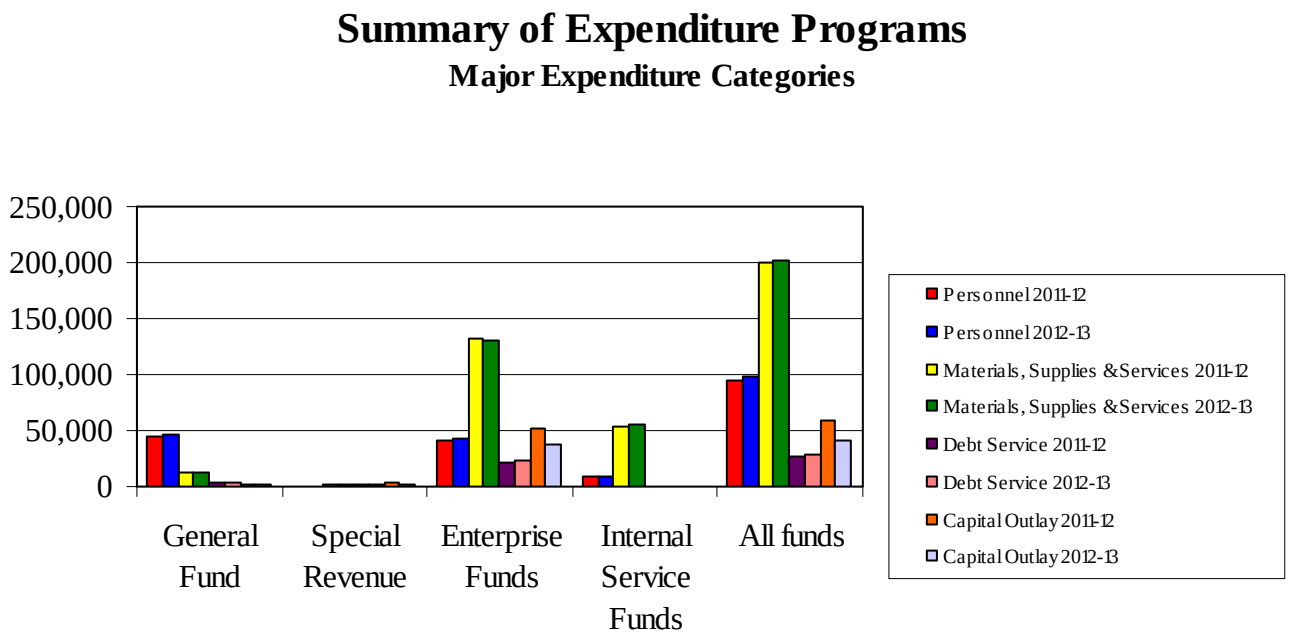
STATEMENT OF ESTIMATED REVENUES - ALL FUNDS

	Actual Revenue 2009-2010	Revised Estimate 2010-2011	Adopted 2011-2012	Adopted 2012-2013
COMMUNICATIONS				
Communications User Charge Allocation	$ 456,280	$ 467,070	$ 445,380	$ 446,390
Miscellaneous Receipts	2,200	2,200	2,200	2,200
Investment Income	4,062	12,340	1,200	1,200
TOTAL COMMUNICATIONS	$ 462,542	$ 481,610	$ 448,780	$ 449,790
REPROGRAPHICS				
Print Shop Allocation	$ 579,890	$ 621,570	$ 640,310	$ 656,690
Mail Room/Courier Allocation	38,060	-	-	-
Non-Recurring	16,058	-	-	-
Revenue-Service to Outside Accounts	1,989	-	-	-
Miscellaneous Receipts	-	2,000	-	-
Investment Income	1,133	7,580	250	250
TOTAL REPROGRAPHICS	$ 637,130	$ 631,150	$ 640,560	$ 656,940
VOLUNTEER SERVICES				
Volunteer Services Allocation	$ 145,100	$ 154,740	$ 134,390	$ 147,910
Investment Income	36	-	100	100
TOTAL VOLUNTEER SERVICES	$ 145,136	$ 154,740	$ 134,490	$ 148,010
RISK MANAGEMENT				
W/C Reimbursement	$ 3,345,930	$ 3,728,270	$ 3,409,440	$ 3,445,630
Insurance Allocation	1,348,460	1,104,100	1,126,970	1,159,580
Repayment of Advances	250,000	250,000	631,470	613,800
General Liability Reimbursement	4,561	-	-	-
Miscellaneous Receipts	4,431	-	-	-
Bad Debt Writeoff	(900)	-	-	-
Investment Income	255,534	80,000	120,000	120,000
Net transfers in (out)	253,718		50,000	50,000
TOTAL RISK MANAGEMENT	$ 5,461,734	$ 5,162,370	$ 5,337,880	$ 5,389,010
EMPLOYEE BENEFITS PAYROLL				
Retirement Allocation	$ 15,112,299	$ 16,588,480	$ 17,420,610	$ 18,317,050
Medicare Allocation	774,465	795,040	784,480	798,040
Social Security Allocation	58,991	82,080	70,570	71,750
Public Agency Retirement System (PARS)	4,230,152	4,751,250	5,724,740	5,828,780
TOTAL EMPLOYEE BENEFITS PAYROLL	20,175,907	22,216,850	24,000,400	25,015,620
EMPLOYEE BENEFIT GROUP INSURANCE				
Group Health Allocation	$ 15,363,214	$ 17,596,730	$ 18,231,140	$ 19,989,550
Group Health Contribution-Retired Employee	2,280,202	2,551,500	2,816,890	3,098,580
Bad Debt Writeoff	(1,601)	-	-	-
Investment Income	4,857	7,000	2,200	2,200
TOTAL EMPLOYEE BENEFIT GROUP INSURANCE	$ 17,646,672	$ 20,155,230	$ 21,050,230	$ 23,090,330
REDDING MUNICIPAL UTILITIES ADMIISTRATION				
RMU Admin O/H Allocation	$ 1,357,930	$ 1,404,850	$ 788,110	$ 780,140
ET/USA Locate Allocation	1,509,350	1,509,620	1,717,210	1,763,490
Other Revenue	132	-	-	-
Investment Income	10,034	-	10,500	10,500
REDDING MUNICIPAL UTILITIES ADMIISTRATION	$ 2,877,446	$ 2,914,470	$ 2,515,820	$ 2,554,130

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, the majority of the expenditures is on Materials, Supplies, and Services or capital outlay.

The City's total net expenditures for fiscal year 2011-12 are $308,899,314, of which $94,732,219 (30.7%) is on Personnel, $128,715,535 (41.7%) is on Materials, Supplies and Services, $27,191,780 (8.8%) is on Debt Service, and $58,259,780 (18.8%) is on Capital Outlay. For fiscal year 2012-13 total net expenditures are $293,445,980, of which $97,594,835 (33.3%) is on Personnel, $126,553,015 (43.1%) is on Materials, Supplies and Services, $27,829,080 (9.5%) is on Debt Service, and $41,469,050 (14.1%) is on Capital Outlay. General Fund expenditures total $61,441,180 and $63,355,060, respectively; Special Revenue Funds expenditures total $8,815,410 and $6,543,060, respectively; Enterprise Funds expenditures total $247,957,344 and $233,240,645, respectively; and Internal Service Funds expenditures total $61,764,650 and$65,044,005, respectively.



SUMMARY OF EXPENDITURE PROGRAMS
FISCAL YEAR 2011-12

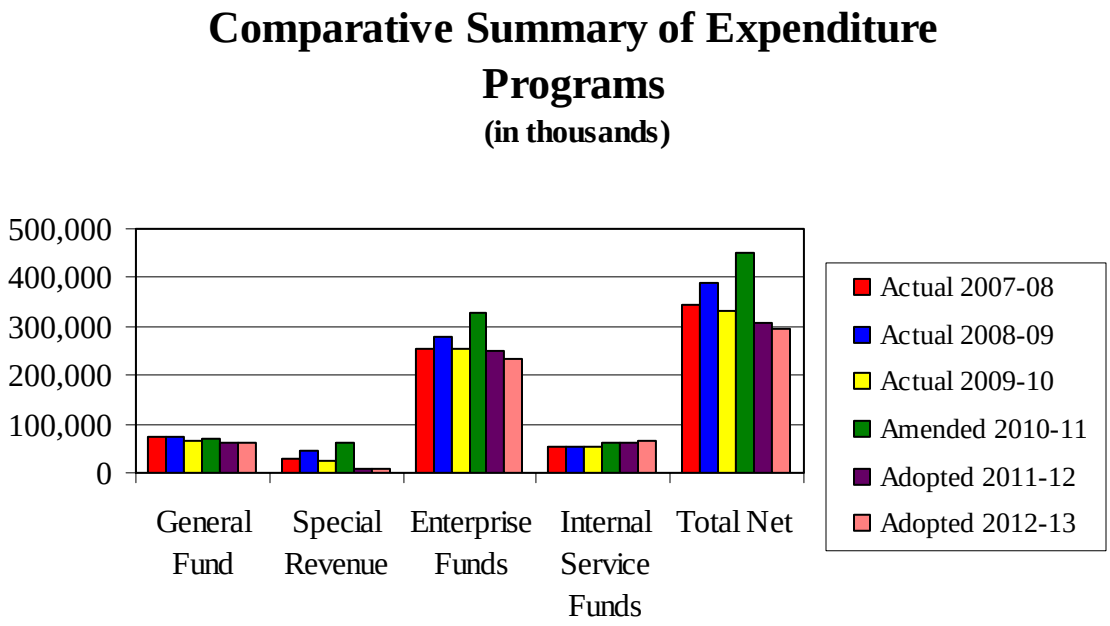
DEPARTMENTS	Net Personnel Cost	Materials, Supplies, and Services	Debt Service	Capital Outlay	Total
GENERAL FUND					
City Council	$ 163,380	$ 17,770	$ -	$ -	$ 181,150
City Clerk	401,760	156,990	-	-	558,750
City Manager	314,030	107,270	-	-	421,300
City Treasurer	437,780	75,990	-	-	513,770
City Attorney	359,670	113,690	-	-	473,360
Personnel	359,930	136,890	-	-	496,820
Non-Departmental	438,200	1,056,680	2,788,000	188,130	4,471,010
Finance	886,900	242,150	-	-	1,129,050
Police	20,323,510	3,536,060	-	42,000	23,901,570
Fire	13,664,780	2,522,650	-	-	16,187,430
Development Services	2,608,670	574,810	-	178,030	3,361,510
Community Services	2,615,490	1,509,380	20,840	-	4,145,710
Public Works	1,329,120	2,141,060	-	1,610,000	5,080,180
Support Services	406,540	107,030	-	6,000	519,570
Subtotal	44,309,760	12,298,420	2,808,840	2,024,160	61,441,180
SPECIAL REVENUE FUNDS					
City Manager	327,390	152,150	6,000	1,466,020	1,951,560
Non-Departmental	-	1,000	-	22,400	23,400
Police	80,000	33,580	-	-	113,580
Community Services	111,330	2,006,050	935,050	-	3,052,430
Public Works	60,000	32,620	1,221,790	2,360,030	3,674,440
Subtotal	578,720	2,225,400	2,162,840	3,848,450	8,815,410
ENTERPRISE FUNDS					
Community Services	651,890	975,220	83,580	-	1,710,690
Public Works	8,393,889	16,767,105	6,552,560	31,785,400	63,498,954
Electric Utility	24,788,890	104,604,330	13,829,160	8,779,600	152,001,980
Support Services	7,707,020	10,060,230	1,504,800	11,473,670	30,745,720
Subtotal	41,541,689	132,406,885	21,970,100	52,038,670	247,957,344
INTERNAL SERVICE FUNDS					
City Clerk	178,300	59,820	-	-	238,120
City Attorney	-	377,000	-	-	377,000
Personnel	1,354,190	48,641,330	-	-	49,995,520
Public Works	2,298,170	513,170	-	-	2,811,340
Support Services	4,471,390	3,272,780	250,000	348,500	8,342,670
Subtotal	8,302,050	52,864,100	250,000	348,500	61,764,650
TOTAL EXPENDITURES	94,732,219	199,794,805	27,191,780	58,259,780	379,978,584
Less: Charges between funds	-	(71,079,270)	-	-	(71,079,270)
NET TOTAL	$ 94,732,219	$ 128,715,535	$ 27,191,780	$ 58,259,780	$ 308,899,314

SUMMARY OF EXPENDITURE PROGRAMS
FISCAL YEAR 2012-13

DEPARTMENTS	Net Personnel Cost	Materials, Supplies, and Services	Debt Service	Capital Outlay	Total
GENERAL FUND					
City Council	$ 175,330	$ 17,670	$ -	$ -	$ 193,000
City Clerk	423,930	158,130	-	-	582,060
City Manager	214,710	107,440	-	-	322,150
City Treasurer	459,640	77,150	-	-	536,790
City Attorney	422,450	113,830	-	-	536,280
Personnel	385,300	140,170	-	-	525,470
Non-Departmental	438,800	1,076,660	2,784,530	158,130	4,458,120
Administrative Services	930,430	247,690	-	-	1,178,120
Police	20,851,550	3,598,750	-	42,000	24,492,300
Fire	14,121,030	2,549,040	-	-	16,670,070
Development Services	2,800,680	574,780	-	126,500	3,501,960
Community Services	2,679,290	1,518,930	20,830	-	4,219,050
Public Works	1,404,160	2,208,610	-	1,990,490	5,603,260
Support Services	422,130	108,300	-	6,000	536,430
Subtotal	45,729,430	12,497,150	2,805,360	2,323,120	63,355,060
SPECIAL REVENUE FUNDS					
City Manager	326,200	153,720	6,000	1,466,020	1,951,940
Non-Departmental	-	1,000	-	23,100	24,100
Police	80,000	33,700	-	-	113,700
Community Services	113,730	2,008,120	937,750	-	3,059,600
Public Works	61,800	33,210	1,219,010	79,700	1,393,720
Subtotal	581,730	2,229,750	2,162,760	1,568,820	6,543,060
ENTERPRISE FUNDS					
Community Services	113,500	896,360	86,230	-	1,096,090
Public Works	8,705,975	17,267,940	7,125,370	29,115,440	62,214,725
Electric Utility	25,868,890	102,236,070	13,834,480	5,598,000	147,537,440
Support Services	7,995,790	10,299,550	1,564,880	2,532,170	22,392,390
Subtotal	42,684,155	130,699,920	22,610,960	37,245,610	233,240,645
INTERNAL SERVICE FUNDS					
City Clerk	186,730	59,680	-	-	246,410
City Attorney	-	377,000	-	-	377,000
Personnel	1,409,000	51,683,400	-	-	53,092,400
Public Works	2,329,530	526,535	-	-	2,856,065
Support Services	4,674,260	3,216,370	250,000	331,500	8,472,130
Subtotal	8,599,520	55,862,985	250,000	331,500	65,044,005
TOTAL EXPENDITURES	97,594,835	201,289,805	27,829,080	41,469,050	368,182,770
Less: Charges between funds	-	(74,736,790)	-	-	(74,736,790)
NET TOTAL	$ 97,594,835	$ 126,553,015	$ 27,829,080	$ 41,469,050	$ 293,445,980

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 2007-08, 2008-09 and 2009-10, show actual expenditures for the fiscal years indicated. The fourth column, Budget as Amended 2010-11, shows the appropriation level as amended by the City Council during fiscal year 2010-11. The fifth and sixth columns, Proposed Budget for 2011-12 and 2012-13, show the proposed budget for the 2011-13 biennial budget. The graph compares the data for each fund type and shows the changes that have occurred over this six year period.



CITY OF REDDING BIENNIAL BUDGET
FISCAL YEARS ENDING JUNE 30, 2012 AND 2013

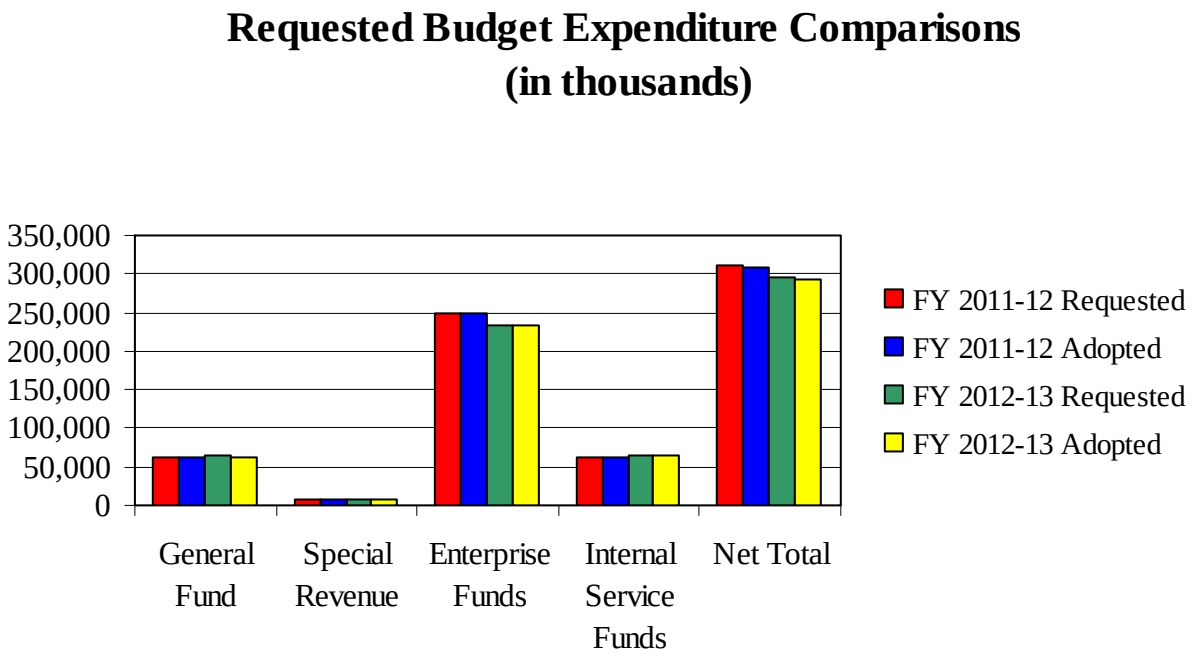
COMPARATIVE SUMMARY OF EXPENDITURE PROGRAMS

DEPARTMENTS	Expended 2007-2008	Expended 2008-2009	Expended 2009-2010	Budget as Amended 2010-2011	ADOPTED Budget 2011-2012	ADOPTED Budget 2012-2013
GENERAL FUND						
City Council	$ 157,835	$ 162,786	$ 164,047	$ 171,770	$ 181,150	$ 193,000
City Clerk	781,046	813,556	539,426	598,680	558,750	582,060
City Manager	787,359	821,483	550,434	490,750	421,300	322,150
City Treasurer	531,263	564,465	527,712	529,110	513,770	536,790
City Attorney	629,098	626,056	602,816	560,430	473,360	536,280
Personnel	571,282	559,907	543,581	442,970	496,820	525,470
Non-Departmental	5,480,548	5,220,365	4,295,163	4,804,760	4,471,010	4,458,120
Finance	1,375,233	1,374,399	1,266,112	1,333,100	1,129,050	1,178,120
Police	25,385,566	27,267,123	25,308,653	27,586,765	23,901,570	24,492,300
Fire	18,128,263	17,040,507	16,465,831	16,537,570	16,187,430	16,670,070
Development Services	6,308,517	6,038,415	4,539,905	4,056,280	3,361,510	3,501,960
Community Services	5,608,178	5,442,193	4,683,613	4,521,980	4,145,710	4,219,050
Transportation/Engineering	6,000,755	8,325,181	5,498,580	9,080,980	5,080,180	5,603,260
Support Services	520,828	513,796	458,942	500,380	519,570	536,430
Subtotal	72,265,771	74,770,232	65,444,815	71,215,525	61,441,180	63,355,060
SPECIAL REVENUE FUNDS						
City Manager	2,258,683	4,145,123	2,319,264	4,041,700	1,951,560	1,951,940
Non-Departmental	2,400,731	1,628,531	1,079,692	12,641,670	23,400	24,100
Police	190,683	200,451	183,938	194,320	113,580	113,700
Community Services	6,056,631	4,240,804	3,814,185	5,050,760	3,052,430	3,059,600
Municipal Utilities	113,614	158,893	72,900	71,190	76,700	78,790
Transportation/Engineering	19,054,687	34,551,116	18,840,744	40,348,250	3,597,740	1,314,930
Subtotal	30,075,029	44,924,918	26,310,723	62,347,890	8,815,410	6,543,060
ENTERPRISE FUNDS						
Community Services	2,941,989	2,894,096	2,931,935	3,693,950	1,710,690	1,096,090
Municipal Utilities	48,512,426	57,389,825	43,324,489	122,001,100	63,498,954	62,214,725
Electric Utility	180,694,323	198,991,483	186,603,566	176,057,374	152,001,980	147,537,440
Support Services	21,259,176	20,092,778	20,129,807	26,833,450	30,745,720	22,392,390
Subtotal	253,407,914	279,368,182	252,989,797	328,585,874	247,957,344	233,240,645
INTERNAL SERVICE FUNDS						
City Clerk	273,142	292,426	290,241	281,890	238,120	246,410
City Attorney	1,245,016	25,921	-	395,440	377,000	377,000
Personnel	39,999,541	41,518,195	41,858,081	47,933,110	49,995,520	53,092,400
Public Works	2,130,550	2,298,380	2,639,193	2,908,110	2,811,340	2,856,065
Support Services	8,878,594	9,221,576	8,493,527	8,780,599	8,342,670	8,472,130
Subtotal	52,526,843	53,356,498	53,281,042	60,299,149	61,764,650	65,044,005
TOTAL EXPENDITURES	408,275,557	452,419,830	398,026,377	522,448,438	379,978,584	368,182,770
Less: Charges between funds	(63,708,970)	(64,477,941)	(66,313,587)	(71,460,490)	(71,079,270)	(74,736,790)
NET TOTAL	$ 344,566,587	$ 387,941,889	$ 331,712,790	$ 450,987,948	$ 308,899,314	$ 293,445,980

EXPENDITURE – Department Requests

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

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



DEPARTMENT REQUESTS COMPARISON - EXPENDITURES

DEPARTMENTS	Requested FY 2011-2012	Adopted FY 2011-2012	Difference	Requested FY 2012-2013	Adopted FY 2012-2013	Difference
GENERAL FUND						
City Council	$ 181,590	$ 181,150	$ (440)	$ 193,410	$ 193,000	$ (410)
City Clerk	627,390	558,750	(68,640)	653,030	582,060	(70,970)
City Manager	531,680	421,300	(110,380)	549,410	322,150	(227,260)
City Treasurer	540,730	513,770	(26,960)	564,820	536,790	(28,030)
City Attorney	598,360	473,360	(125,000)	615,400	536,280	(79,120)
Personnel	519,930	496,820	(23,110)	550,870	525,470	(25,400)
Non-Departmental	4,550,110	4,471,010	(79,100)	4,534,740	4,458,120	(76,620)
Finance	1,364,500	1,129,050	(235,450)	1,425,020	1,178,120	(246,900)
Police	24,219,090	23,901,570	(317,520)	24,957,840	24,492,300	(465,540)
Fire	16,211,160	16,187,430	(23,730)	16,702,390	16,670,070	(32,320)
Development Services	3,854,940	3,361,510	(493,430)	3,965,800	3,501,960	(463,840)
Community Services	4,389,330	4,145,710	(243,620)	4,458,390	4,219,050	(239,340)
Public Works	5,405,680	5,080,180	(325,500)	6,082,460	5,603,260	(479,200)
Support Services	478,870	519,570	40,700	505,570	536,430	30,860
Subtotal	63,473,360	61,441,180	(2,032,180)	65,759,150	63,355,060	(2,404,090)
SPECIAL REVENUE FUNDS						
City Manager	1,968,180	1,951,560	(16,620)	1,969,080	1,951,940	(17,140)
Non-Departmental	23,400	23,400		24,100	24,100	
Police	113,790	113,580	(210)	113,900	113,700	(200)
Community Services	3,020,930	3,052,430	31,500	3,028,100	3,059,600	31,500
Public Works	73,170	76,700	3,530	75,290	78,790	3,500
Transportation/Engineering	3,597,300	3,597,740	440	1,314,520	1,314,930	410
Subtotal	8,796,770	8,815,410	18,640	6,524,990	6,543,060	18,070
ENTERPRISE FUNDS						
Community Services	2,908,590	1,710,690	(1,197,900)	3,005,320	1,096,090	(1,909,230)
Public Works	62,527,664	63,498,954	971,290	58,633,905	62,214,725	3,580,820
Electric Utility	152,837,590	152,001,980	(835,610)	148,416,320	147,537,440	(878,880)
Support Services	30,855,910	30,745,720	(110,190)	22,487,950	22,392,390	(95,560)
Subtotal	249,129,754	247,957,344	(1,172,410)	232,543,495	233,240,645	697,150
INTERNAL SERVICE FUNDS						
City Clerk	251,700	238,120	(13,580)	259,690	246,410	(13,280)
City Attorney	377,000	377,000	-	377,000	377,000	-
Personnel	50,092,650	49,995,520	(97,130)	53,191,620	53,092,400	(99,220)
Public Works	2,802,430	2,811,340	8,910	2,877,690	2,856,065	(21,625)
Support Services	8,869,220	8,342,670	(526,550)	8,855,430	8,472,130	(383,300)
Subtotal	62,393,000	61,764,650	(628,350)	65,561,430	65,044,005	(517,425)
TOTAL EXPENDITURES	383,792,884	379,978,584	(3,814,300)	370,389,065	368,182,770	(2,206,295)
Less: Charges between funds	(72,313,070)	(71,079,270)	1,233,800	(75,533,465)	(74,736,790)	796,675
NET TOTAL	$ 311,479,814	$ 308,899,314	$ (2,580,500)	$ 294,855,600	$ 293,445,980	$ (1,409,620)

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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

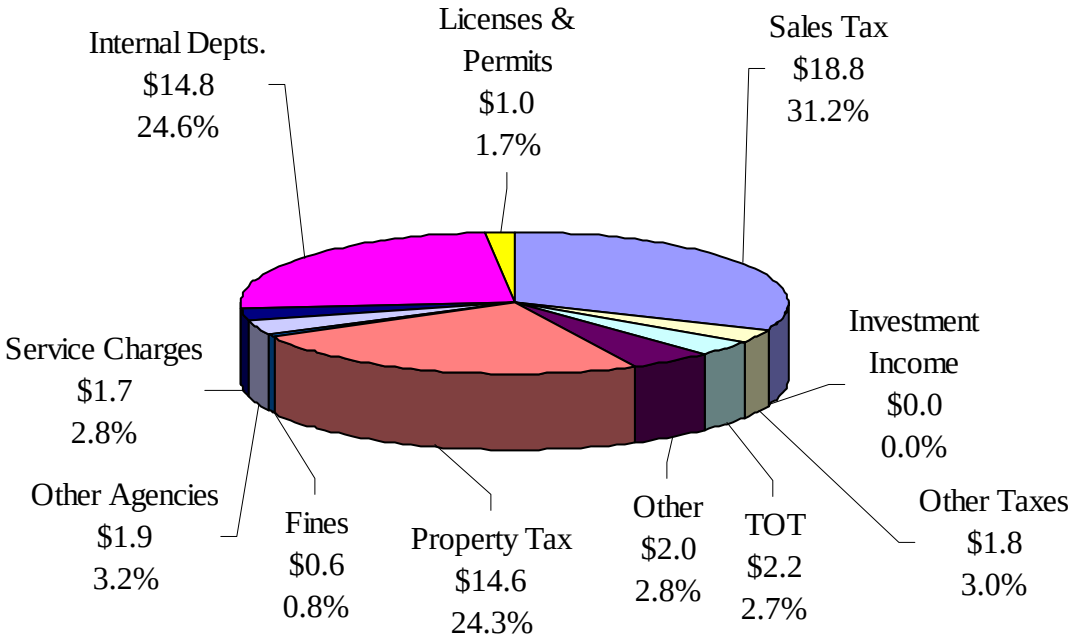
These figures clearly display that the General Fund's main source of revenue comes from sales tax (31.2% and 31.3% respectively). The next largest source of revenue is from internal departments (24.6% and 24.6% respectively) followed by property tax (24.3% and 23.8% respectively). These three sources of revenue make up approximately 80 percent of the City's General Fund.

Where It Goes

These figures clearly display that the Public Safety Programs (Police 38.9% and 38.6% respectively and Fire 26.3% and 26.3%) 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 Public Works (primarily streets) at 8.3 percent and 8.8 percent respectively, followed by General Government (6.8% and 6.9% respectively) followed by Community Services (6.8% and 6.6% respectively) and Development Services (5.5% and 5.5% respectively).

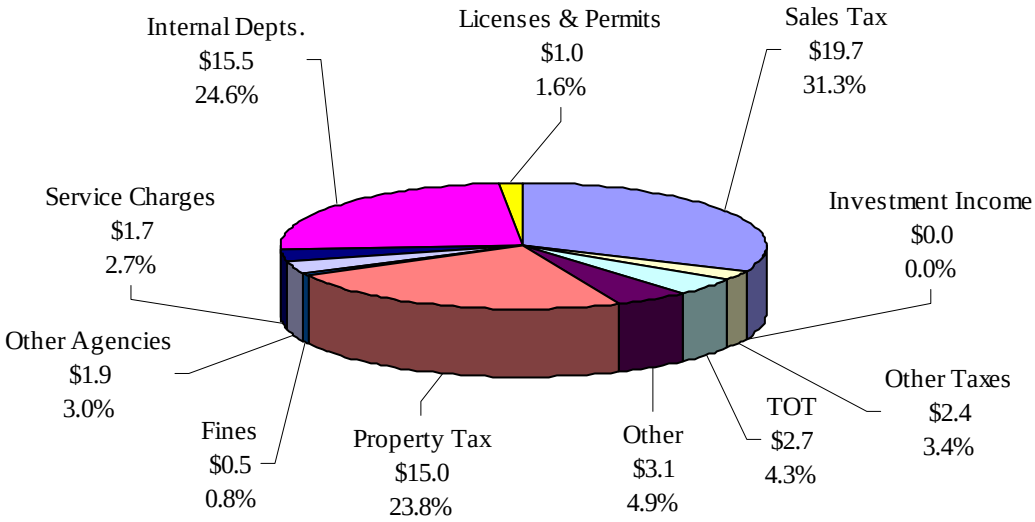
General Fund Dollars FY 2011-12

Where it comes from (In Millions)



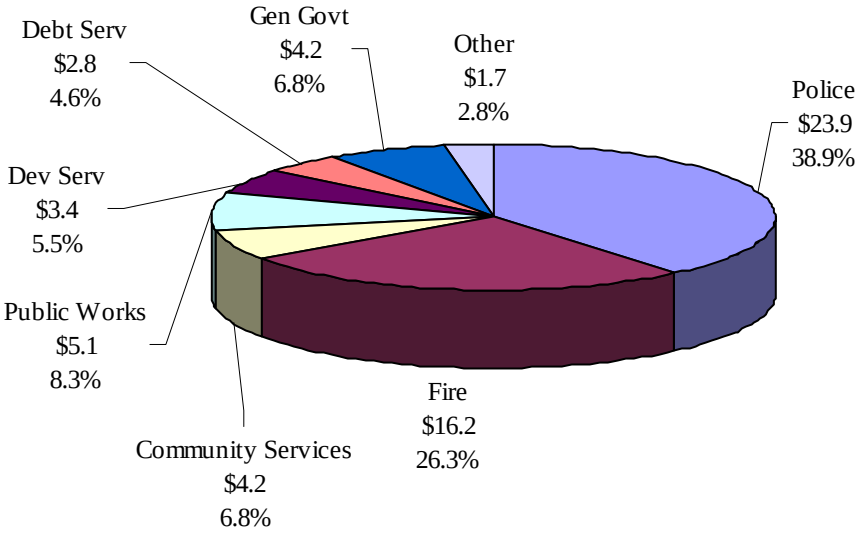
General Fund Dollars FY 2012-13

Where it comes from (In Millions)



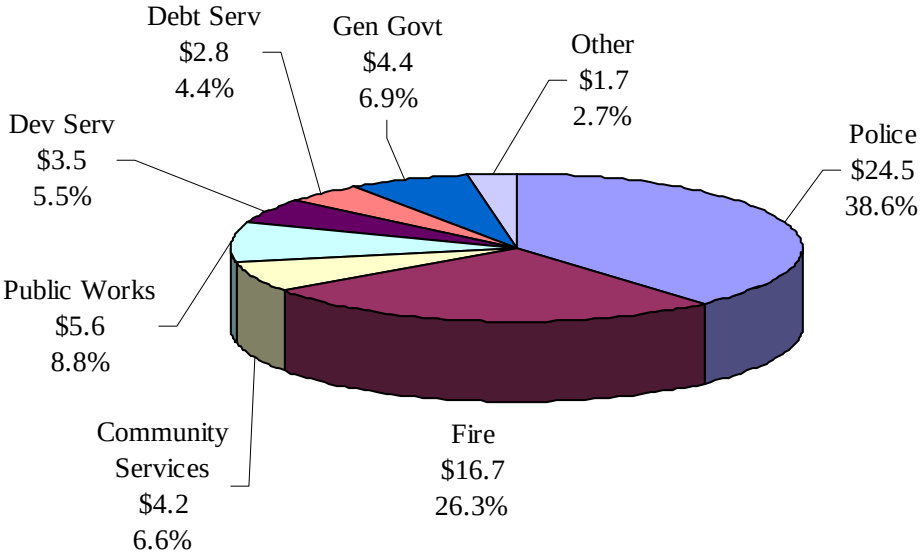
General Fund Dollars FY 2011-12

Where it goes(In Millions)



General Fund Dollars FY 2012-13

Where it goes (In Millions)



EXPENDITURES/REVENUE PER RESIDENT

The following tables display expenditures/revenue per resident for "General City Programs" for the 2011-12 and 2012-13 Adopted Budget compared to the 2010-11 Adopted Budget.

Expenditures

Expenditures per resident are proposed to decline from fiscal year 2010-11 to fiscal year 2011-12 by $87.16. The decline is due to reductions made in all departments due to the severe global recession. Expenditures per resident in fiscal year 2012-13 are proposed to increase by $17.65 over fiscal year 2011-12. However fiscal year 2012-13 is still $69.51 below the adopted fiscal year 2010-11 per resident amount.

Revenue

Revenues per resident are proposed to decline from fiscal year 2010-11 to fiscal year 2011-12 due to the severe global recession. The largest decline is in property tax (-$33.79 or -17%), which reflects the fact that due to the recession property values have declined. The next largest decrease in revenue per resident is sales tax (-$25.30 or -11%), which is due people spending less in the recession. Service fees are the third largest decrease in revenue per resident (-$9.37 or -34%). Again, this is due to the recession as well as lower building fees. In fiscal year 2012-13 most revenue sources are proposed to increase based on the assumption that the economy will improve.

EXPENDITURES PER RESIDENT*

Program	Adopted 2010-11	Adopted 2011-12	Difference	Adopted 2012-13	Difference
Police	$ 283.63	$ 263.52	$ (20.11)	$ 268.70	$ 5.18
Fire	188.72	178.47	(10.25)	182.89	4.41
Administration	57.17	47.03	(10.14)	48.07	1.05
Street Maintenace	49.94	54.15	4.21	59.80	5.65
General Fund Debt Service	33.34	30.83	(2.51)	30.64	(0.19)
Parks	28.97	22.16	(6.81)	22.35	0.20
Building & Code Enforcement/Permit Center	29.52	22.09	(7.44)	22.87	0.78
Planning	24.90	13.58	(11.32)	14.16	0.58
Engineering	15.13	1.86	(13.27)	1.68	(0.18)
Recreation	20.09	19.43	(0.66)	19.66	0.24
Miscellaneous	20.48	13.03	(7.45)	12.65	(0.38)
Animal Regulation	7.34	7.03	(0.31)	7.20	0.17
Museums	-	-	-	-	-
Community Service Administration	5.23	4.12	(1.10)	4.27	0.15
Total	$ 764.46	$ 677.30	$ (87.16)	$ 694.95	$ 17.65

Based on populations estimates of 90,500 for 20010-11, 90,700 for 2011-12 and 91,150 for 2012-13

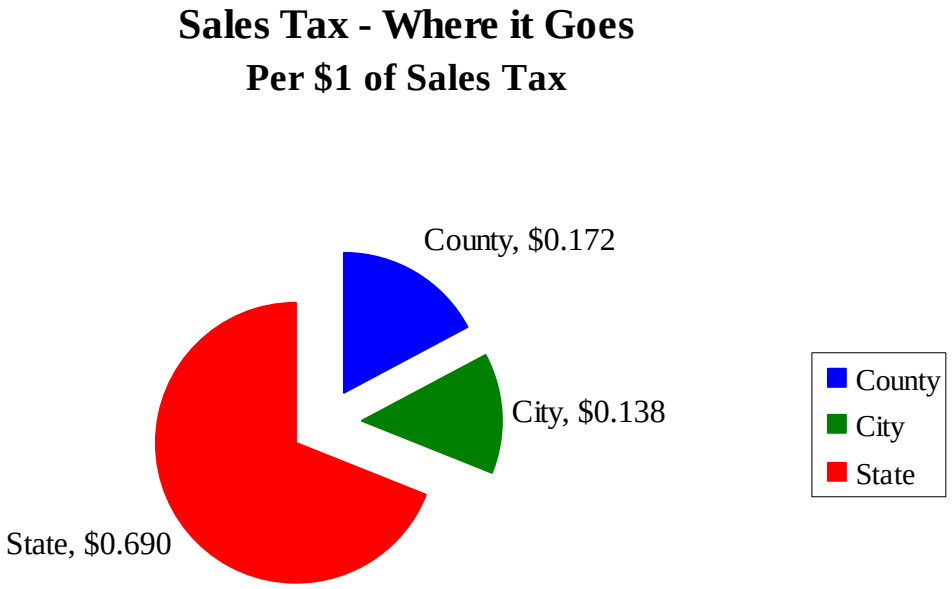
REVENUES PER RESIDENT*

	Adopted 2010-11	Adopted 2011-12	Difference	Adopted 2012-13	Difference
Sales Tax	$ 232.13	$ 206.84	$ (25.30)	$ 216.13	$ 9.29
Revenue from City-Own Business	95.00	113.69	18.69	114.26	0.57
Property Tax	194.46	160.67	(33.79)	164.67	4.00
Street Funding	46.68	47.54	0.85	53.21	5.68
Transient Occupancy Tax (General Fund Portion Only)	22.41	24.34	1.93	29.76	5.42
Service Fees	27.84	18.47	(9.37)	18.95	0.47
Other Government Agencies	21.56	20.70	(0.85)	20.71	0.01
Licenses and Permits	11.62	10.90	(0.71)	11.28	0.38
Miscellaneous Revenue	39.09	32.76	(6.33)	33.21	0.45
Business License Tax	9.72	7.99	(1.72)	8.20	0.20
Franchise Fee	11.58	10.09	(1.49)	10.34	0.25
Fines and Penalties	8.29	5.82	(2.48)	5.92	0.11
Interest Income	3.43	0.31	(3.13)	0.31	(0.00)
Sales Tax - Public Safety	3.01	3.00	(0.01)	2.98	(0.01)
Miscellaneous Taxes	3.47	2.04	(1.43)	2.08	0.04
Total	$ 730.30	$ 665.16	$ (65.14)	$ 692.03	$ 26.87

Based on populations estimates of 90,898 for 2008-09, 91,600 for 2009-10 and 92,350 for 2010-11

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.



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**, Estimated 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, **Estimated Net Expenditures**, reflects the difference between gross adopted appropriations and estimated revenues.

SUMMARY OF NET EXPENDITURES - GENERAL FUND

DEPARTMENTS	ADOPTED Budget 2011-2012	Estimated Revenue & Transfers 2011-2012	Estimated Net Expenditures 2011-2012
City Council	$ 181,150	$ -	$ 181,150
City Clerk	558,750	74,100	484,650
City Manager	421,300	-	421,300
City Treasurer	513,770	22,100	491,670
City Attorney	473,360	12,000	461,360
Finance	1,129,050	25,000	1,104,050
Personnel	496,820	-	496,820
Non-Departmental			
Non-Departmental	1,026,810	51,488,450	(50,461,640)
Capital Projects	10,000	10,000	-
Animal Regulation	637,700	36,000	601,700
General Fund Debt Service	2,796,500	133,900	2,662,600
Subtotal	4,471,010	51,668,350	(47,197,340)
Police	23,901,570	1,711,240	22,190,330
Fire	16,187,430	(5,560)	16,192,990
Development Services			
Permit Center	453,610	78,000	375,610
Building & Code Enforcement	1,549,800	1,202,380	347,420
Planning	1,231,600	152,000	1,079,600
Engineering & Design	126,500	126,500	-
Subtotal	3,361,510	1,558,880	1,802,630
Community Services			
Parks	2,009,620	(9,130)	2,018,750
Recreation	1,762,110	899,810	862,300
Community Services	373,980	1,000	372,980
Subtotal	4,145,710	891,680	3,254,030
Public Works	5,080,180	4,320,200	759,980
Support Services			
Purchasing	491,150	-	491,150
Midtown Mall	28,420	-	28,420
Subtotal	519,570	-	519,570
Total General Fund	$ 61,441,180	$ 60,277,990	$ 1,163,190

SUMMARY OF NET EXPENDITURES - GENERAL FUND

DEPARTMENTS	ADOPTED Budget 2012-2013	Estimated Revenue & Transfers 2012-2013	Estimated Net Expenditures 2012-2013
City Council	$ 193,000	$ -	$ 193,000
City Clerk	582,060	76,300	505,760
City Manager	322,150	-	322,150
City Treasurer	536,790	22,100	514,690
City Attorney	536,280	12,000	524,280
Finance	1,178,120	25,000	1,153,120
Personnel	525,470	-	525,470
Non-Departmental			
Non-Departmental	998,390	53,604,080	(52,605,690)
Capital Projects	10,000	10,000	-
Animal Regulation	656,700	37,700	619,000
General Fund Debt Service	2,793,030	133,900	2,659,130
Subtotal	4,458,120	53,785,680	(49,327,560)
Police	24,492,300	1,767,140	22,725,160
Fire	16,670,070	(2,960)	16,673,030
Development Services			
Permit Center	480,420	84,000	396,420
Building & Code Enforcement	1,604,190	1,245,320	358,870
Planning	1,290,850	105,000	1,185,850
Engineering & Design	126,500	126,500	-
Subtotal	3,501,960	1,560,820	1,941,140
Community Services			
Parks	2,037,540	(9,130)	2,046,670
Recreation	1,792,390	926,910	865,480
Community Services	389,120	1,000	372,980
Subtotal	4,219,050	918,780	3,285,130
Public Works	5,603,260	4,859,290	743,970
Support Services			
Purchasing	508,010	-	508,010
Midtown Mall	28,420	-	28,420
Subtotal	536,430	-	536,430
Total General Fund	$ 63,355,060	$ 63,024,150	$ 315,770

City of Redding

General Fund Ten-Year Plan

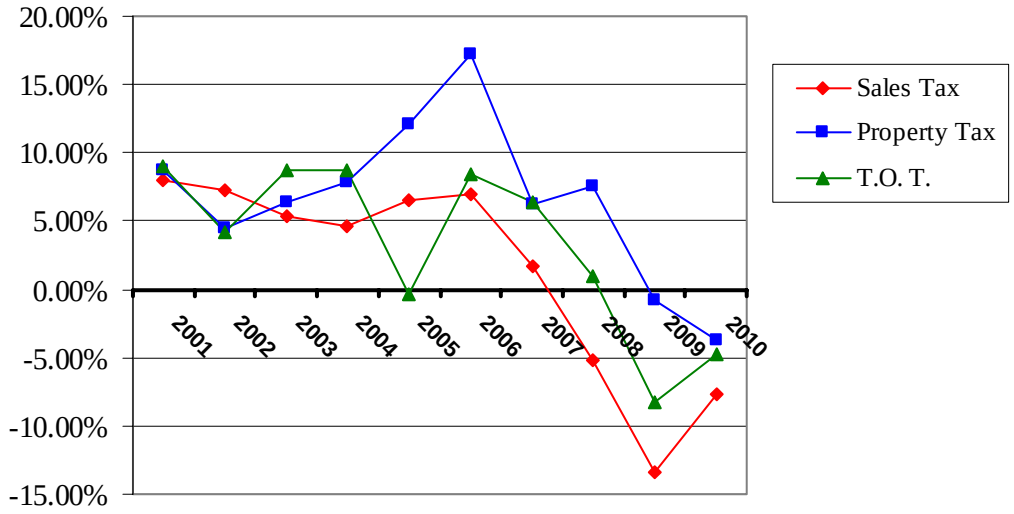
City of Redding General Fund Ten-Year Plan

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

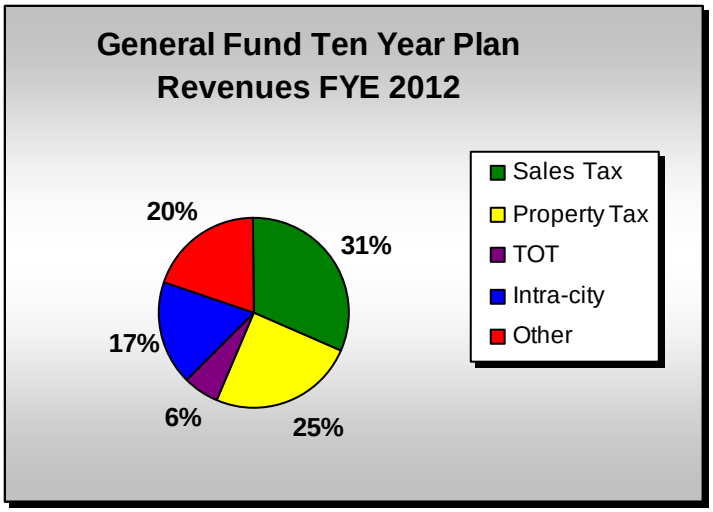


In the four years prior to FYE 2011 sales tax decrease at an average rate of 6.2 percent. Prior to that time, as can be seen from the graph above, sales tax was consistently growing at over 5 percent per year. During the past year sales tax has grown between 2 to 7 percent each quarter. Staff is projecting that for fiscal year end 2012 sales tax will increase by 3.5 percent. This projected sales tax growth rate is lower than the pre-recession annual growth rate of over 5 percent, but similar to the average growth rate for the last four quarters. For FY 2012-13 and thereafter, staff is projecting that the sales tax rate will be at 4.5 percent which is lower than the pre recession growth rate, but more in-line with the combined population and inflation projected growth rate. Therefore, staff is assuming sales tax will increase by 4.5 percent per year in the Ten-Year Plan for fiscal year 2012-13 and thereafter.

Even with the downturn in the economy and decreases in property tax for the last two years and an expected decrease for fiscal year 2010-11, property tax annual increases over the last ten years have averaged over 6 percent. However, if the large increases in fiscal years 2004-05 and 2005-06 are excluded from the calculation, the average increase in approximately 4.5 percent. Based on collections through May, 2011 it appears that property tax growth will be flat for fiscal year 2010-11. There is a time lag in valuing property and collecting taxes, therefore, staff believes that property tax increases will remain flat for fiscal year 2011-12 and then start to increase. In fiscal year 2012-13 staff is assuming a 3 percent increase in property tax. In the remainder of the Ten Year Plan staff is assuming between a 3.5 percent and 4.5 percent increase in property tax revenues.

Transient Occupancy Tax (TOT) increases have been varied over the past ten years, but growth averaged between 3 and 4 percent which include the last two years decreases. Excluding these decreases transient occupancy tax growth rate has average 5.7 percent over the past ten years. In the 11 months through May, 2011, transient occupancy tax has been growing at a 3.6 percent rate. Staff is recommending that a 4 percent TOT growth rate be used in the Ten-Year Plan.

Other Revenues

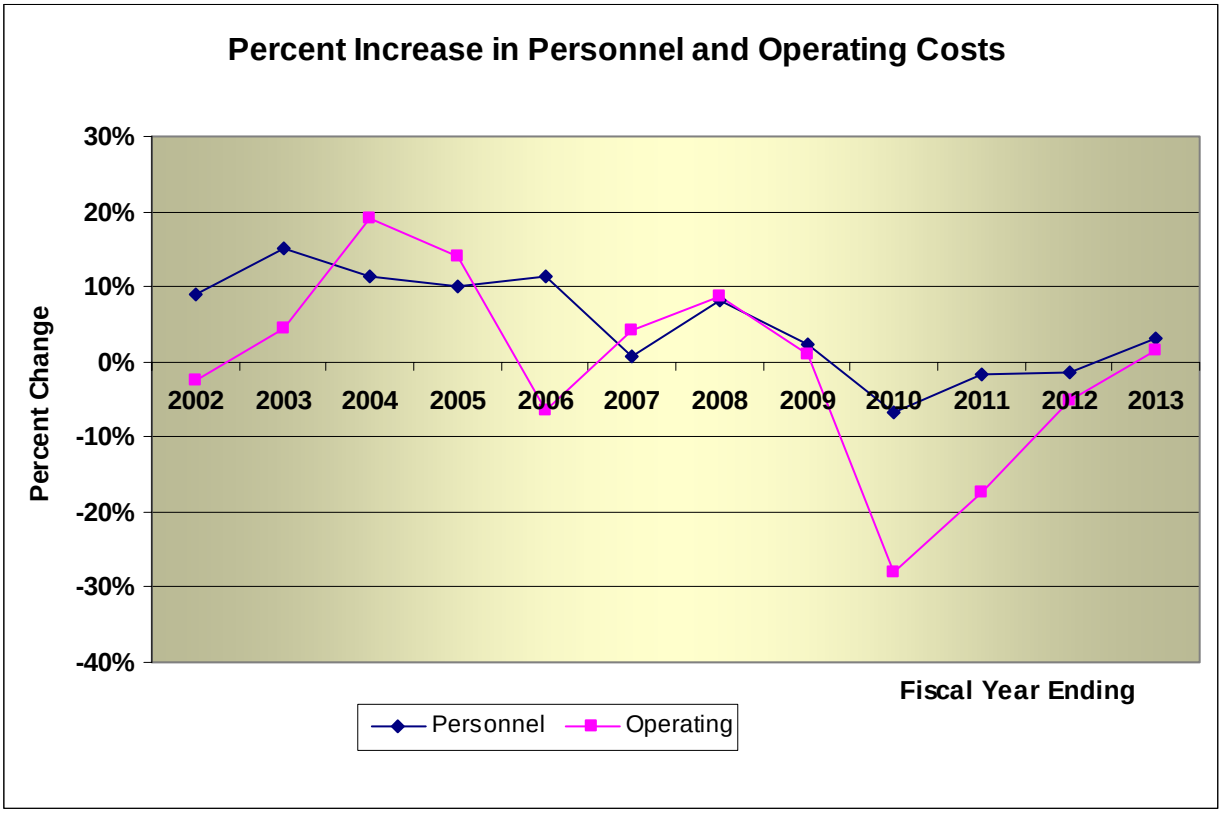


As can be seen from the graph above, sales tax, property tax, transient occupancy tax, and intra-city revenue account for over 75 percent of the City's total General Fund Revenue. Therefore, the above discussion covers the majority of the City's General Fund revenues. Most of the other revenues that are not discussed above are assumed to increase at 3 or 4 percent 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 4.2 percent over the past ten years.

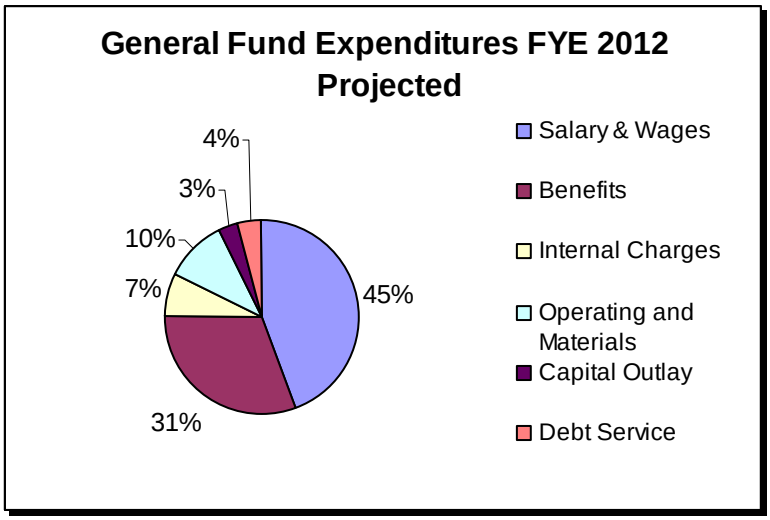
EXPENDITURES

Below is a graph showing the actual and projected percent increase in personnel costs and operating costs for fiscal years 2000 through 2011 (2009 to 2011 are budgeted amounts). As can be seen from the graph, personnel costs have decreased over the past few years but are projected to decrease in fiscal year 2012 due to furloughs and implementing labor negotiations. Staff is recommending a 2.5 percent growth rate in personnel in the first few years of the Ten Year Plan. In addition to the general increase just mention, staff has included a line item in the Ten Year Plan which adds back additional personnel costs related to ending furloughs, increased PERS costs and adding back positions deleted in the past few years.

As can be seen from the chart below the growth in operating costs has been erratic over the past ten years. Overall the operating costs growth rate has average less than 3 percent over the last 10 years. Staff has budgeted for expected operating costs in fiscal years 2011-12 and 2012-13. Staff is expecting no growth in operating costs in fiscal year 2013-14 and a 3 percent growth in operating costs after fiscal years thereafter.



General Fund Expenditures by Category



Summary Ten-Year Plan Assumptions

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

1. In fiscal year 2011-12 it is assumed no increase in property tax revenue. In fiscal year 2012-13 sales tax is assumed to increase by 3 percent. (Property tax revenue grew by over 5 percent in the ten years prior to 2008. Since 2008 property taxes have decreased by about 4.5 percent for the three year period.)

2. In fiscal year 2012 will increase by 3.5 percent and by 4.5 percent in fiscal year 2013. (Sales tax revenue grew, on average, by 5.2 percent per year in the years prior to this last downturn in the economy. However, there were significant declines in fiscal years 2008, 2009, and 2010. Recently the City has seen growth of approximately two percent in sales tax. It is anticipated that the economy will improve slightly in fiscal year 2012.)

3. Transient Occupancy Tax (TOT) revenue is assumed to increase by 4.0 percent. (TOT revenue grew, on average, by 6.2 percent per year in the ten years prior to 2008; however since 2008 TOT has decreased. TOT has declined by about 6 percent each year.)

4. Revenue from taxes will increase by 4 percent per year. (It is assumed that these taxes will grow at similar rates to TOT.)

5. Revenue from licenses and permits, fines and penalties, and from service charges will decrease slightly in fiscal year 2012 and increase slightly in fiscal year 2013. (These combined revenues grew by over 10 percent per year between FYE 1999 and FYE 2008. The large increases are due to one-time increases and high building activity, which has decreased over the last several years.)

6. Revenue from other governmental agencies will increase by 3 percent. (Historical growth rates are erratic.)

7. Revenue from internal departments are based on actual charges for fiscal year 2012 and are assumed to increase by 3 percent in fiscal year 2013. (Historical growth rates are erratic, but have consistently been around 3 to 4 percent when adjusted for one-time changes.)

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

9. Other revenue is assumed to increase by 3 percent. (Historical growth rates are erratic.)

10. 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.

City of Redding - General Fund Ten Year Plan (in thousands)
FYE 2012 and 2013 Adopted Budget
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	Fiscal Year Ended														
	Adopted		Amended	Adopted		Amended									
Summary	**11-12**	**Adjust.**	**11-12**	**12-13**	**Adjust.**	**12-13**	**13-14**	**14-15**	**15-16**	**16-17**	**17-18**	**18-19**	**19-20**	**20-21**	**21-22**
Projected Balance Forward	2,968		2,968	2,990	0	2,990	3,873	3,149	3,245	3,399	3,495	3,606	3,808	4,151	4,686
Projected Revenues	56,362	0	56,362	58,289	0	58,289	60,143	62,475	65,015	67,746	70,592	73,561	76,660	79,898	83,281
Projected Transfers In	5,597	0	5,597	6,138	0	6,138	5,626	5,795	5,968	6,148	6,332	6,522	6,718	6,919	7,127
Projected Transfers Out	(2,590)	0	(2,590)	(2,354)	0	(2,354)	(3,272)	(3,390)	(3,512)	(4,289)	(4,771)	(4,937)	(5,109)	(5,287)	(5,472)
Net Projected Revenues and Transfers	59,369	0	59,369	62,073	0	62,073	62,497	64,879	67,471	69,605	72,154	75,146	78,269	81,529	84,936
Projected Personnel Costs	(43,349)	0	(43,349)	(44,725)	0	(44,725)	(46,793)	(47,939)	(50,064)	(51,626)	(53,521)	(55,656)	(57,849)	(60,104)	(62,421)
Projected Operating Costs	(12,287)	0	(12,287)	(12,486)	0	(12,486)	(12,486)	(12,861)	(13,246)	(13,844)	(14,453)	(15,196)	(15,961)	(16,748)	(17,560)
Projected Capital Outlay	(2,045)	0	(2,045)	(2,344)	0	(2,344)	(2,344)	(2,414)	(2,487)	(2,561)	(2,638)	(2,717)	(2,799)	(2,883)	(2,969)
Projected Debt Service	(2,788)	0	(2,788)	(2,785)	0	(2,785)	(2,785)	(2,785)	(2,785)	(2,785)	(2,785)	(2,785)	(2,785)	(2,785)	(2,785)
Projected Savings	1,122	0	1,122	1,149	0	1,149	1,188	1,216	1,265	1,306	1,355	1,410	1,468	1,527	1,587
Net Projected Expenditures	(59,347)	0	(59,347)	(61,191)	0	(61,191)	(63,221)	(64,783)	(67,317)	(69,510)	(72,043)	(74,943)	(77,926)	(80,994)	(84,148)
Projected Ending Cash	2,990	0	2,990	3,873	0	3,873	3,149	3,245	3,399	3,495	3,606	3,808	4,151	4,686	5,474
Current Projection															
Ending Cash/Expenditures	5.0%		5.0%	6.3%		6.3%	5.0%	5.0%	5.0%	5.0%	5.0%	5.1%	5.3%	5.8%	6.5%
Projected Personnel Percentage	71.7%		71.7%	71.7%		71.7%	72.7%	72.6%	73.0%	72.9%	72.9%	72.9%	72.9%	72.8%	72.8%

City of Redding - General Fund Ten Year Plan (in thousands)
FYE 2012 and 2013 Adopted Budget 13,438 14,438
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	Fiscal Year Ended														
	Adopted		Amended	Adopted		Amended									
Revenues	**11-12**	**Adjust.**	**11-12**	**12-13**	**Adjust.**	**12-13**	**13-14**	**14-15**	**15-16**	**16-17**	**17-18**	**18-19**	**19-20**	**20-21**	**21-22**
Sales Tax	18,760	0	18,760	19,700	0	19,700	20,587	21,513	22,481	23,493	24,550	25,655	26,809	28,015	29,276
Property Tax	14,573	0	14,573	15,010	0	15,010	15,535	16,079	16,722	17,475	18,261	19,083	19,942	20,839	21,777
TOT	3,666	0	3,666	3,813	0	3,813	3,966	4,124	4,289	4,461	4,639	4,825	5,018	5,218	5,427
Other Taxes	1,825	0	1,825	1,879	0	1,879	1,954	2,032	2,114	2,198	2,286	2,378	2,473	2,572	2,674
Licenses/Permits	989	0	989	1,028	0	1,028	1,069	1,112	1,156	1,203	1,251	1,301	1,353	1,407	1,463
Fines/Penalties	528	0	528	540	0	540	562	584	607	632	657	683	711	739	769
Other Government	816	0	816	783	0	783	806	831	856	881	908	935	963	992	1,022
Rdg Rancheria	100	0	100	100	0	100	100	100	100	100	100	100	100	100	100
Internal Departments	9,553	0	9,553	10,112	0	10,112	10,516	10,937	11,375	11,830	12,303	12,795	13,307	13,839	14,393
Service Charges	1,675	0	1,675	1,727	0	1,727	1,796	1,868	1,943	2,020	2,101	2,185	2,273	2,364	2,458
Other Revenue	2,268	0	2,268	2,324	0	2,324	2,394	2,466	2,539	2,616	2,694	2,775	2,858	2,944	3,032
Use of Money and Property	703	0	703	703	0	703	703	703	703	703	703	703	703	703	703
Interest	28	0	28	28	0	28	155	126	130	136	140	144	152	166	187
RRA	878		878	542	0	542									0
Other			0			0									
Subtotal	56,362	0	56,362	58,289	0	58,289	60,143	62,475	65,015	67,746	70,592	73,561	76,660	79,898	83,281
Transfers In															
Gas Taxes	4,346	0	4,346	4,885	0	4,885	5,032	5,182	5,338	5,498	5,663	5,833	6,008	6,188	6,374
Debt Service	675	0	675	676	0	676	0	0	0	0	0	0	0	0	0
Fire Impact		0	0		0	0									
Other	576	0	576	577	0	577	594	612	631	649	669	689	710	731	753
Total Transfers In	5,597	0	5,597	6,138	0	6,138	5,626	5,795	5,968	6,148	6,332	6,522	6,718	6,919	7,127
Transfers Out															
CVB	(1,458)	0	(1,458)	(1,100)	0	(1,100)	(1,983)	(2,062)	(2,145)	(2,230)	(2,320)	(2,412)	(2,509)	(2,609)	(2,714)
Parking		0	0		0	0									
Library	(657)	0	(657)	(779)	0	(779)	(802)	(826)	(851)	(877)	(903)	(930)	(958)	(987)	(1,016)
Rolling Stock	(393)	0	(393)	(393)	0	(393)	(405)	(417)	(429)	(442)	(456)	(469)	(483)	(498)	(513)
Other Equipment	(82)	0	(82)	(82)	0	(82)	(82)	(84)	(87)	(90)	(92)	(95)	(98)	(101)	(104)
Other			0		0	0	0	0	0	(650)	(1,000)	(1,030)	(1,061)	(1,093)	(1,126)
Total Transfers Out	(2,590)	0	(2,590)	(2,354)	0	(2,354)	(3,272)	(3,390)	(3,512)	(4,289)	(4,771)	(4,937)	(5,109)	(5,287)	(5,472)
Net Transfers	3,007	0	3,007	3,784	0	3,784	2,354	2,405	2,456	1,858	1,561	1,585	1,609	1,632	1,655
Total Revenues	59,369	0	59,369	62,073	0	62,073	62,497	64,879	67,471	69,605	72,154	75,146	78,269	81,529	84,936

City of Redding - General Fund Ten Year Plan (in thousands)
FYE 2012 and 2013 Adopted Budget
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Expenditures	*Fiscal Year Ended* Adopted 11-12	Adjust.	Amended 11-12	Adopted 12-13	Adjust.	Amended 12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22
Police															
Personnel	19,363	0	19,363	19,848	0	19,848	20,344	20,853	21,374	21,908	22,456	23,018	23,593	24,183	24,787
Operating	3,535	0	3,535	3,597	0	3,597	3,597	3,705	3,816	3,931	4,048	4,170	4,295	4,424	4,557
Capital Outlay/Project	42	0	42	42	0	42	42	43	45	46	47	49	50	52	53
Police Subtotal	22,940	0	22,940	23,487	0	23,487	23,983	24,601	25,235	25,885	26,552	27,236	27,938	28,658	29,397
Fire															
Personnel	13,665	0	13,665	14,121	0	14,121	14,474	14,836	15,207	15,587	15,977	16,376	16,785	17,205	17,635
Operating	2,523	0	2,523	2,549	0	2,549	2,549	2,625	2,704	2,785	2,869	2,955	3,044	3,135	3,229
Capital Outlay/Project		0	0		0	0	0	0	0	0	0	0	0	0	0
Fire Subtotal	16,188	0	16,188	16,670	0	16,670	17,023	17,461	17,911	18,372	18,846	19,331	19,829	20,340	20,864
Public Works															
Personnel	1,329	0	1,329	1,404	0	1,404	1,439	1,475	1,512	1,557	1,604	1,652	1,702	1,753	1,805
Operating	2,141	0	2,141	2,209	0	2,209	2,209	2,275	2,344	2,414	2,486	2,561	2,638	2,717	2,798
Capital Outlay/Project	1,610	0	1,610	1,990	0	1,990	1,990	2,050	2,111	2,175	2,240	2,307	2,376	2,447	2,521
Subtotal	5,080	0	5,080	5,603	0	5,603	5,638	5,800	5,967	6,146	6,330	6,520	6,716	6,917	7,125
Recreation and Parks															
Personnel	2,615	0	2,615	2,679	0	2,679	2,746	2,815	2,885	2,972	3,061	3,153	3,247	3,344	3,445
Operating	1,509	0	1,509	1,519	0	1,519	1,519	1,565	1,612	1,660	1,710	1,761	1,814	1,868	1,924
Capital Outlay/Project	21	0	21	21	0	21	21	22	22	23	24	24	25	26	27
Subtotal	4,145	0	4,145	4,219	0	4,219	4,286	4,401	4,519	4,654	4,794	4,938	5,086	5,238	5,396
Development Services															
Personnel	2,609	0	2,609	2,800	0	2,800	2,870	2,942	3,015	3,106	3,199	3,295	3,394	3,496	3,600
Operating	575	0	575	575	0	575	575	592	610	628	647	667	687	707	728
Capital Outlay/Project	178	0	178	127	0	127	127	131	135	139	143	147	152	156	161
Subtotal	3,362	0	3,362	3,502	0	3,502	3,572	3,665	3,760	3,873	3,989	4,109	4,232	4,359	4,490
General Government															
Personnel	3,330	0	3,330	3,434	0	3,434	3,520	3,608	3,698	3,809	3,923	4,041	4,162	4,287	4,416
Operating	935	0	935	948	0	948	948	976	1,006	1,036	1,067	1,099	1,132	1,166	1,201
Capital Outlay/Project		0	0		0	0	0	0	0	0	0	0	0	0	0
Subtotal	4,265	0	4,265	4,382	0	4,382	4,468	4,584	4,704	4,845	4,990	5,140	5,294	5,453	5,617
Other Departments															
Personnel	438	0	438	439	0	439	450	461	473	487	502	517	532	548	564
Operating	1,069	0	1,069	1,089	0	1,089	1,089	1,122	1,155	1,190	1,226	1,262	1,300	1,339	1,380
Capital Outlay/Project	194	0	194	164	0	164	164	169	174	179	185	190	196	202	208
Debt Service	2,788	0	2,788	2,785	0	2,785	2,785	2,785	2,785	2,785	2,785	2,785	2,785	2,785	2,785
Subtotal	4,489	0	4,489	4,477	0	4,477	4,488	4,537	4,587	4,641	4,697	4,754	4,813	4,874	4,937
Hiring Freeze		0	0		0	0	0								
Prepaid PERS/Other		0	0		0	0	0	0	0	0	0	0	0	0	0
Add back Personnel		0	0			0	950	950	1,900	2,200	2,800	3,605	4,434	5,288	6,168
Add O&M and projects		0	0			0	0	0	0	200	400	721	1,052	1,392	1,743
Projected Savings	(1,122)	0	(1,122)	(1,149)	0	(1,149)	(1,188)	(1,216)	(1,265)	(1,306)	(1,355)	(1,410)	(1,468)	(1,527)	(1,587)
Total Expenditures	59,347	0	59,347	61,191	0	61,191	63,221	64,783	67,317	69,510	72,043	74,943	77,926	80,994	84,148

City of Redding - General Fund Ten Year Plan (in thousands)
FYE 2012 and 2013 Adopted

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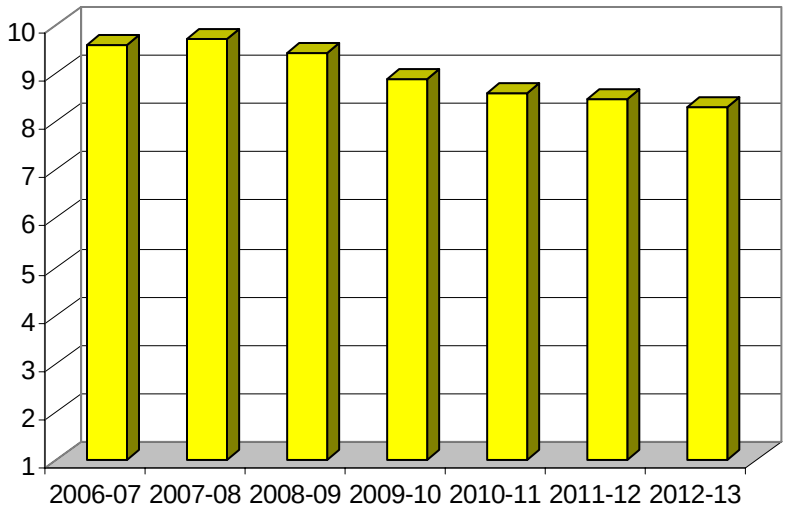
	Fiscal Year Ended														
	Adopted		Amended	Adopted		Amended									
Assumptions	**11-12**	**Adjust.**	**11-12**	**12-13**	**Adjust.**	**12-13**	**13-14**	**14-15**	**15-16**	**16-17**	**17-18**	**18-19**	**19-20**	**20-21**	**21-22**
Personnel General	Actual	Actual	Actual	Actual	Actual	1.035	1.025	1.025	1.025	1.030	1.030	1.030	1.030	1.030	1.030
O&M & C/O	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030
Inflation	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030
4% Revenues	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040	1.040
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	1.045	1.045
Property Tax	1.000	1.000	1.000	1.035	0.975	0.975	1.035	1.035	1.0400	1.0450	1.0450	1.0450	1.0450	1.0450	1.0450
Police Personnel	Actual	Actual	Actual	Actual	Actual	Actual	1.025	1.025	1.025	1.025	1.025	1.025	1.025	1.025	1.025
Fire Personnel	Actual	Actual	Actual	Actual	Actual	Actual	1.025	1.025	1.025	1.025	1.025	1.025	1.025	1.025	1.025
3% Government	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030
Internal Departments	Actual	Actual	Actual	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030	1.030
Interest Rate	0.020	0.020	0.020	0.020	0.020	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040
Assumed expend. Savings	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020

SUMMARY OF AUTHORIZED FULL-TIME POSITIONS

The following table provides a four-year summary of all positions in the City by department. The column titled "Adopted", show the number of positions authorized in the original budget while the columns titled "Amended" show the Adopted budget as changed by the City Council. The "Adopted" columns show the number of positions have been adopted for fiscal years 2011-12 and 2012-13. The graph below the table shows three years' of history for the number of full-time authorized positions by department.

The table depicts a net decrease of ten employees from the 2010-11 amended budget to fiscal year 2011-12 adopted budget and a net decrease of nine for fiscal year 2012-13 from fiscal year 2011-12.

There is one new position being added in fiscal year 2011-12 in Public Works. The position is a building and facility mechanic position at the Clear Creek Wastewater Treatment Plan. The one new position is offset by 11 unfilled positions being eliminated in fiscal year 2011-12, for a net decrease of 10 positions. In fiscal year 2012-13 there is one new position in Police (a property evidence clerk), which is being offset by eliminating 9 positions at the Convention Center and one position in the City Manager's office.

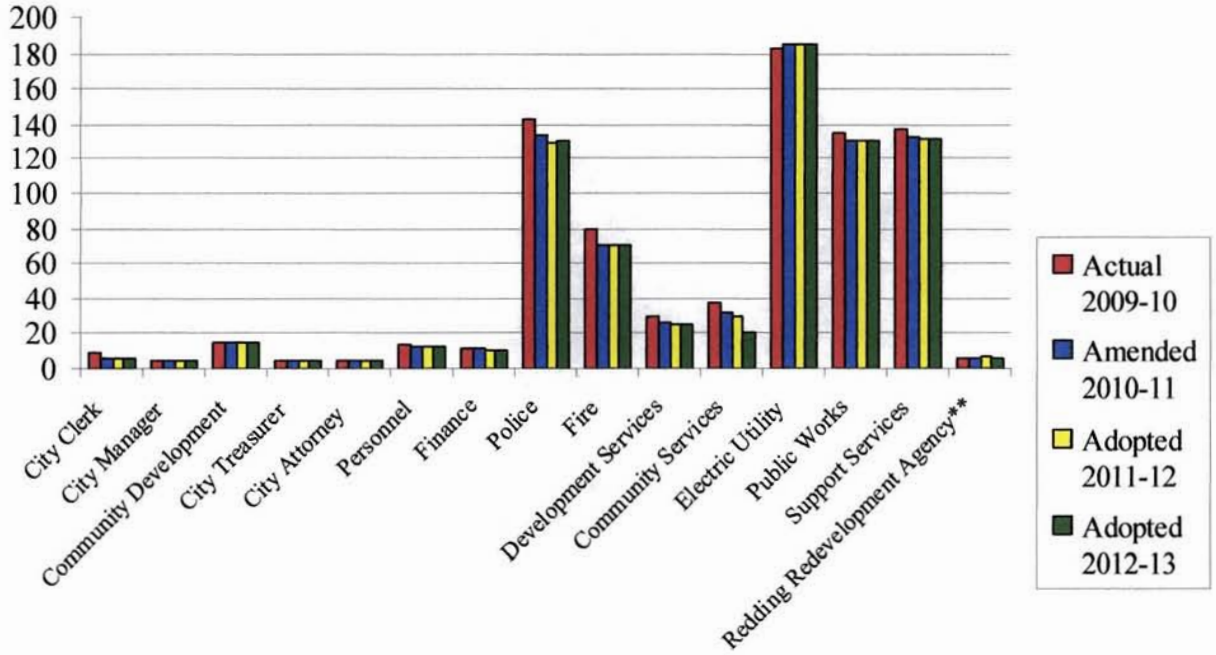


SUMMARY OF AUTHORIZED FULL-TIME POSITIONS

	Amended 2009-2010	Adopted 2010-2011	Amended 2010-2011	Adopted 2011-2012	Change	Adopted 2012-2013	Change
City Clerk	9	9	6	6	0	6	0
City Manager	5	5	5	5	0	4	(1)
Housing & Community Development	15	15	15	15	0	15	0
City Treasurer	4	4	4	4	0	4	0
City Attorney	5	5	5	5	0	5	0
Personnel	14	15	13	12	(1)	12	0
Finance	11	11	11	10	(1)	10	0
Police	143	143	134	130	(4)	131	1
Fire	80	79	70	70	0	70	0
Development Services	29	32	26	25	(1)	25	0
Community Services	38	38	32	30	(2)	21	(9)
Electric Utility	183	182	185	185	0	185	0
Public Works	135	135	131	131	0	131	0
Support Services	137	136	133	132	(1)	132	0
Redding Redevelopment Agency**	6	6	6	6	0	6	0
Total	814	815	776	766	(10)	757	(9)

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

Summary of Authorized Positions



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 $5,495,900 in FY 2011-12 and $6,037,060 in FY 2012-13 from other funds. The General Fund transfers out $2,589,720 in FY 2011-12 and $2,354,220 in FY 2012-13 to Enterprise Funds, Rolling Stock, Equipment Replacement Fund and Library Fund.

		Fiscal Year 2011-2012	Fiscal Year 2012-2013
From:	General Special Revenue	$ 272,000	$ 272,000
	Gas Tax Street Improvement Fund	4,145,630	4,584,720
	Local Transportation Fund	200,000	300,000
	Special Development Fund	878,270	880,340
To:	General Fund	$ 5,495,900	$ 6,037,060
From:	General Fund	$ 1,458,200	$ 1,100,000
	Rolling Stock	43,330	-
To:	Tourism/Convention Fund	$ 1,501,530	$ 1,100,000
From:	General Fund	$ 424,760	$ 424,760
	Electric Utility Fund	529,000	529,000
	Water Utility Fund	100,000	100,000
	Wastewater Utility Fund	150,000	150,000
	Solid Waste Collection and Disposal	1,066,990	1,092,600
To:	Rolling Stock Replacement Fund	$ 2,270,750	$ 2,296,360
From:	Electric Utility Fund	$ 1,300,000	$ 1,600,000
To:	Electric Maintenance Fund	$ 1,300,000	$ 1,600,000
From:	General Fund	$ 81,530	$ 81,530
	Library Fund	50,000	50,000
To:	Equipment Replacement Fund	$ 81,530	$ 81,530
From:	Municipal Airport Fund	$ 90,000	$ 90,000
To:	Wastewater	$ 90,000	$ 90,000
From:	General Fund	$ 656,760	$ 779,460
To:	Library	$ 656,760	$ 779,460
From:	Municipal Airport Fund	$ 50,000	$ 50,000
To:	Risk Management	$ 50,000	$ 50,000

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 FY 2011-12	Cost Allocation Charge FY 2011-12	In Lieu Property Tax FY 2011-12	In Lieu Property Tax FY 2012-13
General Fund Public Works	$ 248,230	$ 255,680	$ -	$ -
Special Revenue Parking	4,910	5,060	-	-
Special Revenue Library	21,220	21,860	-	-
Airport Fund	145,399	149,660	145,000	145,000
Convention/Tourism Fund	-	-	-	-
Electric Utility	1,286,040	1,324,620	5,565,300	6,027,400
Water Utility	484,870	493,420	-	-
Wastewater Utility	575,860	587,130	-	-
Storm Drainage Utility	38,360	39,510	-	-
West Central Landfill	50,680	52,200	-	-
Solid Waste Utility	580,500	591,920	-	-
Redding Municipal Utility Administration	75,470	77,740	-	-
CDBG	18,960	19,530	-	-
Housing Authority	32,960	33,950	-	-
RRA	201,320	207,360	-	-
RABA	65,150	67,100	-	-
	$ 3,829,929	$ 3,926,740	$ 5,710,300	$ 6,172,400

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 2010-2011	Adopted 2011-2012	Adopted 2012-2013
Building Maintenance	General Fund	$ 877,550	$ 822,090	$ 818,900
	All Other City Funds	840,690	902,860	877,380
	Related entities	41,050	40,720	39,660
	Subtotal	1,759,290	1,765,670	1,735,940
Information Systems	General Fund	877,610	727,030	765,530
	All Other City Funds	1,348,740	1,340,640	1,411,260
	Related entities	43,390	45,340	47,750
	Subtotal	2,269,740	2,113,010	2,224,540
Reprographics	General Fund	355,080	292,240	298,830
	All Other City Funds	236,780	304,500	313,230
	Related entities	44,710	43,570	44,630
	Subtotal	636,570	640,310	656,690
Fleet Maintenance	General Fund	922,000	839,240	849,120
	All Other City Funds	1,887,120	1,857,880	1,843,380
	Related entities	2,130	630	630
	Subtotal	2,811,250	2,697,750	2,693,130
Risk Management	General Fund	2,577,120	2,236,100	2,283,070
	All Other City Funds	2,420,880	2,197,780	2,217,470
	Related entities	79,210	68,830	68,400
	Subtotal	5,077,210	4,502,710	4,568,940
Records Management	General Fund	167,870	117,050	120,660
	All Other City Funds	136,600	109,990	113,850
	Related entities	15,280	11,260	11,480
	Subtotal	319,750	238,300	245,990
Communications	General Fund	368,980	350,800	350,640
	All Other City Funds	78,220	72,040	73,290
	Related entities	19,870	22,540	22,470
	Subtotal	467,070	445,380	446,400
Health & Dental	General Fund	8,372,350	8,354,580	9,158,210
	All Other City Funds	8,558,060	9,262,760	10,158,170
	Related entities	329,390	355,440	389,800
	Subtotal	17,259,800	17,972,780	19,706,180
GIS	General Fund	429,410	249,800	263,880
	All Other City Funds	286,840	253,270	267,560
	Related entities	73,770	65,150	68,810
	Subtotal	790,020	568,220	600,250

Internal Service Fund		Adopted 2010-2011	Adopted 2011-2012	Adopted 2012-2013
Volunteer Services	General Fund	88,670	74,200	81,630
	All Other City Funds	61,580	56,570	62,660
	Related entities	4,490	3,620	4,620
	Subtotal	154,740	134,390	148,910
Employer Services	General Fund	235,670	319,150	321,900
	All Other City Funds	163,570	245,220	247,330
	Related entities	11,950	15,710	15,840
	Subtotal	411,190	580,080	585,070
Legal Services	General Fund	27,200	27,200	27,200
	All Other City Funds	93,000	93,000	93,000
	Related entities	16,500	16,500	16,500
	Subtotal	136,700	136,700	136,700
Payroll Taxes & Benefits	General Fund	11,798,280	12,294,630	12,807,110
	All Other City Funds	9,771,990	11,085,090	11,547,980
	Related entities	364,190	390,960	411,960
	Subtotal	21,934,460	23,770,680	24,767,050
Totals	General Fund	27,097,790	26,704,110	28,146,680
	All Other City Funds	25,884,070	27,781,600	29,226,560
	Related entities	1,045,930	1,080,270	1,142,550
	Total	$ 54,027,790	$ 55,565,980	$ 58,515,790

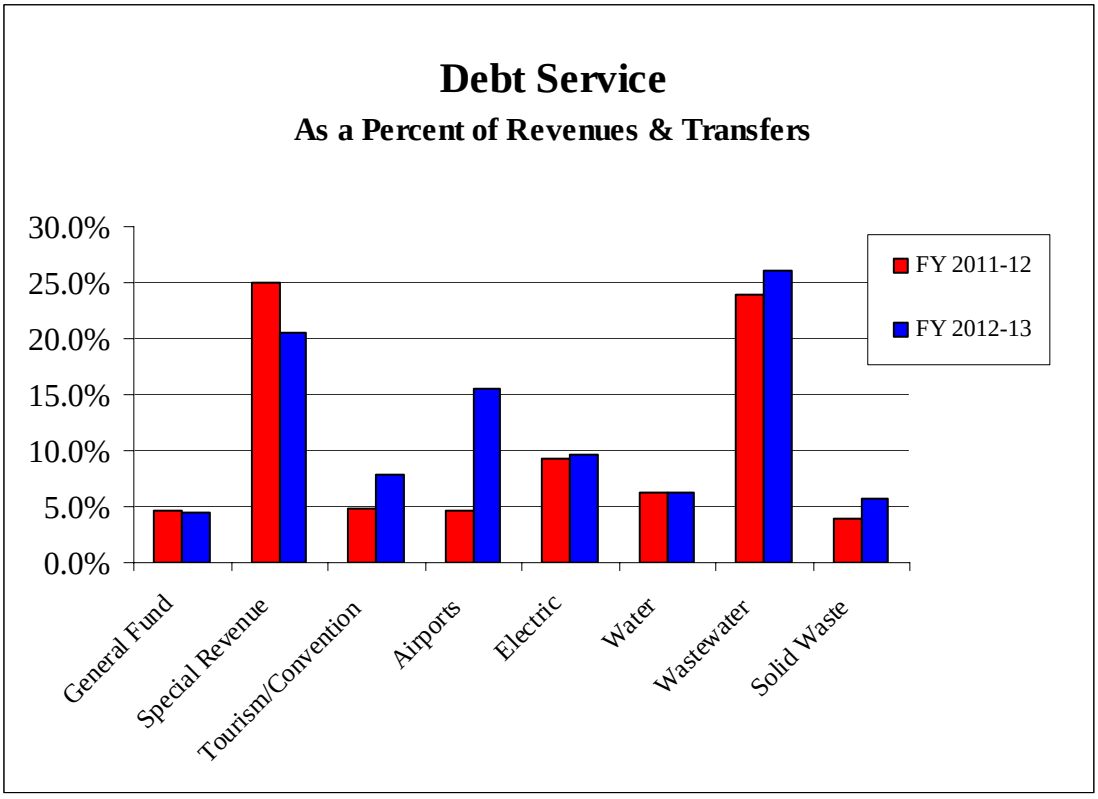
The following table outlines charges to other divisions for administrative/overhead charges.

Charging Department		**Adopted 2010-11**	**Adopted 2011-12**	**Adopted 2012-13**
Redding Municipal Utilities Administration	General Fund	$ 380,650	$ 348,070	$ 354,810
	All Other Funds	2,533,820	2,157,260	2,188,510
	Subtotal	2,914,470	2,505,330	2,543,320
Utility Customer Service	General Fund	-	-	-
	All Other Funds	3,315,990	3,305,450	3,463,900
	Subtotal	3,315,990	3,305,450	3,463,900
Utility Field Service	General Fund	-	-	-
	All Other Funds	673,590	673,530	688,170
	Subtotal	673,590	673,530	688,170
Totals	General Fund	380,650	348,070	354,810
	All Other Funds	6,523,400	6,136,240	6,340,580
	Total	$ 6,904,050	$ 6,484,310	$ 6,695,390

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, 2011 and the principal payment that will be made in fiscal years 2011-12 and 2012-13. Long term debt for the City totals $233,203,160; 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.



Summary of Long Term Debt as of June 30, 2011

	06/30/2011 Balance	FY 11-12 Interest Payment	FY 11-12 Principal Payment	FY 12-13 Interest Payment	FY 12-3 Principal Payment
REVENUE BONDS					
2003 Lease Revenue Bonds, Series A:					
Convention Center					
Capital Improvements	$ 312,790	$ 14,540	$ 20,660	$ 13,770	$ 21,380
Airport Capital Improvements	493,210	22,920	32,580	21,720	33,710
2003 Water Revenue Bonds, Series A	8,975,000	405,150	620,000	382,210	645,000
2002 Wastewater Revenue Bonds, Series A	13,280,000	457,750	1,465,000	411,540	1,515,000
2004 Lease Revenue Bonds, Series B:					
Corporation Yard Refinancing	5,610,000	261,250	360,000	244,530	375,000
Sports Park Improvements	275,000	13,450	90,000	9,250	90,000
Fire Station #8	1,190,000	55,390	75,000	51,940	80,000
Transfer Station	2,580,000	125,000	780,000	88,700	815,000
2007 Lease Revenue Bonds, Series A:					
Stillwater Park	10,395,000	435,720	230,000	424,800	240,000
Streeets Projects	7,980,000	585,000	585,000	301,190	610,000
Total Revenue Bonds	$ 51,091,000	$ 2,376,170	$ 4,258,240	$ 1,949,650	$ 4,425,090
CERTIFICATE OF PARTICIPATION (COP)					
2005 Electric System Revenue COP	$ 30,700,000	$ 1,507,480	$ -	$ 1,507,480	$ -
2008 Electric System Revenue COP	147,460,000	6,941,680	5,380,000	6,787,000	5,540,000
Total Certificates of Participation	$ 178,160,000	$ 8,449,160	$ 5,380,000	$ 8,294,480	$ 5,540,000

Other Long-Term Debt

	06/30/2011 Balance	FY 11-12 Interest Payment	FY 11-12 Principal Payment	FY 12-13 Interest Payment	FY 12-13 Principal Payment
LEASE PURCHASE AGREEMENTS					
The following debt is serviced by the General Fund:					
SHASCOM Facility	$ 1,389,000	$ 64,560	$ 91,760	$ 61,160	$ 94,920
2003 Aquatic Center	2,655,000	126,080	70,000	123,490	75,000
2003 Sports Park	2,395,000	139,700	55,000	136,950	60,000
2004 Civic Center Refunding	7,495,000	347,040	360,000	334,440	370,000
2004 Park Projects	3,335,000	155,050	780,000	127,750	810,000
2001 California Loan - Police and Fire	-	-	-	-	-
The following debt is serviced by the Airport Fund:					
1984 California Airport Loan - Municipal Airport	-	-	-	-	-
1985 California Airport Loan - Munipal Airport	-	-	-	-	-
1997 California Airport Loan - Benton Airport	-	-	-	-	-
1998 California Airport Loan - Munipal Airport	-	-	-	-	-
1998 California Airport Loan - Munipal Airport	9,310	450	9,310	-	-
2007 California Airport Loan - Munipal Airport	741,010	38,670	37,240	36,730	39,180
The following debt is serviced by the Wastewater Utility Fund:					
California Wastewater Loan	37,023,840	937,710	1,939,600	888,780	1,976,100
Total Revenue Bonds	$ 55,043,160	$ 1,809,260	$ 3,342,910	$ 1,709,300	$ 3,425,200

SUMMARY OF CAPITAL PROJECTS

The following table lists the capital projects that have been proposed for the fiscal years 2011-12 and 2012-13 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 59 to 61

1. On-going cost of maintenance for project is minimal and will be absorbed into the division's operating budget.
2. These are remodel or improvement projects to existing City assets and the operating costs are included in the existing budget.
3. These are plant expansion projects that may be completed in phases over the next few years. Some additional costs are included in the budget, but the remainder will be covered by increases in growth related revenues.
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.

SUMMARY OF CAPITAL OUTLAY PROJECTS

	Adopted 2011-12	Adopted 2012-13	Cost of Operations See Page
GENERAL FUND			
Minor Street Projects	$ 40,000	$ 40,000	2
Bridge Maintenance	30,000	30,000	2
Pavement Maintenance	50,000	50,000	2
Slurry Seal	580,000	840,000	2
Overlay Projects-Recurring	600,000	720,490	2
Sidewalk Repair Program	150,000	150,000	2
Total General Fund	1,450,000	1,830,490	
SPECIAL DEVELOPMENT FUND			
General City Projects			
Stillwater Industrial Park Project	22,400	23,100	2
General City Subtotal	22,400	23,100	
Construction Tax Capital			
Quartz Widen Snow/Keswick	40,000	-	1
Construction Tax Capital Subtotal	40,000	-	
Traffic Impact Fee Capital			
Administration	64,520	64,190	2
ILMS Project	15,510	15,510	2
Quartz Hill Widening	400,000	-	2
Buenaventura Widening	100,000	-	2
Twin View Realignment	150,000	-	2
Victor Avenue Widening	500,000	-	1
Traffic Signal Churn Creek/Hawley/299	400,000	-	2
Lake Blvd. Medians	40,000	-	2
Hilltop/I-5 O-C, Engrng & CALTRANS Permit	100,000	-	2
Oasis Area Traffic Study	150,000	-	2
Old Alturas Bridge Improvement	150,000	-	2
M Churn Creek Road Extension	250,000	-	2
Traffic Impact Fee Capital Subtotal	2,320,030	79,700	
Total Special Development Fund	2,382,430	102,800	
MUNICIPAL AIRPORT FUND			
Airports Administration			
Secuirty Fence & Grant AIP#	6,653,000	500,000	2
Airports Administration Subtotal	6,653,000	500,000	2
Benton Airports Operation			
T-Hangar Taxiway Rehab Design AIP#	3,962,000	837,000	2
Benton Airport Operations Subtotal	3,962,000	837,000	
Total Municipal Airport Fund	10,615,000	1,337,000	

SUMMARY OF CAPITAL OUTLAY PROJECTS

	Adopted 2011-2012	Adopted 2012-2013	Cost of Operations See Page
ELECTIC UTILITY FUND			
Land and Land Rights	30,100	30,100	1
Station Equipment & Controls	736,990	1,232,770	2
Poles - Towers - Fixtures	508,150	508,150	2
Overhead Conductors & Devices	315,550	356,650	2
Overhead Services	18,860	18,860	2
Underground Conduits	46,770	46,770	2
Underground Conduct & Devices	1,867,600	1,719,400	2
Underground Services	126,200	105,800	2
Transformers	930,500	735,500	2
Meters	153,050	153,050	2
Street Lighting	59,950	59,950	2
Interconnections	115,000	100,000	2
New Extensions	215,280	210,000	5
Unit 2 Generator			
Upgrade and Modification	371,000	150,000	2
RPP Security Improvements	29,000	-	2
Asphalt Paving	-	25,000	2
GPS Tracking REU Vehicles	259,600	-	1
Electric Utility Mapping Project	150,000	-	4
Corp Yard Expansion Project	1,100,000	-	2
Airport Relay Replacement-			
2005 Bond Funded	50,000	-	2
Phone System	1,600,000	-	1
Meter Reading Update	96,000	96,000	1
Total Electric Utility Fund	8,779,600	5,548,000	
WASTEWATER UTILITY FUND			
Structure & Improvements	15,000	15,000	2
Recurring Capital Improvement Project	125,000	129,500	2
Transmission & Distribution Mains	50,000	51,800	2
Services	6,000	6,220	5
Meters	35,000	30,360	2
Hydrants	10,000	10,360	2
Buckeye Hydrants	5,000	5,180	2
Land and Land Rights	100,000	-	1
Minor Extensions & Overs	25,000	25,900	2
Corporation Yard	50,000	-	2
Upgrade Electric Controls	35,000	36,260	2
Placer Airpark to Boston	1,000,000	-	2
Replace Undersized Service Mains	1,690,000	800,000	2
Replace Water Main	1,350,000	500,000	2
Manzanita Lane Pipe Relocate	750,000		2
Replace P.B. Services Throughout City	50,000	51,800	2
Well Redevelolpment	100,000		2
Well Upgrade	50,000	50,000	2
Wellhead Treatment	1,200,000	3,900,000	2
Foothill Water Plant Expansion or Improvmt	750,000	750,000	5
Vault Relocation	600,000		2
Pump Station R&R	400,000	625,050	2
Buckeye Storage Building	250,000		1
Buckeye Water Plant	150,000	100,000	2
Bonnyview Bridge Pipe	-	300,000	2
Total Water Utility Fund	8,796,000	7,387,430	

SUMMARY OF CAPITAL OUTLAY PROJECTS

	Adopted 2011-2012	Adopted 2012-2013	Cost of Operations See Page
WASTEWATER UTILITY FUND			
Structure & Improvements	50,000	51,800	2
Recurring Capital Improvement Project	350,000	362,600	2
Minor Extensions & Overs	673,400	697,640	2
Inflow/Infiltration	1,000,000	1,036,000	2
System Maintenance and Replacement	250,000	250,000	2
Lift Station Improvement	800,000	828,800	2
Westside Interceptor III	-	2,920,000	5
6-8" Line Replacement	1,000,000	1,036,000	2
Placer Airpark to Boston	850,000	-	2
Relief Sewers Fur Redding	250,000	259,000	2
Boulder Creek Interceptor	61,000	-	2
Churn Creek Lift Station	500,000	400,000	5
Structure & Improvements	100,000	103,600	2
Clear Creek Plant Expansion	4,800,000	-	3
Stillwater WWTP	5,000,000	13,000,000	3
Solids Handling Facility	6,125,000	-	3
Total Wastewater Utility Fund	21,809,400	20,945,440	
STORM DRAIN UTILITY FUND			
Minor Storm Drain Projects	100,000	-	2
Linden Detention & Chnl	1,000,000	-	2
Mullen Pkwy Chnnl Imp	-	500,000	2
Trash Interceptors	-	200,000	2
Total Storm Drain Utility Fund	1,100,000	700,000	
SOLID WASTE COLLECTION AND DISPOSAL			
Investment Plan	491,000	829,500	2
Litter Abatement Projects	90,000	90,000	2
Total Solid Waste Collection & Disposal	581,000	919,500	
INFORMATION TECHNOLOGY			
Emergency operations center	10,000	10,000	2
Total Information Technology	10,000	10,000	
COMMUNICATIONS			
Emergency operations center	4,500	4,500	2
Total Communications	4,500	4,500	
CITY TOTAL	$ 62,026,645	$ 39,505,060	

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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 (Redding Housing Authority, Redding Redevelopment Agency, Redding Area Bus Authority, the Redding Joint Powers Financing Authority and the Redding Capital Services Corporation) can be found in the appendix or in each entity's separate budget document. While all of these enties are accounted for in the City's financial statements in accordance with Governmental Accounting and Financial Reporting Standards, they are not included in the main body of this budget document.

City Council members in separate sessions serve as the governing board of the Redding Joint Powers Financing Authority, the Redding Capital Services Corporation 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 five agencies.

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 1/2 to 2 percent per year. The City's population of 90,491 has increased 11.9 percent over the 2000 U.S. Census tabulation. The City's population represents approximately 50 percent of Shasta County's population. The following table indicates population growth for the City and Shasta County from 1970 to 2011:

Year	Population	Annualized Percent Change over Interval	Population	Annualized Percent Change over Interval
1970	16,659	3.40%	77,640	9.67%
1980	41,995	15.21%	119,449	5.38%
1990	66,432	5.83%	147,036	2.31%
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	1.42%
2006	89,162	0.79%	179,835	0.92%
2007	89,682	0.58%	180,666	0.46%
2008	90,491	0.90%	182,236	0.87%
2009	90,931	0.82%	183,095	0.81%
2010	89,878	-1.16%	177,126	-3.26%
2011	90,250	0.41%	177,924	0.38%

Source: 1970-2000 data from U.S. Census; 2001-2011 data from the California State Department of Finance as of January 1

The City's population, over the next 10 years, is projected to grow by approximately 8,638 an increase of approximately 9.4 percent. The Redding area is expected to maintain approximately 50 percent 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 2010:

Region	Median Home Price
Redding	$192,000
Sacramento	$155,000
Los Angeles County	$335,000
Orange County	$442,000
San Francisco	$670,000

Source: California Association of Realtors

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 employers in the City of Redding, their products or services, and the approximate number of their respective full time employees as of June 2008 are listed in the following table:

Employer	**Product/Services**	**Employees**
Shasta County (*)	County Services	1,924
Mercy Medical Center	Medical Facilities/Services	1,600
City of Redding (**)	City Services	822
Shasta Community College	Education	700
Shasta Regional Medical Center	Medical Facilities Services	600
Blue Shield of California	Health Care Insurance	470
Wal Mart	Retail	400
Redding Rancheria	Casino/Redding Rancheria	310
United States Post Office	Postal Service	300
Shasta Head Start	Early Childhood Education	250

(*) Full –time equivalent budgeted positions. This includes employees who work outside of the City.
(**) Full-time budgeted positions. In 2009-10 there were 860 full-tme and 319 part-time/temporary positions filled.
Source: Derived from the Employment Development Department's (EDD) listing of the top employers in Shasta County.

According to the State Employment Development Department, the unemployment rate of the City's metropolitan area was 15.3 percent on June 30, 2010. 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 1999 through June 2010:

Fiscal Year Ending June 30	Labor Force	Unemployment Number	Rate
2001	77,300	4,400	5.7%
2002	82,600	5,700	6.9%
2003	84,000	6,300	7.5%
2004	84,000	6,300	7.5%
2005	83,100	5,900	7.1%
2006	84,400	5,300	6.3%
2007	83,900	5,900	7.0%
2008	83,500	7,700	9.2%
2009	85,400	12,600	14.7%
2010	85,900	13,100	15.3%

Source: State Department of Employment

Construction Activity

For the past ten calendar years ending December 2009, the City issued building permits valued at a total of $1,447,717,619. New construction over the ten-year period represents 72.5 percent of the total construction activity. For the 2009 calendar year 2,665 building permits were issued, with a total permit valuation of $58,940,655. Over the past four years permit activity has declined. Following overall statewide trends, year 2009 saw another downturn in permit and related construction activity. It appears that construction activity will remain low in the current calendar 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 four calendar years:

	2006	2007	2008	2009
Value Single Family*	$55,897,416	$41,725,144	$38,725,138	$17,937,903
Number of Permits	287	204	190	94
Value Multi-dwellings	$12,019,895	$15,488,613	$9,401,692	$1,455,742
Number of Permits(1)	37	22	5	8
Number of Units	131	195	214	21
Value Business	$38,299,649	$31,378,290	$21,086,685	$19,730,416
Number of Permits	63	50	31	17
Value Total all Permits	$170,142,515	$124,086,638	$103,108,670	$58,940,655
Total Permits**	3,885	3,380	3,146	2,665

* Value of new construction only.
** Does not include number of units for multi-dwellings.
(1) Includes hotel and apartment units – "R" occupancies.
Source: City of Redding Development Services Department

Commerce

The City is a regional center of commerce for several Northern California counties. This is evidenced by its many shopping centers and malls. Support for retail sales is derived from a retail trade area population of approximately 181,000 in the primary trade area and approximately 250,000 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 were approximately $1.6 billion in calendar year 2009, a 12.7 percent decrease over the same period for 2008.

Year	Taxable Transactions (In Thousands)	Taxable Transactions Percentage Increase (Decrease)
1998	1,198,000	2.8%
1999	1,327,370	10.8%
2000	1,453,052	9.5%
2001	1,561,842	7.5%
2002	1,652,064	5.8%
2003	1,748,793	5.9%
2004	1,898,286	8.5%
2005	2,046,597	7.8%
2006	2,104,055	2.8%
2007	1,983,496	-5.7%
2008	1,835,601	-7.5%
2009	1,603,079	-12.7%

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.

Redding Area Bus Authority (RABA) is the City's multi-bus transportation system and offers thirteen different fixed routes, rural service and demand response (curb-to-curb) services. RABA had an average total monthly ridership of approximately 60,200 for fiscal year 2009-10.

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 AT&T.

Community Services

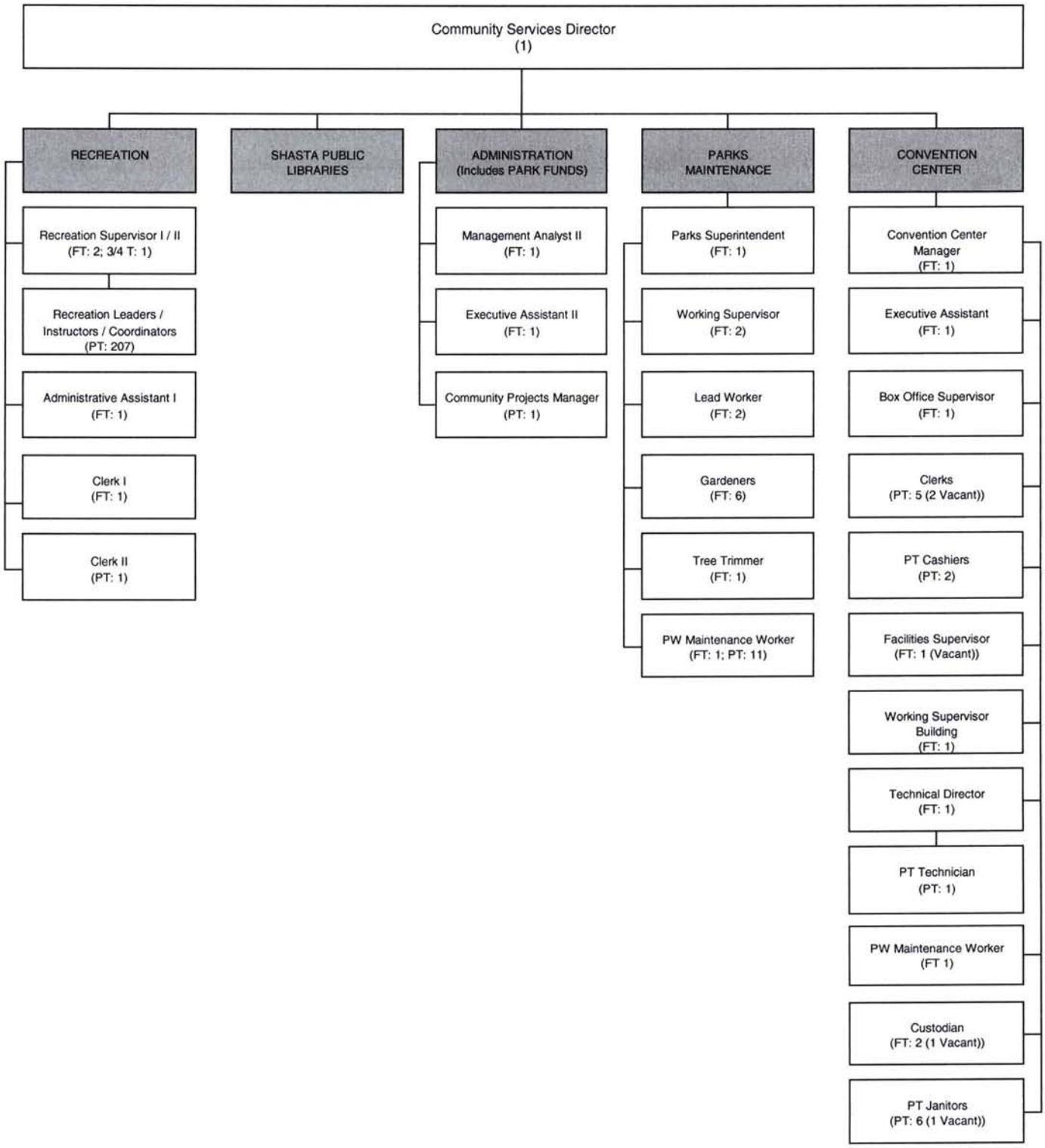
Youth in the area attend school at one of 41 elementary schools, 8 middle/junior high schools, 11 charter schools, 1 regional occupation program and 15 high schools. There are several higher educational institutions in the immediate area offering bachelor and master's degrees: Chico State University Center for Regional and Continuing Education (located in the Health Science & University Center, downtown Redding), National University, Simpson University, and Shasta Bible College & Graduate School. Shasta Community College, a two-year institution, offers both day and evening courses to approximately 15,400 students. In addition, there are several Vocational & Technical schools offering a diverse range of programs.

The City's parks system includes 67 developed parks, encompassing over 590 developed acres. Included in this total acreage are 198 acres of natural area parks (improved open space), and 62 miles of trails. In addition, the City has 15 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 Redding Soccer Park; the Senior Citizens Center; the Benton Dog Park; 3 boat ramp facilities that provide access to the Sacramento River; and various community centers and special event venues such as the Martin Luther King, Jr. Center, and the Caldwell Recreation Center.

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 largest hospitals have a total of 510 beds and employ approximately 2,200 staff members. In addition, the City also has several specialized hospitals.

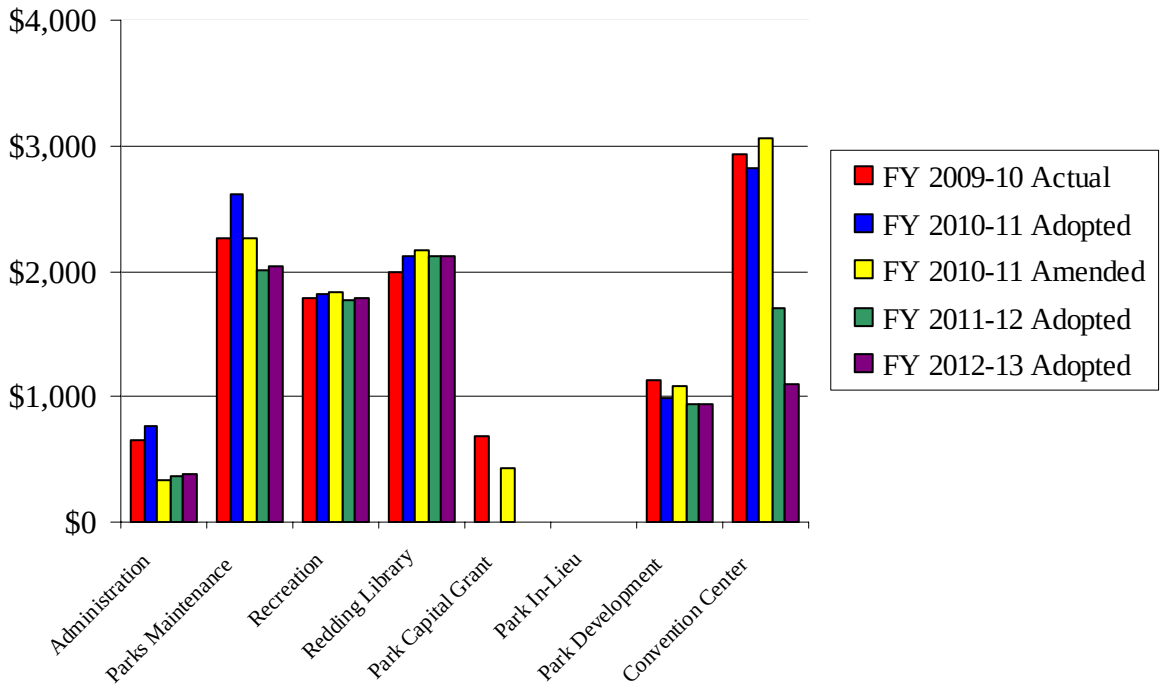
Community Services Department

Organizational Chart - May 2011



COMMUNITY SERVICES

Expenditure Comparisons (In Thousands)



COMMUNITY SERVICES DEPARTMENT

Overview

The Community Services Department consists of the Administration Division, the Parks Maintenance Division, and the Recreation Division, which are General Fund Divisions; the Library Funds; the Park Capital Grants, Park In-Lieu and Park Development Divisions, which are part of the Development Fund; and the Convention Center which is an enterprise fund.

The adopted budget for FY 2011-12 totals $8,908,830 which is $2,282,820 less than the amended budget for FY 2010-11 of $11,191,650. The decrease is related primarily to the plan to furlough personnel every other Friday, a reduction in capital projects budgeted in the Park Development Division, and the projected closing of the Convention Center in January 2012. For FY 2012-13, the adopted budget totals $8,374,740 which is $534,090 less than the FY 2011-12 adopted budget of $8,908,830. The decrease is related to the projected closing of the Convention Center in January 2012.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Administration**	$ 646,853	$ 759,080	$ 329,260	$ 373,980	$ 44,720	$ 389,120	$ 15,140
Parks Maintenance	$ 2,257,342	$ 2,614,630	$ 2,264,210	$ 2,009,620	(254,590)	2,037,540	27,920
Recreation	1,779,418	1,813,110	1,837,090	1,762,110	(74,980)	1,792,390	30,280
General Fund Subtotal	4,683,613	5,186,820	4,430,560	4,145,710	(284,850)	4,219,050	73,340
Library	1,992,239	2,122,800	2,174,240	2,115,380	(58,860)	2,119,850	4,470
Park Capital Grant Projects	687,800	-	435,580	-	(435,580)	-	-
Park In-Lieu Fee Projects	-	-	-	-	-	-	-
Park Development Fee Capital Projects	1,134,146	986,060	1,086,230	937,050	(149,180)	939,750	2,700
Special Revenue Fund Subtotal	3,814,185	3,108,860	3,696,050	3,052,430	(643,620)	3,059,600	7,170
Convention Center ***	2,931,935	2,823,570	3,065,040	1,710,690	(1,354,350)	1,096,090	(614,600)
Enterprise Fund Subtotal	2,931,935	2,823,570	3,065,040	1,710,690	(1,354,350)	1,096,090	(614,600)
TOTAL	$ 11,429,733	$ 11,119,250	$ 11,191,650	$ 8,908,830	$ (2,282,820)	$ 8,374,740	$ (534,090)

* Excluded carryover amounts.

** The former Museum Division was combined with the Community Services Administration Division.

*** The Convention Center and Visitors Bureau which were previous reported separately have been combined in this biennial budget.

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 2012-13 Adopted	$ 314,320	$ 74,800	$ -	$ -	$ 389,120
	FY 2011-12 Adopted	$ 300,300	$ 73,680	$ -	$ -	$ 373,980
	FY 2010-11 Amended	$ 236,900	$ 83,480	$ 8,880	$ -	$ 329,260
	FY 2009-10 Actual	$ 273,503	$ 372,054	$ 1,296	$ -	$ 646,853
Parks Maintenance	FY 2012-13 Adopted	1,125,270	912,270	-	-	2,037,540
	FY 2011-12 Adopted	1,098,570	911,050	-	-	2,009,620
	FY 2010-11 Amended	1,303,960	942,480	17,770	-	2,264,210
	FY 2009-10 Actual	1,384,426	867,748	5,168	-	2,257,342
Recreation	FY 2012-13 Adopted	1,239,700	531,860	-	20,830	1,792,390
	FY 2011-12 Adopted	1,216,620	524,650	-	20,840	1,762,110
	FY 2010-11 Amended	1,228,990	521,100	87,000	-	1,837,090
	FY 2009-10 Actual	1,191,508	539,948	47,962	-	1,779,418
Library	FY 2012-13 Adopted	113,730	2,006,120	-	-	2,119,850
	FY 2011-12 Adopted	111,330	2,004,050	-	-	2,115,380
	FY 2010-11 Amended	77,510	2,008,390	88,340	-	2,174,240
	FY 2009-10 Actual	68,092	1,799,226	124,921	-	1,992,239
Park Capital Grant Projects	FY 2012-13 Adopted	-	-	-	-	-
	FY 2011-12 Adopted	-	-	-	-	-
	FY 2010-11 Amended	-	-	435,580	-	435,580
	FY 2009-10 Actual	-	-	687,800	-	687,800
Park In-Lieu Fee Capital Projects	FY 2012-13 Adopted	-	-	-	-	-
	FY 2011-12 Adopted	-	-	-	-	-
	FY 2010-11 Amended	-	-	-	-	-
	FY 2009-10 Actual	-	-	-	-	-
Park Development Fee Capital Projects	FY 2012-13 Adopted	-	2,000	-	937,750	939,750
	FY 2011-12 Adopted	-	2,000	-	935,050	937,050
	FY 2010-11 Amended	-	1,900	98,270	986,060	1,086,230
	FY 2009-10 Actual	-	4,743	111,953	1,017,450	1,134,146
Convention Center	FY 2012-13 Adopted	113,500	896,360	-	86,230	1,096,090
	FY 2011-12 Adopted	651,890	975,220	-	83,580	1,710,690
	FY 2010-11 Amended	1,170,090	1,766,490	47,450	81,010	3,065,040
	FY 2009-10 Actual	1,521,615	1,233,133	98,695	78,492	2,931,935
Total	FY 2012-13 Adopted	$ 2,906,520	$ 4,423,410	$ -	$ 1,044,810	$ 8,374,740
	FY 2011-12 Adopted	$ 3,378,710	$ 4,490,650	$ -	$ 1,039,470	$ 8,908,830
	FY 2010-11 Amended	$ 4,017,450	$ 5,323,840	$ 783,290	$ 1,067,070	$ 11,191,650
	FY 2009-10 Actual	$ 4,439,144	$ 4,816,852	$ 1,077,795	$ 1,095,942	$ 11,429,733

Personnel

The following table depicts the personnel assigned by division within the Community Services Department.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2011-13 Adopted	Increase (Decrease)
Administration	F/T	3.00	3.00	3.00	3.00	-	3.00	-
	P/T	-	-	0.48	0.48	-	0.48	-
	Total	3.00	3.00	3.48	3.48	-	3.48	-
Parks Maintenance	F/T	18.00	18.00	15.00	13.00	(2.00)	13.00	-
	P/T	3.37	3.37	3.37	5.29	1.92	5.29	-
	Total	21.37	21.37	18.37	18.29	(0.08)	18.29	-
Recreation	F/T	4.00	4.00	4.00	4.00	-	4.00	-
	P/T	29.00	29.00	28.50	28.50	-	28.50	-
	Total	33.00	33.00	32.50	32.50	-	32.50	-
Library	F/T	-	-	-	-	-	-	-
	P/T	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
Convention Center	F/T	13.00	13.00	10.00	10.00	-	1.00	(9.00)
	P/T	5.34	5.34	5.34	5.34	-	-	(5.34)
	Total	18.34	18.34	15.34	15.34	-	1.00	(14.34)
Total	F/T	38.00	38.00	32.00	30.00	(2.00)	21.00	(9.00)
	P/T	37.71	37.71	37.69	39.61	1.92	34.27	(5.34)
	Total	75.71	75.71	69.69	69.61	(0.08)	55.27	(14.34)

Significant Issues

Potential Closure of the Convention Center

One of the items under active consideration to solve the General Fund budget gap in the Biennial FY 2011-2103 budget is the temporary closure of the Redding Convention Center effective January 2012. While it is envisioned that large-scale events such as Kool April Nites and Freedom Festival would continue at the site, this measure if undertaken would affect as many as 18 employees and decrease the entertainment and cultural opportunities available to the citizens of Redding.

The Convention Center has traditionally been funded through a combination of Transient Occupancy Tax (TOT) receipts (approximately 25 percent of the annual TOT collected) and operating revenues from hosting events. An additional 25 percent of the annual TOT has gone to fund tourism. The decline in both TOT and operating revenues – due to the Great Recession – accompanied by higher operating costs has resulted in an accumulated revenue shortfall and projected annual shortfalls of approximately $350,000 per year going forward related to the Convention Center.

Given the competing interests and financial challenges faced by the General Fund, it is difficult to advocate the continued subsidization of the Convention Center with approximately $900,000 in TOT proceeds annually in the current economy, particularly in light of anticipated shortfalls which may require additional General Fund resources to resolve.

The Community Services Advisory Commission investigated Convention Center operations between fall 2009 and summer 2010, including the possibility of privatization of the facility. Staff continues to seek-out, develop and refine options for the Convention Center that make financial sense and serve the best interests of the City.

Convention Center Fund Five-Year Plan

	FY 2010-11 Estimated	FY 2011-12 Projected	FY 2012-13 Projected	FY 2013-14 Projected	FY 2014-15 Projected	FY 2015-16 Projected
Beginning Cash	$ -	$ -	$ 43,790	$ 47,850	$ 876	$ 776
Revenue	3,194,189	1,754,480	1,100,150	1,082,150	1,106,150	1,138,150
Expenses	3,194,189	1,710,690	1,096,090	1,129,124	1,106,250	1,138,080
Ending Cash	$ -	$ 43,790	$ 47,850	$ 876	$ 776	$ 846

2009-2011 Goals and Accomplishments

Administration Division

Goal

Develop and begin implementation of the updated *Bikeway Plan*.

Status/Accomplishments

The Bikeway Action Plan 2010-2015, the first document specifically dedicated to the bikeway system in more than a decade, was prepared by Community Services staff, recommended to City Council by both the Community Services Advisory Commission and the Redding Planning Commission, and adopted by City Council on June 15, 2010.

This comprehensive report was developed over an 18 month period in partnership with a number of agencies and local organizations and benefited from a great deal of community input. This investment of time and energy to study legislation, assess the current state of Redding's bikeway system and develop realistic recommendations and goals for improvement, resulted in an Action Plan that best represents the needs of this community.

Day-to-day implementation of the Action Plan is the responsibility of the Engineering Division, but Community Services remains actively involved, particularly when these efforts intersect with the goals detailed in the Parks, Trails and Open Space Master Plan.

Goal

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

Status/Accomplishments

The following Parks, Trails and Open Space Master Plan objectives were achieved during the last budget cycle:

1. ***Seek partnership opportunities for park, trail and open space development.***

   In spite of the funding restrictions due to the global recession, the Community Services Department is actively engaged in efforts to improve and enhance the Redding park and open space system. These efforts included

   - Preparation and receipt of Community Development Block Grants for improvements at the Martin Luther King Jr. Center, including a new playground and roof repairs;
   - Preparation of grant requests under the State of California Proposition 84 Park Bond for new community centers on Lake Boulevard and at Caldwell Park;

- Partnering with Marine Crops League Detachment 1082 for the construction of a stage and gazebo in Lake Redding Park;
- Partnering with Northern Lights Disc Golf Club for the construction of a disc golf course at Buckeye Park;
- Partnering with the Active 20/30 Club and the Rotary Club of Redding West to construct a playground in T.R. Woods Park; and
- Developing grant partnerships for trail, boating and environmental restoration.
- Installation of park benches and tables on the Palatine Trail and the Buenaventura Trail through partnerships with Boy Scouts and West Redding Rotary.

2. Review new subdivision applications for appropriate park and trail development opportunities.

Although there has been a slowdown in local residential development due to the poor economy, the Community Services Department continued to actively review subdivision applications to ensure the future recreational needs of Redding residents are addressed. Large subdivisions that reached an advance stage of review included Salt Creek Heights, Highland Park, Seven Bridges and Goodwater Estates. Additionally, the possibility of a trail easement near Airpark Drive parallel to Placer remains under review.

Community Services collaborated with Development Services to bring forward amendments to the Redding Municipal Code and provide cross-training opportunities between the Community Services Advisory Commission and the Planning Commission to clarify and strengthen the role and responsibilities of respective commissions during subdivision review.

3. Monitor and implement the several subdivision park agreements in place.

Work continues apace on the Bel-Air Estates subdivision which is nearing the trigger point for construction of that park. Other subdivisions with park development agreements in place that are proceeding forward include Highland Park, Salt Creek Heights, Shastina Ranch, and Westridge Estates.

4. Continue to Promote the Adopt-A-Park and Adopt-A-Trail Programs.

The Adopt-a-Park and Adopt-a-Trail Programs continued to gain recognition over the last two years. The Community Services Department provides opportunities for individuals, families, and businesses to help keep Redding's parks and trails free from litter, assisting our Parks Maintenance staff.

Organizations that have adopted parks for several years have expressed their satisfaction with the program as it affords them the opportunity to help maintain the beauty of their favorite Redding park. To date, 25 parks and 13 trails have been adopted. Under the program guidelines, the applicant conducts a "clean-up" four times per year, which involves primarily picking up litter and, in some cases, weeding or performing other minor maintenance. All participants sign a waiver and a safety orientation is conducted prior to every clean-up event. After the initial cleanup, a customized sign is placed to recognize the family or organization, and to show our appreciation for their contribution.

Additional information on these programs can be found by visiting www.reddingparks.com.

Goal

Continue the expansion of our nationally-recognized trails system.

Status/Accomplishments

The City of Redding's award-winning Sacramento River Trail was expanded from the Sundial Bridge to Dana Drive and to Turtle Bay East thanks to a partnership between the City of Redding – with grant funding the California Resource Agency, California Department of Fish and Game, California Department of Boating and Waterways, and California Wildlife Conservation Board – and Caltrans as part of the Highway 44 bridge and highway widening.

Additional enhancements to the Sacramento River Trail system included two miles of repair and repaving, and enhancing trail amenities and restoring riparian habitat at Turtle Bay West and the Turtle Bay Arboretum.

The City also entered into the Sacramento River Parkway Partnership, a multi-agency effort – including the Bureau of Land management, the Bureau of Reclamation, the California Conservation Corps, the Cities of Anderson, Corning, Red Bluff, Redding and Shasta Lake, the Sacramento River Area Forum and both Shasta and Tehama Counties – to develop amenities between Shasta Dam and the Bureau of Land Management Bend area and into the center of Red Bluff. This partnership has fostered over 30 miles of new trails connected to Redding's trail system.

Goal

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

Status/Accomplishments

The Community Services Department developed an extensive plan for the construction of a park and community center on Lake Boulevard. Preliminary design concepts for the community center have been developed. The Department applied for State of California Proposition 84 Park Bond grant funds, held community meetings, and continues to pursue funding opportunities for the construction of this much needed facility.

Goal

Continue to improve and upgrade access to the Sacramento River.

Status/Accomplishments

Work continues on improvements to the John F. Reginato River Access (formerly known as the South Bonnyview Boat Launch). These efforts include a riverfront trail, an ADA fishing platform, a kayak and rafting access ramp, new picnic facilities, renovations to the existing restrooms, and renovations to the parking lot.

Goal

Facilitate the on-going operations of the Big League Dreams Park and Redding Soccer Park.

Status/Accomplishments

The Community Services Department continued to provide oversight on the operations of the Big League Dreams Park and Redding Soccer Park.

1. Big League Dreams

The park continues to operate successfully in spite of a poor economy and in FYE 2010 generated over $125,000 in revenue for the City of Redding.

2. Redding Soccer Park

During FYE 2010, the facility served over 75,000 paid spectators another 75,000 non-paid spectators (12 and under). Regular users of the Soccer Park include 7 junior high teams, 5 high school teams and 2 college teams. The facility continues to host large tournaments that draw hundreds of teams, many from outside the immediate area.

Goal

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

Status/Accomplishments

The tremendously successful Community Creek Clean-Up events continued in 2009 and 2010.

On the morning of October 3, 2009, hundreds of volunteers focused on removing invasive vegetation along the Sacramento River Trail. The trail had become overgrown with nonnative species and cluttered with fallen trees and vegetation. This has hindered the native flora and greatly reduced visibility to the Sacramento River. Volunteers removed Himalayan blackberries, ailanthus, and other brush and weeds. The effort concentrated on the south side of the Sacramento River Trail between the Diestelhorst Bridge and the Stress Ribbon Pedestrian Bridge.

The 5th Annual Creek Clean-Up on October 2, 2010, followed on the coat tails of the previous year's event by removing invasive vegetation from the north side of the Sacramento River Trail, from the Sundial Bridge to the Market Street bridge. From 8am to noon numerous volunteers cleared invasive vegetation such as Himalayan Blackberry bushes and Ailanthus trees using chainsaws, rakes and good old-fashioned sweat labor. These were fed into chippers to be used a mulch along the trail. The result is that in many locations you can now view the Sacramento River from the trail.

The success of both these events was due to the support and participation of many community partners including

- Financial donors California Coastal Commission, Redding Rotary and Bonny McConnell;
- In-kind donors Redding Record Searchlight, Crystal Geyser Natural Spring Water, Market Street Pizza, Lowe's Home Improvement, Kristin's Apples (Kristin & Ray Toney) The McConnell Foundation, and Redding Municipal Utilities; and
- The volunteer efforts of groups like California Conservation Corps, Commercial Landscape Services (Jeff Haynes), Good News Rescue Mission, Northern California Faith Community Nursing, Rotary Club of Redding and Simpson University students, as well as hundreds of individual residents.

Goal

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

Status/Accomplishments

The following improvements were achieved to the through the *Art in Public Places Program* during the last budget cycle:

1. Art in City Hall

The City of Redding's Art at City Hall program, which turns the Civic Center into the community's largest gallery and a showcase for local artists, entered its tenth season in fiscal year 2010-11. Three four-month-long shows were held, featuring six different artists or groups at each showing. Other stand-alone works were exhibited throughout the building on a rotating basis. The program celebrates local talent and increases the public's access

to artistic works. The key intent of the "Art in Public Places" program remains providing opportunities to improve community projects through the infusion of art and enhances the "City Hall experience" by providing another public use for the public's building. The success of the program and interest from the artistic community has made the annual selection process very competitive. Community partnerships include the Art in Public Places Committee, the Shasta County Arts Council and Shasta College.

2. City Hall December Entertainment – Sounds A Lot Like Christmas Series

This free noontime holiday-season concert series at City Hall featured performances by local area talent including the Shasta High School Madrigal Choir; Parsons Junior High Special Concepts; and the Cypress School First Grade. The program celebrates local talent, increases the public's access to high-quality festive music and provides public performance opportunities for talented youth.

3. The Sculpture Park at City Hall

The Sculpture Park at City Hall continues to feature the works of Birmingham, Alabama artist Chris Fennell who created two works on-site utilizing wood from the local area, as well as two steel pieces by David Mudgett, an artist from Walnut Creek, California, entitled "Flyfish" and "Gather". Both artists agreed to extend their exhibit contracts with no additional expense to the City.

Parks Maintenance Division

Goal

Increase efficiency of water and electricity use.

Status/Accomplishments

The Park Maintenance Division sought to control expenditures by monitoring water and electrical usage at park sites, reducing fertilization to only areas of high visibility, and reducing the mowing schedule to a bi-weekly basis where possible. The Division realized a slight cost savings. The Division also developed a method to separate and recycle the broken glass panels from the Sundial Bridge. The result of this effort is a 19 year supply of replacement panels with total cost-savings projected beyond $50,000.

Goal

Work closely with the Engineering Division and contractor to ensure that the proposed ADA improvements at Alta Mesa Park and Martin Luther King Jr. Park meet City standards.

Status/Accomplishments

ADA improvements at Alta Mesa Park and Martin Luther King Jr. Park were completed on time, within budget and are now available for the public's enjoyment. The Parks Maintenance Division followed these projects closely to ensure they complied with City standards and specifications.

Goal

Work closely with the Engineering Division and Caltrans to ensure that the trail component on the Dana to Downtown project meets City standards.

Status/Accomplishments

This project is now complete and open for the enjoyment of the public. Parks Maintenance Division and Community Services Department worked closely with both Engineering Division and Caltrans to ensure these additions to the Sacramento River Trail system complied with city standards and specifications. Parks Maintenance Division is now responsible for maintaining the trail portion of this project.

Goal

Maintain current improvement levels at Mary Lake and the surrounding area.

Status/Accomplishments

Diligent application of water treatment has kept algae at an acceptable level. This accomplishment is a direct result of the Parks Maintenance Division's commitment to keep the lake and surrounding area in an aesthetically pleasing condition.

Goal

Ensure citizens can enjoy a safe play environment at City Parks.

Status/Accomplishments

The Parks Maintenance Division continues to take a proactive approach to playground inspection and maintenance. Over 300 cubic yards of engineered wood fiber surfacing material was added to the City's playgrounds in the Spring 2011. Parks Maintenance staff continually monitor parks and facilities for hazards and are trained to remedy these situations as they are encountered to mitigate potential hazards.

Goal

Bring the Redding Aquatic Center into compliance with the Virginia Graham Baker Act.

Status/Accomplishments

The Parks Maintenance Division worked with a contractor to retrofit pool grates, and make sure gaps and pump pressures and flows were compliant with the Act.

Goal

Ensure compliance with the new California Air Resources Board (CARB) requirements for all diesel powered vehicles and equipment.

Status/Accomplishments

The Parks Maintenance Division worked closely with the Fleet Maintenance Division to create a Rolling Stock Replacement Plan that helps bring the City into compliance with CARB's requirements. The Parks Maintenance Division will operate two vehicles within the specified hours and/or miles to ensure compliance with the regulation.

Goal

Maintain current level of service at all facilities managed by the Parks Maintenance Division.

Status/Accomplishments

Despite budget reductions and the loss of four Public Works Maintenance Workers, Parks Maintenance staff sought to maintain parkland and facilities at an appropriate level of service to ensure safe and aesthetically pleasing venues for the public to enjoy.

Recreation Division

Goal

Continue implementation of the Recreation Strategic Plan 2008-2013.

Status/Accomplishments

The Recreation Division continued to pursue the goals and strategic initiatives of the Recreation Strategic Plan. Realization of these efforts included the Healthy Communities Resolution adopted by City Council, the expansion of recreation programs to underserved communities, and improved branding and customer information through coordinated marketing and a revamped website. The Division introduced new programs including youth softball, grasshopper sports (for toddlers) and track and field.

Goal

Develop and Implement Online Registration Capabilities for Recreation Division Programs.

Status/Accomplishments

After an extensive review by staff, EnerGov Solutions was contracted to in Fall 2010 develop and implement an online registration and management information system for the Recreation Division. It is anticipated that the first phase of the system will be in place by November 2011, and the complete system up-and-running by Spring 2012.

Goal

Continue project improvements at the Redding Aquatic Center.

Status/Accomplishments

The facility continues to investigate the means to provide greater shade for visitors and program participants, and well as improve the storage of lane lines and pool cover through various grants and other initiatives. The Redding Aquatic Center continues to mark excellence in water safety with incidents at their lowest rate since the facility's opening in 2003, and the incident number well below the California average per capita.

Goal

Initiate a marketing campaign to promote Recreation programs.

Status/Accomplishments

The Recreation Division initiated a number of promotional efforts, including development of a website, and developing Facebook hubs for a number of its programs and facilities. The successful Drowning Prevention Awareness Program, which included printed material, radio and television advertising that promoted the services

of the Redding Aquatic Center, ended in 2010 at the conclusion of the three-year grant term. The Recreation Division retains the public services announcements generated through this effort which can continue to promote the Redding Aquatic Center in the future, and compliment other division branding initiatives.

Goal

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

Status/Accomplishments

Staff continues to seek and develop opportunities to participate in school facility improvements that benefit students and secure facilities for City-run programs. The City partnered with Pacheco School for improvements on their ballfield in return for field access. Discussions are ongoing with the Columbia and Enterprise School Districts to achieve facility improvements that will lead to joint use agreements.

Goal

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

Status/Accomplishments

The goals outlined in the Martin Luther King Jr. Center Action Plan continue to be realized to great success. Thanks to a partnership with Cypress Elementary School and the resources offered through the After-School Education and Safety program, a revamped afterschool program has seen daily attendance rise from 6-8 students per day to between 30-40 students. New and enhanced programs were initiated through a partnership with AmeriCorps volunteers. The computer lab was completely retrofitted and expanded thanks to a partnership with local firm N Computing. Facility improvements included a new playground, new carpet for the library, new flooring for the common room through a grant from Home Depot, a repaved parking lot, and programmable LED information signage. The Rotary Club of Redding adopted MLK Jr. Park, and installed a raised-bed vegetable garden.

Recreation Division staff have partnered with other community resources to offer a full schedule of programming which includes family nights, evening tutoring, teen nights, social events and concerts, self-esteem and empowerment workshops, and other community outreaches. Neighborhood surveys have been taken to determine the most desired community needs, and staff is working vigorously to address them.

Goal

Coordinate the Annual Fourth of July Freedom Festival.

Status/Accomplishments

The City of Redding hosted another successful Freedom Festival on July 4 through the generosity of The McConnell Foundation. Outstanding efforts were provided by staff from the Recreation Division, Convention Center, Police Department, Fire Department, Streets Division, and Parks Division, along with community entertainers and vendors.

Shasta Public Libraries – Redding Library and Branch Libraries

Goal

Facilitate the on-going operations of the Redding Library and the branch libraries in Anderson and Burney.

Status/Accomplishments

The Community Services Department continues to administer the library services contract with Library Systems and Services LLC, oversee the library budget, and staff the Citizens Advisory Committee.

Registered users of the Shasta Public Library system grew from 94,414 in calendar year 2009 to 101,873 in calendar year 2010. The Redding Library accounts for over 91 percent of the total system circulation and enjoyed 559,484 patron visits in calendar year 2010.

System-wide internet sessions totaled 107,869 in calendar year 2010. Over 93 percent of these internet sessions occurred at the Redding Library.

The library system offered 710 programs attended by 11,508 patrons during calendar year 2010. These programs included grant-funded efforts such as the Shasta Literacy Program, the After-School Tutoring Program, and the Homework Help program.

Also of note in 2010:

- 23,559 new items were added to the library system, with 22,318 of these items added to the Redding Library.
- Monetary donations to the library system totaled $320,997 including $75,806 specifically for the Literacy Program and $225,422 directed to the Redding Library.
- 300 individuals donated 30,239 hours of service, with 28,116 of those hours directed to the Redding Library. This is the equivalent of 14.54 full time positions with a value in excess of $344,725

Goal

Continue implementation of the Shasta Public Libraries Strategic Plan 2009-2012.

Status/Accomplishments

The Strategic Plan emphasizes five areas that were prioritized during the community focus group process: lifelong learning, information literacy, basic literacy, best seller and hot topics, and public spaces. The Library Advisory Committee reviewed the Strategic Plan in September 2009, February 2010 and February 2011.

The annual report for 2010, presented on February 2011, showed that over 87 percent of the Strategic Plan objectives were met or exceeded.

Performance Measures and Workload Indicators

Parks Maintenance Division

Workload Indicators	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Improved Park Sites	41	41	41	42
Improved Acres	348.54	348.54	348.54	353.54
Unimproved Park Sites	34.00	34.00	34.00	34.00
Unimproved Acres	449.72	449.72	449.72	449.72
Tennis Courts	3.00	3.00	3.00	3.00
Miles Of Trails	31.68	31.68	33.18	34.68
Aquatic Facilities	2.00	2.00	2.00	2.00
Athletic Facilities	7.00	7.00	7.00	7.00
Acres Of Athletic Facilities	17.50	17.50	17.50	17.50
Landscaped Areas (Other Than Park Sites)	45.00	45.00	45.00	45.00
Acres of Landscaped Areas (Other Than Park Sites)	18.09	18.09	18.09	18.09
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)	9.00	9.00	9.00	9.00
Acres of City Facilities	75.58	75.58	75.58	75.58
Boat Ramp Facilities	3.00	3.00	3.00	3.00
Ponds / Lakes	2.00	2.00	2.00	2.00
Bridges	8.00	8.00	8.00	8.00
Water Features	7.00	7.00	7.00	7.00

Convention Center Division

Transient Occupancy Tax Collected

Fiscal Year	TOT Collected	Increase
2007-08	$3,989,031.00	0.91%
2008-09	$3,658,416.00	-8.29%
2009-10	$3,482,149.00	-4.82%
2010-11 (Estimate)	$3,599,034.00	3.36%
2011-12 (Projection)	$3,742,995.36	4.00%
2012-13 (Projection)	$3,892,715.17	4.00%

Convention Attendance and Economic Impact

	2010	2011	2012	2013
Workload Indicators	Actual	Estimated	Projected	Projected
Number of Conventions	64	66	70	70
Number of Delegates	52,659	54,305	56,000	56,000
Delegate Days	163,243	168,344	173,600	173,600
Average Delegates	823	823	800	800
Room Nights	29,559	30,483	31,434	31,434
Economic Impact	$16,534,373	$17,051,073	$17,583,412	$17,583,412

Goals and Objectives for Fiscal Years 2011-2013

Administration Division

Goal

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

Objectives

1. Seek partnership opportunities for park, trail and open space development.
2. Review new subdivision applications for appropriate park and trail development opportunities.
3. Monitor and implement the several subdivision park agreements in place.
4. Work with developers on park designs for Bel-Air, Highland Park, and Salt Creek Heights.

Goal

Continue the expansion of our nationally-recognized trails system.

Objectives

1. Complete the Sacramento River Parkway Trail Phase 2, which includes trail construction and riparian restoration work at Turtle Bay East utilizing a $1.2 million grant from the California River Parkway program.
2. Complete construction of Phase I of the Westridge/Canyon Creek Trails.
3. Complete construction of Phase 2 of the Vistas/Candlewood Trail.
4. Be an active partner in regional bicycle transportation planning.
5. Focus on improving trail connections.
6. Continue working with our established partners on further additions and seek new partnerships with other organizations and property owners.

Goal

Continue to plan for the establishment of a park and community center on Lake Boulevard.

Objectives

1. Determine program and facility partners.
2. Develop a program proposal for facilities.
3. Work towards construction.

Goal

Continue to improve and upgrade access to the Sacramento River.

Objective

1. Complete $850,000 of new and upgraded river access improvements at the John F. Reginato River Access (formerly the South Bonnyview Boat Ramp) in the coming budget cycle, including a riverfront trail, an ADA fishing platform, kayak and raft access ramp, new picnic facilities, renovation of the existing restroom, and renovation of the parking lot.

Goal

Facilitate the on-going operations of the Big League Dreams Park and Redding Soccer Park.

Objectives

1. Administer the Big League Dreams contract.
2. Administer the Redding Soccer Park contract and represent the City on the RSP Board of Trustees.
3. Work with both facilities to ensure community needs are being met and new program development is explored.
4. Grow tournament offerings at both facilities.

Goal

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

Objectives

1. Facilitate and maintain a working committee.
2. Oversee project logistics.
3. Promote volunteer opportunities to the community.

Goal

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

Objectives

1. Coordinate three annual art exhibits and host the opening night receptions.
2. Develop and implement the *Art in Public Places* website.
3. Coordinate the "December Entertainment" concerts at City Hall.

4. Host reception for the annual community-wide 'Cultural Cruise' held in January.
5. Advise other City departments on public art opportunities.
6. Work with the Art in Public Places Committee to seek opportunities for placement of public art.

Goal

Continue to plan for the establishment of a park and community center on Lake Boulevard.

Objectives

1. Continue to seek out funding.
2. Develop a program proposal for facilities.
3. Work towards construction.

Parks Maintenance Division

Goal

Implement the Park Maintenance Standards and maintain City of Redding parks and facilities at these standards.

Objectives

1. Maintain parks, trails, open space and facilities at the specific mode standard identified for that amenity.
2. Continue to provide training opportunities to staff to ensure the highest level of staff performance and service delivery.

Goal

Maximize the usage of City resources through technological enhancements and partnerships.

Objectives

1. Investigate and seek funding for smart controller water management systems.
2. Continue partnerships with McConnell Foundation for maintenance of the Sundial Bridge.
3. Develop partnership with community groups such as Bethel Church for community clean-up initiatives.
4. Train volunteers to assist with park projects and maintenance tasks.

Goal

Work closely with the Engineering Division and contractor to ensure that the proposed ADA improvements at Graham Park, Kiwanis #2 Ballfield, and Lake Redding Park meet City standards.

Objective

1. Ensure these projects are being constructed per City plans and specifications through project oversight and random inspections.

Goal

Work with Fleet to retrofit two vehicles with California Air Resources Board (CARB) compliant filters.

Objective

1. Keep the Parks Maintenance bucket truck and dump truck operational and CARB compliant.

Recreation Division

Goal

Continue implementation of the Recreation Strategic Plan 2008-2013.

Objectives

1. Provide recreation and learning opportunities to support a healthy and diverse community, specifically focusing on increasing program availability and access.
2. Actively engage and build relationships within the community, with an emphasis on developing new partnerships to enhance the delivery of Recreation Division programs.
3. Develop team capacity and organizational culture, focusing on staff development and succession planning.
4. Strengthen organizational systems and structures through the development on enhanced information management systems and utilization of program evaluation criteria.

Goal

Develop and Implement Online Registration and Management Information System Capabilities for Recreation Division Programs.

Objectives

1. Work with vendor and oversee development and installation of the online registration and management information system for the Recreation Division.
2. Integrate the online registration and management information system with existing Recreation Division web site and City financial systems, and implement the system within project deadlines.

Goal

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

Objective

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

Goal

Continue to provide oversight of the Martin Luther King, Jr. Community Center and implementation of the Martin Luther King Jr. Community Center Action Plan.

Objectives

1. Continue to offer and develop new recreational and life-enriching programs for youth and adults.
2. Seek appropriate funding opportunities and community partnerships to enhance the facility and program offerings at the Martin Luther King Jr. Community Center.
3. Work with the Shasta County Multi-Cultural Advisory Board to develop and promote Martin Luther King Jr. Community Center programs and activities.

Goal

Coordinate the Annual Fourth of July Freedom Festival.

Objective

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

Goal

Improve aging and high-use facilities, protect capital assets and identify resources to address these needs.

Objectives

1. Develop a Maintenance Improvement Plan based on structural need and number of users for all Redding Recreation facilities and the Redding Aquatic Center.
2. Identify and secure funding for these needs through the City budget process and grants.
3. Insure that Recreation Division facilities are safe and inviting for public usage.

Goal

Increase the number of rentals in the Caldwell Recreation Center.

Objectives

1. Develop and distribute a brochure showcasing the facility to party supply stores or equipment rental business.
2. Initiate online marketing efforts to raise awareness of the facility to potential renters.

Goal

Continue, grow and enhance the successful Grasshopper Sports program that is geared to toddlers and preschoolers.

Objectives

1. Identify sources of grant funding for program development and enhancement.
2. Recruit and train additional teaching staff to provide additional programming.
3. Develop a soccer program for two year-olds.
4. Add additional program days and times to increase number of children able to participate.

Goal

Enhance and promote the Redding Aquatic Center.

Objectives

1. Vigorously work at increasing participation, improving community access and enhancing facility revenues.
2. Develop new programs to meet the needs of underserved communities and maximize facility usage.
3. Develop a facility maintenance improvement plan to anticipate and fund necessary preventative maintenance and equipment replacement.
4 Continue to identify and mitigate potential hazards to patrons.
5. Continue to provide new and returning Redding Aquatic Center staff with Risk Management training, Rescue Skills training, Problem Analysis and Decision Making training, Emergency Response preparation, Policies and Procedure training, as well as providing staff with job-specific training.
6. Research, remain current with and implement industry best practices at the Redding Aquatic Center.
7. Analyze Redding Aquatic Center accident and incident data and employ risk management tools to identify risk patterns at the RAC to adapt current and/or develop new policies mitigate these risks.
8. Maintain facility rescue equipment in good repair and regularly evaluate the need for equipment repair and/or replacement.

Shasta Public Libraries

Goal

Continue to facilitate the on-going operations of the Redding Library and the branch libraries in Anderson and Burney.

Objectives

1. Administer the Library Systems and Services LLC contract for library operations.
2. Provide administrative and budget oversight.
3 Work with the contracted staff to ensure community needs are being met and new program development opportunities are explored.
4. Staff the Library's Citizens Advisory Commission.

Goal

Continue implementation of the Shasta Public Libraries Strategic Plan 2009-2012 and develop a new strategic plan for 2013-17.

Objectives

1. Work towards realization of the goals and objectives of the current Strategic Plan within the projected timeframe prior to 2012.
2. Facilitate the development of a new strategic plan for 2013-17.

Goal

Develop a Facility Maintenance and Equipment Replacement Plan to prepare and budget for future facility needs.

Objectives

1. Identify key building maintenance element and with Building Maintenance determine the lifespan and anticipated replacement cost of these items.
2. Identify fixed and non-fixed tangible facility assets, determine the lifespan and anticipated replacement cost of these items.

3. Identify improved technologies and/or better methodologies so systems can be replaced with more cost effective alternatives.
4. Prioritize these anticipated replacements and incorporate these costs into the Five-Year Plan.

Unmet Needs

Administration Division

The Community Services Department Administration Division has the following unmet need in the coming budget cycle:

Community Projects Managers

In the December 2008 and May 2009 budget reductions, the Community Services Department Administration Division lost its Assistant Community Projects Manager and its Senior Community Projects Manager, respectively. This reduction amounted to a 40 percent of the Division's workforce and has resulted in the distribution of numerous project assignments to the remaining already-heavily tasked staff. Coupled with the vacant recreation superintendent position (discussed below), the Division's capacity to address projects is greatly restricted and may result in delayed delivery of important work products or oversight.

Parks Maintenance Division

The Community Services Department Parks Maintenance Division has the following unmet needs in the coming budget cycle:

Public Works Maintenance Workers

Due to budget reductions over the last cycle, the Parks Maintenance Division has lost four Public Works Maintenance Worker positions. The loss of these positions has resulted in significant restrictions in the capacity of preventative maintenance and upkeep services that can be preformed at our various facilities, and the reducing the timeliness of these activities.

Recreation Division

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

Recreation Superintendent

Due to budget restrictions, the Recreation Division's Recreation Superintendent position has been kept vacant since June 2008. Some of the duties assigned to this position were distributed to the three Recreation Supervisors and the Administration Division's Management Analyst, but the majority of these duties were assumed by the Community Services Director herself. This has resulted in a significant additional workload for both the Director and other Department staff, and has greatly restricted the capacity within this Division to facilitate continuous improvements and undertake emerging projects.

Computer Replacement Schedule

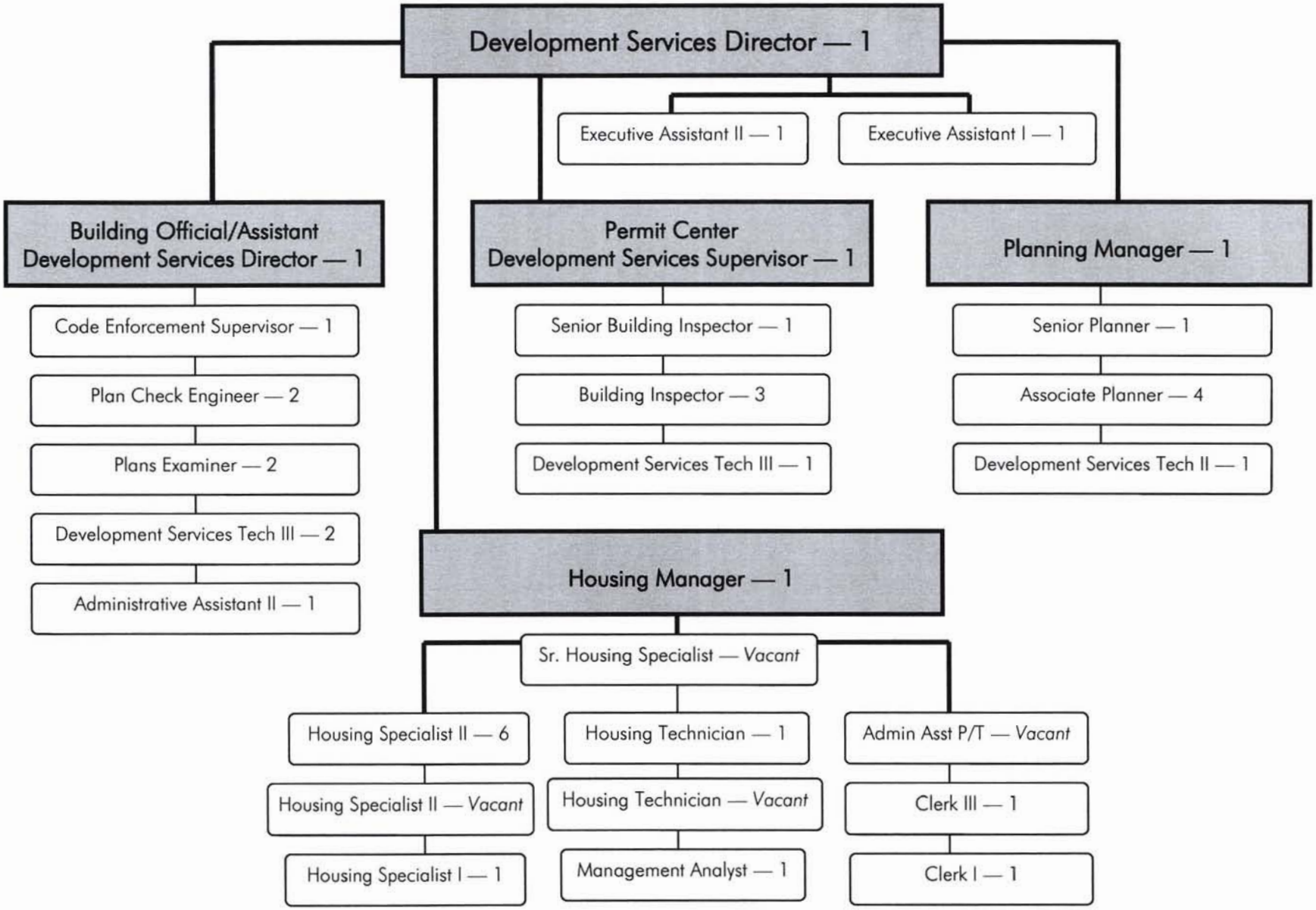
Between its main office and the Redding Aquatic Center locations, the Recreation Division operates 21 computers. The Division seeks a line item increase to correct this deficiency and fund between five to six computer replacements per fiscal year.

Capital Outlay

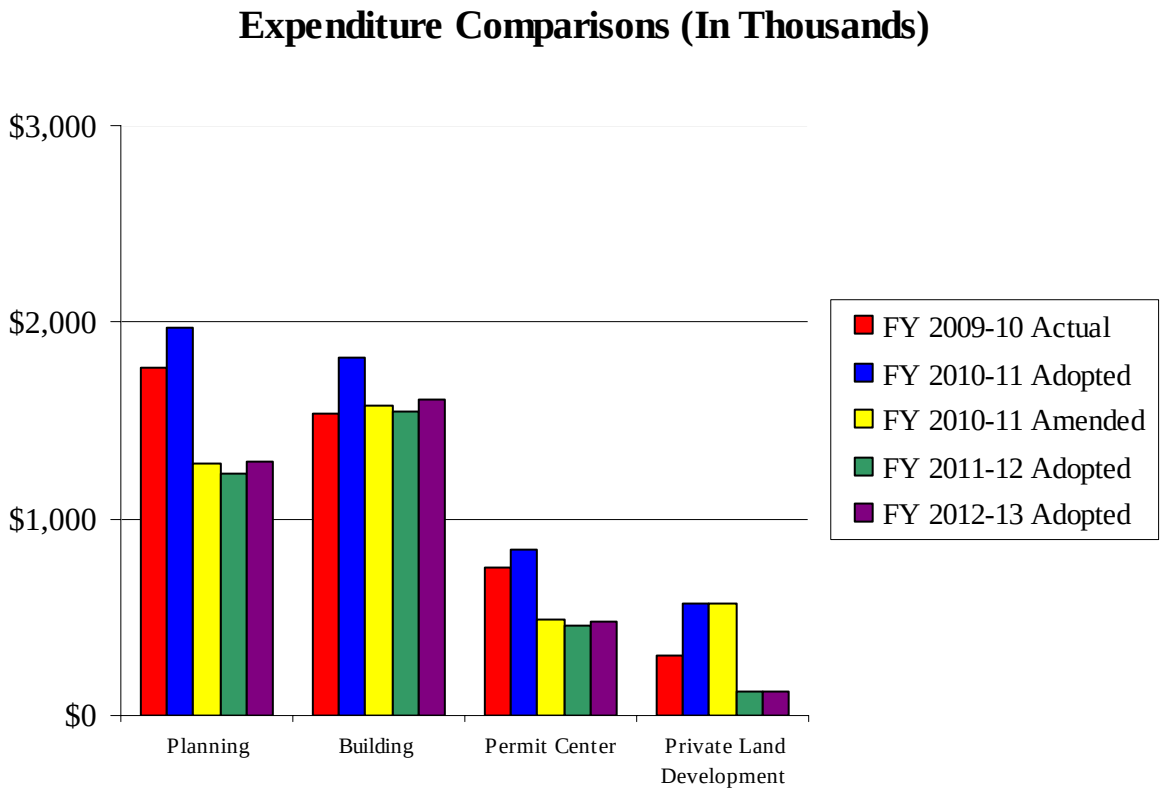
In cooperation with Building Maintenance Division, the Recreation Division has identified the following Capital Outlay needs which must be addressed funds permitting:

- Redding Aquatic Center – Painting Shade Structure Frame ($3,500): These funds are required as the main shade structure's paint has weathered away making the structure more vulnerable to weathering and rust. Painting these structures will ensure that the $5.4 million investment made to the facility continues to be protected for years of future use by the community
- Redding Aquatic Center – Paint / Refinish Pump Room and Chlorine Room Doors ($15,000): These funds are required to refurbish the doors of the pump room and muriatic / chlorine rooms at the Redding Aquatic Center. Weathering, humidity, and corrosion have severely damaged the hardware and appearance of these doors. A vapor recovery system was added in 2009 to alleviate the corrosion caused by the condensation created by the chemical s stored in the muriatic acid and chlorine vats. However, the doors and hardware have been severely damaged by years of corrosion. These doors are located in a high traffic area of Caldwell Park, facing the Jump River Playground, and in their current condition project a poor image of safety to park visitors.
- Redding Aquatic Center – Interior and Exterior Painting ($10,000): These funds are required to paint the interior and exterior of the Redding Aquatic Center, particularly the change house. Since its refurbishment in 2003, the elements have taken a toll on the Redding Aquatic Center and its outdoor amenities. The stucco applied over the original block structure has begun to crack, and painting the structure will help mitigate further cracking and flaking of the stucco. This effort will help ensure the $5.4 million investment make in this facility will continue to be protected and permit years of future use by the community.
- Caldwell Recreation Center – Interior and Exterior Painting ($8,500): These funds are required as this heavily utilized and highly-visible community facility located in Caldwell Park is a prime asset in the Recreation Division's inventory. The structure was last painted in 2002. As the building is used for Recreation Division programming and well as rented to the public for weddings and other special events, improving the esthetics of the building will increase its attractiveness, presentation and desirability, allowing for increased usage and enhanced revenue opportunities.
- Enterprise Community Room – Replace Flooring ($4,700): These funds are required as this heavily programmed building houses a preschool, art classes and several fitness courses. The current carpeting should be replaced with an easy-to-clean and resilient flooring surface that is more appropriate to these activities.
- Enterprise Community Room – Exterior Painting ($4,500): These funds are required as this heavily programmed building is in need of new exterior paint. This facility, which has not been painting in over 10 years, is located in a high traffic area of Enterprise Park, facing Kids Kingdom. Time and weather have taken a substantial toll on the exterior of this building.

Development Services Department



DEVELOPMENT SERVICES



DEVELOPMENT SERVICES DEPARTMENT

Overview

The Development Services Department's adopted budget for Fiscal Year (FY) 2011-12 totals $3,319,970, which is $558,460 under the FY 2010-11 amended budget of $3,919,970. For FY 2012-13, the adopted budget totals $3,501,960 which is $140,450 over the adopted FY 2011-12 budget.

Division	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Change	FY 2012-13 Adopted	Change
Planning	$ 1,772,756	$ 1,973,150	$ 1,282,330	$ 1,231,600	$ (50,730)	$ 1,290,850	$ 59,250
Building	1,537,196	1,821,620	1,579,220	1,549,800	(29,420)	1,604,190	54,390
Permit Center	756,100	842,980	491,920	453,610	(38,310)	480,420	26,810
Private Land Development	308,378	565,000	566,500	126,500	(440,000)	126,500	-
TOTAL	$ 4,374,430	$ 5,202,750	$ 3,919,970	$ 3,361,510	$ (558,460)	$ 3,501,960	$ 140,450

*Excluded carryover amounts

The following table displays how the Department's budget is broken down between the major expenditure groups. **The 2010-11 amended amounts exclude carryovers.**

Division		Personnel	Materials, Supplies & Services	Capital Outlay	Debt Service	Total
Planning	FY 2012-13 Adopted	$ 995,330	$ 295,520	$ -	$ -	$ 1,290,850
	FY 2011-12 Adopted	$ 889,470	$ 290,600	$ 51,530	$ -	$ 1,231,600
	FY 2010-11 Amended	$ 1,034,980	$ 247,350	$ -	$ -	$ 1,282,330
	FY 2009-10 Actual	$ 1,398,976	$ 373,780	$ -	$ -	$ 1,772,756
Building	FY 2012-13 Adopted	1,388,320	215,870	-	-	1,604,190
	FY 2011-12 Adopted	1,327,720	222,080	-	-	1,549,800
	FY 2010-11 Amended	1,341,600	237,620	-	-	1,579,220
	FY 2009-10 Actual	1,319,826	217,057	313	-	1,537,196
Permit Center	FY 2012-13 Adopted	417,030	63,390	-	-	480,420
	FY 2011-12 Adopted	391,480	62,130	-	-	453,610
	FY 2010-11 Amended	365,430	126,490	-	-	491,920
	FY 2009-10 Actual	609,183	146,917	-	-	756,100
Private Land	FY 2012-13 Adopted	-	-	126,500	-	126,500
Development	FY 2011-12 Adopted	-	-	126,500	-	126,500
	FY 2010-11 Amended	-	-	566,500	-	566,500
	FY 2009-10 Actual	-	-	308,378	-	308,378
Total	FY 2012-13 Adopted	$ 2,800,680	$ 574,780	$ 126,500	$ -	$ 3,501,960
	FY 2011-12 Adopted	$ 2,608,670	$ 574,810	$ 178,030	$ -	$ 3,361,510
	FY 2010-11 Amended	$ 2,742,010	$ 611,460	$ 566,500	$ -	$ 3,919,970
	FY 2009-10 Actual	$ 3,327,985	$ 737,754	$ 308,691	$ -	$ 4,374,430

Planning Division

The City of Redding's planning services are administered by a team of 9 planners, technicians, and clerical staff members. The administrative staff also provides clerical support for the other Divisions in the department, as well as the Public Works Department. 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, rezonings, and a variety of other land use and development entitlements. 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 and funding for clerical and administrative support to all the Divisions within the Development Services Department, including Planning, Building, Permit Center, and Housing.

Building and Permit Center Divisions

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. These Divisions strive not only to ensure that buildings constructed in the City of Redding are safe for people to occupy, but also to see that the building process is understandable, efficient, and as complete as reasonably possible.

The Permit Center provides direct customer services for the Public Works Department, Redding Electric Utility, Development Services, 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. Ongoing efforts are made to train and broaden the knowledge base of the Division's technical staff members and to expand the array of information and services available to the public.

Private Land Development – Deposit Based Account

The Land Development function consists of land development engineering review of private development in the City. The function has a single full-time position which is a licensed Engineer and is part of the Public Works Department and works directly for the City Engineer. This function provides engineering support for private land development plan review services for the Planning and Building Divisions, Public Works, Redding Electric Utility (REU), and other functions, working cooperatively with applicants and development-industry professionals to ensure that projects interface well with private and public infrastructure. The Private Land Development 502 account serves as an "in-and-out" account for deposit-based applications.

Capital Outlay

Planning Division

The Division's Capital Outlay adopted budget is $51,530 in FYE 2012 to assist with development of the RTPA's update of the Regional Transportation Plan.

Building – Code Enforcement and Permit Center Divisions

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

Private Land Development Division

The Division's Capital Outlay adopted budget is $126,500 in both FY 2011-12 and FY 2012-13 for deposit-based permits. All costs are offset by an equal amount of revenue collected from the developers at the completion of the project.

Personnel

There are no new positions within the budget.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Planning	F/T	11.00	12.00	10.00	9.00	(1.00)	9.00	-
	P/T	-	0.50	-	-	-	-	-
	Total	11.00	12.50	10.00	9.00	(1.00)	9.00	-
Building	F/T	13.00	13.00	12.00	12.00	-	12.00	-
	P/T	-	-	-	-	-	-	-
	Total	13.00	13.00	12.00	12.00	-	12.00	-
Permit Center	F/T	5.00	7.00	4.00	4.00	-	4.00	-
	P/T	-	-	-	-	-	-	-
	Total	5.00	7.00	4.00	4.00	-	4.00	-
Total	F/T	29.00	32.00	26.00	25.00	(1.00)	25.00	-
	P/T	-	0.50	-	-	-	-	-
	Total	29.00	32.50	26.00	25.00	(1.00)	25.00	-

Significant Issues

Department Major Project Workload Items for Fiscal Year 2011-13

During the coming two-year budget cycle, major work efforts requiring Department resources will likely include the following elements. Continuation of budget and related personnel constraints will affect the level of success in achieving satisfactory outcomes:

1. Provide planning, building, land development engineering, and Permit Center customer services in support of an estimated $120 million in private development activity over the two-year period.
2. Issue approximately 3,500 building permits.
3. Perform in excess of 15,000 construction inspections within 24 hours of request.
4. Process approximately 2,000 building plan reviews.
5. Provide service for an estimated 10,000 customer contacts through the Permit Center.
6. Manage in excess of 3,000 Code Enforcement cases and complaints.
7. Provide Housing Choice Voucher (Section 8) services to approximately 1,500 low-income residents.
8. Maintain a high level of customer satisfaction for services at the Permit Center, given staffing resources.
9. Process new development requests that will generate approximately $5 to $7 million in annual impact fee revenue for parks, public safety, circulation, and other public infrastructure projects directly related to growth.

10. Complete state-mandated update of the General Plan Circulation Element and associated revisions to the Municipal Code related to the implementation of "Complete Streets" legislation.
11. Complete an update/revision of the City Sign Ordinance.
12. Complete a comprehensive update of the Downtown Redding Specific Plan reflecting community input relative to parking and changes in the planned circulation system.
13. Work in conjunction with Public Works to continue implementation of state-mandated Water Efficiency Landscape Ordinance.
14. Work in cooperation with the Public Works to complete comprehensive updates of the Water and Wastewater Utility Master Plans.
15. Continue implementation of Integrated Land Management Computer System, where information on development activity can be accessed by all Departments and the public. This project involves the redesigning of the current business practices and systems to facilitate computerized integration with a system when purchased.
16. Continue to incorporate enforcement of the 2010 California Green Building Code, the 2008 California Energy Code, and other legislative requirements into the plan review and inspection process.
17. Assist with development of the Shasta County AQMD Regional Climate Action Plan.
18. Assist with an update to the comprehensive impact fee program.
19. Prepare the CEQA document for the Placer Street widening TIF project.
20. Prepare revisions to the Oasis Road Specific Plan and the Circulation Element of the Redding General Plan related to the reestablishment of the Churn Creek Road - North extension.
21. Provide energy plan check and inspection services for REU.
22. Adjust work focus to minimize negative impacts to the community caused by the downturn in construction activity and increased foreclosure and Code Enforcement activity.
23. Assist the RTPA with development of the update to the Regional Transportation Plan.
24. Develop and administer a grant application for the Proposition 84 Local Levee Assistance Program related to improvements to the Olney Creek levee.
25. Develop and administer a grant application related to the update of the Local Hazard Mitigation Plan and the City of Redding Emergency Operations Plan.
26. Continue implementation of National Pollution Discharge Elimination System (NPDES) Phase II and implementation of the Storm Drain Master Plan.

Status of 2009-2011 Goals and Accomplishments

Planning Division

Goal

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

1. Performing competent project review for conformance with General Plan and zoning requirements as well as state law.
2. Working to ensure that projects support the maintenance of an exceptional quality of life for current and future residents.

3. Performing all work with integrity, cooperation, and concern for fairness and customer satisfaction.
4. Meeting permit processing timelines.
5. Receiving a high level of satisfactory customer feedback.

Accomplishments

During the past two years, the Division has supported communitywide improvements with an estimated value exceeding $120 million.

Goal

Provide exceptional service for internal and external customers.

Accomplishments

1. Maintained full business-hour staffing and backup at the Permit Center counter despite continued staff reductions.
2. Received an overall satisfaction rating of "Excellent" as indicated on the return of customer feedback forms.
3. Satisfied the timeline objective for those permit applications with established processing-time objectives.
4. Completed processing of the tentative map and planned development plans and certification for EIR's in support of the Highland Park and Salt Creek Heights Subdivisions, among other projects.

Goal

Continue implementation of the Redding General Plan.

Accomplishments

1. Completed an interim update of the Downtown Redding Specific Plan to address inconsistencies between the Plan and the adopted Zoning Ordinance.
2. Initiated and completed the state-mandated update of the Housing Element.
3. Provided continued support of the RTPA "Blueprint Planning" effort.
4. Carried to adoption the state-mandated revision of the Zoning Ordinance to reflect state requirements for homeless shelters.
5. Carried to adoption a new state-mandated Water Conserving Landscape Ordinance.
6. Initiated and completed a comprehensive update of the Subdivision Ordinance to reflect the policies of the General Plan and changes in the State Subdivision Map Act.

Goal

Implement the National Pollution Discharge Elimination System and CEQA mitigation monitoring requirements in project review and conditioning.

Accomplishments

1. Coordinated CEQA analysis and project review and conditioning consistent with the City's state-approved NPDES permit.
2. Supported Public Works state-reporting requirements.

Goal

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

Accomplishments

1. Provided staff liaison and substantial support to committee assessing needs and system design and evaluation.
2. Participated in the design of the integrated workflow for the ILMS.
3. Participated in two rounds of extensive user acceptance testing of the ILMS software applications.

Goals which have not been completed:

None.

Building Division

Goal

The Building and Code Enforcement Division continued to be successful in protecting the public by ensuring that buildings be constructed and property maintained in compliance with the minimum requirements of state and municipal codes. This was accomplished by performing competent plan reviews, inspections, and code enforcement, while maintaining a high-level work ethic, integrity, cooperation, and sense of direction during a time of significant reorganization and contraction of staff resources. A major Division focus continued to be conveying a sense of fairness to customers.

Accomplishments

1. Through FY 2009-10 and the first half of FY 2010-11, 78 percent of single-family residence applications were reviewed on the first cycle in 10 working days or less, exceeding the stated goal of 75 percent. Average review time was 8.4 working days. The time lines for plan check were slightly better than FY 2007-08 and 2008-09 despite a significant decrease in staffing levels, which was balanced by a decreased workload.
2. All inspections requested were provided within 24 hours of the request.
3. Code Enforcement continued to successfully abate nuisance and substandard properties throughout the City. In FY 2009-10, there were 940 new cases and 833 closed cases. In the first half of FY 2010-11, there were 409 new cases and 307 closed cases.
4. Code Enforcement processed 961 reports of occupancy without power in FY 2009-10, resulting in 4 compliance orders and no orders to vacate. In the first half of FY 2010-11, there were 624 reports of occupancy without power, resulting in 2 compliance orders and no orders to vacate.
5. In FY 2009-10 and the first half of FY 2010-11, building inspectors performed 12,601 inspections, averaging 16.2 inspections per day per inspector, which exceeds the Division's benchmark target of 12 to 14 inspections per day, but is within acceptable limits.
6. Staff worked with members of the construction and development community to maintain service levels and improve the quality of inspections.
7. The Division provided extensive training opportunities for the general public and construction community in an effort to smooth the transition into the 2010 California Building Standards Code which became effective throughout the state on January 1, 2011, and involved major changes in how buildings are constructed within the state.

8. In FY 2009-10, 2,289 permits were issued and in the first half of FY 2010-11, 2,212 permits were issued, 62 percent of which were issued over the counter.
9. The Division coordinated efforts with other cities and counties in the North State to provide greater consistency in building code enforcement and interpretations from Sacramento north.
10. Worked on a major effort at implementation of the ILMS automated permit system.

Permit Center Division

Goal

Provide additional online permit opportunities.

Accomplishments

Staff has expended significant efforts in working on the development of the new ILMS system, which is in the initial design phase. Upon completion, it is anticipated that the types and qualities of services to be provided will be greatly enhanced. Final configurations are currently in production.

Goal

Accommodate the anticipated reduction of front counter service staff for engineering permits within available resources.

Accomplishments

Staff between departments has been and is currently working closely together to meet customer needs. Public Works has provided a list of schedules of individuals to support Permit Center counter duty. This has led to a more efficient notification process when additional staffing help is required at the Permit Center counter.

Goal

Improve layout and functionality of the Development Services Internet presence.

Accomplishments

Through the development phases of the new ILMS system, a new citizens' access web portal is being designed to upgrade both the types and amounts of building and development permit status information available to the public. The system is currently in production.

Goal

Change vacant position from Senior Inspector to Plans Examiner to broaden the pool of applicants suited to the position.

Accomplishment

The change of classification was realized, and it did provide a broadened pool of applicants. After four rounds of interviews, it became apparent that the salary range was not attracting qualified, experienced applicants. Ultimately, we were able to find a qualified, but less experienced person for the position.

Goal

Issue 60 percent or more of all building permits over the counter, and continue to seek opportunities to simplify the permit process.

Accomplishment

Of all permits issued in FY 2009–10, 64 percent were issued over the counter.

Goal

Continue to expand online services.

Accomplishment

During the budget process, mechanical permits were added to the list of online permit opportunities. This has been well-received by the heating and cooling contractors in the area.

Goal

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

Accomplishment

Development Services staff participated with the IT Division and other City Departments in a comprehensive evaluation of business practices and needs assessment for the new system. Permit Center staff participated in regular dialogs with IT staff to document the flow of development and permit-related information within the City. In October 2009, EnerGov System was selected to develop the Citywide Integrated Land Management System and development of the system commenced.

Goal

Complete digital conversion of some Department records preliminary to implementation of computerized tracking system.

Accomplishment

This objective was not realized due to budget considerations.

Land Development Division

Goal

Perform assessment and system evaluation work preliminary to selection and implementation of computerized permit-tracking system in FY 2009-10. Division staff participated in the development of the Division needs for the new system, the selection process of a new tracking system, and a substantial amount of the initial workflow development.

Accomplishment

Regularly participated in project development and implementation efforts.

Workload Indicators and Performance Measures

Planning Division

Development Applications Received	FY 2009-10	FY 2010-11*	FY 2011-12 Projected	FY 2012-13 Projected
Site Development Permit	11	6	8	10
Use Permit	6	6	6	6
Parcel Map	5	3	4	4
Subdivision	4	1	1	1
Planned Development	3	1	1	1
Rezoning	9	5	7	7
General Plan Amendment	1	3	2	2
All Others	75	75	75	75
TOTAL	**114**	**100**	**104**	**106**

* Annualized Through March.

Building Division

	FY 2009-10 Actual	FY 2010-11 Estimated	2011-12 Projected	2012-13 Projected
New Single Family (# of units)	96	48	60	65
New Single Family (valuation)	$ 19,130,493	$ 9,467,982	$ 15,000,000	$ 15,000,000
New Multiple Family (# of units)	40	81	50	50
New Multiple Family (valuation)	$ 3,598,335	$ 9,694,438	$ 4,500,000	$ 4,500,000
New Commercial (# of buildings)	14	8	12	12
New Commercial (valuation)	$ 22,369,774	$ 2,447,487	$ 15,000,000	$ 15,000,000
Remodels & Repairs (valuation)	$ 15,909,792	$ 17,800,568	$ 17,500,000	$ 17,500,000
Other (valuation)	$ 6,027,643	$ 9,781,054	$ 10,000,000	$ 10,000,000
TOTAL	**$ 67,036,037**	**$ 49,191,529**	**$ 62,000,000**	**$ 62,000,000**

PERMIT PROCESSING GOALS [1 & 2]					
Plan Type	Working Days to Review			Target % Success Rate	Maximum Review Time - Days
	2008-09	2009-10	2010-11		
Commercial/Multiple Family - New Buildings and Additions	20	20	20	75	35
Commercial/Multiple Family - Resubmit Corrections for New Builidings/Additions	10	10	10	75	20
Commercial - Tenant Improvement/Remodel	10	10	10	75	20
Commercial - Resubmit Corrections for Tenant Improvement/Remodel	5	5	5	75	15
Single Family Dwelling (Conventional)[3]	10	10	10	75	20
Single Family Dwelling (Engineered)	15	15	15	75	20
Residential Resubmit for Corrections	5	5	5	75	15
Miscellaneous Permits Qualifying for Express Review	0-1	0-1	0-1	75	0-2
Miscellaneous Permits not Qualifying for Express Review	5	5	5	75	10
INSPECTION GOALS					
Inspections made within 24 hours of request (%)	100	100	100	100	48 hrs.

[1] Actual processing times will vary with workload.

Permit Center Division

Description	FY 2009-10 Actual	FY 2010-11 Annualized*	2011-12 Projected	2012-13 Projected
Plans Submitted for Review	803	830	825	830
Over-the-Counter Permits Processed	1,213	1,526	1,550	1,600
Total Permits Issued	2,026	2,356	2,375	2,430
Average Monthly Customer Survey Responses	2	1	2	2
Average Score for Customer Survey Responses (1 - lowest, 5 - highest)	4.7	4.7	4.8	4.8
Transportation Permits Issued	337	110	250	250

*Annualized @ 4/1/11

Goals and Objectives for 2011-13

Planning Division

The Planning Division will continue to work toward 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 high levels of public involvement in the planning process, and maintaining integrity and 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

1. Provide adequate staff and customer user-friendly materials at the Permit Center counter.
2. Maintain a high customer-service satisfaction rating.
3. Process complete permit applications within target time-line objectives.

Goal

Continue implementation of the Redding General Plan.

Objectives

1. Amend the Transportation Element to incorporate "complete streets" policies and standards.
2. Amend the Oasis Road Specific Plan to include the North Churn Creek Road Extension.

Goal

Manage a comprehensive update of the Downtown Redding Specific Plan

Objectives

1. Develop a specific implementation plan, including financing mechanisms, to meet near-term and future Downtown parking needs.
2. Reassess existing Plan policies calling for the reopening of Market Street, Yuba Street, and Butte Street through the Market Street Promenade.
3. Assess infrastructure carrying capacity in view of General Plan building-height and housing-density allowances.
4. Develop a "sustainability" strategy for the Downtown (encourage residential development, facilitate transit and "complete streets," promote mixed use).

Goal

Respond effectively to the state's climate-change legislation (AB 32 and SB 375) by working in cooperation with internal departments and external agencies, including RTPA and the APCD.

Objectives

1. Provide staff support to the RTPA development of the "Sustainable Community Strategy" (or Alternative Planning Strategy) as resources permit.
2. Provide staff support to the APCD in development of the "Regional Climate Action Plan" as resources permit.

Goal

Successfully integrate ILMS computer tracking system into application and permit processing and information-gathering tasks.

Objectives

1. All staff to become proficient in understanding the function and practical daily use of the ILMS system for issuing permits, tracking activity, and providing services to the public, and in coordinating application processing between Departments within the City of Redding.
2. Provide training to all employees in effectively and proficiently using the ILMS system.
3. Look at and explore avenues that would afford gains in efficiencies and ease of use of the ILMS system.
4. Continue to assist in the testing and implementation of the ILMS system up through the "go-live" date with continued assistance as requested through each additional phase of implementation.

Building – Code Enforcement and Permit Center Divisions

Goal

Protect the public by ensuring that buildings are constructed and property maintained to meet the minimum requirements of state and municipal codes.

Objectives

1. Review plans for conformance with minimum code requirements.
2. Perform competent inspections.
3. Maintain accurate records.
4. Process projects according to established policy and regulation.
5. Maintain a high-level work ethic, integrity, cooperation, and sense of direction.
6. Focus on ways to reshape services in a manner that will reduce processing timelines, increase understanding, and convey a sense of fairness and satisfaction.

Goal

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

Objectives

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

Goal

Improve plan check processing.

Objectives

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

Goal

Meet plan review and inspection turnaround timelines.

Objectives

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

Goal

Implement the recently adopted 2010 California Building Standards Code.

Objectives

1. Provide training opportunities for staff and the construction industry on the new codes.
2. Provide training opportunities for the public.
3. Become efficient in the use, application, and enforcement of the new standards.
4. Update the Division policy manual to be consistent with the new state building codes.
5. Update handouts to be consistent with the new codes.

Goal

Implement enforcement of the National Pollution Discharge Elimination System.

Objectives

1. Implement NPDES enforcement consistent with the state NPDES permit.
2. Coordinate NPDES enforcement efforts with other City Departments.
3. Provide training to staff.
4. Develop and distribute brochures and handouts clarifying the requirements of NPDES.

Goal

Improve communication with the building community.

Objectives

1. Involve the building community to discuss code and policy changes.
2. Continue to solicit public comment on how well we are doing our job and where we can improve.
3. Improve public image through the use of public information programs.

Goal

Complete development of and implement the Integrated Land Management System (ILMS).

Objectives

1. Work with the ILMS team to complete development and implementation of the new system.
2. Work with the team to continually improve the system after initial implementation.
3. Issue and track building permits on the ILMS system.
4. Track and automate Code Enforcement processes on the ILMS system.
5. Automate the inspection request system.
6. Implement Mobile Gov in the field.
7. Realize gains in efficiency due to the use of the new system.

Goal

Maintain and improve staff awareness of customer needs.

Objectives

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

1. Develop informational handouts and checklists for required Title 24 Energy forms and required testing and certifying documentation.
2. Develop informational handouts and checklists for required accessible requirements per the CBC Chapters 11A & 11B.

Goal

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

Objectives

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

Goal

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

Objectives

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

Goal

Successfully integrate ILMS computer tracking system into daily permit processing and information-gathering tasks, as well as inspection services.

Objectives

1. Become proficient in understanding the function and practical daily use of the ILMS system for issuing permits, providing inspections, and providing relevant data to other Departments within the City of Redding.
2. Provide training to all employees in effectively and proficiently using the ILMS system.
3. Look at and explore avenues that would afford gains in efficiencies and ease of use of the ILMS system.
4. Continue to assist in the testing and implementation of the ILMS system up through the go-live date with continued assistance as requested through each additional phase of implementation.

Goal

To continue training on the ILMS system and become more data-driven and results-oriented.

Objectives

1. Utilize the EnerGov software to track violations by parcel, to automate follow-up reminders, and schedule follow-ups.
2. To generate notices and attach photos and to integrate Microsoft Word and Excel and GIS for address verification and maps.

Goal

To complete the Buckeye Terrace Redevelopment area assessment.

Objectives

1. Begin Phase II of the substandard housing/property-blight assessment along the Lake Boulevard Corridor.
2. Send inspection letters to all property owners and offer assistance services through Housing and Redevelopment.

Goal

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

Objectives

1. Receive complaints, determine validity, and ensure compliance within the minimum length of time required.
2. Maintain the highest standard of professional ethics in the performance of our duties by working with owners and tenants in a respectful manner.

Goal

To improve existing community partnerships and realize new partnerships to help improve neighborhoods and create a Code Enforcement volunteer program.

Objectives

1. Cooperate with and support local groups and associations interested in the promotion of a better community. Stimulate public involvement and participation by bringing together residents from various neighborhoods on a regular basis.
2. Create and distribute written literature and make it available to the community.

Department Unmet Needs

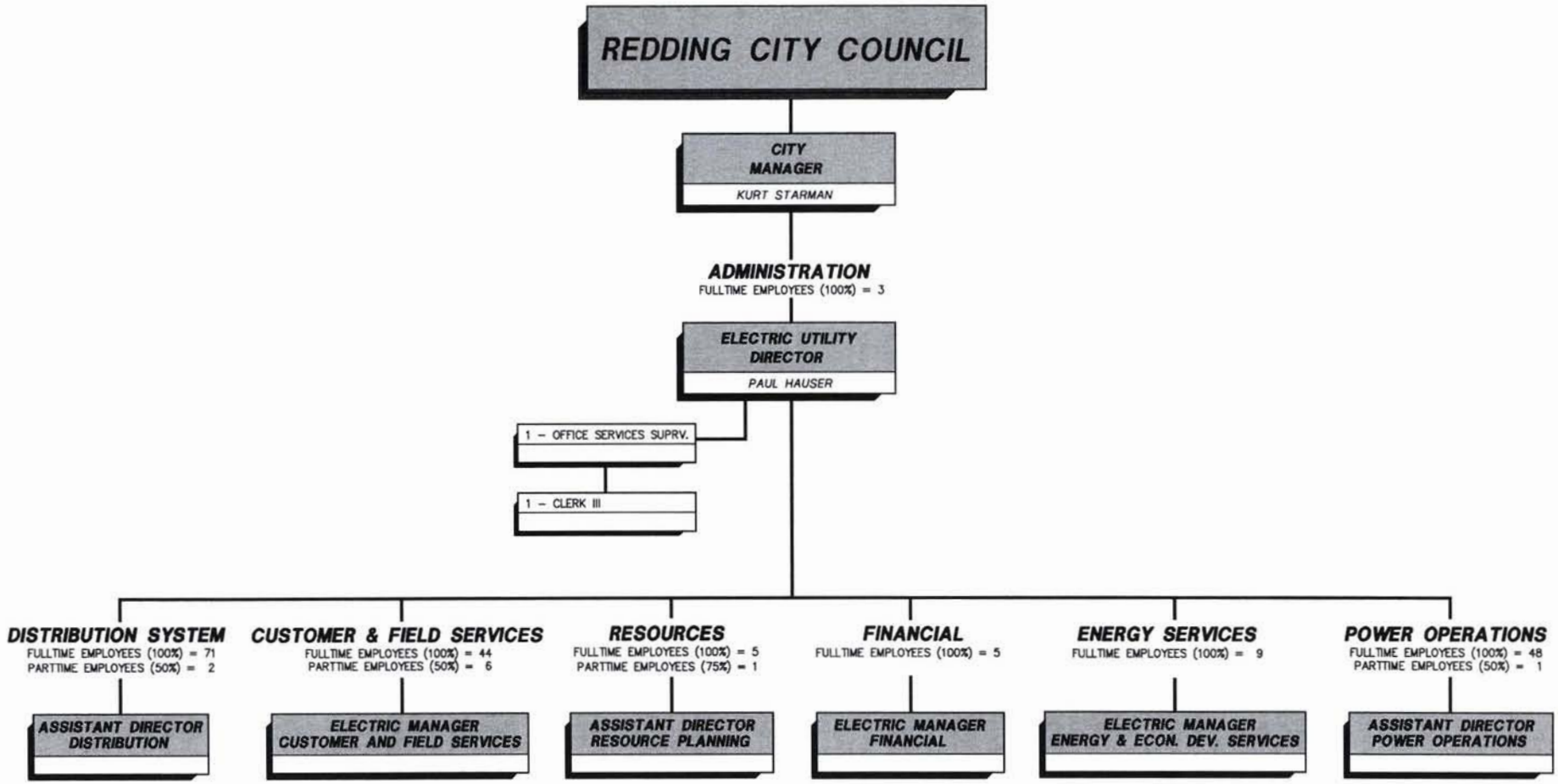
Operations and Materials/Supplies/Communications - Travel/Training ($75,000). The Department's O&M budget has declined across the board in a precipitous fashion during the past four years. The ongoing declines have reduced the funds for training and travel by 75 percent, including all training for Planning Commissioners. Training now represents 0.2 percent of the combined Planning, Building, and Permit Center budgets in 2011-12. Maintaining adequate training is critical to maintaining a well-qualified (legally adequate) and efficient workforce. In general, for a professional workforce, training should average 3 percent to 5 percent of budget expenditures.

Building Inspector - ($100,000). In FYE 2009, a building inspector position in the Code Enforcement section was eliminated. During FY 2010-11, the Department absorbed the Fire Department Plan Check and Inspection function. The lack of this position has resulted in backfilling the need for a building inspector with Plan Check and Permit Center staff on a regular basis. Currently, this is manageable, given the slowdown in construction activity. However, the loss of this position in combination with the fire plan check services will present a significant constraint as construction activity increases due to seasonal peaks in workload and an improving economy.

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 may work 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 position to a Senior Engineer or Development Services Supervisor position would make a more balanced organization by providing a supervisor over each section.

Upgrade Computer Equipment to Support Implementation of the ILMS - ($10,000). Upgrading the existing computers in the Permit Center to support implementation of the ILMS will be a necessary expenditure as the ILMS comes on-line. The current hardware has not been upgraded in the past several years due to budget constraints.

Total Unmet Needs for the Department —$200,000

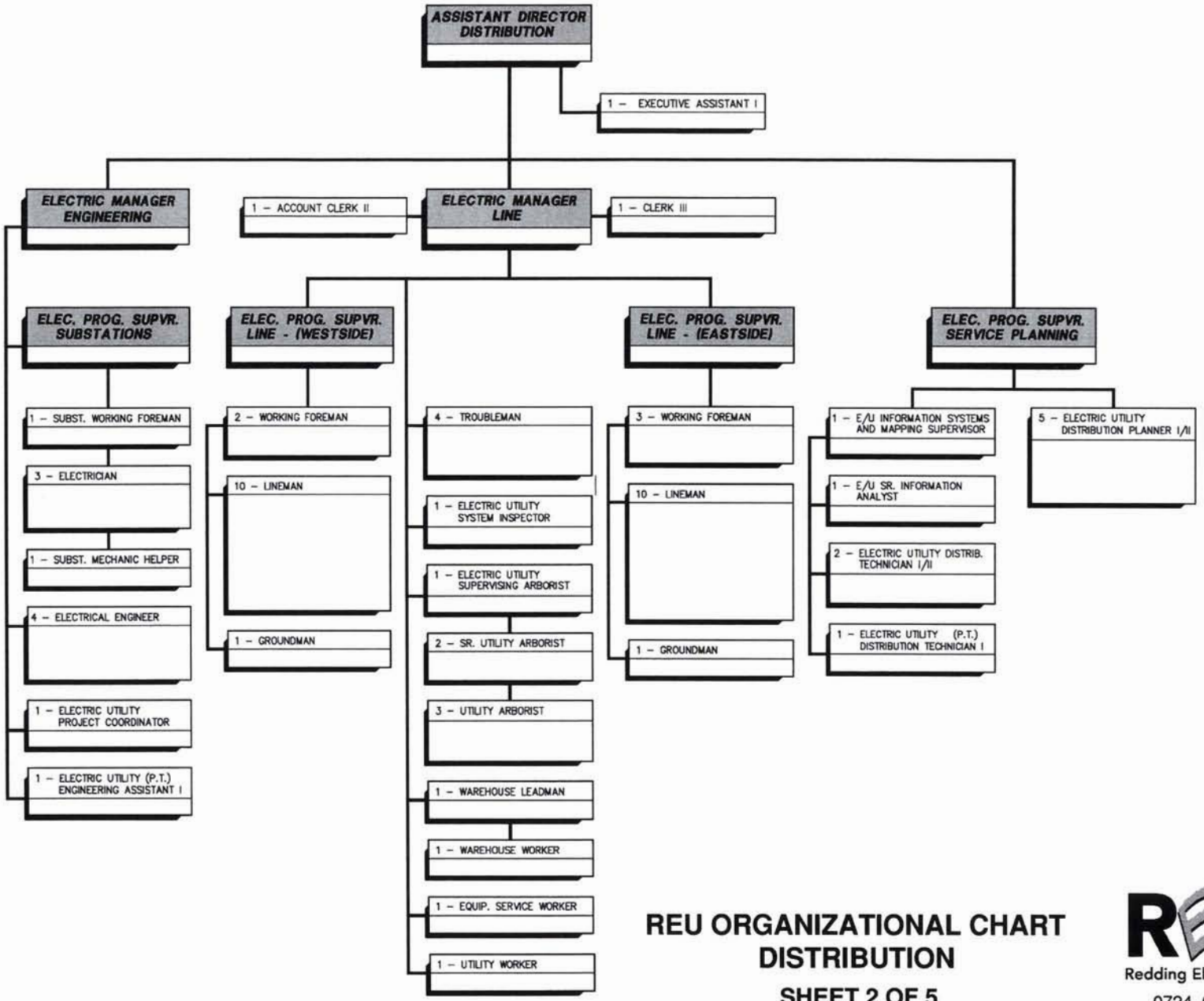


TOTALS:			FTE'S
FULLTIME EMPLOYEES	=	185	185.00
PARTTIME EMPLOYEES	=	10	5.25
TOTAL REU EMPLOYEES	=	195	190.25

REU ORGANIZATIONAL CHART

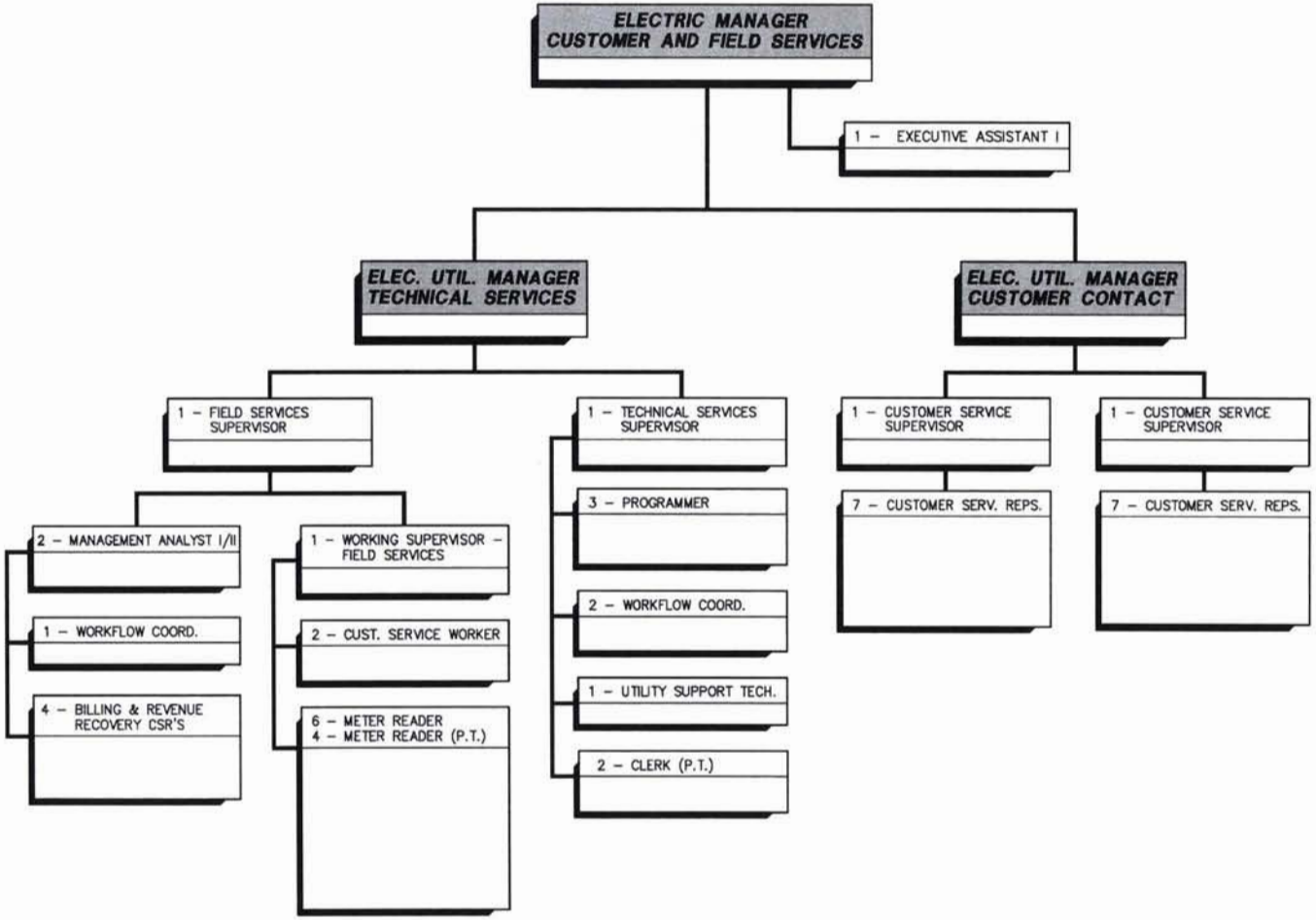
SHEET 1 OF 5

REU
Redding Electric Utility
0724, 04/13/11



REU ORGANIZATIONAL CHART
DISTRIBUTION
SHEET 2 OF 5

REU
Redding Electric Utility
0724, 04/13/11

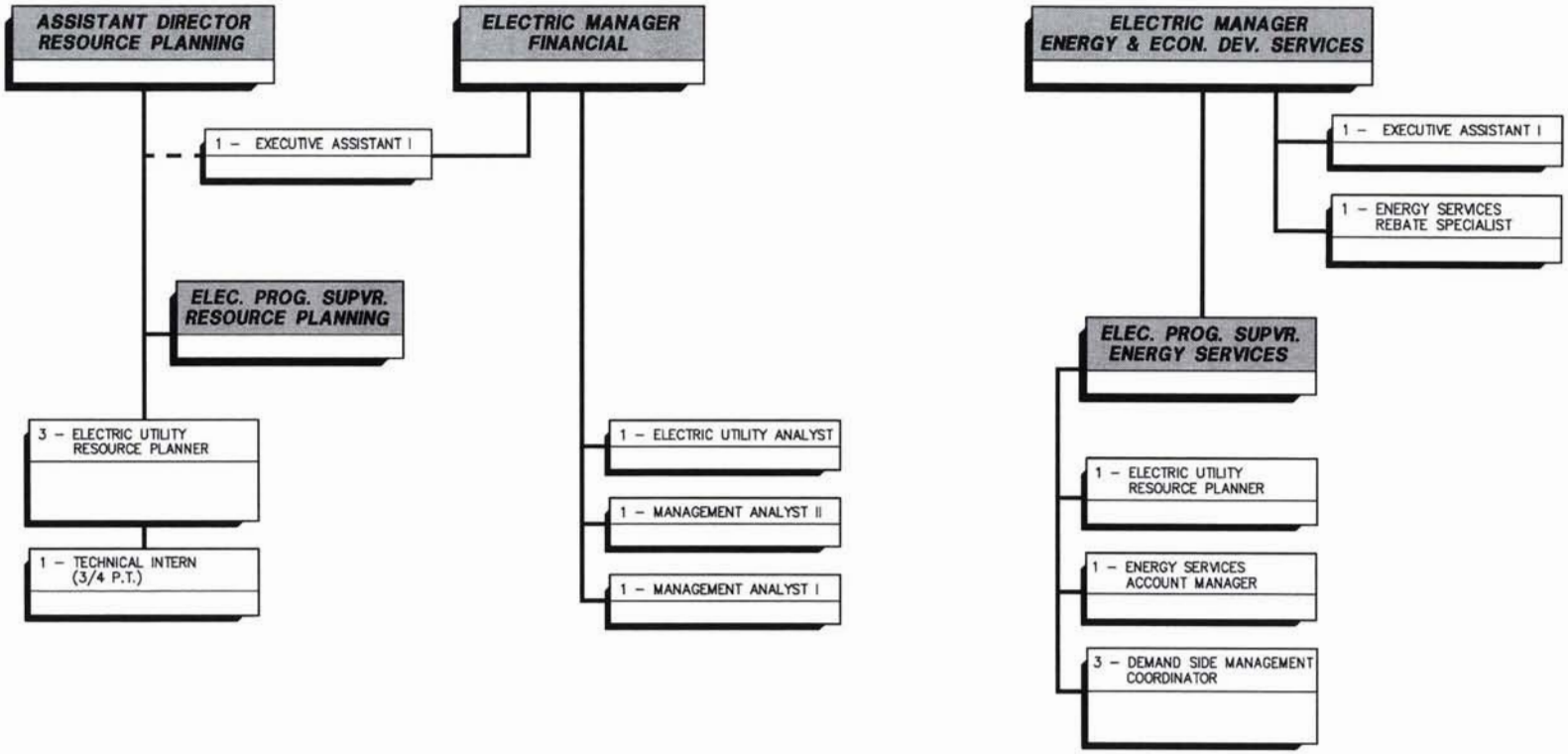


REU ORGANIZATIONAL CHART
CUSTOMER AND FIELD SERVICES

SHEET 3 OF 5

Redding Electric Utility

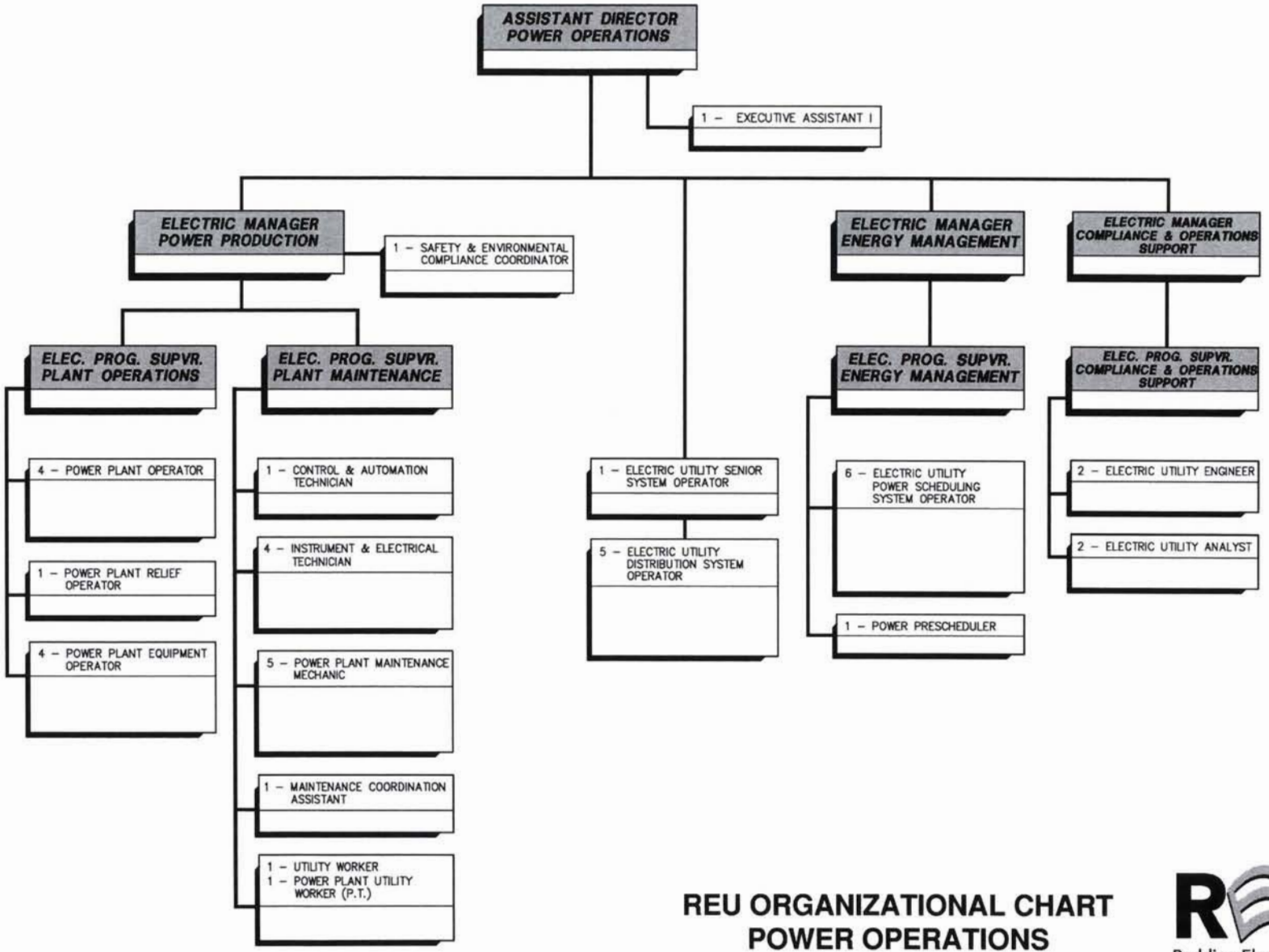
0724, 04/13/11



REU ORGANIZATIONAL CHART
RESOURCE - FINANCIAL - ENGERY SERVICES

SHEET 4 OF 5

REU
Redding Electric Utility
0724, 04/13/11

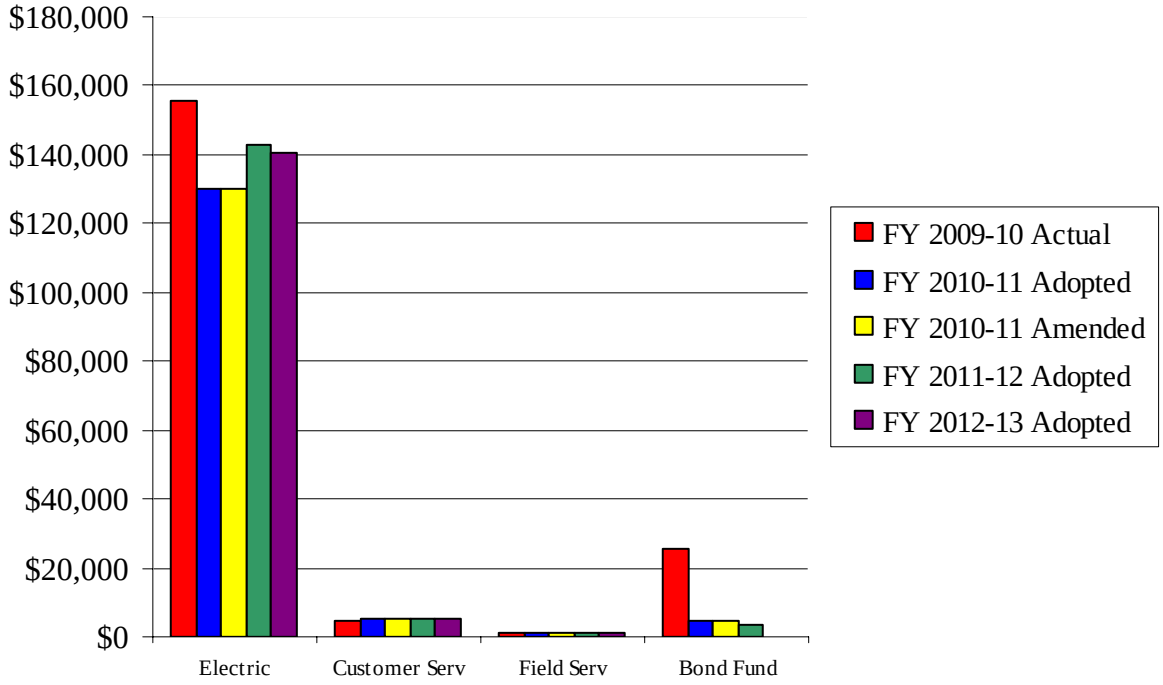


REU ORGANIZATIONAL CHART
POWER OPERATIONS
SHEET 5 OF 5

REU
Redding Electric Utility
0724, 04/13/11

ELECTRIC UTILITY DEPARTMENT (REU)

Expenditure Comparisons (In Thousands)



ELECTRIC UTILITY DEPARTMENT
(REU)

Overview

The primary forces shaping REU's budget development for fiscal years 2011-12 (FY12) and 2012-13 (FY13) are a desire to limit growth of expenses and to stay within our 2010 rate case 5-year forecast. This is basically a status quo budget. The only significant change is the inclusion of wholesale sales and revenue on a gross basis rather than a net basis. In addition, our retail load is not growing as forecast due to the economic recession. REU continues to deal with the restructuring of our WAPA hydroelectric contract, and further legislative pressure promoting environmentally friendly "Green Power" from renewable resources such as solar and wind. In addition, AB32 legislation has brought climate change and our "Carbon Footprint" to the forefront and may significantly impact REU's cost structure in the future. 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 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Electric	$ 155,495,529	$ 129,862,920	$ 130,273,540	$ 142,729,170	$ 12,455,630	$ 140,742,370	$ (1,986,800)
Customer Service	4,632,131	5,207,740	5,334,940	5,144,750	(190,190)	5,387,730	242,980
Field Service	1,174,689	1,319,190	1,319,430	1,378,060	58,630	1,407,340	29,280
Electric System Bond Fund	25,301,213	4,400,000	4,419,000	2,750,000	(1,669,000)	-	(2,750,000)
TOTAL	$ 186,603,562	$ 140,789,850	$ 141,346,910	$ 152,001,980	$ 10,655,070	$ 147,537,440	$ (4,464,540)

* 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
Electric	FY 2012-13 Adopted	$ 21,304,800	$ 100,076,090	$ 5,502,000	$ 13,859,480	$ 140,742,370
	FY 2011-12 Adopted	$ 20,444,310	$ 102,497,100	$ 5,933,600	$ 13,854,160	$ 142,729,170
	FY 2010-11 Amended	$ 20,195,560	$ 90,779,410	$ 5,396,050	$ 13,902,520	$ 130,273,540
	FY 2009-10 Actual	$ 18,432,352	$ 123,866,807	$ 2,955,711	$ 10,240,660	$ 155,495,530
Customer Service	FY 2012-13 Adopted	$ 3,368,360	$ 2,019,370	$ -	$ -	$ 5,387,730
	FY 2011-12 Adopted	$ 3,176,380	$ 1,968,370	$ -	$ -	$ 5,144,750
	FY 2010-11 Amended	$ 3,384,640	$ 1,850,300	$ 100,000	$ -	$ 5,334,940
	FY 2009-10 Actual	$ 2,822,224	$ 1,809,509	$ 398	$ -	$ 4,632,131
Field Service	FY 2012-13 Adopted	$ 1,195,730	$ 115,610	$ 96,000	$ -	$ 1,407,340
	FY 2011-12 Adopted	$ 1,168,200	$ 113,860	$ 96,000	$ -	$ 1,378,060
	FY 2010-11 Amended	$ 1,157,350	$ 161,840	$ 240	$ -	$ 1,319,430
	FY 2009-10 Actual	$ 1,020,767	$ 153,922	$ -	$ -	$ 1,174,689
Electric System Bond Fund	FY 2012-13 Adopted	$ -	$ -	$ -	$ -	$ -
	FY 2011-12 Adopted	$ -	$ -	$ 2,750,000	$ -	$ 2,750,000
	FY 2010-11 Amended	$ -	$ -	$ 4,419,000	$ -	$ 4,419,000
	FY 2009-10 Actual	$ -	$ -	$ 25,301,213	$ -	$ 25,301,213
Total	FY 2012-13 Adopted	$ 25,868,890	$ 102,211,070	$ 5,598,000	$ 13,859,480	$ 147,537,440
	FY 2011-12 Adopted	$ 24,788,890	$ 104,579,330	$ 8,779,600	$ 13,854,160	$ 152,001,980
	FY 2010-11 Amended	$ 24,737,550	$ 92,791,550	$ 9,915,290	$ 13,902,520	$ 141,346,910
	FY 2009-10 Actual	$ 22,275,343	$ 125,830,238	$ 28,257,321	$ 10,240,660	$ 186,603,562

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

Personnel

Discussion

In this budget cycle, REU is not budgeting any new positions. In addition, the imposition of furloughs and the elimination of the COLA for unrepresented employees in FY12 & 13 positively impact the overall personnel costs. Increases in retirement and health care costs negatively impact the overall personnel costs. A reduction in capital expenditures negatively impacts the cross charges as less time will be spent by employees on these projects. Net of cross-charges, REU personnel costs are up 0.2% in FY12 and 4.4% in FY13.

The Electric Utility's full-time, part-time, and total staffing levels for fiscal years FY 2009-10 through FY 2012-13 are as follows:

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Electric	F/T	139.00	140.00	141.00	141.00	-	141.00	-
	P/T	2.25	2.25	2.25	2.25	-	2.25	-
	Total	141.25	142.25	143.25	143.25	-	143.25	-
Customer Service	F/T	33.00	31.00	33.00	33.00	-	33.00	-
	P/T	1.00	1.00	1.00	1.00	-	1.00	-
	Total	34.00	32.00	34.00	34.00	-	34.00	-
Field Services	F/T	11.00	11.00	11.00	11.00	-	11.00	-
	P/T	2.00	2.00	2.00	2.00	-	2.00	-
	Total	13.00	13.00	13.00	13.00	-	13.00	-
Totals	F/T	183.00	182.00	185.00	185.00	-	185.00	-
	P/T	5.25	5.25	5.25	5.25	-	5.25	-
	Total	188.25	187.25	190.25	190.25	-	190.25	-

Operation and Maintenance

Operation and Maintenance (O&M) Expenses are grouped into two categories: (1) Electric Utility-specific O&M expenses (Operating Materials), which includes the cost of power, and (2) Interdepartmental Charges. Operating Materials are directly determined by the Electric Utility. Interdepartmental Charges include: fixed charges from other departments; Allocation to the General Fund; In Lieu fees; Rent for the Corporation Yard and Civic Center; and Property Insurance. Total O&M expenses are budgeted to increase $11.8 million (12.7%) for FY12, followed by a decrease of $2.4 million (2.3%) for FY13. The increase is partially due to now including the gross cost of power purchased for resale in the FY12 & FY13 budgets. In prior periods only the net cost of power purchased for resale was included in the budget.

With respect to Operating Materials, a major shift in the Electric Utility's Purchase Power supply portfolio occurred in FY2004-05 with the termination of the Western contract. This has been replaced with a combination of a smaller Western Contract and higher cost wind and natural gas fired generation. So far in FY11, the water year is very good. We have budgeted for FY12 & FY13 to receive normal hydro deliveries. Wholesale power prices continue to be very low compared to historical levels in the forward market which reduces our opportunities to sell power on the wholesale market. We have also budgeted wholesale sales on a gross basis this time, rather than a net basis as was done the previous budget cycle. This increases the wholesale power costs by about $12 million while also increasing the wholesale revenue by the similar amount. This was to address a concern expressed by City Council that our monthly financial reports always show a much greater amount of wholesale sales compared to budget.

For the most part, decreases in Interdepartmental Charges in the first year of the budget -- down $533,960 (5%)--are due to a true-up of in In-Lieu of tax due to the addition of the Unit Six generator coming later than was expected back in 2009. These charges have also decreased as the general fund departments have contracted in size during several rounds of layoffs and there is now less expense to allocate. For the second year of the budget, Interdepartmental charges are set to increase $565,030 (6%) as the In-Lieu returns to its correct level with the completion of Unit 6.

Debt Service

The Electric Utility Debt Service adopted budget for FY12 and FY13, at $13.9 and $13.9 million per year, respectively, reflects the levelized debt service structure of the Utility's existing debt. This is the same as FY11.

When the City Council approved restructuring REU's outstanding distribution debt and issuing additional bonds to finance the Unit Six generator in FY08, 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 fixed rate debt structure which have protected the utility from the vagaries of the variable rate interest market.

Capital Outlay

REU's Division 859 contains the preponderance of the Capital Outlay budget. The table below presents the components of the revenue funded Capital Outlay budget adopted for FY12 and FY13 compared with the actual FY10 expenditures, and the adopted and amended FY11 Budget (excluding carry-over amounts).

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
General System Improvements	$ 2,240,947	$ 4,488,500	$ 4,488,500	$ 5,124,000	$ 635,500	$ 5,277,000	$ 153,000
Projects, Programs, & Equipment and Furnishings	$ 715,161	$ 726,710	$ 1,007,790	$ 905,600	$ (102,190)	$ 321,000	$ (584,600)
Bond Funded	$ 25,301,213	$ 4,400,000	$ 4,419,000	$ 2,750,000	$ (1,669,000)	$ -	$ (2,750,000)
Total Capital Outlay	$ 28,257,321	$ 9,615,210	$ 9,915,290	$ 8,779,600	$ (1,135,690)	$ 5,598,000	$ (3,181,600)

The majority of the capital outlay budgeted items are for General System Improvements. These costs include the annual recurring expenditures for installation of facilities required to provide reliable electric service to new customers/development and to maintain reliable electric service to existing customers. The facilities installed by City crews and contractors include transformers, poles, overhead/underground conductors, trenching, conduit, vaults, etc. In recent year, this budget has been significantly reduced. We have been borrowing from the health of the distribution system. We are now increasing the general system improvement budget to begin investing in the distribution system. The capital items included in this budget 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:

FY12-Unit 5 Sconox Improvement, $321,000;

FY12- Additional funds for a Distribution System Mapping Program for safety and site locating needs, $150,000;

FY12-GPS Tracking system for REU vehicles, $259,600;

FY12/13 - Various generation equipment and minor projects totaling $175,000 in FY12, and $321,000 in FY13: General Generator Upgrades ($200,000); Meter Reading Routing Software ($192,000); RPP Equipment Upgrades ($50,000); Security Improvements ($29,000); Asphalt Paving ($25,000).

Three major capital projects are to be funded by REU bond proceeds in FY12 and are listed below.

First, the Airport Relay Replacement that has been budgeted for $650,000 and has been delayed is now ready to begin and has been budgeted for $700,000. This budget includes the additional $50,000 to complete this important project with the Western Area Power Administration.

Second, with the savings from completing the Unit 6 power plant under budget, REU has remaining funds from the 2008 Bonds budgeted to install a new city-wide phone system which will be funded by REU at a cost of $1,600,000 with all city departments paying their share of the costs which would not exceed their current telephone operating costs.

Third, funds are still remaining from the 2005 Bonds as we have not yet had a need to fully build out our Stillwater infrastructure. REU may be forced to have a second distribution operating center to meet federal reliability standards. This would require an expansion of Corp Yard Building No 2 at a cost of $1,100,000.

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. A decrease in the annual funding for the Power Plant Maintenance Fund is budgeted from the current $1.8 million to $1.3 million beginning for FY12 and $1.6 million for FY13.

The Rolling Stock Replacement Fund is functionally similar to the Power Plant Maintenance Fund. Requested FY11 funding amount for the Rolling Stock Replacement Fund was $500,000. There is no change in the annual budget for FY12 and FY13.

The Rolling Stock Replacement Fund for Field Services is budgeted to increase to $29,000 per year from the current $28,000.

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 decrease in the major maintenance costs is due to the negotiation of a Long-Term Service Agreement (LTSA) and the timing of certain periodic maintenance requirements. To not pursue this enhanced preventive and periodic maintenance schedule could result in catastrophic failure of a generator, resulting in millions of additional dollars in repair costs and untold millions in replacement power purchases.

As for the Rolling Stock Replacement Fund budget, the Electric Utility has a demonstrated need for scheduled periodic replacement and upgrade of heavy rolling stock, such as line trucks, and for vehicles such as sedans and light trucks, and trailers. Fleet maintenance concurrence of need has been provided as appropriate. The Rolling Stock Replacement Fund should be maintained as indicated based upon the demonstrated and projected needs of the Utility as shone in their 10-year vehicle replacement worksheet.

Public Benefits Program

REU's Public Benefits Program has been successful and well received in the Redding community since its inception. The Public Benefits Program provides financial incentives and support in four areas of electric utility operation and function, as mandated by State law:

1. Energy Efficiency improvements
2. Low income assistance
3. Research, Development and Demonstration (RD&D) of emerging electric technologies; and
4. Renewable resource development.

To date, nearly 70 percent or more than two-thirds of REU's Public Benefits Program expenditures have been directed towards energy efficiency improvements. REU strives to build upon our relationships with local businesses, including trade allies and the development community to increase the awareness of cost-effective energy efficiency opportunities in new construction and remodeling projects throughout the community.

Low income assistance spending continues to be the second largest area of our Public Benefits Program expenditures. During FY2010 Low Income support increased to almost $1 million and this amount is expected to increase again in FY2011 and beyond. These increases are primarily driven by Council directives to increase our bill payment support for income qualified customers as part of the City's ongoing efforts to reduce the impact and burden of the struggling economy on this sector of our Community.

The increase in funding for Low Income Assistance related programs will continue to be achieved through reductions in spending on renewable resource development. This is possible because almost all of REU's renewable resource development efforts are in the solar photovoltaic (PV) development area. PV development is now a separate program in and of itself, as mandated by State Senate Bill 1's passage and implementation. SB1 funding has allowed REU to redirect dollars previously devoted to renewable development to Low Income assistance.

REU's existing RD&D Projects have most recently been focused on the development and implementation of Thermal Energy Storage (TES) in our service territory. With the successful testing and demonstration of this technology as available and cost-effective resource, REU will begin to evaluate other new emerging technologies and opportunities for efficiency improvements.

These Public Benefits Programs will continue to provide benefits for our community.

The table that follows provides a summary of the components of the expected FY 2010-11 expenditures and the budgeted FY 2011-2012 and FY 2012-13 expenditures for REU's continuing Public Benefits Program. The expenditures are based on 2.85 percent of REU's forecast retail revenue in the future fiscal years.

Public Benefits Program	Estimated	Adopted	Adopted
Description	**FY 2010-11**	**FY 2011-12**	**FY 2012-13**
Energy Efficiency			
Project Expenses	$ 1,293,591	$ 1,235,000	$ 1,330,000
Low Income Assistance			
Project Expenses	$ 832,427	$ 1,100,000	$ 1,200,000
Research, Development & Demonstration			
Project Expenses	$ 169,432	$ 450,000	$ 550,000
Renewable Resources			
Project Expenses	$ 5,550	$ 5,000	$ 5,000
Labor	$ 140,000	$ 170,000	$ 180,000
TOTAL PBP Charges	$ 2,441,000	$ 2,960,000	$ 3,265,000

Five-Year Financial Plan

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

FIVE-YEAR FINANCIAL PLAN	Fiscal Years Ending June 30					
	2011	**2012**	**2013**	**2014**	**2015**	**2016**
Electric Utility Fund Beginning Balance ($ Mil)	**$ 25.6**	**$ 19.4**	**$ 19.5**	**$ 17.4**	**$ 16.8**	**$ 19.6**
Rate Adjustments	**7.84%**	**7.84%**	**7.84%**	**7.84%**	**3.00%**	**3.00%**
Revenues ($ Mil)						
Retail Electric Sales	102.1	110.7	118.0	128.3	138.2	144.2
Wholesale Electric Sales	15.8	31.0	21.0	12.6	12.6	12.6
Miscellaneous Income	6.9	7.2	7.4	7.5	7.9	8.0
Total	124.7	149.0	146.4	148.5	158.7	164.8
Operating Expenses ($ Mil)						
Power Supply	83.3	93.7	90.5	83.8	87.2	87.8
O & M	27.7	28.6	31.0	33.4	34.4	35.4
Total	111.0	122.3	121.5	117.2	121.6	123.2
Net Operating Revenue	**13.7**	**26.7**	**24.9**	**31.2**	**37.1**	**41.6**
Total Net Debt Service	13.9	13.9	13.9	13.9	13.9	13.9
Revenue Remaining after Debt Service	**-0.2**	**12.8**	**11.0**	**17.3**	**23.2**	**27.7**
Other Revenues & Expenses						
Other Revenues	1.0	0.6	0.5	0.7	0.9	1.1
Revenue-Funded Capital Projects	-5.2	-5.9	-5.5	-8.2	-10.6	-11.1
In-Lieu Payment to City	-6.0	-5.6	-6.0	-6.2	-6.4	-6.6
Rolling Stock, Major Plant Maintenance	-1.8	-1.8	-2.1	-4.1	-4.2	-3.3
Total	-12.0	-12.7	-13.2	-17.9	-20.4	-20.0
Increase (Decrease) in Funds ($ Mil)	**-12.2**	**0.1**	**-2.2**	**-0.6**	**2.8**	**7.8**
Electric Utility Fund Ending Balance ($ Mil)	**$ 19.4**	**$ 19.5**	**$ 17.4**	**$ 16.8**	**$ 19.6**	**$ 27.3**
Reserves (as a % of O&M Requirement)	**17.5%**	**16.0%**	**14.3%**	**14.3%**	**16.1%**	**22.2%**
Debt Service Coverage Ratio	**0.54**	**1.48**	**1.28**	**1.62**	**2.04**	**2.36**

2009-2011 Goals and Accomplishments

Resources Group

Goal

Work closely with Western Area Power Administration (Western) to maintain the reliable and cost effective operation of the Western Sub-Control Area. Additionally, work with SMUD and Western to maintain the viability of the SMUD/Western Balancing Authority.

Accomplishment

Redding Electric Utility (REU) has kept the benefits of the Western Balancing Authority available to Redding. Through a new spin for non-spin agreement, REU has increased the value of Redding's natural gas peaking generation resources within the Western Sub-BA. REU has worked to form the Balancing Authority of Northern California (BANC) to further isolate Redding from any impacts of the California Independent System Operator (ISO).

Goal

Protect Redding's customers from the ISO's new Market Redesign and Technical Upgrade (MRTU) as much as possible. Provide an interface to the ISO and other state agencies with regard to wholesale power and natural gas transactions. With the aid of legal counsel, participate at the Federal Energy Regulatory Commission in the continued evolution of the ISO's MRTU market such that the City's interests are protected.

Accomplishment

As represented by the significant drop in ISO fees paid by Redding, REU staff has effectively minimized the cost impacts associated with interfacing to the ISO's new rules and procedures known as MRTU, while retaining Redding's current usage of its generation and transmission facilities and ensuring that unnecessary ISO 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.

Accomplishment

REU has developed a strong and diverse resource portfolio that includes energy efficiency, demand-side management programs and renewable resources while maintaining a balance of risk and associated costs.

Goal

Manage REU's long-term natural gas portfolio.

Accomplishment

While staying within the adopted City Council levels of contracting authority, REU has optimized the City's natural gas portfolio including long-term commodity purchases, maintaining transportation options, as well as creating a new long-term storage arrangement along with a new balancing service provider. All efforts are necessary to meet the long-term natural gas needs that match local electric generation with the load.

Goal

Provide support as necessary to the MSR Joint Powers Agency, the MSR Energy Authority, NCPA, BANC and the Transmission Agency of Northern California to further the joint powers agencies' efforts to optimize use of agency assets for the benefit of Redding.

Accomplishment

REU staff has provided 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. Further staff has support agency efforts to finance a long-term natural gas prepay program.

Goal

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

Accomplishment

REU staff has participated in both state and federal forums, as well as industry groups such as California Municipal Utilities Association and Northern California Power Agency to develop and support a consistent message on critical public power issues.

Goal

Monitor trends in California's electric market redesign and stay appraised of similar activity across the nation.

Accomplishment

REU staff has worked with the Pacific Northwest utilities to block the spread of California's centralized energy markets, as well as help shape state legislation to block the impacts of deregulation on Redding's electric customers.

Goal

Monitor activities at the Western Electric Coordinating Council (WECC) to ensure REU is planning for and operating within the recently enacted Reliability Standards of the Energy Policy Act, including such developments associated with resource adequacy.

Accomplishment

REU staff has actively participated in the WECC Loads and Resources Subcommittee, as well as other committees that address the ever changing Reliability Standards. Staff continues to work with the California Air Resources Board to help formulate the upcoming Greenhouse Gas reduction policies as well as help formulate future policy directives for the state that could impact the City's development decisions.

Goal

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

Accomplishment

REU staff has provided the City with insight on policy implementation proceedings at the State and CARB along with guidance and assistance related to the City's strategic planning. New monitor and reporting programs have been implemented at the power plants regarding emissions reporting and reduction efforts.

Power Operations Group

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.

Accomplishment

The Power Operations Group has consistently captured an optimal energy blend to meet the City's electrical needs. Some of the major milestones were a two- year gas-for-power arbitrage for 2010 and 2011, a migration of our wholesale gas asset management to another counterparty, the compilation of a natural gas pre-pay forward purchase, and the signing of a long-term natural gas storage agreement. Additionally, the team performed annual training in the areas of safety, reliability, and asset optimization.

Goal

Work closely with Western Area Power Administration (Western) to improve the reliable and cost effective operation of the Western Sub-Balancing Area. Work with Western on optimizing the hydro-thermal integration between Redding and Western's electric systems and serve an active role in the formation and analysis of the IBAA, NWPP, BANC, and the Western Displacement program.

Accomplishment

Redding's energy delivery reliability remained extremely high during the performance period. New contractual arrangements with the Northwest Power Pool helped to provide additional reserve assets while reducing the overall cost of acquiring those reserves. Additionally, Redding successfully participated in developing a contractually stronger Balancing Area through actively participating in the formation of the new Balancing Area of Northern California (BANC).

Goal

Monitor activities at the WECC, NERC, FERC, DOT, WSPP and CARB to ensure REU is planning for and operating within recently enacted policies, requirements, and reporting standards.

Accomplishment

The Power Operation Group actively participated in the many reliability and regulatory issues that impact the operation and regulation of the local and regional power system. Major achievements were made in developing and adopting the newly formed California Air Resources Board Greenhouse gas regulations, building a robust North America Electric Reliability Corporation (NERC) Reliability Standards program, and implementing a DOT Natural Gas Pipeline Operation and Maintenance program.

Goal

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

Accomplishment

Various technical and support programs were created and/or upgraded during the performance period. A long- time need to accurately track and store policies, procedures, and other documents was addressed by the addition of Policy and Procedure Management (PPM) software.

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.

Accomplishment

The Power Control Center team maintained a high level of professionalism and effectiveness during the performance period. The major accomplishment, in the area of the safe and reliable operation of our power system, was an organizational change that divided our Electric Utility System Operators into two functioning groups; Real-time Scheduling and Distribution Scheduling. This restructuring ensured a stronger level of expertise was devoted to the core functions of reliability and safety while ensuring the team could perform the increased complexity and demands of the Real-time Scheduling functions.

Goal

Operate and maintain REU generating facilities in a manner where safety of the utility staff, utility contractors, and facility visitors comes first.

Accomplishment

The Power Production team successfully completed this evaluation period without sustaining any lost-time accidents. A strong safety program was continued that consists of a Worker's Safety Committee, Employee Safety Awareness, Safety Procedures, and Safety Training Programs.

Goal

Ensure environmental stewardship of REU power generating facilities. Comply with all environmental permit requirements and regulations.

Accomplishment

The Power Operations Group dedicated significant resources and manpower to ensure REU's generation facilities complied with regulatory regulations. An additional position was added to the Operation Support team that created a Compliance Manager.

Goal

Operate and maintain REU power generating facilities to achieve availability and reliability levels to support the City's peak usage needs, as well as daily operation requirements. Show annual availability and reliability improvement year-to-year.

Accomplishment

The Power Production group team underwent a maintenance program rebuilding and strengthening process during a major portion of the evaluation period. Some of their major achievements were the construction of a new generator unit, a 20-year major overhaul of the Whiskeytown Hydro unit #9, a 9-year major overhaul of the steam turbine unit #4, and the 40,000 hour (level C) major overhaul of combustion turbine unit #5.

Goal

Improve REU generating facilities plant operating and maintenance efficiency. Discover enhanced methods of operating the plant, enhanced equipment, and extend staff knowledge to reduce the expense of providing safe, clean, and reliable energy to the Utility.

Accomplishment

The Power Production group made some large strides in increasing the operation and maintenance efficiency during the evaluation period. One significant enhancement was the installation of a new Distributed Control System (DCS) for the combustion turbine unit #5. Additionally, the addition and successful recruitment of an Automation & Control Technician has given a great boast to plant automation and reliability goals.

Distribution System Group

Goal

Continue construction of new or upgrading of existing 115kV transmission, substation, generation, 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

Completed Redding Power Plant Unit No. 6; applied for the Federal Aviation Administration permits for the Stillwater Business Park transmission line; installed the 600-amphere, 12kV primary cable within the Stillwater Business Park; rebuilt Canby Substation Bank No. 2; completed relay modernization for Airport and Sulphur Creek substations; completed the Corporation Yard communication tower. At the end of the current budget period, all major reliability indices (SAIDI, SAIFI, and MAIFI) improved (were lower), compared to both the 5-year and 3- year averages. Although the actual two year SAIDI index average exceeded the goal (to be less than or equal to thirty minutes) by 7.32 minutes, the manpower adjusted SAIDI index yields 29.03.

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

The division continued to high ratings on the surveys of new businesses/developers. These surveys were implemented in 1996 and 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 achieved an overall rating of 4.6 (out of 5 possible), which is characterized as “Excellent”. Due to reduced staffing, the customer support of revenue metering was reduced by 60% which has not yet had any negative feedback during this economic downturn. Developed an implementation strategy for AMI deployment, which was indefinitely postponed due to budget/rate pressures.

Goal

Continue to implement a program that allows for trimming of trees on a three-year or less trim cycle that meets or exceeds California State Public Utility Commission (CPUC) tree trimming clearance guidelines that were established in January 1997. 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.

Accomplishment

Continued the program started in FY 1997-98 of supplementing existing Electric Department tree crews with contract tree trimming crews. Contracts were issued and executed during the current budget period that met State tree trimming safety standards; reduced fire threat; and, improved operations.

Goal

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

Accomplishment

During the current budget period, the state mandated overhead and underground inspection programs continued. Due to the lack of significant new business the pole replacement backlog was reduced, however, the actual rate for the existing inventory produces a replacement cycle of 75 years, approximately 25 years over the recommended standard industry practice. The manpower adjusted replacement cycle is 48.7 years.

Goal

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

Accomplishment

During the current budget cycle, the Division switched to smaller neutral 600 ampere cable. The experiment to develop just-in-time, cut-to-fit, cable ordering was dropped.

Goal

Continue to meet County, State and Federal laws and mandated reliability standards.

Accomplishment

Met all required reporting deadlines. Reviewed and documented all new procedures and verified the accuracy of all information.

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

The worldwide economic collapse beginning in 2008 minimized the need to review the existing 115kV transmission, 115/12kV substation and 12kV distribution expansion plans. However, contingency plans were developed in preparation for the Eureka Way-Sulphur Creek transmission line re-conductoring effort.

Goal

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

Accomplishment

The initial conversion of the Distribution AM/FM to a Geographical Information System (GIS) was completed and implemented.

Goal

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

Accomplishment

The rubber gloving program has completed the implementation phase. However, funding for the training and certification of the line crews; and the acquisition, testing, and replacement of the new tools and equipment continued.

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.

Accomplishment

Timely and complete filings to satisfy all state mandated reporting on REU's existing energy efficiency programs in our community.

Goal

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

Accomplishment

REU's solar photovoltaic program became fully subscribed during FY2011 and is in accordance, if not exceeding, legislative requirements.

Goal

Complete the initial third-party evaluation, measurement and verification (EM&V) study of REU's energy efficiency programs and develop a long-term plan/forecast of cost-effective energy efficiency measures that are available and achievable for our customers and REU, respectively.

Accomplishment

Energy Services secured the services of Efficiency Services Group as an independent contractor to perform EM&V on REU's Keep Your Cool Program that provided refrigeration improvements for Commercial customers. All installations were verified as in-place and operable. Because REU based our energy savings forecasts on the State-approved estimates for these refrigeration improvement measures REU had a 100 percent achievement for this Program.

REU completed and filed its triennial, long-term (10 year) forecast, of the potential for energy efficiency improvements in our community to meet all legislative requirements and comply with California Energy Commission reporting guidelines.

Goal

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

Accomplishment

Energy Services continued to re-focus its attention on our Key Accounts to support REU's efforts to work in partnership with our business customers and improve our community. This included group meetings, luncheons, and breakfasts to provide information to our customers on REU's operations as well as to receive feedback on our services and ways that we can improve. REU staff also held numerous meetings with individual customers to provide assistance and support in regard to their respective service needs and requirements.

Goal

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

Accomplishment

ESD worked with all customer sectors to present REU in a favorable light for all observers. This included significant efforts to enhance the City's Economic Development opportunities using the strength of REU's service reliability as the primary platform.

Goal

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

Accomplishment

REU staff has actively assisted 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 included 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.

Accomplishment

REU played a vital role in presenting the Stillwater Business Park's attractiveness to outside companies and helped bring new jobs and economic development opportunities to the community throughout Southwest Aluminum Finishing Company's development in the Park and the on-going negotiations with Southwest Paper for a major development in the Park.

Goal

Manage Redding's Public Benefits Program (PBP) to support our customers and improve our community.

Accomplishment

REU provided valuable programs to our community in our efforts to continue to enhance its PBP to most cost-effectively meet the state requirements and standards. REU achieved this goal by providing cost-effective energy savings and peak load reduction programs, as measured by the state-approved benefit/cost modeling tool and that provide the greatest benefit to our customers, the City and REU.

Goal

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

Accomplishment

Due to the continued housing market downturn and the newly enacted California Green Building Code, REU saw a significant decrease in Earth Advantage interest and participation by local builders. Because of the combined efforts, REU has ceased it sponsorship of the Earth Advantage program as a means to reduce overhead costs and shift these savings to other more cost-effective efficiency related measures and programs.

Goal

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

Accomplishment

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

Goal

Assist the Director in 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.

Accomplishment

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

Customer Service

Goal

Initiate validation of customer/utility billing information maintained within the Enterprise Customer Information Billing System (E-CIS). Ensure on-going accuracy of Utility billing and revenue recovery.

Accomplishment

Customer Service staff has continued the policy of on-going, daily validation of customer/utility billing information maintained within the E-CIS with every account interaction to help ensure accuracy. However, the Resource Recovery Project was suspended in late 2009 by consensus of the Redding Municipal Utilities.

Goal

Fully implement the approved Revenue Protection Program including the development of formal utility theft response procedures and the Identity Theft Prevention Program.

Accomplishment

City's Identity Theft Prevention Program (Program) was completed and adopted by the City Council on April 21, 2009. Staff were trained to conduct electronic Fraud Checks through an existing contract with Equifax and to identify potential cases of identity fraud. Fraud Checks were implemented on all new or transferring utility customers. In addition, subsequent staff training on indicators of potential utility theft and response procedures is on-going as additional resources are available. The majority of the Program has been implemented; however, at the City Council's direction, program resources were shifted to support the Utility Billing Review Committee and implement the Council-approved Committee recommendations.

Goal

Improve employee safety and productivity and enhance level of service provided to Utility customers.

Accomplishment

Monitoring, Assessment, and Coaching (MAC) Program fully implemented, including direct feedback from supervisory staff on recorded telephone customer transactions. Information provided to customers is delivered in a consistent manner regardless of the representative, and all available assistance program information is offered. Implemented third-party vendor training through Northwest Public Power Association (NWPPA) as planned, conducting three (3) all-day sessions. Three all-day sessions have continued annually.

Field Services

Goal

Complete all work orders in the field using wireless technology.

Accomplishment

All personnel with a primary responsibility for completing work orders have been trained on the new technology. Over 98% of work orders are now completed electronically via wireless technology connected to the E-CIS. Staff continues to purchase hardware to support the wireless service order program as the needs-based budget allows.

Goal

Establish effective field response protocols in order to identify, mitigate, and respond to meter by-pass and utility theft activities. Develop procedures for recovering revenue lost due to these types of activities.

Accomplishment

A comprehensive revenue protection program has been developed in conjunction with the City's Identity Theft Prevention Program. The revenue protection program includes methodology for identifying high risk premises. Staff has developed and implemented tools for consistent field response procedures, employing basic principles for identifying power theft such as evidence collection and typical warning signs.

Goal

Provide advanced training to Field Services staff responsible for pulling and setting electric meters.

Accomplishment

Established a program to ensure safety and for the long-term training for all personnel responsible for pulling and setting meters. Completed on-site training program sponsored by Northwest Public Power Association (NWPPA) entitled "How Do Those Meters Work"; included protocol for proper meter handling. Sent all field staff with the responsibility of pulling & setting meters through the Tract 1 (single phase) and Tract 2 (poly-phase) metering program conducted by Northwest Technical Training.

Goal

Convert our present system of manual revenue data collection to an automated meter information system to provide a flexible, and cost-effective, combination of bundled and real-time services.

Accomplishment

An in-depth cost-to-benefit analysis of developing an Automated Metering Infrastructure (AMI) was completed and a draft Request for Proposals (RFP) seeking bids from qualified AMI vendors was also completed. Project has been put on hold due to unfavorable economic climate. During this process, staff identified a need to implement a re-routing project in order to facilitate and viably continue meter data collection for the next 5-7 years.

Performance Measures and Workload Indicators

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

Workload Indicators	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimated	FY 2012 Projected	FY 2013 Projected
Peak Demand (MW)	248	234	252	255	258
Gigawatt-Hour Sales	793	770	777	791	798
Transmission Line Miles	67.3	67.3	67.3	69.9	72.5
Distribution Line Miles	638	642	644	645	648

Customer Service

Workload Indicators	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimated	FY 2012 Projected	FY 2013 Projected
Electric customers billed monthly	44,379	44,337	44,589	44,811	45,035
Water customers billed monthly	28,169	28,368	28,389	28,425	28,498
Total amount billed (all utilities)	$138,537,180	$144,696,576	$159,385,500	$170,940,000	$183,333,000
Payment transactions - Credit Card	109,756	120,794	135,00	148,000	162,000
Electronic Funds Transfer	3,708	3,691	4,000	4,100	4,150
Total Walk-In Traffic – Cashiers	85,227	73,735	78,000	80,000	82,000
Payment transactions – Mailed	311,011	304,821	288,000	274,000	260,000
Customer Service phone calls received	97,826	88,493	100,100	101,000	102,000
Call Center's avg. wait time (minutes: seconds)	3:12	2:57	3:30	3:30	3:30
Call Center's avg. time per call (minutes: seconds)	4:01	4:02	4:02	4:02	4:02
Call Center calls abandoned	8%	9%	11%	10%	10%
Call Center's avg. grade of service	67%	54%	50%	58%	58%
Electric meter reads	532,084	531,439	535,000	537,000	540,000
Water meter reads	336,282	337,792	340,000	341,000	342,000
Utility service requests	35,257	33,401	34,000	34,500	35,000
Utility service miles logged	98,155	98,726	94,124	95,000	96,000
Error ratio per 1,000 meters read	.19	.17	.15	.15	.15

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	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimated	FY 2012 Projected	FY 2013 Projected
1.Transmission and distribution system expense per circuit mile of line[1]	$6,676	$5,653	$5,935	$6,232	$6,543
2. Number of employees[2]	185.25	188.25	190.25	190.25	190.25
3. Lost work days due to work-related injuries & illnesses[5]	336.5	243	260	250	240
4. Electric retail kWh sales/Electric worker hours[3]	2,057	1,966	1,964	1,998	2,017
5. Number of customers per Electric employee[2]	232	229	228	232	234
6. Number of outages [5],[6] Average duration of outages(hours)[5][6]	279 1.7	241 1.6	360 1.65	300 1.7	300 1.7
7. Electric service reliability:[4],[6],[8]	99.98	99.99	99.98	99.98	99.98
8. Average customer-sustained outage time per year (minutes)[5],[7] Average customer-sustained outage time per year (minutes)[5],[7] (excludes major events/storms)[8]	44.10 44.06	30.53 30.53	39.0 31.0	39.0 31.0	39.0 31.0
9.Average number of sustained outages per customer per year[5],[7] Average number of sustained outages per customer per year [5],[7] (excludes major events/storms)[8]	0.43 0.43	0.31 0.31	0.46 0.34	0.46 0.34	0.46 0.34
10. Redding Power Plant Availability %	80	83.5	85	90	90
11. Redding Power Startup Success %	96.0	98	92	95	95
12. System average retail rates (¢/kWh)	10.9	11.9	12.9	14.0	14.8
13. Total retail GWh available for use	833	809	828	836	843
14. Cost of power, cents/kWh[9]	6.3	5.9	6.4	7.3	7.8
15. Debt to total assets ratio	.54	.56	.54	.53	.54
16. Total operating expenses to total expense ratio	.84	.84	.92	.94	.96
17. Safety margin, cash as a percentage of operating revenue	20%	17%	16%	13%	12%
18. Retail revenue as a percent of total revenue	55%	60%	82%	74%	81%

Notes:

1. Total O&M expense includes all FERC non-personnel Distribution expenses and all General System Improvements excluding debt service; capital projects; 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) = $\frac{\text{Customer hours service availability}}{\text{Customer hours service demand}} \times 100$
5. The information is based upon a calendar year summary. Based on OSHA Form 300 data.
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.
9. Based on line 101 of Budget 03-23-11 FY12&13 Base Case Copy for Performance Measures.

2011-13 Goals and Objectives

Resources Group

Goal

Work closely with Western Area Power Administration (Western) to maintain the reliable and cost effective operation of the Western Sub-Balancing Authority within the Balancing Authority of Northern California (BANC). Additionally, work with SMUD, Western, Modesto Irrigation District and Roseville to maintain and enhance the viability of the BANC.

Objective

Keep the benefits of the Western Sub-Balancing Authority available to Redding. Increase the value of Redding's natural gas peaking generation resources within the Western Sub-BA with better options to schedule Western energy and optimize the Western resource around existing local generation and market conditions. Help isolate Redding from any impacts of the California Independent System Operator by remaining a part of the BANC.

Goal

Protect Redding's customers from the national movement towards centralized markets, including the California ISO's Market Redesign and Technical Upgrade (MRTU) as much as possible. Provide an interface to the other BANC members and the Pacific Northwest with regard to wholesale power transactions. With the aid of legal counsel, participate at the Federal Energy Regulatory Commission in the continued evolution of centralized markets in the region such that the City's physical assets and 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 unnecessary oversight 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, demand-side management and renewable resources that provide both regulatory compliance and rate stability. Plan for additional peaking resources in 2015.

Goal

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

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 to match local electric generation with load.

Goal

Provide support as necessary to the MSR Joint Powers Agency, the MSR Energy Authority, NCPA, BANC and the Transmission Agency of Northern California to further the joint powers agencies' efforts to optimize use of agency assets for the benefit of Redding.

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 regional electric market redesign and stay appraised of similar activity across the nation.

Objective

Continue to monitor and review other utilities' activities in the California energy 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 Reliability Standards of the Energy Policy Act, including such developments associated with resource adequacy.

Objective

Participate in the WECC Loads and Resources Subcommittee, as well as other committees that may be formed to address the recently enacted Reliability Standards 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 Group

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 energy, gas, and generation capacity reserves; sales and/or 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

Work closely with the Balancing Area of Northern California (BANC) and Western Area Power Administration (Western) to improve the reliable and cost effective operation of the BANC. Work with Western on optimizing the hydro-thermal integration between Redding and Western's electric systems and serve an active role in the formation and analysis of the BANC.

Objective

Increase the value of Redding''s resources within the BANC with the goal of optimizing the scheduling of Western energy. Seek and implement options to utilize the markets to better optimize Redding's current energy resources.

Goal

Monitor activities at the WECC, NERC, FERC, EPA, DOT, CARB, and other regulatory agencies to ensure REU is planning for and operating within recently enacted policies, requirements, and reporting standards.

Objective

Participate in organizational committees that may impact the operational aspects of REU and serve an active role in evaluating policies decisions that may have an adverse effect on REU's ability to provide a safe, reliable, clean, and economic energy product to ratepayers.

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, accurate, and secure 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

Operate and maintain REU generating facilities in a manner where safety of the utility staff, utility contractors, and facility visitors comes first.

Objective

Correct any unsafe conditions immediately. Ensure a plant culture of safety awareness, as well as recognition and prevention of unsafe conditions.

Goal

Ensure environmental stewardship of REU power generating facilities. Comply with all environmental permit requirements and regulations.

Objective

Operate and maintain all generating units in accordance with Operating permits and compliance regulations.

Goal

Operate and maintain REU power generating facilities to achieve availability and reliability levels that support the City's peak usage, reliability needs, and daily operation requirements.

Objective

Maintain REU power generating facilities in accordance with Good Utility Practices. Benchmark REU power facility availability and reliability against accepted industry standards, such as the National Electric Reliability Council statistics. Develop improvement plans where necessary.

Goal

Improve REU generating facilities plant operating and maintenance efficiency. Discover enhanced methods of operating the plant, enhanced equipment, and extend staff knowledge to reduce the expense of providing safe, clean, and reliable energy to the utility.

Objective

The efficiency improvement programs implemented could be operations improvements, maintenance improvements, costs associated with emissions, or a combination of these areas. As facility processes are generally conducted in a manner that saves expense, the results will be reflected on the facility's financial budget.

Distribution System Group

Goal

Continue construction of new or upgrading of existing 115kV transmission, substation, generation, 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

Dependent on weather, load, and manpower, remove and replace approximately 4.6 miles of 115kV transmission line and associated 12kV underbuild between Eureka Way and Sulphur Creek substations; remove and replace approximately 3.5 miles of 115kV transmission line and associated 12kV underbuild between Sulphur Creek and Canby substations; and, construct approximately 5 miles of the new Stillwater Business Park 115kV transmission line and associated 12kV underbuild between East Redding and Airport 230kV substations. Replace obsolete relays/modernize protective system at Canby, Eureka Way and Moore Road substations.

Goal

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

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).

Depending on manpower and project priorities, continue efforts to maintain high system reliability (as measured by the system average customer-sustained outage time or SAIDI Index), with an objective for the system average annual customer outage time over the two-year budget period to be less than or equal to 30 minutes (excluding major storm events). Lack of qualified technicians will continue to limit revenue meter testing; meter installation; and, utility substation supply side maintenance activities.

Goal

Continue to implement a program that allows for trimming of trees on a three-year or less trim cycle that meets or exceeds California State Public Utility Commission (CPUC) tree trimming clearance standards that were established in January 1997. 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. A new contract for tree trimming is budgeted to be in place by November 1, 2011, and November 1, 2012, for each of the budget years, respectively. In addition, the application of TGRs implemented at the beginning of FY 1999-00 is planned to be continued by staff. TGRs will be applied to the faster growing Redding trees by existing staff on a regular cycle that is dependent on tree species. TGRs promote healthier, greener trees in addition to slowing tree growth. These programs should allow trees to be trimmed on a two-year cycle and help meet State tree trimming safety standards. Contracts will also continue to be issued to clear vegetation around poles, pad equipment, and substations to comply with State standards, reduce fire threat, and improve operations.

Goal

Continue programs to: (a) maintain the installed infrastructure; (b) provide State-mandated distribution line inspection programs; (c) replace aging system elements such as wooden poles and underground facilities; and, (d) continue efforts to reduce injury and illness rates in the Distribution Group and with an objective of <u>no</u> lost time injuries.

Objective

During fiscal years 2011-12 and 2012-13, 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.

The replacement of deteriorated poles and the multi-year planned replacement of failing underground equipment (i.e., j-bars) will be highly dependent on sufficient manpower.

Goal

Continue to meet County, State and Federal laws and mandated reliability standards.

Objective

Meet all required reporting deadlines. Continue to review and document all new procedures and verify the accuracy of all information and correct any discrepancies.

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 (i.e., the Oasis Road development) 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. Monitor the transmission and generation single contingency requirements.

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

Continue the program started in FY2007-08 for the conversion of the Distribution AM/FM to a Geographical Information System (GIS). The objective is to provide 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 outage management program for Power Control.

Energy Services Division

Goal

Reorganize the Division to better align and optimize work responsibilities across the staff. This includes a renaming of the Division to Customer Programs-Relations Division.

Objective

To increase our outreach and connection with our customers – our community – and improve REU's reputation, customer perception and customer satisfaction levels within the Redding community (all customers/all customer classes).

Goal

Maximize customer awareness of the potential energy and cost savings from peak load shifting with thermal energy storage and efficiency improvements to assist in providing cost-effective demand-side management measures for all customer classes.

Objective

To satisfy all state mandated legislation by providing valued energy efficiency programs to our community while minimizing revenue erosion.

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.

Goal

Complete the initial third-party evaluation, measurement and verification study of REU's energy efficiency programs and develop a long-term plan/forecast of cost-effective energy efficiency measures that are available and achievable for our customers and REU, respectively.

Objective

To meet all legislative requirements and comply with California Energy Commission reporting guidelines.

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

Increase and improve REU's presence within the Utility's low-income residential and the small/medium-sized commercial sectors through education and informational outreach programs.

Objective

To encourage efficiency improvements including peak demand reductions for the benefit of both our customers and REU as a whole.

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.

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 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 enlightens 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

Develop additional strategies and programs to provide information to customers in a more effective manner. Provide additional accessibility to customers for completion of common utility transactions.

Objective

Research, purchase, and install a bill payment terminal in the Walk-in Center to allow customers to pay utility bills on line. Determine the feasibility of other technology improvements to enhance the customer's experience, including on line bill payment and other basic utility transactions 24 hours a day.

Goal

Fully implement the Revenue Protection Program, enhancing the existing identity and utility theft mitigation procedures.

Objective

Identify areas of revenue loss through the assessment of the credit and collections process. Continue implementing procedures for training office employees to respond to potential identity theft or other activities that may indicate potential revenue loss or utility theft.

Goal

Further improve employee safety and productivity and enhance level of service provided to Utility customers.

Objective

Continue with the success of the Monitoring, Assessment, and Coaching (MAC) program and look for opportunities to further improve the level and quality of service provided by staff. Provide additional cross training opportunities for specific Customer Service functions and continue the training to all staff provided by a third-party vendor.

Field Services

Goal

Maintain or expand level of safety training and continue to look for further education/training opportunities.

Objective

Ensure safety of field employees as incidents of utility theft increase, necessitating the need for continuing education and further training opportunities.

Goal

Fully complete implementation of the wireless work order process.

Objective

Complete implementation of the wireless service order program. Finalize procurement of hardware necessary to fully implement the program and train all subsequent field staff.

Goal

Implement remaining elements identified in the Revenue Protection Program to identify, mitigate, and respond to meter by-pass and utility theft activities.

Objective

Complete extensive training in field investigation of utility theft, including responding to potential theft situations and high-risk premise identification. Complete a formalized meter seal program and implement in the field.

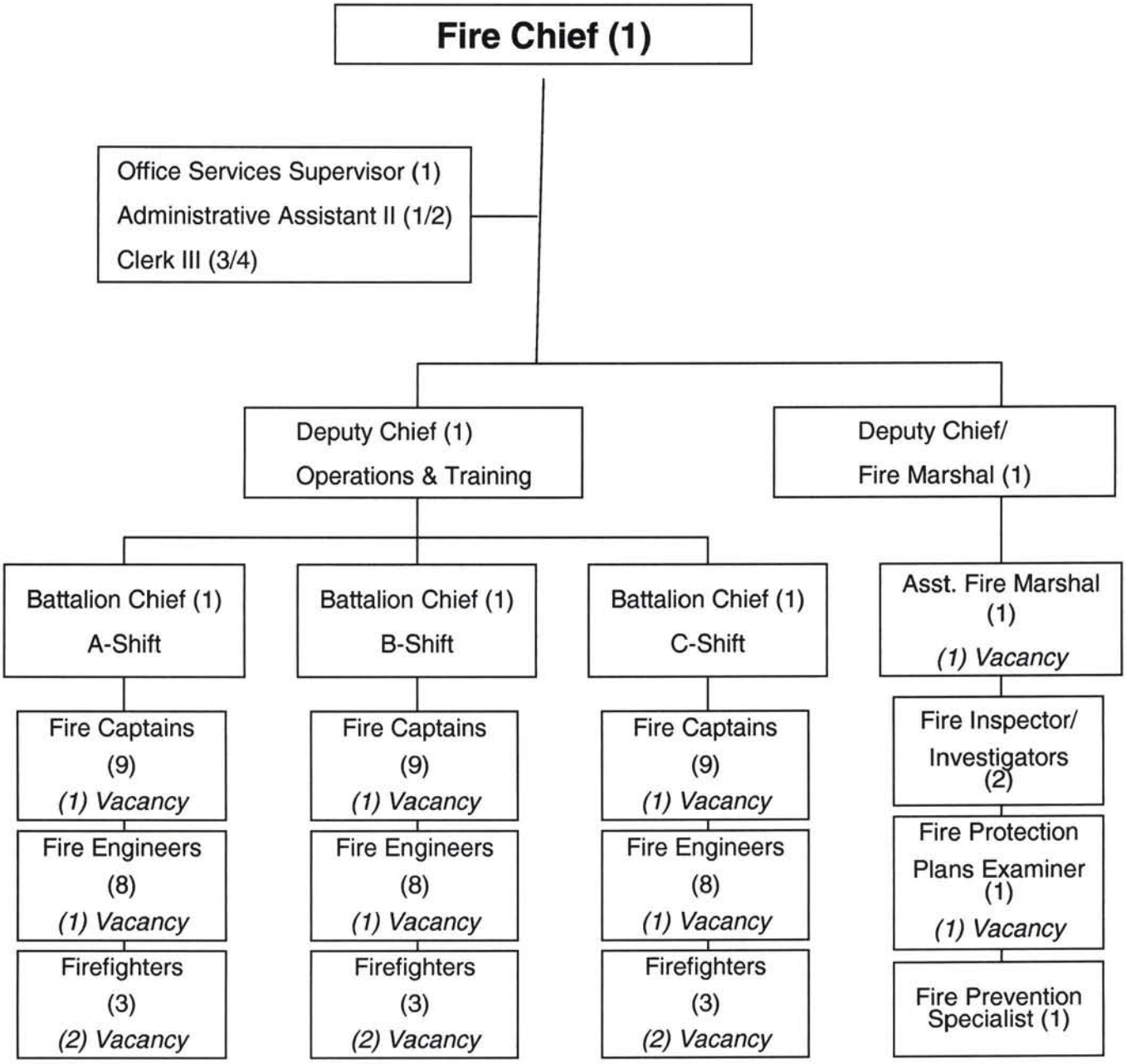
Goal

Purchase and implement software and related programming for the meter reading re-routing project.

Objective

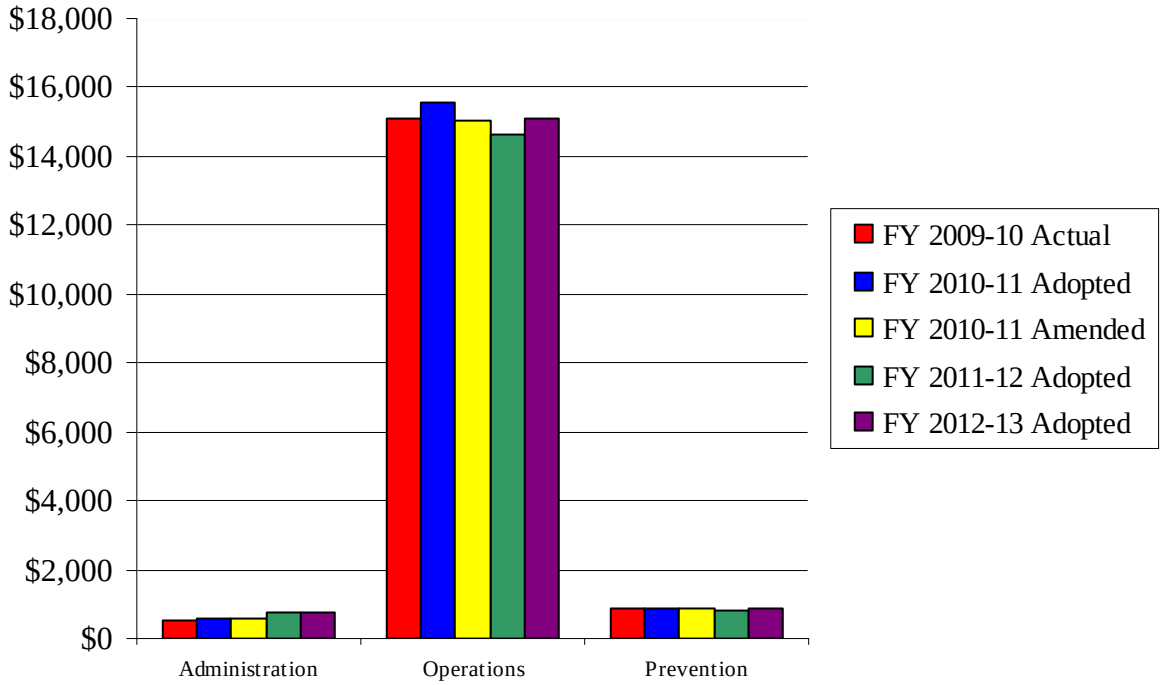
Modernize the meter reading process by utilizing GIS technology to effectively redesign the routes to reflect the expansion in the utility service area in the last 10 years. Re-routing should allow the meter reading routes to be easily updated as the demand changes due to the eventual growth in the utility service area and the potential return to the implementation of an automated meter information system.

Redding Fire Department Organizational Chart



FIRE DEPARTMENT

Expenditure Comparisons (In Thousands)



FIRE DEPARTMENT

Overview

The Fire Department's adopted budget for FY 2011-12 totals $16,187,430 which is $283,390 less than the amended budget for FY 2010-11 of $16,470,820. The adopted budget for FY 2011-12 is less than the amended budget for 2010-11 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, and in personnel due to the plan to furlough administrative type staff every other Friday. For FY 2012-13, the adopted budget totals $16,670,070 which is $482,640 over the FY 2011-12 adopted budget of $16,187,430. The increase is related to increases in personnel costs, SHASCOM and internal service fund charges.

Description	FY 2009-10 Actual*	FY 2010-11 Adopted	FY 2010-11 Amended**	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Administration	$ 828,506	$ 574,110	$ 606,370	$ 728,980	$ 122,610	$ 740,070	$ 11,090
Operations	14,791,601	15,571,880	15,021,910	14,634,580	(387,330)	15,086,910	452,330
Prevention	845,724	885,840	842,540	823,870	(18,670)	843,090	19,220
TOTAL	$ 16,465,831	$ 17,031,830	$ 16,470,820	$ 16,187,430	$ (283,390)	$ 16,670,070	$ 482,640

* Cross charges from Administration to Operations were adjusted to make the annual amounts comparable.
** 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
Administration	FY 2012-13 Adopted	$ 608,200	$ 131,870	$ -	$ -	$ 740,070
	FY 2011-12 Adopted	$ 597,770	$ 131,210	$ -	$ -	$ 728,980
	FY 2010-11 Amended	$ 466,070	$ 140,300	$ -	$ -	$ 606,370
	FY 2009-10 Actual	$ 687,329	$ 141,177	$ -	$ -	$ 828,506
Operations	FY 2012-13 Adopted	12,757,130	2,329,780	-	-	15,086,910
	FY 2011-12 Adopted	12,329,970	2,304,610	-	-	14,634,580
	FY 2010-11 Amended	12,241,270	2,140,950	548,580	91,110	15,021,910
	FY 2009-10 Actual	12,310,009	2,201,615	84,686	195,291	14,791,601
Prevention	FY 2012-13 Adopted	755,700	87,390	-	-	843,090
	FY 2011-12 Adopted	737,040	86,830	-	-	823,870
	FY 2010-11 Amended	751,620	90,920	-	-	842,540
	FY 2009-10 Actual	787,401	58,323	-	-	845,724
Total	FY 2012-13 Adopted	$ 14,121,030	$ 2,549,040	$ -	$ -	$ 16,670,070
	FY 2011-12 Adopted	$ 13,664,780	$ 2,522,650	$ -	$ -	$ 16,187,430
	FY 2010-11 Amended	$ 13,458,960	$ 2,372,170	$ 548,580	$ 91,110	$ 16,470,820
	FY 2009-10 Actual	$ 13,784,739	$ 2,401,115	$ 84,686	$ 195,291	$ 16,465,831

Personnel

The Department has continued to experience reductions due to the budgetary crisis and is operating on an extremely lean budget. In addition to the Paid-On-Call Firefighter's Program which provided seasonal firefighters to assist in the augmentation of our two-person engine companies and provided availability to additional resources on major emergency incidents, and three Firefighter positions eliminated during the last budget cycle, we also experienced a further loss of 9 full-time positions due to budgetary constraints. This budget represents the loss of those 9 additional positions for a total loss of 12 full-time firefighting positions, representing a 23.97 percent reduction in emergency operations staff since FY 2008-09. We have also seen the lay off of two Fire Prevention personnel due to budget cuts that impacts our ability to review building construction plans and the inspection of occupancies to ensure protective measures are in place and maintained**. S**ince FY 2008-09 we have seen a 38.27 percent reduction in our Fire Prevention staff.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Administration	F/T	3.00	3.00	3.00	3.00	-	3.00	-
	P/T	1.23	1.23	1.23	1.23	-	1.23	-
	Total	4.23	4.23	4.23	4.23	-	4.23	-
Operations	F/T	72.00	72.00	63.00	63.00	-	63.00	-
	P/T	-	-	-	-	-	-	-
	Total	72.00	72.00	63.00	63.00	-	63.00	-
Prevention	F/T	5.00	4.00	4.00	4.00	-	4.00	-
	P/T	-	-	-	-	-	-	-
	Total	5.00	4.00	4.00	4.00	-	4.00	-
Total	F/T	80.00	79.00	70.00	70.00	-	70.00	-
	P/T	1.23	1.23	1.23	1.23	-	1.23	-
	Total	81.23	80.23	71.23	71.23	-	71.23	-

Significant Issues

1. The Department lost nine additional positions due to budget reductions and closed Fire Station Two located at Placer and Buenaventura. This, coupled with the previous loss of our Paid-on-Call program, places additional challenges on the Department in meeting our emergency response needs. The Department requests that the City Council give strong consideration to restoring these positions when funding improves and continue with the "Ten-Year Plan" provisions to incrementally fund the remaining needed Firefighter positions to allow us to provide three-person engine companies throughout the City.
2. Previously the City had budgeted for critical staffing needs based on high risk weather events primarily during the months on June – November. Funding for this program was eliminated in the FY 2009-11 Budget and is not included in this budget as well.
3. The Department also lost the Assistant Fire Marshal position in Fire Prevention due to budget reductions. This will also have a significant impact on our prevention efforts. The reduction of this position is in addition to the loss of a Senior Plans reviewer which was eliminated in the FY 2009-10 Budget. The loss of these two positions impacts our ability to conduct maintenance inspections of existing occupancies, as well as review of building plans for fire and life safety issues including fire alarm and sprinkler plans which have been transferred to the Building Department until restoration of the lost positions. We would also request that the Council give strong consideration to the restoration of these positions upon improvement of the budget to assist us in meeting difficult needs within the community.

4. The Department's annual rolling stock allocation is continued at a reduced level and will require future modification to ensure the timely and effective replacement of our fleet to enable us to maintain operational efficiency and avoid long-term maintenance issues.
5. The Fire Department has historically operated with an extremely lean budget. This is also true with regard to our Operating Materials budget. With the current economic climate and further reductions required to balance the budget, numerous items have been deferred that will result in increased costs in the future. With our current budget, situations may also arise in which costs budgeted for services and/or items that are required for daily operational needs could exceed our current budget allocations.

Status of 2009-11 Goals and Objectives

Administration Division

Goal

Strive to maintain current service levels given economic challenges.

Accomplishments

1. Maintained Insurance Services Office (ISO) rating of 3; however, we will likely see a reduction of one or more ratings due to reductions in personnel and the closure of Station Two.
2. We did not meet the 5 minute response time goal nor is it likely with our current staffing and deployment levels that we will meet this goal in the near future.

Goal

Continue work on improving labor and management relationships.

Accomplishment

Significant progress has been made toward the objectives with significant improvements with regard to interpersonal communications between labor and management even though we were unable to conduct training due to budget constraints.

Goal

Establish a mission, vision, and values for the Redding Fire Department.

Accomplishment

We are in the process of establishing a mission, vision, and values for the Redding Fire Department.

Goal

Establish a customer feedback process for random surveying of Redding residents after interaction on emergency and non-emergency events.

Accomplishment

This goal was not accomplished due to funding and staffing challenges. It will be continued as a future goal.

Operations and Training Division

Goal

Review and prioritize our core services that we can effectively provide to the community.

Accomplishments

1. SHASCOM has implemented the first phase of the Emergency Medical Dispatch program, and will be implementing the priority dispatching function within the next three months.
2. We are in the incipient stages of implementing a pre-planning for high hazard businesses and occupancies.
3. We are continuing to evaluate and address California Division of Occupational Safety and Health (Cal OSHA) and National Fire Protection Association (NFPA) requirements as time and funding allows.
4. Review was completed and policies were updated to identify current capabilities and limitations.

Goal

Ensure adequate succession planning for potential vacancies.

Accomplishments

1. The majority of the retirements identified have actually occurred due to funding concerns and implementation of a retired annuitant program.
2. An evaluation of training needs for these and other positions have been identified and will require us to at least maintain our current funding levels for required training our personnel must achieve and maintain.

Goal

Evaluate Fire Department maintenance and replacement funds.

Accomplishment

Rolling stock and equipment reserve funds have been updated, although on-going funding sources have not been identified at this time.

Goal

Review and update Department policies and procedures.

Accomplishment

We continue to review and update policies as time and resources allow.

Fire Prevention Division

Goal

Complete additional Standard Operating Procedures (SOP) for Fire Prevention Activities.

Accomplishment

A number of new policies were completed and a number were updated.

Goal

Implementation of annual operating permits California Fire Code (CFC) and convert highest hazard company inspections to Fire Prevention Bureau inspections.

Accomplishment

This goal was not accomplished due to funding and staffing reductions.

Goal

Increase vegetation management program.

Accomplishment

The Shasta Strategic Fuels Management Plan was updated through the Western Shasta Resource Conservation District. The two remaining objectives are on-going.

Goal

Present quarterly training and updates for operations personnel.

Accomplishment

Training was identified and completed for operations personnel.

Goal

Increase public education/relations.

Accomplishment

We have included additional information on our website and to local media addressing risk reduction strategies. Participated in local events such as the Whole Earth event, City of Redding Energy Fair, and educating local children at school events. We are moving to an electronic format for our annual report which will be available online.

Goal

Update Emergency Operation Center (EOC) forms and contact numbers, review, and adjust EOC procedures.

Accomplishment

We are currently in the process of updating and standardizing the forms and completing updates to the plan. We are also in the process of applying for a grant that will allow for additional updates and training.

Goal

Develop and conduct section level training programs for EOC personnel.

Accomplishment

This goal has been postponed until next budget cycle to complete updates to the plan. We have also seen a significant number of retirements this past year and are exploring the possibility of doing joint training and operations with Shasta County.

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 comparisons per/1000 residents are based on ICMA performance measurements for cities under 100,000 in population:

Workload Indicators	2008 Actual	2009 Actual	2010 Actual	2011 Projected
Calls for service *	11,726	11,247	11,199	11,000
Percentage of responses meeting General Plan on Scene goal of 5 minutes 90% of the time	31.7%	34.1%	35.05%	32.0%
Average response times for first unit arrival	6:40	6:50	6:05	6:50
Total training hours completed	24,520**	14,180	12,990	10,000
Firefighters per 1000/residents vs national	.73/1.18	.69/1.18	.60/1.18	.60/1.18
Total fires per 1000/residents vs national	5.78/3.49	4.09/3.09	4.02/3.09	4.0/3.09
Total EMS calls per/1000 residents vs. national	100.4/55	95.06/77.77	96.97/77.77	90.0/77.77
Overlapping calls for service ***	7,963/67.9%	7,119/63.3%	6,903/61.64%	7,000/63.6%
Total number of Company inspections	1,552	1,682	1,109	See Fire Prevention goals

*Note reduction in calls for service primarily related to reductions in EMS calls secondary to implemented dispatch changes. We are expecting to see a further reduction in the number of EMS calls we are dispatched to upon full implementation of Emergency Medical Dispatching (EMD) protocols with the dispatching of resources based on resources likely required for the incident.

** An error was found in the reporting program that was including other non-training activities and also reflects the reduction in personnel involved in training activities.

*** “Overlapping calls for service” represents when one or more units are committed to an incident and a subsequent call for service is received. Motor vehicle collisions and car fires in most cases require at a minimum two units for responses due to our two person staffing levels. Structure and wildland fires require at least five units and often all of the Department’s available units for response.

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	2008 Actual	2009 Actual	2010 Actual	2011 Projected
Arson Fires	33	45	4*	30
Fire Investigations	87	104	110	120
Fire Inspections (Bureau)	2,344	3,194	2,938	3,000
Plans Reviewed	359	109	92	25
Weed Complaints	898	860	641	800
Public Education Requests	237	149	138	200
Vegetation Management Inspections	802	995	788	900
Burn Permits	1,804	1,649	1,482	1,400

* A number of incidents with a suspicious origin have not had a final determination made. An update to the number of actual incidents will be updated within the next six months.

2011-13 Goals and Objectives

Administration

Goal

Complete Department mission, vision and value statements.

Objective

Complete the development of mission, vision, and values for the Redding Fire Department with involvement of Department members.

Goal

Establish a 10-year operational/strategic plan for the Department.

Objectives

1. Develop an operational/strategic plan for the Department to help guide future goals and objectives for consideration.
2. Develop performance benchmarks for tracking workload and effectiveness of Department operations.
3. Tool for defining baseline emergency response performance standards.
4. Tool for defining baseline life safety functions to minimize risks to the community.
5. Predictive tool for helping to determining workload and ideal unit utilization.
6. Management tool for determining apparatus type, staffing levels, and staffing patterns.

7. Basis for continually measuring performance over time.
8. Policy guidance when dealing with resource procurement and allocation as the Department plans for the next ten-year period.
9. Funding.

Goal

Establish a customer feedback process for random surveying of Redding residents after interaction on emergency and non-emergency events.

Objective

Conduct random sampling of Redding residents after they have received emergency services and services through our Fire Prevention Division, with a goal of achieving an excellent rating 90% of the time or greater for the adopted performance measures.

Goal

Review and evaluate potential funding through available fire grants.

Objectives

Continue to monitor available funding and grant programs the Department may be eligible to apply for.

Goal

Re-open Fire Station Two upon the availability of funding.

Objective

Re-open Station Two upon securing adequate funding.

Goal

Continue to monitor ISO for potential changes to Public Protection Classification (PPC) and potential impacts on the community.

Objective

Continue to monitor ISO review of potential modifications to the PPC and Fire Suppression Rating Schedule and identify how those changes would likely impact the City of Redding's rating based on our current staffing.

Fire Operations

Goal

Establish pre-fire planning for target hazards within the City.

Objective

Work with fire prevention on the transition from a company inspection program by fire crews to the development of pre-fire plans for target hazards in the City.

Goal

Implement Fire Officer and Battalion Chief training program.

Objective

Develop curriculum and forum for succession training for Battalion Chiefs and Captains.

Goal

Evaluate and prepare for the purchase of a new ARFF (Airport Rescue Firefighting) vehicle.

Objectives

1. Coordinate with airport staff and Federal Aviation Administration (FAA) on the purchase of a new air rescue.
2. Evaluate the potential of upgrading from a 1500 gallon to 3000 gallon unit.
3. Evaluate potential building modification requirements that may be required if a larger unit is considered.
4. Identify additional equipment that may be required for outfitting of new vehicle and responsible party for funding and purchases.
5. Evaluate the relocation of Air Rescue 72.
6. Incorporate operational awareness of the new ARFF unit into the training program.

Goal

Continue to evaluate and enhance our fire training program.

Objectives

1. Monitor trends in fire service training; incorporate changes in existing program to reflect new fire service philosophies.
2. Continue to adjust the training program to maximum the safety of personnel.

Goal

Achieve type II hazardous material team typing with California Emergency Management Agency (Cal EMA).

Objectives

1. Meet with Cal EMA officials for the review and typing of Shasta Cascade Hazardous Materials Response Team (SCHMRT) equipment and team.
2. Purchase necessary equipment to meet team typing criteria.
3. Provide essential training to SCHMRT members on new equipment.

Goal

Evaluate the feasibility of contracting a Cal EMA engine.

Objectives

1. Meet with union and discuss training requirements that would be necessary should the Department want to consider the placement of a Cal EMA engine.
2. Develop and have a plan in place to complete and maintain training should the City elect to pursue the contracting of a Cal EMA engine.

Goal

Monitor and evaluate apparatus and equipment needs.

Objectives

1. Continue to monitor the trends and maintenance costs of each apparatus.
2. Within fiscal constraints prioritize vehicles for replacement that present excessive liability and/or maintenance costs.

Fire Prevention Division

Goal

Review the need for additional SOP's for Fire Prevention Activities.

Objective

Review Department policies and update and/or create new policies to ensure Fire Prevention Activities are accurately addressed.

Goal

Transition from an Engine Company Inspection Program to a Self-Inspection Program.

Objectives

1. Evaluate and identify those businesses that are currently being inspected by engine companies and develop a Self-Inspection program tailored for each occupancy type.
2. Identify required permits for high risk operations and occupancies, and frequency of compliance inspections.
3. Develop a compliance inspection policy.

Goal

Expand the present vegetation management program.

Objectives

1. Identify and secure funding sources for vegetation management.
2. Deliver public education to persons residing in the Very High Fire Severity Zone.
3. Further partner with allied agencies in reducing the fire threat in the Very High Fire Severity Zone.

Goal

Present quarterly training and updates for operations personnel.

Objectives

1. Schedule dates for all shifts quarterly.
2. Analyze training needs.
3. Develop programs to meet training needs, and keep crews informed of changes in fire prevention programs.

Goal

Expand the public education/relations delivery program.

Objectives

1. Develop an education program to better educate the community in home fire prevention and reaction strategies, all risk hazard reduction, and injury prevention.
2. Identify and pursue funding sources for fire service related public education programs.
3. Provide in depth education/information on Department website and through social media.
4. Complete, publish, and distribute annual report.

Goal

Manage the temporary redistribution of Fire Department plan review and inspection duties to the Building Department.

Objectives

1. Conduct monthly meetings with the Building Official and Building Department personnel assigned Fire Department duties to ensure stakeholder needs continue to be met.
2. Adequately address funding needed to reinstate plan review and inspection duties to the Fire Department.

Goal

Update EOC forms and contact numbers, review and adjust EOC procedures.

Objectives

1. Increase the utilization of standardized Incident Command System (ICS) forms for the EOC.
2. Update procedures to reflect form changes.

Goal

Identify the personnel required for emergency notifications and EOC activations by incident type.

Objectives

1. Develop a matrix that will clearly identify when and who will be notified of emergency incidents.
2. Ensure that only personnel required for successful emergency coordination and support are requested to EOC activations.
3. Create clear expectations for each position filled by most common incident type.

Goal

Develop and conduct training programs for EOC personnel.

Objectives

1. Schedule training for each Command and General Staff position.
2. Train Public Works personnel who work at EOC site in the initial set-up of the EOC.
3. Conduct table-top exercises with personnel required for each incident type.
4. Conduct a full-scale EOC activation exercise.

Goal

Secure funding for on-going EOC related infrastructure and training.

Objective

Identify and pursue available EOC grant funding.

Fire Facilities Unmet Needs: FY 2010-2011 Budget

Fire Station #1:		
Exterior paint	$	25,000
Replacement windows		20,000
On-demand water heaters		10,000
Repair/replace work bench		1,200
Hose racks		1,500
Kitchen appliances - scheduled replacement		2,000
Replace all overhead bay doors		12,000
Flooring maintenance		1,000
Generator replacement		30,000
Total Fire Station #1		102,700
Fire Station #2		
Driveway/parking lot replacement		160,000
Landscaping project		4,000
Interior floor covering		6,000
Furnishings - scheduled replacement		2,000
Landscaping maintenance (annually)		3,000
Total Fire Station #2		175,000
Fire Station #3		
Exterior painting		10,000
Furnishings - scheduled replacement		1,000
Appliances - scheduled replacement		1,500
Flooring maintenance		500
Parking lot replacement		160,000
Total Fire Station #3		173,000
Fire Station #4		
Interior window coverings		2,000
Windows replaced		8,000
Exterior/interior painting		15,000
Interior furnishings - scheduled replacement		2,000
Appliances - scheduled replacement		1,500
Landscaping		4,000
Interior floor covering		6,000
Total Fire Station #4		38,500
Fire Station #5		
Appliances - scheduled replacement		2,000
Furnishings - scheduled replacement		2,000
Parking lot striping		5,000
Flooring maintenance		1,000
Painting of bay interior		5,000
Total Fire Station #5		15,000

Fire Station #6		
Landscaping		2,000
Furnishings - scheduled replacement		1,000
Flooring maintenance		500
Equipment - scheduled replacement		2,000
Parking lot striping		3,000
Total Fire Station #6		8,500
Fire Station #7		
Flooring maintenance		1,000
Total Fire Station #7		1,000
Fire Station #8		
Landscaping materials		2,000
Landscaping equipment - scheduled replacement		1,000
Interior furnishings - scheduled replacement		1,000
Flooring maintenance		1,000
Total Fire Station #8		5,000
Total Station Needs	$	518,700

GENERAL GOVERNMENT

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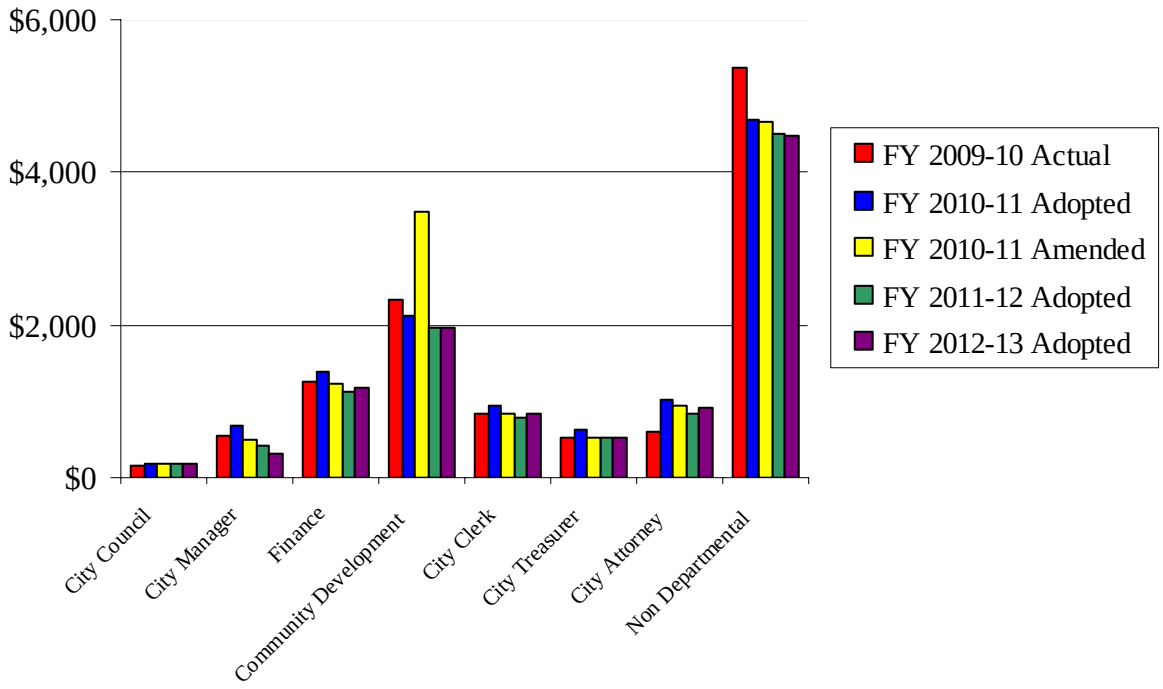
GENERAL GOVERNMENT

Expenditure Comparisons (In Thousands)



CITY COUNCIL

Overview

The City Council is the elected governing body of the City of Redding municipal corporation. The City Council's budget accounts for personnel expenses related to five part-time City Council members and the operating materials and supplies necessary to operate the office. The City Council's adopted budget for FY 2011-12 totals $181,150 which is $9,380 more than the amended budget for FY 2010-11 of $171,770. For FY 2012-13, the adopted budget totals $193,000 which is $11,850 over the FY 2011-12 adopted budget of $181,150. The increase in both fiscal years is primarily due to an increase in group health costs and retirement costs.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Council	$ 164,047	$ 175,070	$ 171,770	$ 181,150	$ 9,380	$ 193,000	$ 11,850

* Excluded 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 2011-12 Adopted	$ 163,380	$ 17,770	$ -	$ -	$ 193,000
	FY 2012-13 Adopted	$ 175,330	$ 17,670	$ -	$ -	$ 181,150
	FY 2010-11 Amended	$ 152,630	$ 19,140	$ -	$ -	$ 171,770
	FY 2009-10 Actual	$ 147,861	$ 16,186	$ -	$ -	$ 164,047

Significant Issues

There are no significant issues.

Goals and Objectives

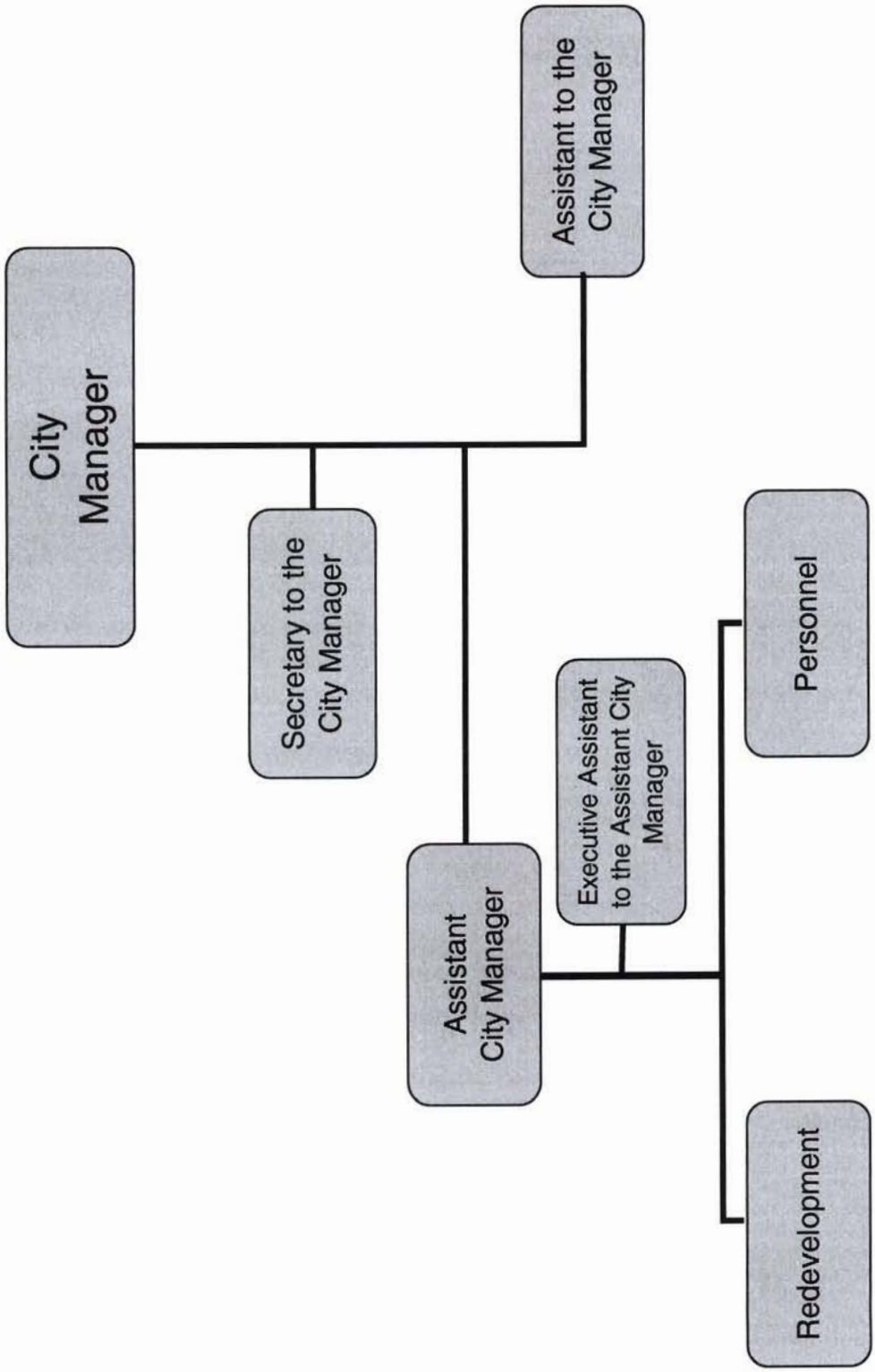
The City's goals and objectives are outlined in the budget message and in each section of this document.

Unmet Needs (in order of priority)

None.

Updated 07/13/2011

City Manager's Office



CITY MANAGER

Overview

The City Manager's Office is responsible for the overall management of the City of Redding municipal corporation. The City Manager's adopted budget for FY 2011-12 totals $421,300 which is $68,750 less than the amended budget for FY 2010-11 of $490,050. The decrease is primarily related to salary reductions through the use of furloughs, the City Manager's election to forgo scheduled pay increases and begin paying the PERS member contribution, and increased charges to Employer Services and Risk Management to provided for the Personnel Director responsibilities assumed by the Assistant City Manager. For FY 2012-13, the adopted budget totals $322,150 which is $99,150 less than the FY 2011-12 adopted budget of $421,300. The decrease pertains primarily to the elimination of the Secretary to the City Manager position and the continuation of the items outlined above.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Manager	$ 550,434	$ 677,950	$ 490,050	$ 421,300	$ (68,750)	$ 322,150	$ (99,150)

* 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
City Manager	FY 2012-13 Adopted	$ 214,710	$ 107,440	$ -	$ -	$ 322,150
	FY 2011-12 Adopted	$ 314,030	$ 107,270	$ -	$ -	$ 421,300
	FY 2010-11 Amended	$ 372,620	$ 117,430	$ -	$ -	$ 490,050
	FY 2009-10 Actual	$ 453,268	$ 97,166	$ -	$ -	$ 550,434

Personnel

The Economic Development Director position was eliminated during fiscal year 2010-11. The Secretary to City Manager position was eliminated during fiscal year 2012-13.

Description		FY 2009-10 Actual	FY 2009-10 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Manager	F/T	5.00	5.00	5.00	5.00	-	4.00	(1.00)
	P/T	-	-	-	-	-	-	-
	Total	5.00	5.00	5.00	5.00	-	4.00	(1.00)

Significant Issues

There are no significant issues.

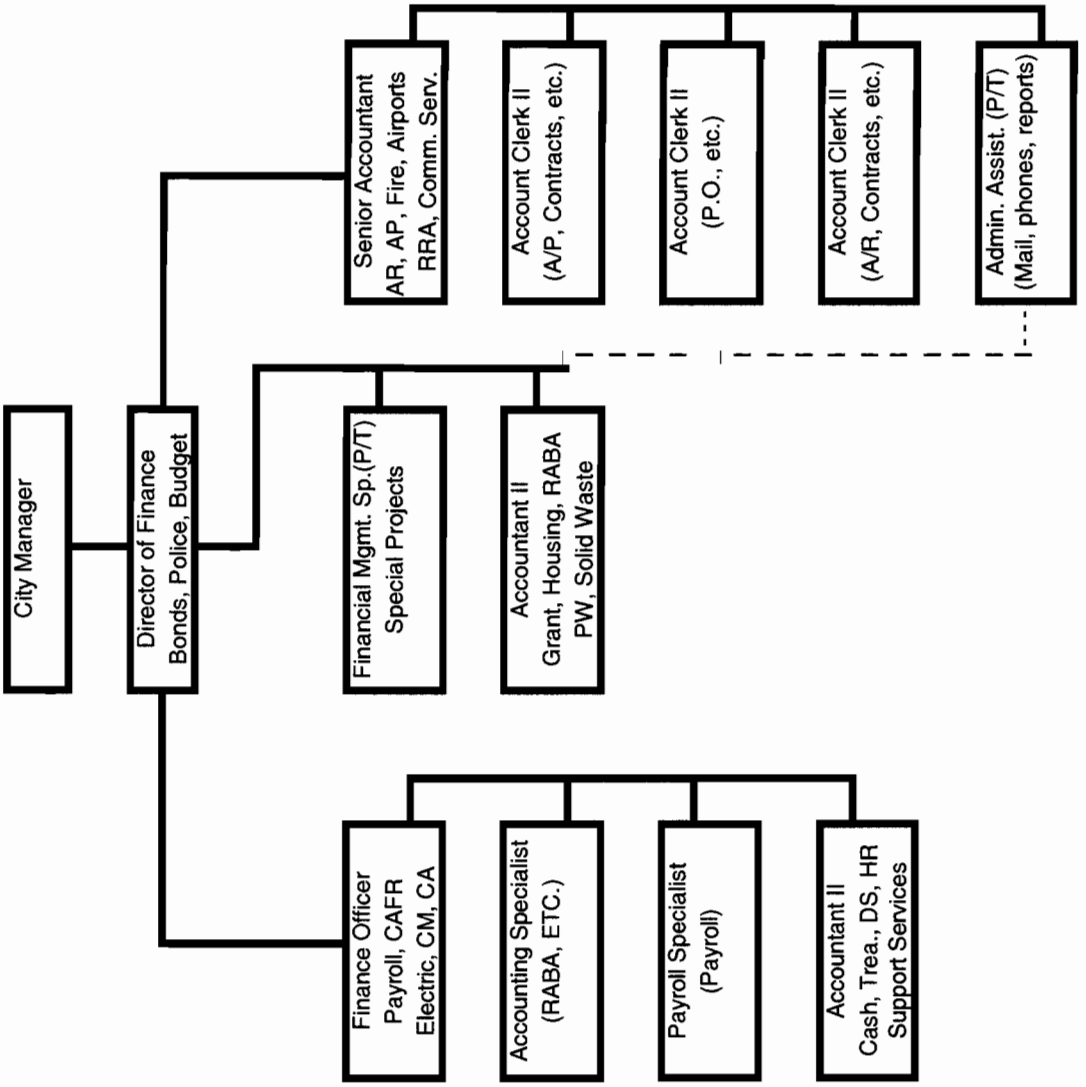
Goals and Objectives

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

Unmet Needs (in order of priority)

None.

City of Redding
Finance Department Organization Chart



FINANCE DEPARTMENT

Overview

The Finance Department's adopted budget for FY 2011-12 totals $1,129,050 which is $113,230 less than the amended budget for FY 2010-11 of $1,242,280. The decrease is due to reducing staff from 12.32 full-time equivalents (FTE) to 10.5 FTEs due to the down turn in the economy. For FY 2012-13, the adopted budget totals $1,178,120 which is $49,070 over the FY 2011-12 adopted budget of $1,129,050. The increase is primarily related to contractual increases in payroll related costs.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Finance	$ 1,266,112	$ 1,379,290	$ 1,242,280	$ 1,129,050	$ (113,230)	$ 1,178,120	$ 49,070

* 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
Finance	FY 2012-13 Adopted	$ 930,430	$ 247,690	$ -	$ -	$ 1,178,120
	FY 2011-12 Adopted	$ 886,900	$ 242,150	$ -	$ -	$ 1,129,050
	FY 2010-11 Amended	$ 978,140	$ 264,140	$ -	$ -	$ 1,242,280
	FY 2009-10 Actual	$ 1,010,677	$ 255,435	$ -	$ -	$ 1,266,112

Personnel

The Department's personnel cost has decreased due to eliminating 1.82 FTEs. The department is committed to managing and safeguarding the City's resources, facilitating the effective and efficient use of City resources, providing high quality financial information and support services for decision makers and protecting and enhancing the City's financial well-being. However due to reductions in staff, some work will be delayed or not completed. In addition, some services provided to other departments may be impacted.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Finance	F/T	11.00	11.00	11.00	10.00	(1.00)	10.00	-
	P/T	1.32	1.32	1.32	0.50	(0.82)	0.50	-
	Total	12.32	12.32	12.32	10.50	(1.82)	10.50	-

Status of 2009-10 and 2010-11 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

1. Reviewed budget request, 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 budget adjustments due to the downturn in the economy. Worked with departments to amend their budgets. Prepared and updated the long-range financial plan for City Manager and City Council review.
2. Received the "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the 2009-11 budget.
3. 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. Due to the merger of the independent audit firm, the single audit was not completed until March 2011 for the FYE 2010. The CAFR for FYE 2008-09 received the "Certificate of Achievement for Excellence in Financial Reporting" from the Government Finance Officers Association and we anticipate that the CAFR for FYE 2009-10 will also receive the "Certificate of Achievement for Excellence in Financial Reporting."
4. Provided timely monthly financial reports to divisions, departments, City Manager and City Council.

Goal

Process all accounting transactions in a timely and accurate manner.

Accomplishments

1. Processed over 95% of accounts payable checks within seven days of completed request.
2. Transmitted all biweekly payrolls by noon on Wednesday of the payroll week.
3. 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 technology to generate work papers for the audit. Reorganized the workload assignments in the Finance Department resulting in more efficient operations within the Department. The efficiency was demonstrated by the reduction of over 25% of the budgeted full-time equivalents in the Department since fiscal year 2007-08.

1. Continued improvements to the automated preparation of the Comprehensive Annual Financial Report (CAFR), which saved staff time.
2. Reorganized the Department to handle workload with fewer staff members.
3. Evaluated work product in Department to reduce workload without compromising integrity of work.

Goal

Assist other departments with their financial needs.

Accomplishment

Worked with other departments and assisted them with filing grant reports and other required reports. Assisted various departments with their accounting, budgeting and other financial needs. Offered training to departments on the City's available financial information.

Goal

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

Accomplishment

Helped insure the City maintained a strong financial position by working with departments and the City Manager on budget issues, capital projects and long-range financial plans. Information was provided to decision makers, which helped them to make decisions that insured the City's financial standing was maintained.

Performance Measures and Workload Indicators

Workload Indicators	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Projected	FY 2012-13 Projected
Account Payable Transactions*	12,036	12,000	12,100	12,200
Payroll Transactions	26,550	26,000	25,500	25,000
General Accounts Receivable	28,086	28,500	29,000	29,000
Audit Report Dated	12/09/10	12/15/11	12/15/12	12/15/13
Budget Presented to Council	---	06/15/11	---	06/15/13

**Excludes Housing Checks*

2011-12 and 20012-13 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.

Objectives

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. Produce a two-year budget document that is easy to read and understand for the City Council's consideration by June 30, 2011.
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. Distribute monthly financial reports within one business day of receiving reports from Information Systems.

Goal

Continue to strive to complete high and medium priority work in the Department with less staff hours due to staff reductions. Implement new procedures and technologies to improve operational efficiency in the Finance Department.

Objectives

1. Review organizational functions, assignments and procedures to help the Department be more efficient in processing information.
2. Continue to streamline work through through the use of technology.

Goal

Assist other departments with their financial needs.

Objectives

1. Assist departments with grant application and administration to insure the City is successful in the grant application and reporting process.
2. Train other departments on the available City financial information.

Goal

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

Objective

1. Update General Fund Ten-Year Plan on a monthly basis and maintain a 5% reserve throughout the ten-year planning period.

COMMUNITY DEVELOPMENT

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. For FY 2011-12, the adopted budget totals $1,951,560 ($1,094,270 CDBG + $857,290 HOME). The FY 2012-13 adopted budget is assumed based on the FY 2011-12 budget. The following table outlines the budget in comparison to the previous fiscal year.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
CDBG	$ 1,171,378	$ 1,054,140	$ 1,518,180	$ 1,094,270	$ (423,910)	$ 1,094,650	$ 380
Home	1,147,888	1,070,790	1,966,770	857,290	$ (1,109,480)	857,290	$ -
Community Development Totals	$ 2,319,266	$ 2,124,930	$ 3,484,950	$ 1,951,560	$ (1,533,390)	$ 1,951,940	$ 380

* Excludes carryover amounts

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

Personnel

Division		Personnel	Materials, Supplies & Services	Capital Outlay	Debt Service	Total
CDBG	FY 2012-13 Adopted	$ 252,010	$ 148,180	$ 694,460	$ -	$ 1,094,650
	FY 2011-12 Adopted	$ 253,200	$ 146,610	$ 694,460	$ -	$ 1,094,270
	FY 2010-11 Amended	$ 239,870	$ 158,250	$ 1,120,060	$ -	$ 1,518,180
	FY 2009-10 Actual	$ 253,952	$ 132,807	$ 784,619	$ -	$ 1,171,378
Home	FY 2012-13 Adopted	$ 74,190	$ 11,540	$ 771,560	$ -	$ 857,290
	FY 2011-12 Adopted	$ 74,190	$ 11,540	$ 771,560	$ -	$ 857,290
	FY 2010-11 Amended	$ 101,530	$ 5,540	$ 1,859,700	$ -	$ 1,966,770
	FY 2009-10 Actual	$ 104,178	$ 12,569	$ 1,031,141	$ -	$ 1,147,888
Total	FY 2012-13 Adopted	$ 326,200	$ 159,720	$ 1,466,020	$ -	$ 1,951,940
	FY 2011-12 Adopted	$ 327,390	$ 158,150	$ 1,466,020	$ -	$ 1,951,560
	FY 2010-11 Amended	$ 341,400	$ 163,790	$ 2,979,760	$ -	$ 3,484,950
	FY 2009-10 Actual	$ 358,130	$ 145,376	$ 1,815,760	$ -	$ 2,319,266

The Housing and Community Development Fund currently has budgeted 15 full-time employees and 1 part-time employee for the two-year budget cycle. These employees are shared between Community Development and the RHA. At this time, there are no new personnel hires during the 2011-12 and 2012-13 budget years. During the past two years, the Division had three employees leave (a Housing Manager and two Housing Specialist IIs). The three positions are currently vacant, but remain in the budget. A full-time employee plans to retire in FY 2011-12.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Community Development	F/T	15.00	15.00	15.00	15.00	-	15.00	-
	P/T	0.48	0.48	0.48	0.48	-	0.48	-
	Total	15.48	15.48	15.48	15.48	-	15.48	-

Capital Outlay

Capital expenditures for both fiscal years include expenditures for CDBG and HOME projects and programs that are accommodated from federal grant funds.

Significant Issues

Housing and Community Development, like other City functions, is facing significant cost pressures and potential budget reductions. At present, estimates are that CDBG funding may be reduced by approximately 16 percent, Housing Voucher Choice administrative fees by 8 percent, and HOME funding by 12 percent in the coming fiscal year. Final outcomes on these issues will not be clear until the final federal budget decisions are resolved, by July 2011. The Community Development and Housing Division budget has been developed to respond to these fiscal pressures. In total, these potential reductions (if they occur) would result in a budget shortfall of $317,000 each year of the two-year budget cycle. Current and projected position vacancies within the Division will be held open, resulting in a savings of $262,000 in FY 2011-12, and $289,000 in FY 2012-13. The remaining shortfall will be addressed through a variety of sources, including additional HCV lease-ups, CDBG administrative funds, or Housing Administration reserve funds (projected balance at $430,000 in June 2011).

2009-2011 Goals and Accomplishments

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.

Accomplishments

Over the past two years, $763,117 in private and local dollars was leveraged through the HOME Rental Program, while $2.3 million was leveraged through the Homebuyer Program. Seven of the thirteen CDBG Public Improvement activities approved in the 2009 and 2010 programs years 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

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. To date, the Housing Division partnered with the RRA and housing nonprofit organizations to facilitate the development of four large-scale development projects. Two projects have been completed, while the others are in various stages of development. They are listed below:

Project Name or Address	# Units	Project Amount	Status
CRDC – 2052 Placer Street (rehabilitation)	4	$355,000	Complete
Saint Clare Court – 2465 Beverly Drive (new construction)	14	$2.8 million	Complete
K2 – 1055 & 1061 Center Street (rehabilitation)	12	$735,345	In progress
Christian Church Homes – Piper Way (new construction)	56	$12.5 million	In conceptual stage

Goal

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

Accomplishments

In the two-year period, the Housing Division secured $1.2 million from the federal-administered Home Investment Partnerships Program and $1.7 million from the Federal Community Development Block Grant Program. The City also applied for and was awarded $600,000 in CalHOME funds through the State of California Department of Housing and Community Development. These funds are being used for housing rehabilitation projects and downpayment assistance to first-time homebuyers.

Goal

Proactively encourage the development of partnerships between developers, financial institutions, and nonprofit agencies.

Accomplishment

The City currently uses this strategy in formulating funding applications for local affordable housing projects. The City successfully partnered with Northern Valley Catholic Social Service on development of its Saint Clare Court housing project through the HUD 811 - People with Disabilities Program. Construction is complete.

Goal

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

Accomplishments

The Housing Division, in cooperation with the RRA staff, has built upon previous years' experience 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. The Buckeye Neighborhood was identified as the next target neighborhood. RRA staff developed the Buckeye Revitalization Strategy and rehabilitation and code enforcement efforts are underway. Newsletter articles, flyers, mail outs, and resident meetings are used to promote ongoing discussion and interaction to promote sustained neighborhood involvement to ensure that the renewal process is a community-driven effort.

Goal

Expand the capacity of nonprofit housing and service organizations and respond to community needs with an emphasis on special needs projects.

Accomplishments

The 2009 and 2010 program years witnessed continued cooperation and capacity-building between the City and local nonprofit groups. These efforts focused on partnering with our local nonprofit groups and our local Community Housing Development Organization (CHDO) to develop affordable housing consistent with the Consolidated Plan. The Housing Division continues to foster and develop the capacity of the CHDO. In depth workshops and liaison between city/county staff and local nonprofit agencies helped to identify community needs and consensus of funding priorities.

Performance Measures and Workload Indicators

1. 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 8 low-income, first-time homebuyers.

   Measurement – Thirteen low-income rental units and four homeowner units were rehabilitated; 14 rental units were constructed and 22 low-income first-time homebuyers were assisted.
2. Assist at least two applicants in their submission of applications for tax credits, HUD 202, HUD 811, or related "stand alone" development programs.

   Measurement – One HUD 202 applicant was assisted.
3. 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.

   Measurement – Expenditure rate achieved; 100 percent of public service completed within 12 months, and 80 percent of public improvement projects were completed.
4. Assist a minimum of 90 low-income households through the Senior Minor Repair Program and 10 low-income households through the Emergency Repair Program.

   Measurement – Approximately 248 Senior Minor Repair households were assisted and 15 Emergency Repair Program households were assisted.

5. All HOME funded rental units shall be monitored for contract compliance.

   Measurement – 100 percent of rental units were monitored.
6. All residential housing units assisted with federal funds will be assessed and mitigated for lead-based paint hazards, as applicable.

   Measurement – 100 percent of all assisted units were assessed and mitigated for lead-based paint with the exception of the Minor Home Repair for senior participants.
7. 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.

   Measurement – Additional CalHome funding was applied for and was denied by the State of California.

2012-13 Goals and Objectives

Goal

Promote a wide range of quality affordable housing opportunities in the City of Redding.

Objectives

1. 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.
2. Coordinate with the Redding Redevelopment Agency (RRA) to develop a unified, efficient response to large-scale housing development opportunities and neighborhood revitalization efforts.
3. Aggressively seek new funding from federal, state, and other sources which complement City housing, community development, and preservation efforts.
4. Proactively encourage the development of partnerships between developers, financial institutions, and nonprofit agencies.

Goal

Develop and implement strategies to preserve and enhance neighborhoods, especially those with a significant number of low- and moderate-income households.

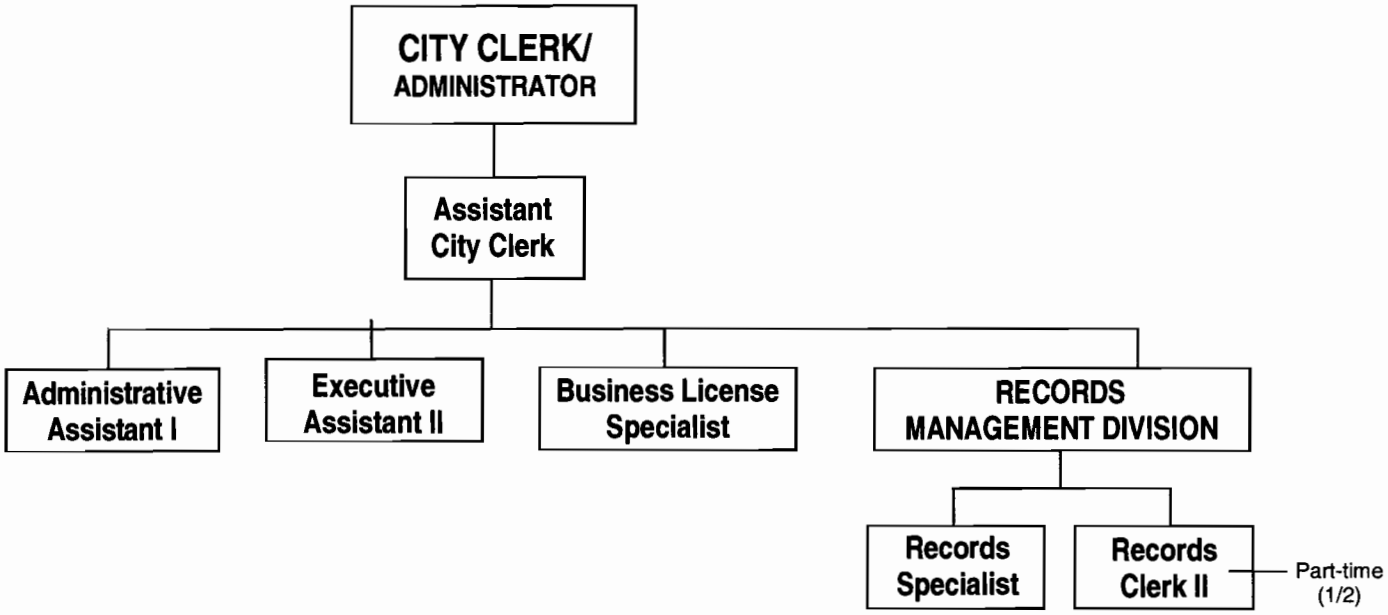
Objectives

1. Work to empower target neighborhoods with both the skills and resources to manage quality of life issues in the community.
2. Expand the capacity of nonprofit housing and service organizations and respond to community needs with an emphasis on special needs projects.

CITY OF REDDING

CITY CLERK

Organizational Chart



CITY CLERK'S DEPARTMENT

Overview

The City Clerk's Department is comprised of the Office of the City Clerk and the Records Management Division. The adopted budget for FY 2011-12 totals $796,870, a decrease of $41,010 over the FY 2010-11 Amended Budget. The adopted budget for FY 2012-13 totals $828,470, $31,600 over the FY 2011-12 adopted budget.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Clerk	$ 539,426	$ 623,940	$ 558,530	$ 558,750	$ 220	$ 582,060	$ 23,310
Records Management	290,241	316,480	279,350	238,120	$ (41,230)	246,410	$ 8,290
TOTAL	$ 829,667	$ 940,420	$ 837,880	$ 796,870	$ (41,010)	$ 828,470	$ 31,600

*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
City Clerk	FY 2012-13 Adopted	$ 423,930	$ 158,130	$ -	$ -	$ 582,060
	FY 2011-12 Adopted	$ 401,760	$ 156,990	$ -	$ -	$ 558,750
	FY 2010-11 Amended	$ 377,200	$ 173,330	$ 8,000	$ -	$ 558,530
	FY 2009-10 Actual	$ 404,841	$ 134,585	$ -	$ -	$ 539,426
Records Management	FY 2012-13 Adopted	186,730	59,680	-	-	246,410
	FY 2011-12 Adopted	178,300	59,820	-	-	238,120
	FY 2010-11 Amended	210,720	68,630	-	-	279,350
	FY 2009-10 Actual	237,816	52,425	-	-	290,241
Total	FY 2012-13 Adopted	$ 610,660	$ 217,810	$ -	$ -	$ 828,470
	FY 2011-12 Adopted	$ 580,060	$ 216,810	$ -	$ -	$ 796,870
	FY 2010-11 Amended	$ 587,920	$ 241,960	$ 8,000	$ -	$ 837,880
	FY 2009-10 Actual	$ 642,657	$ 187,010	$ -	$ -	$ 829,667

*Budgeted for State Mandated Animal Fines revenue

Capital Outlay

The elimination of the City Clerk's Department's Capital Outlay of $8,000 each fiscal year is a result of the City's contract with Haven Humane for dog licensing services. General Fund gains were achieved with this cost-saving measure as a result of eliminating a staff position.

Personnel

With the decision to leave one position vacant in the City Clerk Department and the reduction of the Records Management Clerk position to part-time, the total number of employees in the Department is six and one-half. Loss of these positions has had a significant impact on the productivity of the Clerk's Department. The remaining staff members are consumed with the many complex tasks they face.

The following table displays total personnel for City Clerk and Records Management Division:

Description		FY 2009-10 Actual	FY 2009-10 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Clerk	F/T	7.00	7.00	5.00	5.00	-	5.00	-
	P/T	-	-	-	-	-	-	-
	Total	7.00	7.00	5.00	5.00	-	5.00	-
Records Management	F/T	2.00	2.00	1.00	1.00	-	1.00	-
	P/T	-	-	0.50	0.50	-	0.50	-
	Total	2.00	2.00	1.50	1.50	-	1.50	-
Total	F/T	9.00	9.00	6.00	6.00	-	6.00	-
	P/T	-	-	0.50	0.50	-	0.50	-
	Total	9.00	9.00	6.50	6.50	-	6.50	-

Significant Issues

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 there were 12 full-time staff members. The Department will continue diligent efforts toward maintaining the level of service, but adequate staffing is critical to meet legal requirements and maintain quality of service.

2009-2011 Goals and Accomplishments

Goal

Plan and perform related tasks in preparation for the General Municipal Election to be held in November 2010.

Accomplishments

The City Clerk's Office began preparations for the November 2010 General Municipal Election in December 2009, by attending the City Clerk's Association of California (CCAC) New Law and Elections training. Preparations in the summer of 2010 included developing/updating a comprehensive Candidate's 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.

Ten candidates applied for three positions on the City Council and the City Clerk's position was also up for election. The Clerk scheduled appointments with each candidate to review the necessary paperwork. Staff issued/received candidates' nomination papers and FPPC filings.

The City Clerk 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 7, 2010.

Goal

Upgrade old micrographic reader/printer equipment in Records Management Division.

Accomplishment

Records Management and Information Technology staff researched and reviewed various types of digital microform scanners for compatibility with existing software and equipment and purchased a new digital scanning system.

Goal (Ongoing)

Continue to explore additional opportunities to convert services, programs and information resources to the City's web-page and/or Intranet to enhance public and internal convenience, efficiency, and to reduce use of paper.

Accomplishments

Adobe Acrobat Standard 6.0 software was purchased in 2009 for two computer stations in the Clerk's Office. The software allows for the creation of on-line interactive forms and applications. Presently, both the Boards, Commissions and Committees application and the Complaint and Concerns forms have been made interactive. The software application also allows documents to be converted to PDFs, which has enabled City Clerk's staff to post documents online and to the City's webpage rather than depending on IT to perform these types of tasks. Additionally, staff received training by IT on the use of the software and how to write simple HTML.

Explored Granicus software capacity for potential expansion and/or increased use relative to City Council meeting agendas and minutes and participated in on-line training. Granicus was upgraded (at no cost) to allow downloading of meeting videos by the public.

Goal (Ongoing)

Improve efficiencies in the Dog Licensing Program.

Accomplishment

As a cost-saving measure, the City contracted with Haven Humane to provide dog licensing services, eliminated a full-time position in the Licensing Section and vacated office space on the first floor of City Hall, all resulting in General Fund gains as noted in the "Capital Outlay" section above.

Goal (Ongoing)

Continue to increase business license revenue and enforce compliance measures in accordance with the Municipal Code.

Accomplishment

Due to the recession and the elimination of a full-time licensing clerk position in early 2009, business license revenue has experienced a significant decrease (refer to chart below):

FY	Revenue
07-08	$844,763
08-09	$788,978
09-10	$755,831
10-11 est.	$745,000

The Business License Specialist is inundated with the billing and collecting process for 8,000+ accounts. As a result, delinquent accounts and non-complying businesses are not being pursued in a timely manner. Although the economic down-turn accounts for a portion of the revenue decline, the inability to actively pursue compliance has a direct impact on revenue generation, due to the City's business license structure.

Staff continues to monitor legislation affecting business license regulations through affiliation with California Municipal Revenue & Tax Association and the League of California Cities.

Goal

Improve, streamline, and automate the monthly Tickler program.

Accomplishments

The City Clerk's Office, in conjunction with IT, began a four-phase plan to revamp the Tickler program in 2007.

Phase 1: Convert matrix format to spreadsheet format and distribute to departments
Phase 2: Create automated reply from departments to the Clerk's staff for tickled items.
Phase 3: Create automated system to send reminders to departments when they have not responded to Clerk's notice in a timely manner.
Phase 4: Create program to update spreadsheet to enable automated replies to tickled items.

Beta testing of the online tickler program began in December of 2009. In September 2010, the online Tickler went live. The new automated tickler system has received favorable comments and continues to be fine-tuned.

Goal (Ongoing)

Broaden and diversify staff knowledge with education opportunities and cross-training.

Accomplishments

Due to the relocation of the first floor Licensing Section to the third floor, staff members were cross-trained to provide coverage during vacations or other absences. Because the Assistant City Clerk position remains unfilled, the three Executive Assistants have begun rotating, 90-day stints functioning as Deputy City Clerk.

Performance Measures and Workload Indicators

City Clerk's Division

The following table displays some of the workload indicators for the past, present and projected future of the City Clerk's Division:

Workload Indicators	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Projected	FY 2012-13 Projected
Business Licenses	8,144	8,000	8,000	8,000
Business Licenses Revenue	$755,439	$735,000	$735,000	$735,000
Proclamations, Cermonial Certificates & Resolutions	237	235	240	245
Legislative Indexing	1,489	1,668	1,795	1,868
Bids	87	61	65	70
Contracts - (City, RABA, Housing) New/Renewed/Amended/Extended	483	602	622	643
Mintues of Meetings - City Council, RABA, RHA and Library Board	59	63	64	64
Community Room/Council Chambers Rental	15	18	20	20
Special Event Processing	41	47	48	48
Public Hearings	36	35	35	35
Easement/Deeds	35	50	50	50

Records Management Division

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

Workload Indicators	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Projected	FY 2012-13 Projected
Documents/Maps--Prepped/Processed/Stored	971,845	850,000	850,000	850,000
Total number of meetings (City Council, RABA, RRA, Housing & Library) for which Agendas, Notice of Cancellations, Staff Reports & Meeting Minutes are Imaged & Published	90	85	88	88

2011-13 Goals and Objectives

Goal (Ongoing)

Continue to explore additional opportunities to convert services, programs and information resources to the City's web-page and/or Intranet to enhance public and internal convenience, efficiency, and to reduce use of paper.

Objective

Utilize Adobe Acrobat to convert Special Event applications to PDF format and route to various departments via email for electronic review and approval.

Create interactive complaint/question form and tracking log for routing citizen complaints and questions to responsible department and provide Council with response and/or resolution.

Explore the possibility of utilizing Granicus software or another program to introduce an electronic agenda process.

Goal (Ongoing)

Broaden and diversify staff knowledge with education opportunities and cross-training.

Objective

Provide staff with opportunities to attend training meetings as budget restraints allow. Continue to cross-train staff internally.

Unmet Needs

City Clerk's Division

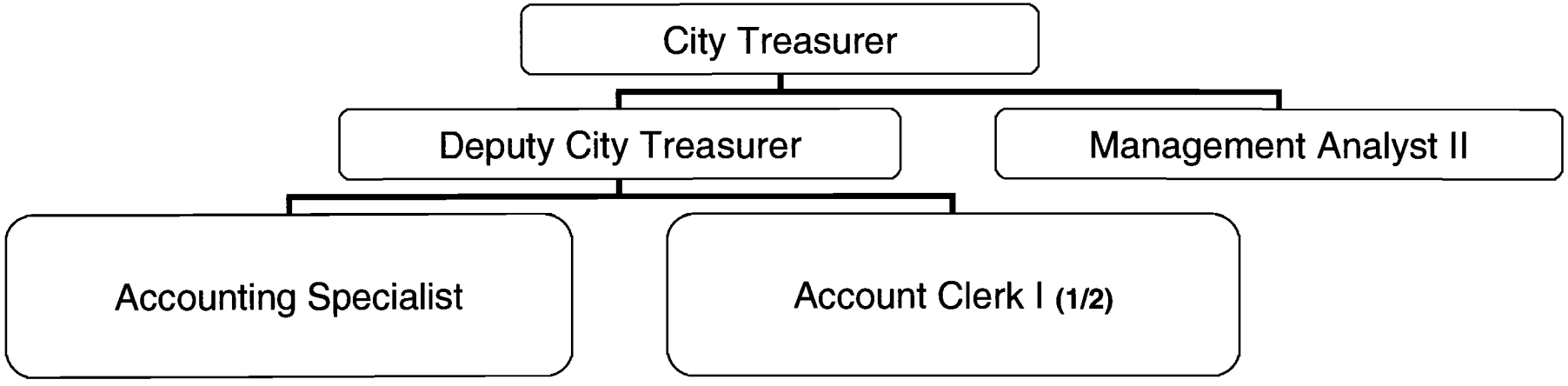
Additional half-time position Business License Clerk	$ 30,000
Restoration of old City Council Minute Books	6,000
Total Unmet Needs	$ 36,000

Records Management Division

Conversion of Records Management Clerk to full-time	$ 20,000
Total Unmet Needs	$ 20,000
City Clerk and Records Management Divisions Total Unmet Needs	$ 56,000

Office of the City Treasurer

Organizational Chart



CITY TREASURER'S OFFICE

Overview

The City Treasurer's adopted budget for fiscal year 2011-12 is $513,770, a decrease of ($15,340) under the fiscal year 2010-11 amended budget of $529,110. For fiscal year 2012-13, the City Treasurer's adopted budget totals $536,790. The fiscal year 2012-13 requested budget reflects an increase of $23,020 over the fiscal year 2011-12 requested budget due to the City's MOU with SEIU, cost of living increases, and higher projected costs for group insurance expense, PERS, and PARS.

Division	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Treasurer	$ 527,712	$ 624,440	$ 529,110	$ 513,770	$ (15,340)	$ 536,790	$ 23,020

*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
City Treasurer	FY 2012-13 Adopted	$ 459,640	$ 77,150	$ -	$ -	$ 536,790
	FY 2011-12 Adopted	$ 437,780	$ 75,990	$ -	$ -	$ 513,770
	FY 2010-11 Amended	$ 444,530	$ 84,580	$ -	$ -	$ 529,110
	FY 2009-10 Actual	$ 443,595	$ 84,117	$ -	$ -	$ 527,712

Capital Outlay

At this time, no capital outlay expenditures are planned for this department.

Personnel

There are no new positions contained within this budget, rather, due to budget cuts directed by City Council on May 5, 2009, a full-time Account Clerk position remains reduced to part-time.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Treasurer	F/T	4.00	4.00	4.00	4.00	0.00	4.00	0.00
	P/T	0.50	0.50	0.50	0.50	0.00	0.50	0.00
	Total	4.50	4.50	4.50	4.50	0.00	4.50	0.00

Significant Issues

In February 2010, the Federal Reserve Bank consolidated its check processing into one single center located in Cleveland, Ohio. This reduction in processing centers follows the Federal Reserve's increase in paper check processing costs, which were implemented to encourage depositors to move to imaged deposits. In March 2010, the City Treasurer implemented imaged deposits for the utility remit; however, all other remitting departments have yet to move to imaged deposits. In order to meet the terms of Federal Reserve mandates, and keep processing costs from skyrocketing, the City Treasurer must implement imaged deposits for what is known as the "Treasurer's Deposit" (that is, all remitting departments other than Customer Service). This will require imaging equipment, and, more importantly, staffing adequate to process each remitting department's paper checks and

convert those checks to an image file on a daily basis. In addition, due to federal regulations, it will be critical to maintain adequate staffing to fulfill the statutory retention and destruction policies imposed for the processing of imaged deposits.

The City Treasurer Department staffing is currently at a minimum level, and until the imaging process is actually implemented, the City Treasurer is unable to determine whether or not the office will be able to meet the regulatory guidelines with only one part-time account clerk. All other staff positions must be retained in order to timely complete our statutory obligations, including monthly reconciliation and reporting, as well as daily processing of all city-wide revenue. It should also be noted that, with the continued increase in credit card transaction volume, adequate staffing is critical to the completion of the complex process of reconciling the monthly credit card activity for eleven different merchant identification accounts. Adequate staffing is also necessary to comply with Generally Accepted Accounting Principles and the Governmental Accounting Standards Board's requirement for segregation of duties and accountability of all funds maintained by the Office of the City Treasurer.

Operationally, it is expected that during FYE 2013, the Deputy City Treasurer will retire. Due to the complexities of the tasks performed by the Deputy City Treasurer using our legacy AS400 system, it is critically important to maintain staffing to allow for ongoing training so that the institutional knowledge retained by the Deputy can be transferred to staff who will be required to perform these functions after the Deputy's retirement. The daily tasks performed by the Deputy are critical, and cannot be deferred; indeed, they are mandated by the Redding Municipal Code.

In addition to the above issues, the City Treasurer's current adopted budget does not include sufficient funds for equipment replacement or repair. Each staff member performs distinct duties, requiring access to the AS400 and fully functional computer programs. Online receipts issued for permit center and fire department customers print in the City Treasurer department, as do online parking citation payments. Moreover, the reports for the Customer Service IVR credit card payments print to the City Treasurer's office, as the City Treasurer's staff is wholly responsible for the daily balancing and processing of all IVR utility credit card batches. The lack of funds available for replacing aging computer equipment and printers leaves the City Treasurer's department vulnerable to service delays should a personal computer or printer fail. This also results in an additional burden to the IT department, as the failure creates an emergency situation requiring IT's immediate attention in order to process and balance out the daily revenue, as mandated by the Redding Municipal Code.

2009-2011 Goals and Accomplishments

Department 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

1. Continue to pursue a web based payment system for accounts receivable, and continue the exploration of EFT/ACH expansion for other payment types such as hangar rentals, Housing & Urban Development (HUD) payments for Housing, and program payments for Recreation;
2. Restructure the staffing of the City Treasurer's Department to optimize the level of customer service, and streamline current workflows;
3. Explore the option of a software based credit card reconciliation program, cost permitting;
4. Obtain City-wide uniformity in the remitting and report process for revenue;
5. Identify a system to segregate the credit card costs and fees incurred by the Treasurer's Office and

6. associated with the acceptance of credit card payments for the entity and enterprise funds, such as Airport and Housing Authority. Current process allows for the payment via credit card of airport hangar rental fees, HUD overpayments, Transient Occupancy Tax (TOT), and retiree health care at the City Treasurer's Office;
7. Transition all City departments to creating imaged checks, which can be deposited electronically, as opposed to the current practice of depositing actual paper checks, due to the implementation of "Check 21" and the continued progression of technology to banking processes. This transition is necessary due to continued cost increases by the Federal Reserve for the handling of paper checks. Although the City's existing banking contract with Wells Fargo Bank guarantees current pricing for the deposit of paper checks through October 2011, a plan must be developed to transition all revenue receipting departments so as to avoid substantial increases in banking costs;
8. Revise the City's parking citation tracking program; and
9. Create and implement a web based appeal process for parking citations.

Accomplishments

Due to the current economic state and the City's current budget status, the City Treasurer's Department and associated departments have not been able to allocate sufficient resources to pursue a web based payment system for accounts receivable, nor has the City been able to expand the current electronic payment options (EFT/ACH) for payments remitted to the City of Redding for accounts receivable. On the other hand, the City Treasurer has worked with internal departments and transitioned many vendor payments to ACH format; many of which were either previously paid via wire transfer or by check. The transition to ACH payment format results in a cost savings to the City in both banking fees and in staff processing time.

The City Treasurer also worked with Customer Service to transition the processing of customer payment returns from a purely manual process in the City Treasurer's Department to a system generated notice through the utility billing system, thereby saving additional staff time. The City Treasurer has also successfully worked with Wells Fargo to develop a method to retrieve returned payment information in a timelier manner, thereby substantially decreasing the delay in contacting the utility customer to address returned payment issues.

Restructuring the staffing of the City Treasurer's Department has not been obtained. Due to prior budget reductions, a full-time Account Clerk II position was reduced to ½ time, and a full-time Accounting Specialist position was reduced to ¾ time for approximately nine months during this past budget cycle, thus making it difficult to retain functionality within the office, and implausible to restructure the staffing of the City Treasurer's Department during this past budget cycle.

At this time, the City Treasurer's Department has not pursued the option of a software based credit card reconciliation program due to the lack of funds available in the budget to purchase new software.

The City Treasurer's Department has identified those departments that fall outside of the uniform remitting and reporting process, but has been unable to successfully transition these departments to conform with the standard remitting process due to budget and staff reductions in all City departments. Despite not being able to transition to standardized remitting, the City Treasurer's Department has updated the daily cash reporting procedures and processes in an effort to make the remits more uniform, and during this process has also identified remitting departments that have not been in compliance with VISA's merchant operating guidelines.

The City Treasurer's Department has not made further progress towards segregating credit card fees for Airport hangar rentals, Housing, motel tax, and retiree health care payments made via a credit card, as that will involve Finance and IT, and will require a major overhaul of the A/R system. It should be noted that the City Treasurer's Department no longer processes these payments via phone, and therefore, has reduced the merchant interchange fees associated with the acceptance of credit card payments for these types of accounts.

The City Treasurer's Department was successful in working with the City's Utility Customer Service Department in transitioning the manual deposit of paper check items to an electronic image file deposit, effectively reducing banking fees associated with the deposit of paper checks, and increasing efficiencies within both departments. The City Treasurer's Department was unable to transition the City Treasurer's manual check deposit for all other remitting departments to an electronic image file during budget years 2009-11 due to the mandatory reductions in the City Treasurer's budget; however, the City Treasurer's Department is still actively pursuing the implementation of electronic check image deposit and has requested the funds to do so during FY 2011-12.

A critical success in this category of departmental support is reflected by the reduction in credit card interchange fees paid by the Customer Service department. The City Treasurer's Management Analyst, in continuing to evaluate and review credit card regulations, identified a reduction in pricing made by VISA for bundled utility billing. Changes in reporting were made effective November 2009, and the resulting savings to Customer Service was substantial. Credit card interchange fees paid by Customer Service declined by over $100,000 per year.

The City Treasurer's Department successfully implemented a new process for the City's parking citation tracking program, which has increased efficiencies in the correction and collection of parking citations that were deemed uncollectible under the prior process. The City Treasurer's Department also effectively implemented a web based appeal process for parking citations in which the person cited has the ability to complete an appeal form online through the City Treasurer's web page, and email the completed form to the City Treasurer's staff.

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.

Objectives

1. Create and implement new tools to allow for the accurate tracking of portfolio values on a following day basis, as recent budget reductions resulted in the loss of the City Treasurer's Bloomberg subscription, which allowed the City Treasurer real time access to market values and credit ratings;
2. Explore new investment training opportunities for the City Treasurer, Deputy City Treasurer, and Management Analyst, as allowed by the budget; and
3. Maintain the City's average rate of return in the current volatile investment environment.

Accomplishments

Due to the loss of Bloomberg, the preeminent provider of real-time market values for federal agency and corporate notes, the City Treasurer has implemented a new process which allows for the accurate tracking of portfolio values on a following day basis utilizing Wells Fargo Trust and Custody's available reports through Wells Fargo's online portal.

The City Treasurer's Department did not explore possible investment training opportunities for the City Treasurer, Deputy City Treasurer, and Management Analyst as the City Treasurer's Training and Travel budget line items were cut during budget years 2009-11.

The City Treasurer has successfully implemented a cash flow management system for monitoring City-wide revenue and expenditures, which avoids the need for daily transfers between Wells Fargo and LAIF. During FYE 2010, only three LAIF transfers were processed; and it is projected that for FYE 2011, no more than five LAIF transfers will be processed.

Due to the unprecedented low Federal Funds rate since December 2008, interest rates and investment returns have remained suppressed. LAIF average monthly effective yields have been at or below 1% since July 2009. During this timeframe, the City Treasurer has effectively managed the City's pooled funds. The City Treasurer realized an annualized FYE 2010 return of 2.74%, and for the first nine months of fiscal year 2010-11, the annualized return on the pooled funds portfolio is 2.01%. Due to the prolonged duration of low returns on short term invested funds, the City Treasurer also established separate government funds money market accounts as an alternative to LAIF, without compromising liquidity needs, and returning 15 basis points over the reported LAIF Average Monthly Effective Yield.

In addition, during the past budget cycle, the City Treasurer was able to successfully retire the debt service for the Consolidated Reassessment District bonds two years prior to maturity.

Policy and Procedures

Goal

To implement tested procedures to ensure the consistent application of policy and provide adequate guidance and stability to processes.

Objectives

1. Maintain current office and procedure manuals for all positions within the City Treasurer's Department; and
2. Identify potential changes to current procedures in an effort to increase efficiency within the office.

Accomplishments

The City Treasurer's Department currently has a Procedures Manual, which includes procedures for the positions within the office. City Treasurer and staff review and revise any procedures as needed.

The City Treasurer's Department has streamlined the process of tracking individual receipts issued by the City Treasurer's Department and the Permit Center, which also attained uniformity for these remitting departments revenue receipting process. These receipts are now compiled and entered in summary form in the Treasurer's cash register program, instead of hand keying each individual receipt. In addition, the City Treasurer's Department requested that the Permit Center retain receipts they issue and send them to the City Treasurer's Department via the pneumatic tube system once every hour, opposed to sending a tube for every receipt that is issued. The City Treasurer's Department has also implemented new procedures that streamlined the balancing of Customer Service's daily revenue. And, as noted above, the City Treasurer's Department has reviewed and updated its Daily Cash Report, distributed this information to remitting departments, and is working with these remitting departments to establish uniformity in revenue reporting City-wide.

Staff Development, Education 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 a communicative environment for a positive work experience from which our customers benefit.

Objectives

1. Maintain current office and procedure manuals for all positions within the City Treasurer's Department;
2. Identify potential changes to current procedures in an effort to increase efficiency within the office;
3. Continue the development of succession plans for each position within the Office of the City Treasurer; and
4. Continue the cross training of each position within the Office of the City Treasurer.

Accomplishments

Staff members within the City Treasurer's Department have shown enthusiasm in keeping office and procedure manuals updated as changes to those procedures occur.

Changes were made to several internal procedures that increased efficiency within the office, which also helped offset the increased workload due to staffing reductions that were implemented in the prior budget cycle.

Although difficult to manage due to the staffing changes occurring from budget reductions, the City Treasurer and staff strive to keep all members of the Department cross trained for each position within the Office of the City Treasurer.

Performance Measures and Workload Indicators

The following table displays some of the workload indicators for the past, present and projected future of the City Treasurer's Division:

Workload Indicators	FY 2008-2009 Actual	FY 2009-10 Actual	FY 2010-11 Estimated*	FY 2011-12 Projected	FY 2012-13 Projected
Investment Income	$5,402,802	$3,657,991	$2,600,000	$2,000,000	$2,000,000
Investment Earnings Average Yield-FY	3.71%	2.74%	1.92%	1.75%	1.75%
Investment Purchases/Calls/Maturities	70	89	(July-March) 57	**	**
Value of Inv. Purchases/Calls/Maturities	$ 134,956,239	$ 176,755,020	$ 118,515,506	**	**
Number of Utility Checks Deposited	302,746	291,671	254,902	235,555	217,676
Number of Treasurer Checks Deposited	32,011	28,341	23,746	21,944	20,278
Number of Returned Checks	642	633	626	631	637
Number of Credit Card Transactions	150,974	162,154	176,456	197,699	221,499
Credit Card Charges Processed	$24,916,161	$27,391,766	$32,929,260	$35,892,893	$39,123,254
Number of Electronic Funds Transfers	38,528	41,998	43,652	46,644	49,841
Electronic Fund Transfer Charges Processed	$7,872,446	$8,882,721	$10,279,314	$11,646,200	$13,194,848
Number of Wires Processed	2,027	2,001	1,946	1,769	1,608
Number of Checks Processed and Reviewed	45,565	44,586	44,922	45,212	45,504
Cash Processed and Deposited	$7,527,617	$7,422,507	$7,827,465	$7,966,389	$8,107,779

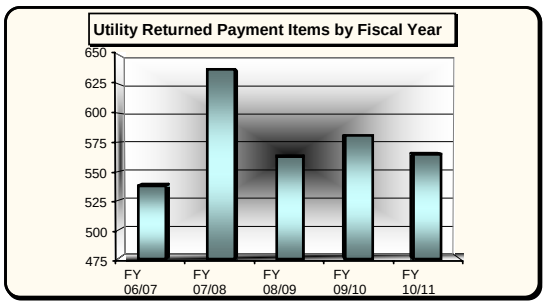
*Average percent calculations include 10-11 estimates
** Current market too volatile to accurately project at this time

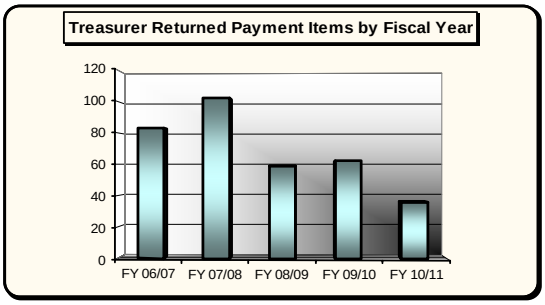
Summary of Workload Indicator Analysis

Investment Income and Average Yield: In the last budget cycle projections, investment returns were projected at 3.0% in 2009-10 and 2.75% in 2010-11. The City's portfolio performance was .26% under the projections in fiscal year 2009-10 with actual earnings as noted above. Due to the extended economic recession and unprecedented prolonged low Federal Funds rates, the City Treasurer anticipates realizing annualized returns of less than 2.0% in fiscal year 2010-11 and for the next two year budget cycle as well.

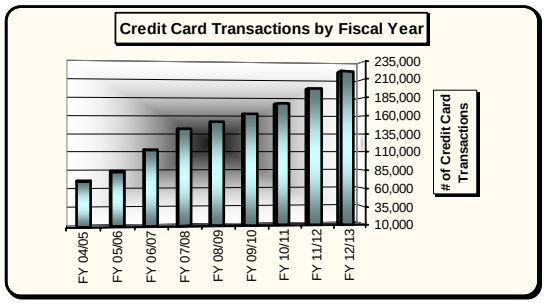
Investment Purchases/Calls/Maturities: The City's portfolio is a mixture of federal agency securities, corporate bonds, US Treasury notes, local bank certificates of deposit, and cash holdings. Due to the volatility in the bond market, the federal agency securities, which are themselves a mixture of various call structures and agencies, have seen unprecedented call levels. As reflected above, during the 2009-11 budget cycle, 146 agency securities have been called, matured, or purchased, at a total dollar value of $295,270,526. Each and every transaction is document and time intensive, and requires participation of the City Treasurer as well as either the deputy or the management analyst for each individual purchase authorization. At this point in time, it is difficult to estimate the volume of activity that will occur over the next two year budget cycle, as that is a factor of available cash, revenue received by the City, as well as market factors.

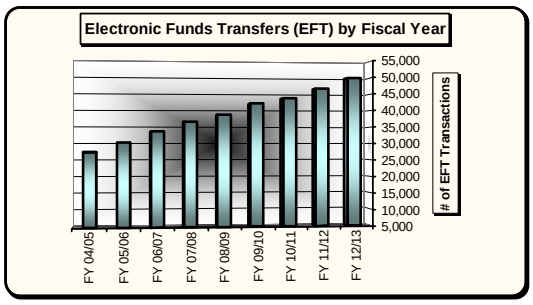
Number of Returned Checks: The number of physical checks deposited continues to follow the national trend in its decline as more consumers transition to electronic banking. It is anticipated that there will be a decrease of 12% in the number of paper items processed in fiscal year 2010-11, and an increase of approximately the same percentage in electronic payment forms. The number of returned payments (checks, EFTs and credit cards) is currently estimated to decline in fiscal year 2010-11. The decline in returns relates directly to the conversion to imaged check deposits. Under banking regulations, the image is presented quicker and prior to paper checks and thus, has a greater opportunity to clear the account while funds are available. In addition to the anticipated reduction in returned items, the City Treasurer now has the ability to view returned items electronically on a following day basis, thus decreasing the amount of processing time to collect on the returned item from two weeks to a few days.





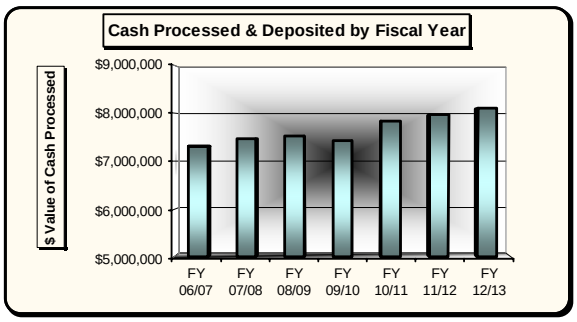
Number of Credit Card Transactions and Electronic Fund Transfers: As depicted in the graphs below, credit card and electronic fund transfers have increased at a steady pace year-over-year. This increase is indicative of the decline in paper checks and customers utilizing a more convenient electronic payment method. It should be noted that the continued growth in electronic payment methods creates increased workload on the City Treasurer's staff for the reconciliation and daily balancing of these transactions. Moreover, maintaining compliance with federal regulations regarding credit card processing by a merchant is critical. The City presently maintains twelve separate merchant identifications for use by the remitting departments.





Number of Checks Reviewed and Processed: Checks reviewed and processed for release during fiscal year 2009-10 reflects a slight increase over the prior year, and minimal increases are expected for fiscal year 2010-11 and fiscal year 2011-2012.

Cash Processed and Deposited: The volume of cash verified (cash is counted at least twice, with dual verification required) is estimated to see moderate increases with each consecutive fiscal year. At this time, it is uncertain if new legislation will be enacted that will place a $50 to $100 limit on debit card purchases. If this legislation is successfully passed, it is predicted that the volume of cash verified will substantially increase in future years, as 57% of utility credit card payments processed by the City of Redding in 2010 were debit card transactions.



2009-11 Goals and Objectives

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. The Treasurer's Office plans to accomplish these goals by implementing the following objectives:

Objectives

1. Continue to pursue a web based payment system for accounts receivable, including retiree health care and TOT, and continue the exploration of EFT/ACH expansion for other payment types such as hangar rentals, and for HUD payments for Housing;
2. Restructure the staffing of the City Treasurer's office to optimize the level of customer service, streamline current workflows, and provide for succession planning;
3. Explore the option of a software based credit card reconciliation program, cost permitting;
4. Obtain City-wide uniformity in the remitting and reporting process;
5. Identify a system to segregate the credit card costs and fees incurred by the Treasurer's Department and associated with the acceptance of credit card payments for the entity and enterprise funds, such as Airport and Housing Authority. Current process allows for the payment via credit card of airport hangar rental fees, HUD overpayments, TOT, and retiree health care at the City Treasurer's Department;

6. Transition all non-utility revenue remitting departments to imaged checks for electronic deposits, as opposed to the current practice of depositing actual paper checks, due to Federal Reserve requirements and the continued progression of technology in the banking sector. This transition is necessary due to the rapid progression of electronic payment processing regulations and continued cost increases by the Federal Reserve for the handling of paper checks. In addition, the City's existing banking contract with Wells Fargo Bank expires in October 2011 and a plan must be developed to transition all revenue receipting departments so as to avoid substantial increases in banking costs;
7. Successfully renew the Wells Fargo banking service contract;
8. Implement means to accept, via electronic means, bank issued "bank-at-home" checks in ACH format;
9. Implement process to electronically import Vantage Care retiree health care payments and post same to the retiree accounts receivable account;
10. Update the communication process as between the City of Redding and DMV for parking citation registered owner information; and
11. Evaluate existing assessment districts for bond balance and potential pay-offs.

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 Treasurer's Office plans to accomplish these goals by implementing the following objectives:

Objectives

1. Continue to research and implement new tools to allow for the accurate tracking of portfolio values and investment opportunities;
2. Continue to evaluate cash flow management tools for use with daily operations;
3. Explore investment training opportunities for the City Treasurer, Deputy City Treasurer, and Management Analyst, as allowed by the budget;
4. Prudently invest the City of Redding's idle funds while maintaining liquidity; and
5. Maintain a reasonable rate-of-return on the City of Redding's investment portfolio in the current volatile investment environment.

Policy and Procedures

Goal

To implement tested procedures to ensure the consistent application of policy and provide adequate guidance and stability to processes. The Treasurer's Office plans to accomplish this goal by implementing the following objectives:

Objectives

1. Review and update all existing revenue and remitting procedure manuals for use by all remitting departments;
2. Review and update credit card handling manuals for use by all remitting departments; and
3. Identify potential changes to current procedures in an effort to increase efficiency within the department.

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 a communicative environment for a positive work experience from which our customers benefit. The Treasurer's Office plans to accomplish these goals by implementing the following objectives:

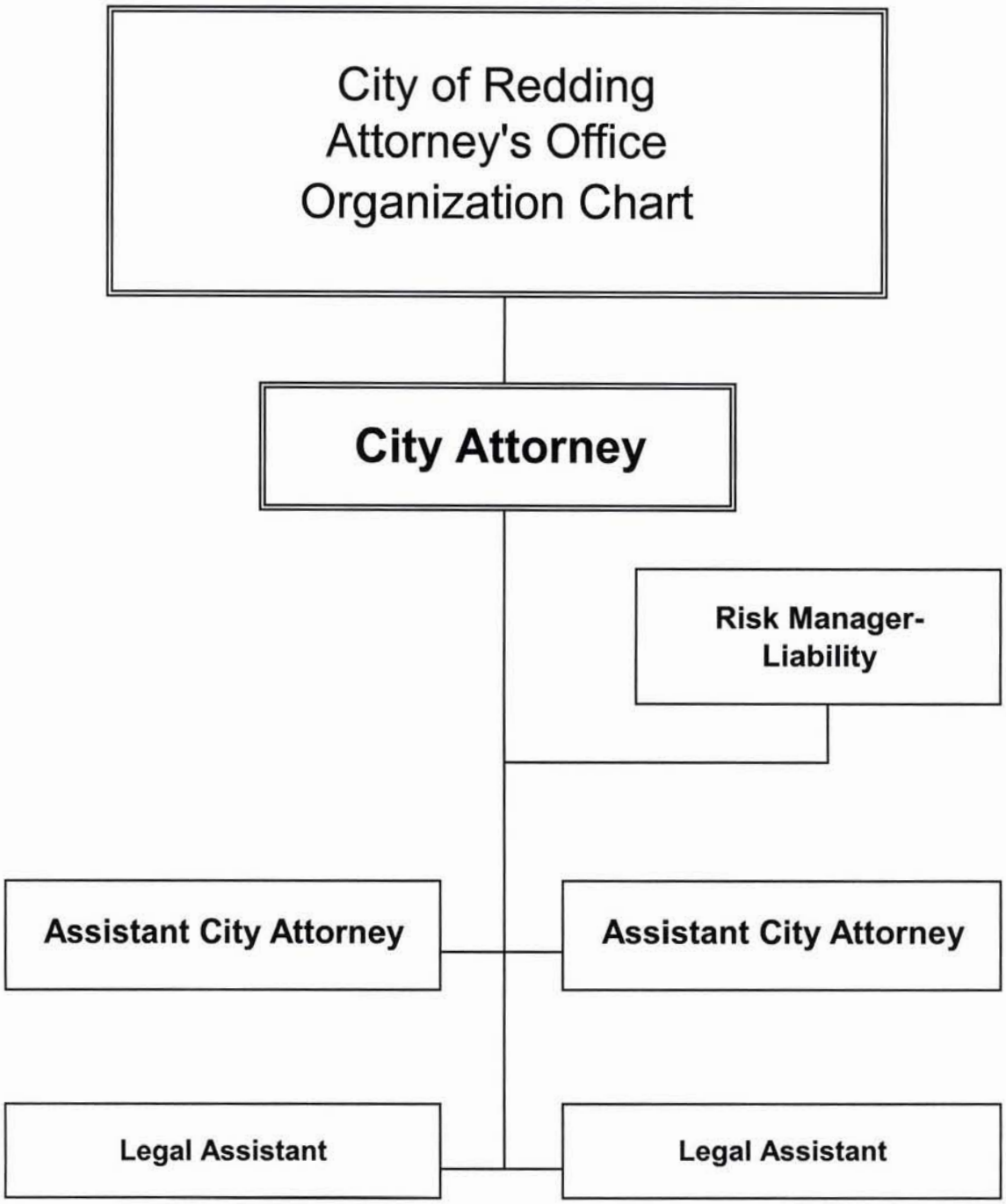
Objectives

1. Maintain current office and procedure manuals for all positions within the City Treasurer's Department;
2. Identify potential changes to current procedures in an effort to increase efficiency within the Department;
3. Continue the development of succession plans for each position within the Office of the City Treasurer; and
4. Continue the cross training of each position within the Office of the City Treasurer.

Unmet Needs (in order of priority)

Full-time Account Clerk I	$ 35,000
Bloomberg Subscription*	22,000
Computers/Computer Repair/Replacement Printer	3,600
Total Unmet Needs	$ 60,600

*Need per year for fiscal years 2011-12 and 2012-13


City of Redding
Attorney's Office
Organization Chart
City Attorney
Risk Manager-
Liability
Assistant City Attorney
Assistant City Attorney
Legal Assistant
Legal Assistant

CITY ATTORNEY

Overview

The City Attorney's adopted budget for FY 2011-12 totals $850,360 which is $86,100 less than the amended budget for FY 2010-11 of $936,460. The decrease is primarily related to salary reductions through use of furloughs, the City Attorney's election to forgo a salary increase for six months and agreeing to pay the PERS employee member contribution, and increases in charges to other departments for specific litigation issues. For FY 2012-13, the adopted budget totals $913,280 which is $62,920 over the FY 2011-12 adopted budget of $850,360. The increase is related to contractual increases in payroll related costs.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
City Attorney	$ 602,816	$ 653,670	$ 559,460	$ 473,360	$ (86,100)	$ 536,280	$ 62,920
Outside Legal Services	-	377,000	377,000	377,000	-	377,000	-
TOTAL	$ 602,816	$ 1,030,670	$ 936,460	$ 850,360	$ (86,100)	$ 913,280	$ 62,920

* 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
City Attorney	FY 2012-13 Adopted	$ 422,450	$ 113,830	$ -	$ -	$ 536,280
	FY 2011-12 Adopted	$ 359,670	$ 113,690	$ -	$ -	$ 473,360
	FY 2010-11 Amended	$ 455,020	$ 104,440	$ -	$ -	$ 559,460
	FY 2009-10 Actual	$ 501,697	$ 101,119	$ -	$ -	$ 602,816
Outside Leagal Services	FY 2012-13 Proposed	$ -	$ 377,000	$ -	$ -	$ 377,000
	FY 2011-12 Proposed	$ -	$ 377,000	$ -	$ -	$ 377,000
	FY 2010-11 Amended	$ -	$ 377,000	$ -	$ -	$ 377,000
	FY 2009-10 Actual	$ -	$ -	$ -	$ -	$ -
Total	FY 2012-13 Adopted	$ 422,450	$ 490,830	$ -	$ -	$ 913,280
	FY 2011-12 Adopted	$ 359,670	$ 490,690	$ -	$ -	$ 850,360
	FY 2010-11 Amended	$ 455,020	$ 481,440	$ -	$ -	$ 936,460
	FY 2009-10 Actual	$ 501,697	$ 101,119	$ -	$ -	$ 602,816

Personnel

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Attorney's Office	F/T	5.00	5.00	5.00	5.00	-	5.00	-
	P/T	-	-	-	-	-	-	-
	Total	5.00	5.00	5.00	5.00	-	5.00	-

Significant Issues

There are no significant issues occurring in this budget cycle.

2009-2011 STATUS OF GOALS AND OBJECTIVES

Goal

Partner closely with City Staff to monitor implementation of the numerous capital improvement program projects under construction to mitigate the risk of claims and/or litigation which can arise in the public contract area.

Accomplishment

City Attorney staff attended periodic and regular meetings to advise staff on claims and contract issues related to the Cypress Bridge Project, wastewater facility improvement program projects, Redding Electric Unit 6 construction, and Stillwater Business Park construction.

Goal

Partner closely with the Personnel Department to support and advise on labor negotiation and contract issues.

Accomplishment

The City Attorney assisted and supported the City Council, the Personnel Director and the City Manager during these difficult economic times when unilateral implementation, litigation, and PERB complaints flowed from unsuccessful attempts to reach agreement with IBEW 1245 and when petitions have been processed for recognition of new bargaining units.

Goal

Provided enhanced support to the City Clerk's Office.

Accomplishment

City Attorney and staff assisted the City Clerk's Office by providing advice and support during the last two years to ensure there was a smooth transition after the retirement of long-tenured City Clerk Connie Strohmayer and the installation and election of the new City Clerk, Pamela Mize.

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:

Risk Management – Liability Claims/Insurance Certificates

In May 2010, the City Attorney's Office absorbed responsibility for the Risk Management-Liability Claims Division. The City Attorney now oversees the Risk Manager-Liability Claims. The City of Redding receives approximately 3,000 insurance certificates annually and the City Attorney support staff has assumed responsibility for entering important information contained on insurance certificates into a City-wide data base. This transition has been beneficial for both the Risk Manager and the Attorney's Office.

Real Property Issues

The City Attorney's office provides direct support to departments for real property matters. This includes purchase and sale agreements, easements and licenses, deeds, leases, abandonment proceedings, escrow instructions, option agreements, development agreements, loan transaction documents and related correspondence and consultations. In addition, numerous property acquisitions for pipelines, redevelopment projects (including the new downtown courthouse) and flood control projects have been accomplished or are in progress.

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. It is anticipated these opinions will 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 with other agencies, companies and individuals (over 1,200 annually). 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 from inception through trial.

This includes representing the City in matters such as real estate litigation, construction litigation, contract dispute litigation, eminent domain litigation, 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, trials resulting from Redding Municipal Code violations including animal control matters, and appeals of parking citations. Personal injury cases are usually referred to outside counsel but supervised, monitored, and sometimes assisted by the City Attorney.

In the past few years the City Attorney's Office has seen a steep rise in the number of lawsuits filed against the City of Redding, Public Record Act requests, Subpoenas Duces Tecum, and Subpoenas for personal appearance of staff. The City Attorney's Office takes an active role in supervising and assisting all departments with requests for documents and staff.

Support Administrative Hearing Board

The City Attorney's office supports the 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.

Training to Avoid Sexual Harassment Cases

California state law mandates training in the area of sexual harassment in the workplace for all supervisors every other year and for all City staff every four years. The City Attorney's Office provides this training in conjunction with the Personnel Department.

Ethics Training

Ethics training, mandated by AB 1234, is also provided by the City Attorney's Office every two years to all City officials including City Council members, and members of City boards and commissions.

2011-2013 GOALS AND OBJECTIVES

Goal

Partner closely with City Manager's Office to provide support for City Council-directed policy initiatives such as: consideration of converting from general law to charter city; City Council's continued interest in evaluating public/private partnerships for the provision of municipal services; and securing a site for new police facility.

Objective

A positive and constructive working relationship exists between the City Attorney's Office and the City Manager's Office, thus ensuring complete access to legal guidance whenever needed. The City Attorney attends (and will continue to attend) the Charter City Exploration Committee (CCEC) meetings in order to provide support to the CCEC as a group and meets with individual CCEC members when requested by the member(s). The City Attorney's Office will continue to provide guidance and support to the Council and to City staff whenever requested so as to facilitate exploration and possible implementation of public/private partnerships. In addition, the City Attorney's office is committed to assist City Council, the Redding Police Department (and other agencies, as needed) with Council-directed policies including procuring a site for a new Police facility.

Goal

Partner closely with and support outside counsel on the legal challenge to the City's in-lieu tax transfer from Redding Electric Utility (REU) to the General Fund.

Objective

The City Attorney's Office has regular telephone conferences with outside counsel hired to assist the City regarding the legal challenge to the City's in-lieu tax transfer and will continue to do so. The City Attorney serves as the liaison between the outside counsel and City staff and meets with REU staff and the City Manager's Office to provide guidance and support during this litigation. In addition, City Attorney's support staff has developed a working relationship with outside counsel's clerical staff and will continue to assist outside counsel with assembling documents and exhibits, filing pleadings, and personally serving documents when necessary.

Goal

Continue to provide legal support to the City Council and Personnel Director on difficult labor negotiation issues and employee benefit restructuring issues.

Objective

In these difficult economic times when the City is in a budget reduction mode, numerous labor issues will arise and the City Attorney's Office will be readily available to assist and support the Personnel Director and City Manager on resolution of these issues. The Personnel Director and the City Attorney meet frequently to discuss sensitive and important Personnel issues. In addition, the City Attorney personally handles a number of cases brought by employees and unions against the City and regularly appears before the Public Employee Relations Board (PERB) in Sacramento to defend the City. It is anticipated the City Attorney's Office will continue to provide these services.

Goal

Continue to provide legal support to redevelopment agency team on land assembly actions necessary to construct a new Shasta County Courthouse.

Objective

The Redding Redevelopment Agency (Agency) staff and the City Attorney's office enjoy a close working relationship. Significant work has been accomplished toward the acquisition of the land necessary to construct the new Courthouse. Several times a week the Attorney's Office confers with Agency staff in person, participates in conference calls, reviews documents, and replies to e-mails. This is a major project, and the City Attorney's Office is remains committed to assist and support the Agency and its staff until this project is completed.

Goal

Provide timely and helpful legal support in assisting the City Manager with recruitment and agreements with businesses to locate in Stillwater Business Park.

Objective

The City Attorney's Office works closely with the City Manager's Office to review contracts between the City and new Stillwater tenants and brings creativity and a strong commitment to further the City=s policy objectives in the area of redevelopment and economic development. In addition, during difficult economic times the City Attorney will continue to work in conjunction with the City Manager to help to create incentives to spur new development and construction activity.

UNMET NEEDS

Travel ($4,130) & Training ($1,200) needed for Duvernay, DeWalt & Frediani MCLE (36 hour continuing education requirement) - due by 1/31/13.

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. The adopted budgets for FY 2011-12 total $4,494,410 which is $175,180 less than the amended budget for FY 2010-11 of $4,669,590. For FY 2012-13, the adopted budgets total $4,482,220 which is $12,190 less than the FY 2011-12 adopted budget of $4,494,410. The decreases each year are primarily related to reductions to various activities due to a slower economy.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Animal Regulation	$ 651,837	$ 662,800	$ 648,800	$ 637,700	$ (11,100)	$ 656,700	$ 19,000
Non-Departmental	814,310	967,810	1,044,035	1,026,810	(17,225)	998,390	(28,420)
General Fund Debt Service	2,821,959	3,008,860	2,926,755	2,796,500	(130,255)	2,793,030	(3,470)
Capital Projects Division	7,057	50,000	50,000	10,000	(40,000)	10,000	-
General Fund Subtotal	**$ 4,295,163**	**$ 4,689,470**	**$ 4,669,590**	**$ 4,471,010**	**$ (198,580)**	**$ 4,458,120**	**$ (12,890)**
General City Projects	1,079,692	-	-	23,400	23,400	24,100	700
TOTAL	**$ 5,374,855**	**$ 4,689,470**	**$ 4,669,590**	**$ 4,494,410**	**$ (175,180)**	**$ 4,482,220**	**$ (12,190)**

* 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
Animal Regulation	FY 2012-13 Adopted	$ 38,800	$ 617,900	$ -	$ -	$ 656,700
	FY 2011-12 Adopted	$ 38,200	$ 599,500	$ -	$ -	$ 637,700
	FY 2010-11 Amended	$ 37,800	$ 611,000	$ -	$ -	$ 648,800
	FY 2009-10 Actual	$ 37,000	$ 614,837	$ -	$ -	$ 651,837
Non-Departmental	FY 2012-13 Adopted	$ 400,000	$ 440,260	$ 158,130	$ -	$ 998,390
	FY 2011-12 Adopted	$ 400,000	$ 438,680	$ 188,130	$ -	$ 1,026,810
	FY 2010-11 Amended	$ 400,000	$ 490,905	$ 153,130	$ -	$ 1,044,035
	FY 2009-10 Actual	$ 150,514	$ 476,085	$ 187,711	$ -	$ 814,310
General Fund Debt Service	FY 2012-13 Adopted	$ -	$ 8,500	$ -	$ 2,784,530	$ 2,793,030
	FY 2011-12 Adopted	$ -	$ 8,500	$ -	$ 2,788,000	$ 2,796,500
	FY 2010-11 Amended	$ -	$ 12,000	$ -	$ 2,914,755	$ 2,926,755
	FY 2009-10 Actual	$ -	$ 6,052	$ -	$ 2,815,907	$ 2,821,959
Capital Projects Division	FY 2012-13 Adopted	$ -	$ 10,000	$ -	$ -	$ 10,000
	FY 2011-12 Adopted	$ -	$ 10,000	$ -	$ -	$ 10,000
	FY 2010-11 Amended	$ 45,000	$ 5,000	$ -	$ -	$ 50,000
	FY 2009-10 Actual	$ 5,532	$ 1,525	$ -	$ -	$ 7,057
General City Projects	FY 2012-13 Adopted	$ -	$ 1,000	$ 23,100	$ -	$ 24,100
	FY 2011-12 Adopted	$ -	$ 1,000	$ 22,400	$ -	$ 23,400
	FY 2010-11 Amended	$ -	$ -	$ -	$ -	$ -
	FY 2009-10 Actual	$ -	$ 754	$ 1,078,938	$ -	$ 1,079,692
Total	FY 2012-13 Adopted	$ 438,800	$ 1,077,660	$ 181,230	$ 2,784,530	$ 4,482,220
	FY 2011-12 Adopted	$ 438,200	$ 1,057,680	$ 210,530	$ 2,788,000	$ 4,494,410
	FY 2010-11 Amended	$ 482,800	$ 1,118,905	$ 153,130	$ 2,914,755	$ 4,669,590
	FY 2009-10 Actual	$ 193,046	$ 1,099,253	$ 1,266,649	$ 2,815,907	$ 5,374,855

Significant Issues

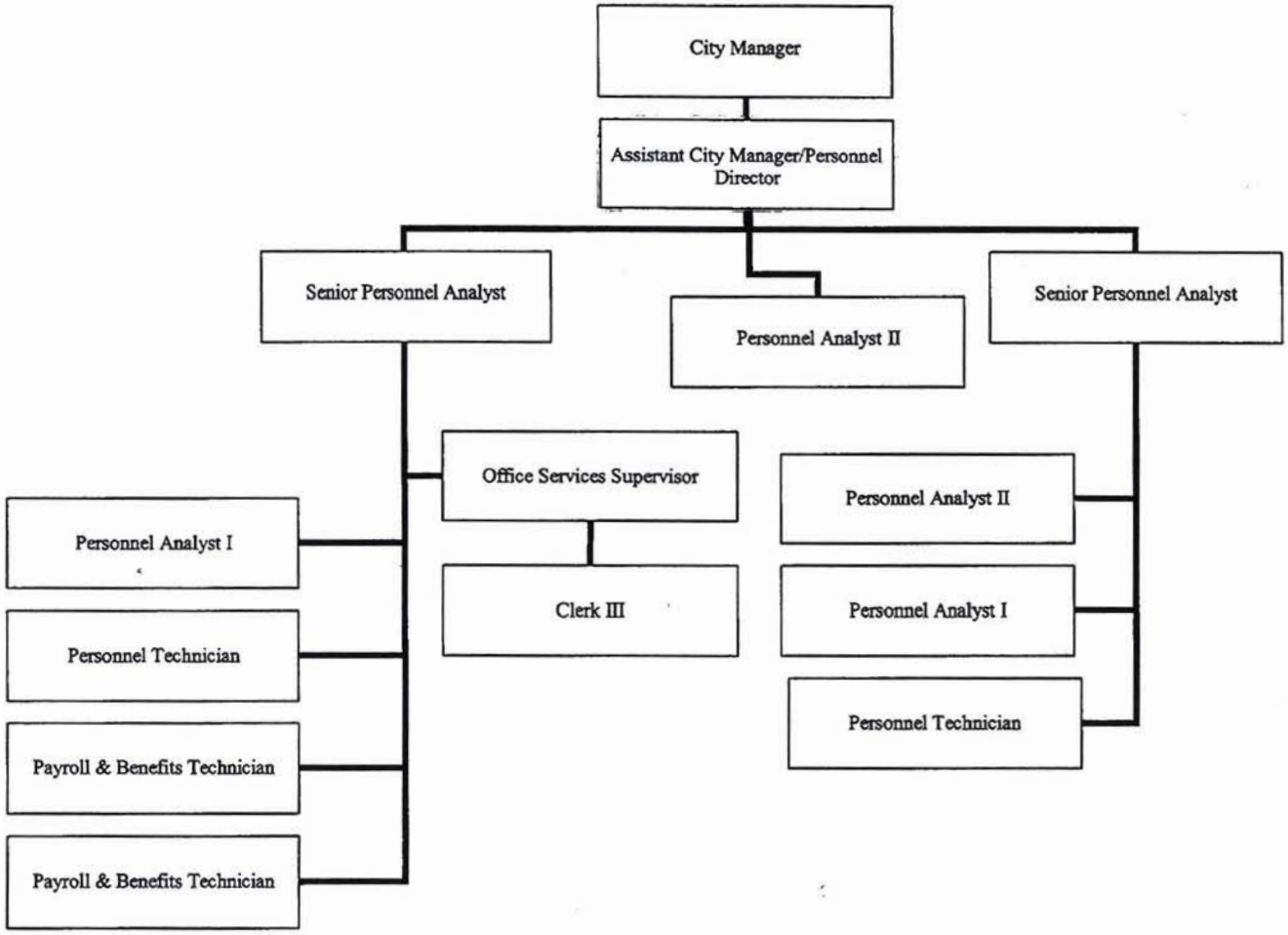
There are no significant issues.

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 in the following table are the supported events and the amount of support being requested.

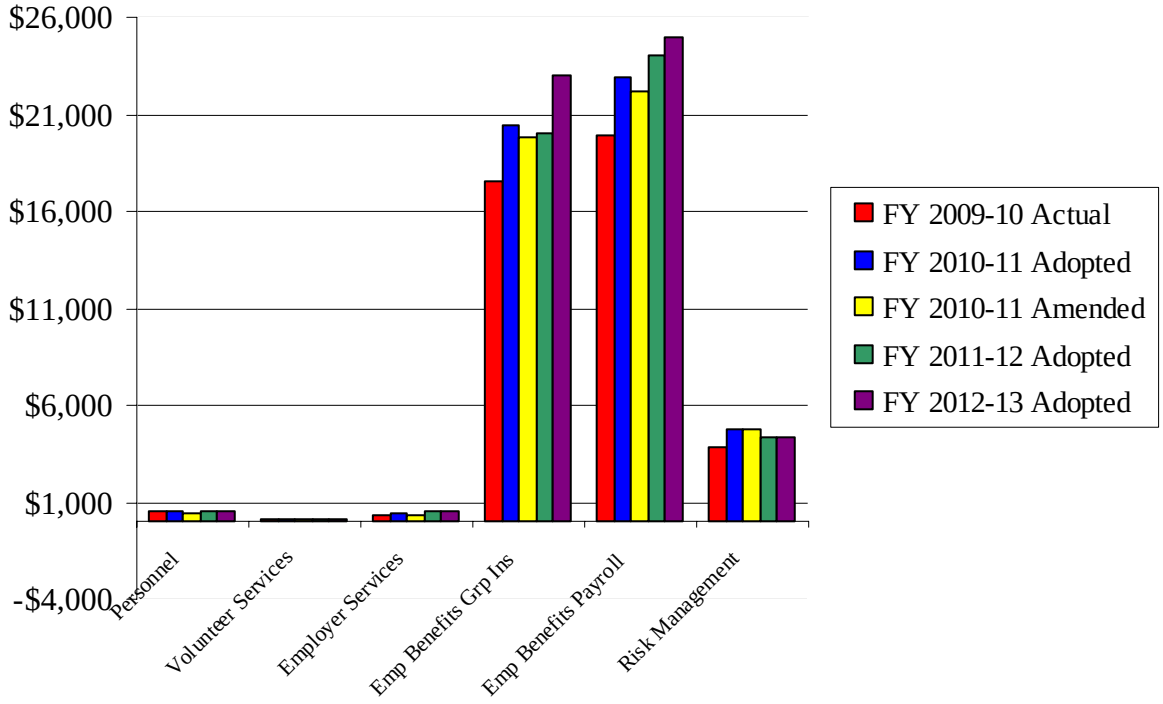
Event	FY 2011-12	FY 2012-13
Marketfest	$ 16,465	$ 16,465
Banner Program	9,790	9,790
Ducky Derby	4,183	4,183
Christmas Parade	5,607	5,607
Kool April Nites	47,100	47,100
Rodeo	15,264	15,264
Rodeo Parade	6,586	6,586
Air show	30,000	-
4th of July	41,830	41,830
Big Bike Weekend	8,305	8,305
Total	$ 185,130	$ 155,130

City of Redding Personnel Department
Organizational Chart



PERSONNEL

Expenditure Comparisons (In Thousands)



PERSONNEL DEPARTMENT

Overview

The Personnel Department adopted budget for fiscal year 2011-12 totals $50,492,340, an increase of $2,677,570 from the fiscal year 2010-11 amended budget. This increase is primarily due to increased costs in group health insurance and Public Employee Retirement System (PERS) contributions.

The adopted budget for fiscal year 2012-13 totals $53,617,870, an increase of $3,125,530 from the fiscal year 2011-12 adopted budget. This increase is also due primarily to increases in group health insurance, PERS and PARS costs.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Personnel	$ 543,581	$ 586,560	$ 442,970	$ 496,820	$ 53,850	$ 525,470	$ 28,650
General Fund Subtotal	543,581	586,560	442,970	496,820	53,850	525,470	28,650
Volunteer Services	131,271	156,450	152,830	134,690	$ (18,140)	148,270	$ 13,580
Employer Services	320,998	404,110	375,100	520,110	$ 145,010	525,040	$ 4,930
Employee Benefits Group Insurance	17,570,415	20,395,060	19,844,440	21,010,810	$ 1,166,370	23,038,250	$ 2,027,440
Employee Benefits Payroll	19,952,992	22,907,290	22,216,850	24,000,400	$ 1,783,550	25,015,620	$ 1,015,220
Risk Management	3,882,405	4,799,900	4,782,580	4,329,510	$ (453,070)	4,365,220	$ 35,710
Internal Service Fund Subtotal	41,858,081	48,662,810	47,371,800	49,995,520	2,623,720	53,092,400	3,096,880
TOTAL	$ 42,401,662	$ 49,249,370	$ 47,814,770	$ 50,492,340	$ 2,677,570	$ 53,617,870	$ 3,125,530

The following table displays how the Department's budget is broken down between the major expenditure groups. The 2010-11 amended amount excludes carryovers.

Division		Personnel	Materials, Supplies & Services	Capital Outlay	Debt Service	Total
Personnel	FY 2012-13 Adopted	$ 385,300	$ 140,170	$ -	$ -	$ 525,470
	FY 2011-12 Adopted	$ 359,930	$ 136,890	$ -	$ -	$ 496,820
	FY 2010-11 Amended	$ 323,470	$ 119,500	$ -	$ -	$ 442,970
	FY 2009-10 Actual	$ 428,576	$ 115,005	$ -	$ -	$ 543,581
Volunteer Services	FY 2012-13 Adopted	134,290	13,980	-	-	148,270
	FY 2011-12 Adopted	120,740	13,950	-	-	134,690
	FY 2010-11 Amended	137,930	14,900	-	-	152,830
	FY 2009-10 Actual	119,214	12,057	-	-	131,271
Employer Services	FY 2012-13 Adopted	334,910	190,130	-	-	525,040
	FY 2011-12 Adopted	329,910	190,200	-	-	520,110
	FY 2010-11 Amended	179,110	195,990	-	-	375,100
	FY 2009-10 Actual	165,737	155,261	-	-	320,998
Employee Benefits	FY 2012-13 Adopted	149,920	22,888,330	-	-	23,038,250
Group Insurance	FY 2011-12 Adopted	148,820	20,861,990	-	-	21,010,810
	FY 2010-11 Amended	139,120	19,705,320	-	-	19,844,440
	FY 2009-10 Actual	126,623	17,443,792	-	-	17,570,415
Employee Benefits	FY 2012-13 Adopted	-	25,015,620	-	-	25,015,620
Payroll	FY 2011-12 Adopted	-	24,000,400	-	-	24,000,400
	FY 2010-11 Amended	-	22,216,850	-	-	22,216,850
	FY 2009-10 Actual	-	19,952,992	-	-	19,952,992
Risk Management	FY 2012-13 Adopted	789,880	3,575,340	-	-	4,365,220
	FY 2011-12 Adopted	754,720	3,574,790	-	-	4,329,510
	FY 2010-11 Amended	797,120	3,985,460	-	-	4,782,580
	FY 2009-10 Actual	839,328	3,043,077	-	-	3,882,405
Total	FY 2012-13 Adopted	$ 1,794,300	$ 51,823,570	$ -	$ -	$ 53,617,870
	FY 2011-12 Adopted	$ 1,714,120	$ 48,778,220	$ -	$ -	$ 50,492,340
	FY 2010-11 Amended	$ 1,576,750	$ 46,238,020	$ -	$ -	$ 47,814,770
	FY 2009-10 Actual	$ 1,679,478	$ 40,722,184	$ -	$ -	$ 42,401,662

Personnel

The following chart gives a breakdown of personnel in the various divisions of the Personnel Department which have employees:

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Personnel	F/T	6.00	6.00	6.00	5.00	(1.00)	5.00	0.00
	P/T	0.75	0.75	0.75	0.75	0.00	0.75	0.00
	Total	6.75	6.75	6.75	5.75	(1.00)	5.75	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	7.00	8.00	6.00	6.00	0.00	6.00	0.00
	P/T	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	7.00	8.00	6.00	6.00	0.00	6.00	0.00
Total	F/T	14.00	15.00	13.00	12.00	(1.00)	12.00	0.00
	P/T	0.75	0.75	0.75	0.75	0.00	0.75	0.00
	Total	14.75	15.75	13.75	12.75	(1.00)	12.75	0.00

Status of the 2009-10 and 10-11 Goals and Objectives

Personnel – Recruitment/Training/Payroll Division

Goal

Continue to improve the efficiency and responsiveness of the Personnel Department.

Accomplishments

1. Worked with Information Technology to improve the performance evaluation tracking program.
2. Continued to work with departments, the City Attorney, and outside counsel on personnel issues regarding discipline, side letters, policy language, etc.
3. Developed a best practices hiring procedure for the hiring of entry level "Maintenance" employees.
4. Established a furlough program for Department Directors and Division Managers in response to the budgetary deficit experienced by the City.
5. Established a Voluntary Time Off Program (VTO) providing salary savings to the City by allowing employees to voluntarily take unpaid leave.
6. Administered concessions offered by the following Unions in an effort to provide salary savings to the City: IAFF, RPOA – Sworn, RPMA, SEIU CTP and Supervisory Confidential.
7. Updated the City's "*Pregnancy and Disability Leave Policy*"
8. Conducted citywide Supervisor Training Academy, which included Probation and Termination, FLSA overview, Leave of Absence Policies, Public Speaking and Media Relations, City Department Budget Process, etc.
9. Completed online open enrollment for group health insurance benefits for both current and retired employees participating in the group health plan.

Goal

Prepare for and successfully complete contract bargaining with applicable represented employee groups.

Accomplishments

1. Contracted with labor negotiator, William Avery & Associates, Inc. to complete labor negotiations in a timely manner, consistent with City Council's goals and strategies.
2. Successfully negotiated new contracts with the International Brotherhood of Electrical Workers - Maintenance Employees; and the Redding Peace Officers Association - Miscellaneous Employees.

Goal

Work with Departments on ongoing turnover of City staff due to retirements and layoffs.

Accomplishments

1. Assisted departments in transitioning staff due to displacements related to layoffs.
2. Provided assistance with classification specification creation/revisions to reflect the changing needs of the departments.
3. Assisted in the processing of 44 retirement applications in Calendar Year 2009 and 63 in Calendar Year 2010.
4. The City began a soft hiring freeze in late 2007. The City had budgeted 963 FTE position for FY 2007-08, and has since budgeted 869 FTE positions for FY 2010-11. That equates to a reduction of 94 FTE positions which have been eliminated. Twenty-six employees separated employment with the City due to position eliminations. Of those, 7 were hired into other positions within the City through the competitive recruitment process.

Risk Management – Worker's Compensation/Liability Claims Division

Goal

Continue to improve the efficiency and responsiveness of the Risk Management Division.

Accomplishments

1. The frequency of liability claims has been successfully reduced through immediate contact with claimants, and prompt response to incidents.
2. Legal expense of workers' compensation claims have been reduced through immediate contact and follow-up communication and education of the workers' compensation processes with the injured workers.
3. Updated Injury and Illness Prevention Program as per OSHA requirements. Safety awareness and compliance has been emphasized with new class offerings of updated 30-hour OSHA safety courses and 10-hour refreshers courses for City staff.
4. Improved accident investigations by utilizing staff and newly revised incident/accident report for root cause analysis of each and every incident in an effort to reduce workplace hazards and to decrease the City's liability exposure.
5. The City contract process has been scrutinized, updated and revised and new language has been added to contracts, where necessary, for insurance requirements to meet the ever-changing insurance industry.

Goal

Reduce the budget for Workers' Compensation and Liability claims account funds.

Accomplishments

1. Through proactive management of workers' compensation claims and building strong working relationships with local medical service providers, staff has minimized the adverse effects of rising medical care costs.
2. Proactive investigation of liability claims and meeting with claimants immediately following an incident has significantly reduced claims and costs against the City.
3. Costs for medical services such and MRI, CT scans and pain management have been reduced as much as fifty percent through direct contacts with two local imaging providers, and a pain management clinic. Additionally, bill review fees for these services have been eliminated.
4. A detailed examination and evaluation of the City's current insurance programs for both liability and workers' compensation have resulted in significant cost savings as a result of researching different markets and programs.
5. Renegotiated bill review fees with CorVel for flat fee rate as opposed to percentage of savings. Thus eliminating high charges for hospital bill reviews.
6. Implemented billing by pharmaceutical provider, Modern Medical, the difference between usual and customary rates vs. Modern Medical negotiated rates resulting in savings in fiscal year 2010 of $179,000.
7. Continue to obtain Excess Insurance Carrier reimbursements for workers' compensation claims.
8. Work towards implementing a paperless workers' compensation system with electronic filing of medical billing and reports through CorVel, Dept of Workers' Compensation (DWC) and medical providers.

Volunteer Services Division

Goal

Maximize the efficiency and responsiveness of the Volunteer Division.

Accomplishments

1. Created several new volunteer positions throughout the City of Redding by working closely with City staff to understand Department needs and requirements while effectively matching the qualifications and skills of our volunteers.
2. Organized and coordinated active volunteer internships with local and out of the area colleges for students to achieve their educational goals and learn valuable work experience by serving in Departments throughout the City of Redding.
3. Provided monthly and quarterly training for volunteers in areas of communication, customer service and workplace safety.
4. Worked closely with Departments on new projects, such as the Retired Officer Program, GIS programs, OIT opportunities, Recreational Activities and numerous others to ensure aspects of liability, volunteer safety, insurance and other factors were considered and implemented during the early stages of the programs and throughout the process of recruiting volunteers.
5. Established an email network with nearly 200 volunteers to meet immediate needs from each of the Departments to assist with projects throughout the year. Communicated with supervisors and employees to establish relationships with volunteers and maximize both new and current volunteer hours being served at the City of Redding.

Goal

Recognize and reward volunteers for their service.

Accomplishments

1. Arranged for numerous guest trainings by Departments such as Police and Fire specifically for the volunteers with the City of Redding. Sent thank you notes, birthday and get well cards as needed each year and coordinated informational and interesting outings for our volunteers to participate in tours of local museums, the Planetarium, Shasta County Jail, all of which were well received.
2. Arranged several training and appreciation meetings with separate departments such as the Convention Center Ushering Program, Police Department Volunteers and City Hall Volunteers.
3. Wrote nearly two dozen letters of accomplishments for volunteers that served for the citizens of our community and left to apply for college and the workforce.

Performance Measures and Workload Indicators

Personnel Division

The following table displays some of the workload indicators for the past, present and projected future of the Personnel Division.

Workload Indicators	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Recruitments conducted	72	36	40	48	48	48
Employment applications processed	4,130	2,626	1,548	1,800	1,800	1,800
Employment interest cards processed	1,874	1,548	1,355	1,400	1,550	1,550
Orientations conducted	156	150	107	120	120	120
Employee training sessions conducted/facilitated by Personnel	32	4	9	6	6	6
Labor contracts negotiated	3	4	3	3	2	2
Personnel transactions	504	457	339	335	330	330
Retirements processed	34	34	44	60	35	30
Labor/management meeting outside	56	48	40	35	30	30
Exit interviews conducted	34	79	73	70	70	70

Risk Management Division

The following table displays some of the workload indicators for the past, present and projected future of the Risk Management Division.

Workload Indicators	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Workers' compensation indemnity claims opened	43	35	52	40	40	40
Workers' compensation medical only claims opened	57	65	60	60	60	60
Liability claims opened	148	119	128	111	125	125
Liability claims closed without payment	39%	67%	51%	42%	49%	49%
Liability Certificates of Insurance processed	2,796	2,727	2,739	2,528	2,697	2,697

Employer Services Division

The following table displays some of the workload indicators for the past, present and projected future of the Employer Services Division.

Workload Indicators	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
DMV physicals	122	130	140	150	140	140
Pre-employment drug tests	112	108	115	100	100	100
Physicals - Fire, Safety, Pre-employment, Mask Fits	140	148	138	150	150	150*

2011-12 and 2012-13 Goals and Objectives

Personnel – Recruitment/Training/Payroll Division

Goal

Continue to improve the efficiency and responsiveness of the Personnel Department.

Objectives

1. Update Personnel Internet Web site to afford applicants the ability to complete Interest Cards for various positions and Job Applications on line. This is an ongoing goal from 2009-10 and 2010-11.
2. Implement a discipline review subcommittee to ensure consistency and fair application of discipline.

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. Ensure that the new contracts are consistent with the City Councils' direction.
3. Ensure implementation of ballot measures A and B, which require an opening bargaining position in future labor negotiations to contain a requirement that active CalPERS members pay the employee share toward funding of CalPERS retirement benefits as well as a contribution toward retiree health care premiums that is tied to tenure of service.
4. Work with the Health Care Task Force Committee and individual bargaining units to analyze the structure of the group health program and develop short and long term strategies for cost savings.

Goal

Work with Departments on the turnover of City staff due to retirements and layoffs.

Objective

1. As an ongoing goal the Personnel Division will continue to work creatively 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. Improve the supervisory and management skills of supervisory staff for succession planning purposes by continuing to provide opportunities to participate in Liebert Cassidy Training consortium sessions.
3. Update and promote the Personnel Division's Resource Library.

Risk Management – Workers' Compensation/Liability Claims Division

Goal

Continue to improve the efficiency and responsiveness of the Risk Management processes that protect the City's resources and limit its exposures to liability and workers' compensation claims.

Objectives

1. Continue to analyze the structure of the City's workers' compensation and liability programs and implement changes to streamline processes and procedures.
2. Continue to perform inspections and safety meetings to identify hazards and ergonomically challenged working environments to prevent accidents and injuries.
3. Transfer liability through contracts, hold harmless agreements, and insurance.
4. Ensure that all documentation involving workers' compensation claims, liability claims, and insurance certificates are completed accurately and processed in a timely manner.
5. Continue to stay current with new workers' compensation (Labor Code) and liability laws (Civil and Government Codes).
6. Continue to provide a high level of customer service to the injured employee, the supervisor, citizens filing claims, and other City staff.
7. Continue to assist City departments in maintaining compliance with Cal/OSHA regulations, safety training and making the best use of the City's Injury and Illness Prevention Program.
8. Continue to provide direction at the bimonthly Accident Review Committee (ARC) meetings with the focus on reducing future accidents and injuries.
9. Continue Safety Inspection Team (SIT) monthly site visits of City facilities and operations to evaluate and ensure a safe environment for employees and the general public.
10. Continue to participate in the liability (CJPRMA) and workers' compensation (CSAC-EIA) excess programs.

Goal

Reduce the budget for Workers' Compensation and Liability claims account funds.

Objectives

1. Continue to strengthen and unify the safety programs throughout the City departments. Such as recommendations for City-wide implementation of high visibility safety apparel and providing direction to departments regarding proper class of garment.
2. Provide follow up OSHA training and education to City staff to properly identify hazards, ergonomic issues, and unsafe working environments to avoid accidents and injuries, and ensure compliance with OSHA regulations. Successfully appealed seatbelt OSHA violation.
3. Provide a system of accountability through proper documentation of accidents and injuries.
4. Provide workers' compensation and liability training for new supervisors.
5. Early intervention with potential liability claimants and workers' compensation applicants to avoid potential claims.

Volunteer Services Division

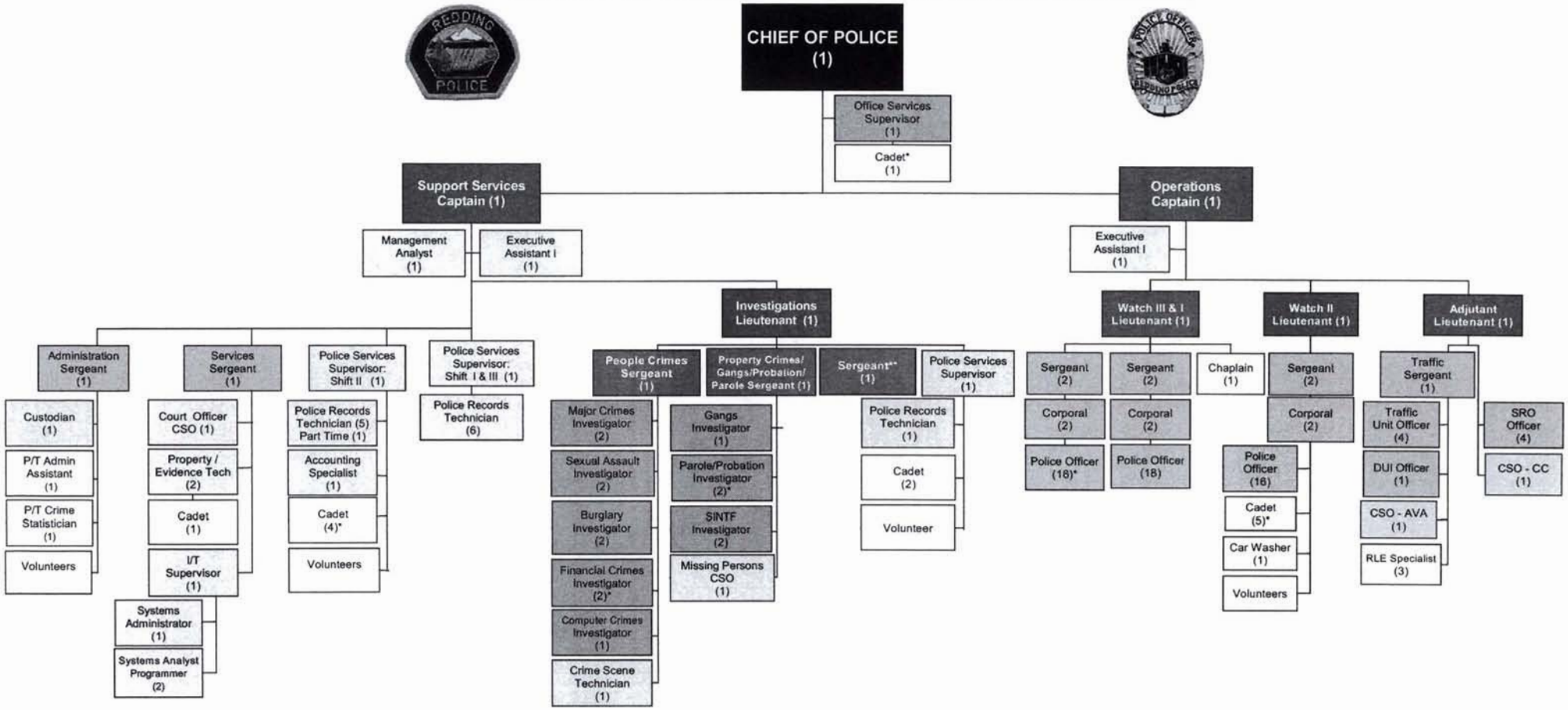
Goal

To provide the needed service by City of Redding Departments through a proactive Volunteer Program.

Objectives

1. Continue to provide enhancement to City programs and services by combining the skills and abilities of volunteering individuals with challenging municipal projects and find new roles for volunteers to better serve the citizens and departments within the City of Redding.
2. Foster greater relationships with local colleges to establish additional volunteer positions for students while providing needed services to citizens in our community.
3. Continue to provide various training sessions for volunteers in areas of communication, workplace safety and professionalism.

REDDING POLICE DEPARTMENT NEW ORGANIZATIONAL CHART (Eff: 5/01/2011)

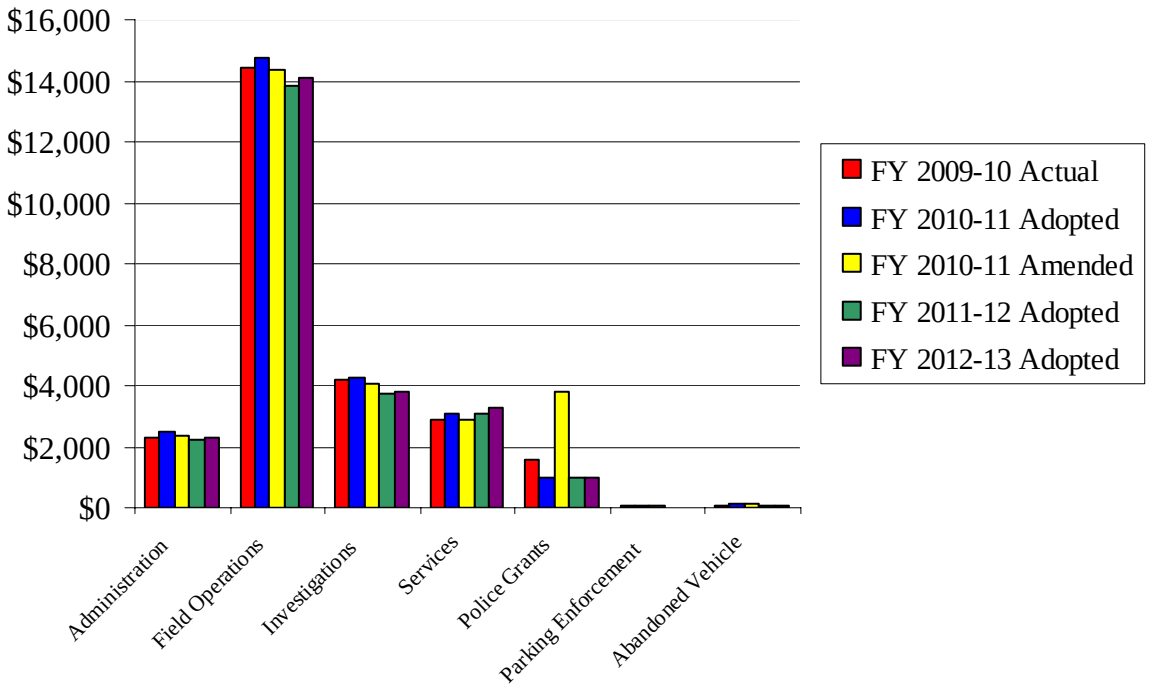


FULL TIME		PART TIME		TOTAL RPD PERSONNEL
Sworn	98*			151
Civilian	32	Total	21*	
Total	130			

*Includes 3 sworn and 3 cadet positions frozen due to budget cuts.
** - Inv. Sgt. on 4850 time

POLICE DEPARTMENT

Expenditure Comparisons (In Thousands)



POLICE DEPARTMENT

Overview

The Police Department's adopted budget for Fiscal Year 2011/2012 totals $24,015,150 which is $3,626,530 less than the FYE 2011 amended budget of $27,641,740; and for Fiscal Year 2012/2013 the adopted budget totals $24,606,000, which is $590,850 over the requested FY 2011/2012 budget. The following is a breakdown of the adopted budget by division.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted
Administration	$ 2,283,381	$ 2,477,670	$ 2,343,020	$ 2,235,810	$ (107,210)	$ 2,303,980
Field Operations	14,446,913	14,784,530	14,347,730	13,852,540	(495,190)	14,125,850
Investigations	4,164,673	4,291,470	4,067,220	3,745,230	(321,990)	3,802,290
Services	2,868,370	3,088,110	2,914,830	3,106,220	191,390	3,255,010
Police Grants	1,545,316	956,000	3,774,710	961,770	(2,812,940)	1,005,170
General Fund Subtotal	25,308,653	25,597,780	27,447,510	23,901,570	(3,545,940)	24,492,300
Parking Enforcement	78,236	72,450	72,450	22,050	(50,400)	22,090
Abandoned Vehicle	83,022	121,780	121,780	91,530	(30,250)	91,610
Parking Subtotal	161,258	194,230	194,230	113,580	(80,650)	113,700
TOTAL	$ 25,469,911	$ 25,792,010	$ 27,641,740	$ 24,015,150	$ (3,626,590)	$ 24,606,000

* 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 2012-13 Adopted	$ 1,664,120	$ 639,860		$ -	$ 2,303,980
	FY 2011-12 Adopted	$ 1,613,120	$ 622,690		$ -	$ 2,235,810
	FY 2010-11 Amended	$ 1,800,740	$ 542,280		$ -	$ 2,343,020
	FY 2009-10 Actual	$ 1,654,204	$ 579,306	$ 49,871	$ -	$ 2,283,381
Field Operations	FY 2012-13 Adopted	12,819,720	1,264,130	42,000	-	14,125,850
	FY 2011-12 Adopted	12,575,880	1,234,660	42,000	-	13,852,540
	FY 2010-11 Amended	12,614,020	1,197,350	536,360	-	14,347,730
	FY 2009-10 Actual	12,760,104	1,125,087	561,722	-	14,446,913
Investigations	FY 2012-13 Adopted	3,509,440	292,850	-	-	3,802,290
	FY 2011-12 Adopted	3,452,670	292,590	-	-	3,745,260
	FY 2010-11 Amended	3,759,870	307,350	-	-	4,067,220
	FY 2009-10 Actual	3,865,365	266,308	33,000	-	4,164,673
Services	FY 2012-13 Adopted	1,854,680	1,400,330	-	-	3,255,010
	FY 2011-12 Adopted	1,721,570	1,384,650	-	-	3,106,220
	FY 2010-11 Amended	1,497,080	1,403,750	-	14,000	2,914,830
	FY 2009-10 Actual	1,596,161	1,272,209	-	-	2,868,370
Police Grants	FY 2012-13 Adopted	1,003,590	1,580	-	-	1,005,170
	FY 2011-12 Adopted	960,270	1,500	-	-	961,770
	FY 2010-11 Amended	706,120	13,230	3,055,360	-	3,774,710
	FY 2009-10 Actual	2,751	33,134	1,509,431	-	1,545,316
Parking Enforcement	FY 2012-13 Adopted	-	22,090	-	-	22,090
	FY 2011-12 Adopted	-	22,050	-	-	22,050
	FY 2010-11 Amended	50,700	21,750	-	-	72,450
	FY 2009-10 Actual	60,971	17,265	-	-	78,236
Abandoned Vehicle Abatement	FY 2012-13 Adopted	80,000	11,610	-	-	91,610
	FY 2011-12 Adopted	80,000	11,530	-	-	91,530
	FY 2010-11 Amended	110,000	11,780	-	-	121,780
	FY 2009-10 Actual	73,445	9,102	475	-	83,022
Total	FY 2012-13 Adopted	$ 20,931,550	$ 3,632,450	$ 42,000	$ -	$ 24,606,000
	FY 2011-12 Adopted	$ 20,403,510	$ 3,569,670	$ 42,000	$ -	$ 24,015,180
	FY 2010-11 Amended	$ 20,538,530	$ 3,497,490	$ 3,591,720	$ 14,000	$ 27,641,740
	FY 2009-10 Actual	$ 20,013,001	$ 3,302,411	$ 2,154,499	$ -	$ 25,469,911

Personnel

On February 15, 2010, the City Council approved the reduction of seven sworn officer positions. On May 4, 2010, two additional officer positions, four Community Service Officers (CSOs) and one Records Supervisor position were eliminated by City Council. In addition, RPD lost funding for 50 percent of an Investigator position at CalMMET, and the Sergeant position funded by CalMMET is on hold. In addition, two retiring investigator positions have been deleted and two additional officers took positions with different agencies and those positions have not been filled. Four other sworn officer positions were saved from layoff by a Federal COPS grant. Only four CSOs serving in special assignments remain at RPD, with no CSOs on patrol to handle low priority calls for service and non-injury traffic collisions. In FY 2012-13 a property evidence clerk position has been added to the Police Department to work with the Solid Waste Department on medical waste disposal and also with the evidence control issues in the Police Department. One half of the position will be funded by the Solid Waste Department.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Administration	F/T	11.00	11.00	10.00	10.00	-	10.00	-
	P/T	0.50	0.50	0.50	0.50	-	0.50	-
	Total	11.50	11.50	10.50	10.50	-	10.50	-
Field Operations	F/T	83.00	83.00	76.00	74.00	(2.00)	74.00	-
	P/T	4.50	4.50	4.50	4.50	-	4.50	-
	Total	87.50	87.50	80.50	78.50	(2.00)	78.50	-
Investigations	F/T	27.00	27.00	23.00	21.00	(2.00)	21.00	-
	P/T	-	-	-	-	-	-	-
	Total	27.00	27.00	23.00	21.00	(2.00)	21.00	-
Services	F/T	17.00	17.00	18.00	18.00	-	19.00	1.00
	P/T	1.00	1.00	1.00	1.00	-	1.00	-
	Total	18.00	18.00	19.00	19.00	-	20.00	1.00
Police Grants	F/T	4.00	4.00	7.00	7.00	-	7.00	
	P/T	-	-	-	-	-	-	
	Total	4.00	4.00	7.00	7.00	-	7.00	
Parking Enforcement	F/T	1.00	1.00	-	-	-	-	-
	P/T	-	-	-	-	-	-	-
	Total	1.00	1.00	-	-	-	-	-
Total	F/T	143.00	143.00	134.00	130.00	(4.00)	131.00	-
	P/T	6.00	6.00	6.00	6.00	-	6.00	-
	Total	149.00	149.00	140.00	136.00	(4.00)	137.00	-

Significant Issues

The Redding Police Department (RPD) made significant reductions during the 2009/2011 budget years. The Department has seen a reduction in sworn officers from 119 in 2008 to 98 as of February 2011. The total number of full-time positions has been reduced from 173 in June 2008 to 130 in February 2011. In addition, RPD has aggressively applied for grants to supplement its sworn staff and received a federal grant for four officers. Without this grant our sworn staff would be down to 94 officers.

Services have been cut dramatically and response times are increasing significantly. It is hard to quantify in the short term the cost of cutting police services, but proactive police work which has been so successful in keeping out gangs and neighborhood problems has become extremely difficult in the past two years. Although the department is researching alternative ways to save staff time through technology and modifying current services, the loss of 25 percent of our workforce has forced the department to be more reactive than proactive. This will have a significant impact to our city in the future. RPD has reduced front counter operating hours, making it more difficult for customers to conduct business.

In addition to the loss of personnel, the reduction in the operating materials and capital outlay budgets has created a long list of unmet needs. A $150,000 ongoing reduction in rolling stock has a significant impact on the department's fleet and equipment for vehicles. RPD has increased the mileage on fleet vehicles to 100,000 which has caused our fleet to be less reliable.

Finally, the Police Department is still pursuing options for an adequate Police Facility. The current facility needs significant upgrades and repair, including a new roof, plumbing, electrical work, heating and air conditioning, and sufficient space to house all employees in one building.

2009-2011 Goals and Accomplishments

Administration and Services Divisions

Goal

Maintain effective customer service levels.

Accomplishment

Due to the 25% reduction in staffing levels it has been necessary to reorganize workloads and adjust priorities to provide maximum customer service. Our staff is committed to finding creative ways to become more efficient at all levels of customer service. Such efficiency is evident by the implementation of "Crossroads" traffic on-line program which affords the public instant access to retrieve collision reports and reduces staff time.

Goal

Continue to replace and update our mobile Data Computer system.

Accomplishment

Our Information Technology staff has worked diligently repairing and updating our aging mobile data computers. Through grant funding we were able to move forward with our microwave project which provides for a redundant communication system in the event our primary communication fails.

Field Operations Division

Goal

Maintain current patrol officer staffing levels.

Accomplishment

Due to an unprecedented global recession, maintaining current patrol staffing levels has been a daunting task. The Redding Police Department has lost almost 20 percent of its sworn personnel, which has required the reduction of one patrol officer from each of three shifts. One roving beat assignment has been eliminated; however, each assigned beat continues to remain staffed.

Goal

Prioritize and continue the successful programs the Neighborhood Police Unit facilitated prior to being temporarily disbanded.

Accomplishment

The relationships and partnerships with the community established by the Neighborhood Police Unit (NPU) are invaluable to the overall success of long-term solutions to community issues. With the disbanding of this Unit, specially selected officers, who have served in NPU, continue to remain as liaisons to our partners and assist in efforts, when possible, or share those responsibilities with other patrol officers. The Redding Police Department secured a COPS grant for four patrol officers. The grant allows us to designate a Problem Oriented Policing (POP) Coordinator who tracks the POP projects in specific beats and assigns officers as beat representatives to the community. All patrol officers are strongly encouraged to create POP projects during their yearly rating periods.

Goal

Continue to emphasize traffic safety by aggressively enforcing traffic laws, particularly driving under the influence (DUI).

Accomplishment

Historically Community Service Officers (CSOs) were responsible for investigating the majority of traffic collisions. All Patrol CSO positions have been eliminated. This has required us to shift traffic accident investigation responsibilities to officers assigned to traffic enforcement. This has affected their primary responsibility of traffic enforcement. The entire Patrol Division now shares the responsibility of aggressive traffic enforcement. We have been awarded an OTS grant for reinstatement of one DUI officer. This grant allows us to continue targeting DUI offenders and provides this officer to seek training as an instructor for DUI investigations and recognize those under the influence of alcohol and/or drugs. Several other officers have become instructors in these areas and trained the majority of our patrol officers. They have also partnered with the California Highway Patrol to conduct regional training on DUI and under the influence investigations.

Investigations Division

Goal

Complete investigations on two unsolved homicide cases with new physical evidence leads.

Accomplishment:

We met this goal by solving one of the two homicides being investigated. Also during this budget year we received another DNA hit on a 1991 cold case homicide. A sergeant and investigators from this division located the suspect in prison in Iowa, and a warrant for his arrest has been issued.

Goal

Maintain and enhance the High Tech Crimes Unit in the Investigations Division.

Accomplishment

During this budget cycle we lost all funding for the High Tech Crimes Unit. Working with our allied agencies throughout Shasta County we have formed a small in-house task force to continue to investigate High Tech Crimes and collect evidence.

Goal

Establish a full time Elder Abuse position.

Accomplishment

Due to the State and local budget issues we were not able to meet this goal.

Workload Indicators	2006	2007	2008	2009	2010	2011 Projected	2012 Projected
Population	89.973	90,045	90,491	90,898	91,561	92,000	92,442
Calls for service	82,556	86,100	85,451	85,094	86,282	87,000	88,000
Average response times (Priority 0-2)	11:46	11:18	11:59	12:01	12:45	13:00	13:30
Total arrests	7,957	8,886	9,574	8,706	7,987	8,000	8,500
Felony arrests	2,569	2,533	2,435	2,292	2,504	2,550	2,600
Total booked	5,374	6,312	6,394	5,818	5,539	5,500	5,500
Major crimes (Part I Crimes)	3,757	3,100	3,796	3,670	3,830	3,900	4,000
DUI arrests	616	1,010	774	731	572	740	765
Traffic Collisions	1,760	1,782	1,475	1,393	1,294	1,300	1,350

2011-13 Goals and Objectives

Administrative and Services Divisions

Goal

Continue moving toward the completion of our microwave project to ensure a redundant communication system in the event of a primary failure.

Objective

Complete the microwave project and installation to ensure a redundant communication system.

Goal

Continue seeking ways to maximize efficiency through the implementation of computer software programs such as “Coplogic,” which is an on-line crime reporting system.

Objective

Fully implement an on-line reporting software system. This will maximize our efficiency and provide the public with an instant reporting system to increase customer service.

Field Operations Division

Goal

Continue the culture of the Redding Police Department as a proactive and aggressive department addressing crime and focusing on preventative strategies.

Objective

Work closely with the community and the patrol supervisors to allow officers time to take proactive measures in areas where there is criminal activity. Maintain expectations of patrol officers that being proactive and not reactive will remain the culture of the Redding Police Department to keep our community safe and prosperous.

Goal

Work closely with our community and law enforcement partners on criminal street gangs and prevent them from getting a foothold in the Redding area.

Objective

Educate the patrol officers and the community about the gang subculture and preventative measures. Document and aggressively enforce laws pertaining to gang crimes and continue the zero tolerance policy of gang activity in our community. Recognize early education as deterrence to gang membership and identify strategies to become more proactive in identifying, enforcing and prosecuting criminal street gang members.

Investigations Division

Goal

Continue to work on solving two cold case homicides.

Objective

Follow through with the individual in custody for a 1991 cold case homicide and recently received current information on another case.

Goal

Continue efforts to keep gang activity out of Shasta County.

Objective

Continue conducting multi-agency weekly anti-gang operations leveraging grant funding. Work with local schools and the public to educate them on gang issues and concerns.

Goal

Establish a full-time or half-time investigator to work on elder abuse cases.

Objective

Work with Shasta County Public Health and Adult Protective Services to secure funds to support an investigator to work exclusively on cases which involve the elderly within our jurisdiction.

Unmet Needs

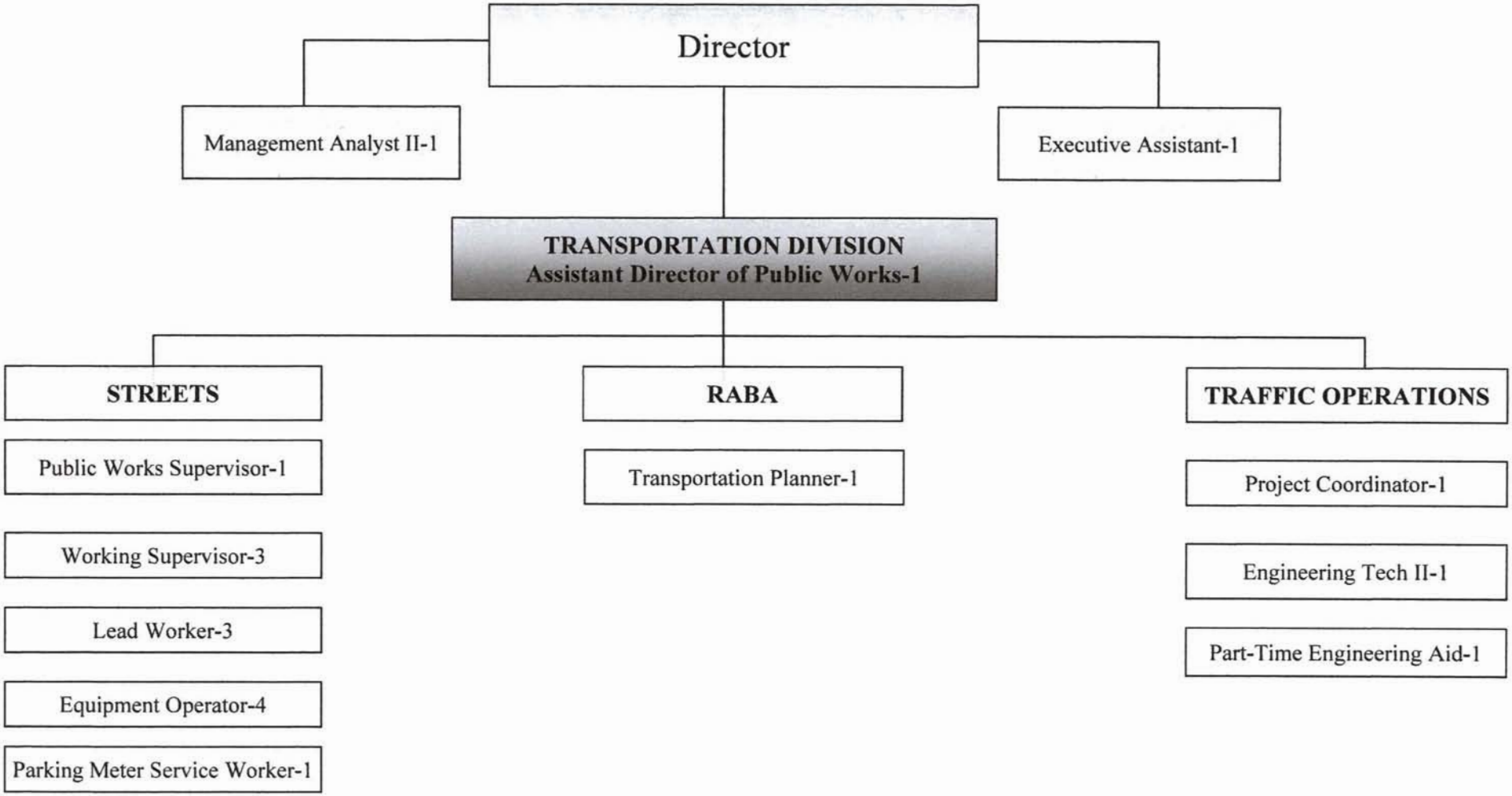
PERSONNEL

11 CSO positions lost
21 Sworn Officer/Investigator positions lost
4 Records Clerks and 1 Records Supervisor positions lost
1 Network Tech position lost
.5 Crime Statistician
2.5 Administrative Assistants
1 Parking Enforcement Officer

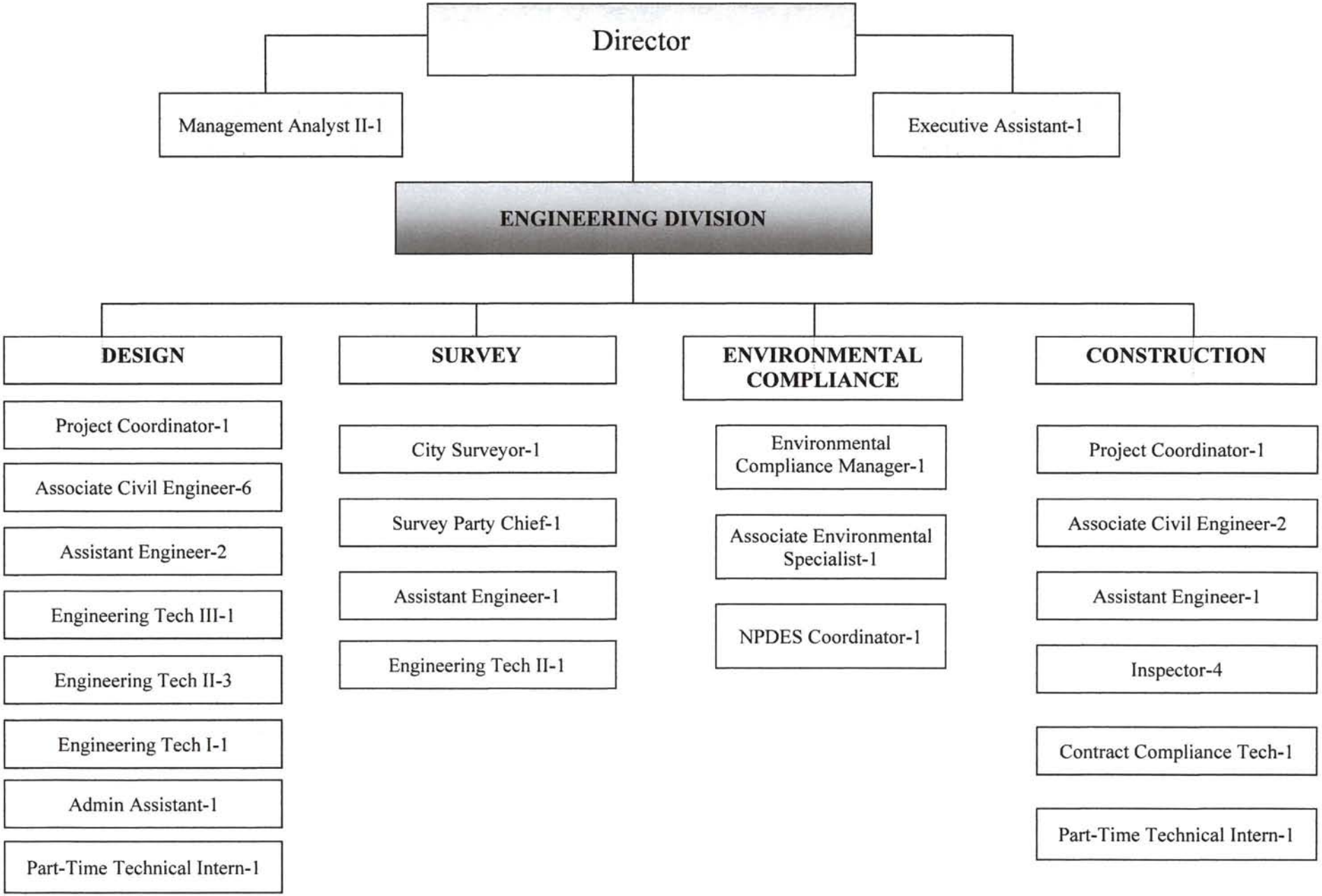
OPERATING MATERIALS		**AMOUNT**
Lexipol Policy Service and Training Bulletins	$	20,000
Sand Blast and Re-Paint Community Clean Up Trailer		3,000
License for Net Motion Server (50 Vehicles)		15,000
Mobile Data Broadband (50 Vehicles) - $42 per month		25,200
Wireless Vehicle Modem (50 Vehicles) - $1,900 per unit		95,000
Total Operating Materials	$	158,200

EQUIPMENT/CAPITAL OUTLAY		
New Roof	$	580,000
SWAT Night Optics (19)		64,200
Hostage Negotiations Equipment		16,000
Scheduling Solution (Speedshif Upgrade/Telestaff)		75,000
Phone System Voicemail		35,000
Traffic Unit Radar Trailer		15,200
Crash Data Retrieval (CDR) System (black box)		6,500
Force Options replacement of current system		60,000
New Buiding		30,000,000
Total Equipment/Capital Outlay	$	30,851,900

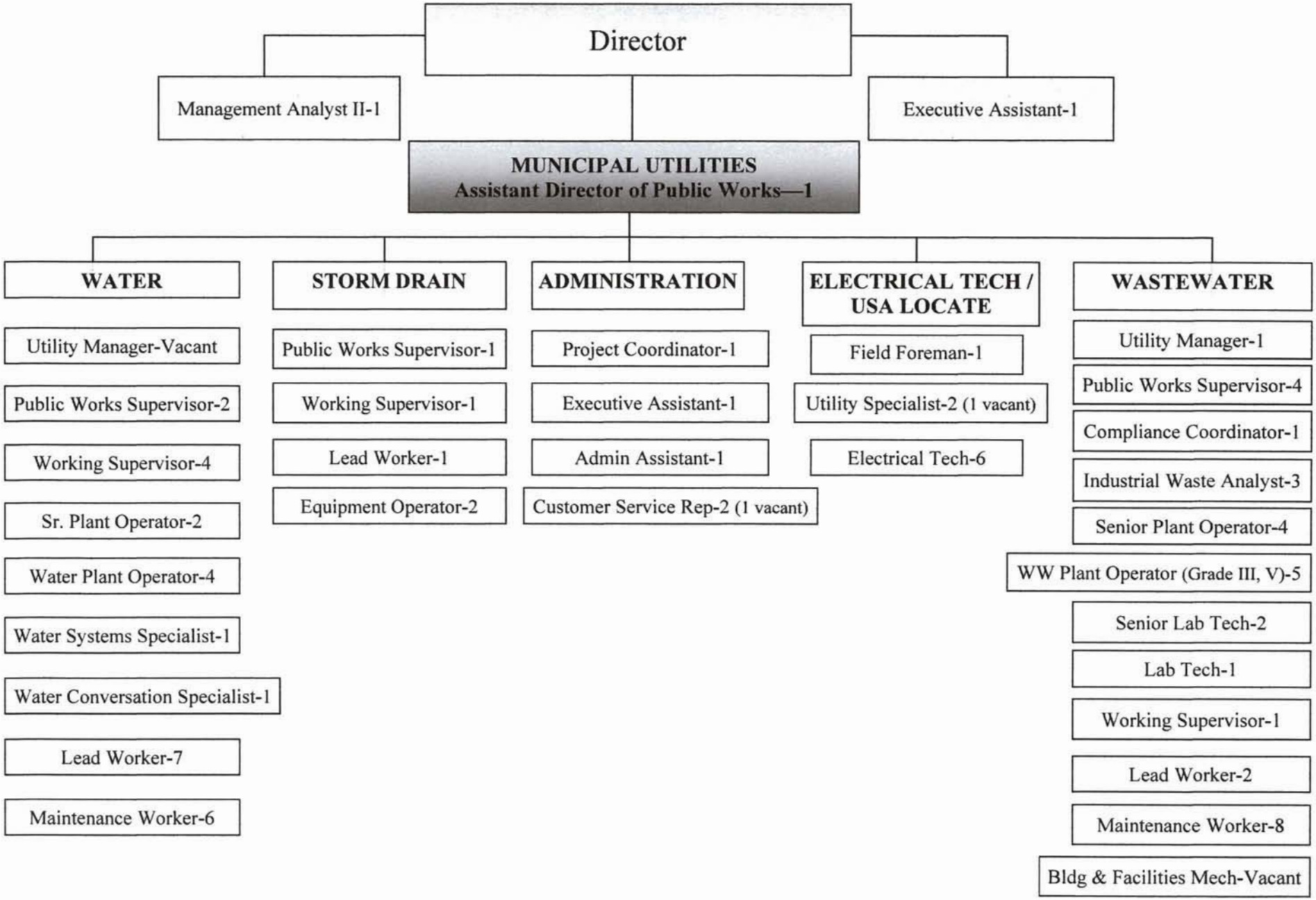
Public Works Department



Public Works Department

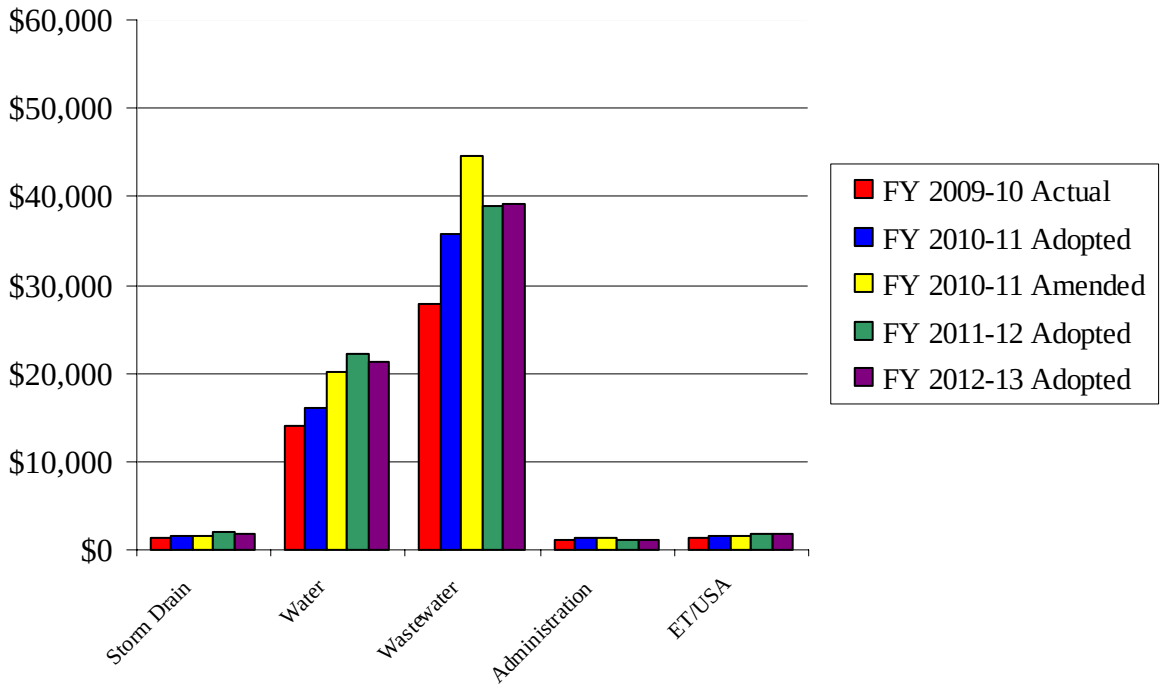


Public Works Department



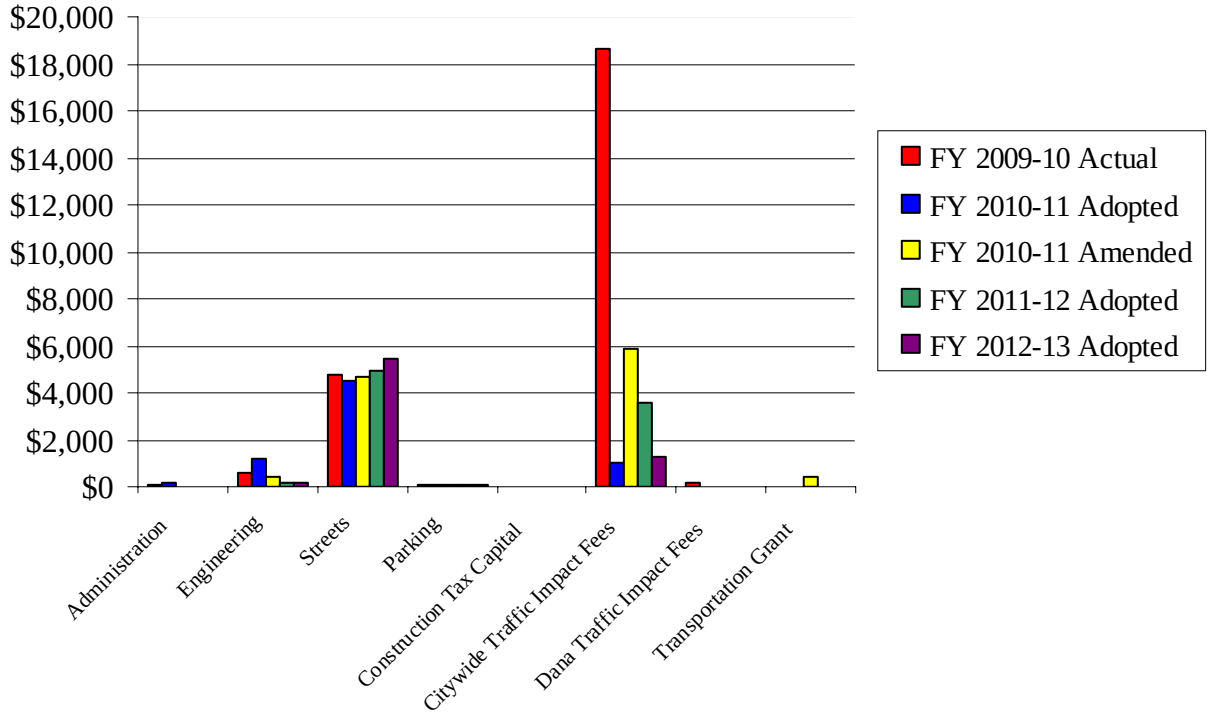
PUBLIC WORKS
UTILITY

Expenditure Comparisons (In Thousands)



PUBLIC WORKS
TRANSPORTATION

Expenditure Comparisons (In Thousands)



PUBLIC WORKS DEPARTMENT

Overview

The Public Works Department's adopted budget for fiscal year 2011-12 totals $74,893,944, a decrease of $6,054,186 from the fiscal year 2010-11 amended budget of $80,948,130 (excluding carry-overs). The adopted budget for fiscal year 2012-13 totals $71,896,730, a decrease of $2,997,214 from fiscal year 2011-12 budget.

The Public Works Department consists of three primary divisions including Municipal Utilities, Transportation and Engineering. The main charge of the Department is to plan, construct, operate and maintain the assigned infrastructure to accommodate an aging and growing urban area. Within Municipal Utilities are four operating divisions including Administration; Storm Drain Utility and ET/USA Locate, Water Utility, and Wastewater Utility. The Municipal Utility is termed Enterprise funded since they operate entirely with self-supporting revenues, requires no General Fund support. Transportation, consisting of Streets, Traffic Operations and the Redding Area Bus Authority for the first time in recent years is largely an Enterprise funded program as General Fund support has been eliminated from the adopted two year budget. Engineering is responsible for the development and delivery of the City's Capital Improvement Program, receives support from various City Department's with capital improvement needs including some limited support from the General Fund. Following is some more detail on each of the primary divisions:

Municipal Utilities:

- **Storm Drain Utility and ET/USA Locate** - Storm Drain Utility is responsible for the planning, operations and maintenance of the City's vast storm drain system including over 240 miles of storm drain pipe, 9350 plus inlets and 195 miles of open channels. The ET/USA Locate portion of the division is internal service funded and provides capital planning, preventive maintenance and emergency repair of electrical and control equipment for the city's treatment plants, traffic signals, lift stations, wells, and Underground Service Alert (USA) location and marking of City owned water, wastewater, and storm drain underground facilities
- **Water Utility** - The Water Utility's focus is to provide clean, reliable potable water and fire flows to the City. The Water Utility maintains two treatment plants (Buckeye and Foothill), over 550 miles of pipeline, and 16 wells. A re-organization of the divisions within the Water Utility is included in the 2011-2012/2012-2013 budget. Previous budgets had been organized such that all personnel were sourced from Division 861 Administration, and treatment and distribution costs were sourced to Division 864. This budget splits treatment and distribution into divisions 863 and 864 respectively, and sources staff accordingly.
- **Waste Water Utility** - The Wastewater Utility's focus is the collection and treatment of the City's wastewater. The Utility maintains two treatment plants (Clear Creek and Stillwater), over 400 miles of pipeline, and 17 lift stations.
- **Municipal Utility Administration** - The administration portion of the utilities includes budget management, comprehensive planning, customer service and overall management of the three key department utilities.

Transportation:

- **Streets** – The Streets Division provides maintenance of the City's 950 plus lane miles of roadway and related sidewalks, signs and roadside infrastructure. It also provides for the management of the City's bridge maintenance, rehabilitation and replacement. The program relies entirely on the limited State and Federal gas taxes to meet the growing maintenance demands.
- **Parking** – The Parking Division provides for the maintenance of the City's parking meter system, public parking lots and the demonstration blocks. Funding for this division is provided by parking meters, permit revenue and a portion of fine revenue from parking violations.
- **Traffic Operations** – Traffic Operations portion of the division is responsible for planning for the safety, operations and growth associated with the City's roadway network. This responsibility includes motorized travel and the increasing expectations and demands of non-motorized travel including pedestrians and bikes.
- **Transportation Planning Administration** – The Administration Division provides for the personnel required to oversee the public transportation system known as the Redding Area Bus Authority (RABA). It also provides for transit system planning as well as shared planning for the City's transportation network including vehicles, cyclists and pedestrians. Funding for this position comes from other Divisions including the RABA and Streets.
- **Redding Area Bus Authority** (RABA) – The City of Redding, through agreement with the other cities and county, provides transit services for all of Shasta County. Working in close coordination with the Shasta County RTPA, the City of Anderson, City of Shasta Lake and Shasta County, RABA staff and the contract operator provide over 650,000 rides per year in the greater Redding area. RABA is a quasi-autonomous agency with its own governing authority and is not covered in this document.
- **Traffic Impact Fees** – Transportation is also responsible for managing the City's various traffic impact fees including the Citywide Traffic Impact Fee, Dana Traffic Impact Fee and North Redding Traffic Benefit District. These various fees assessed to new development in the community provide for related traffic infrastructure needed to support the new traffic demands resulting with the growth.

Engineering:

- **Engineering** − The Engineering Divisions provides the preliminary engineering, environmental compliance, survey and mapping, and construction contract administration for the City's Capital Improvement Program. The project development responsibility is managed by a core technical staff but relies heavily on the private sector to plan and deliver the City's capital improvement program.

The following table depicts the Public Works Department's net budget for the various operating divisions:

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2010-11 Adopted	Increase (Decrease)
Storm Drain Utility	$ 1,367,035	$ 1,594,330	$ 1,619,530	$ 2,079,430	$ 459,900	$ 1,714,150	$ (365,280)
Water Utility	14,032,115	16,180,200	20,261,410	22,193,812	1,932,402	21,270,672	(923,140)
Wastewater Utility	27,828,745	35,872,240	44,600,650	39,054,742	(5,545,908)	39,058,863	4,121
Subtotal Enterprise Funds	**$ 43,227,895**	**$ 53,646,770**	**$ 66,481,590**	**$ 63,327,984**	**$ (3,153,606)**	**$ 62,043,685**	**$ (1,284,299)**
RMU Administration	$ 1,244,958	$ 1,398,760	$ 1,398,760	$ 1,090,930	$ (307,830)	$ 1,086,030	$ (4,900)
ET/USA Locate	1,394,237	1,505,760	1,505,760	1,720,410	214,650	1,770,035	49,625
Subtotal Internal Service Funds	**$ 2,639,195**	**$ 2,904,520**	**$ 2,904,520**	**$ 2,811,340**	**$ (93,180)**	**$ 2,856,065**	**$ 44,725**
Transportation Planning Administration	$ 110,904	$ 163,690	$ (6,740)	$ -	$ 6,740	$ -	$ -
Engineering	602,379	1,201,870	432,670	168,750	(263,920)	152,740	(16,010)
Streets	4,785,302	4,506,720	4,687,900	4,911,430	223,530	5,450,520	539,090
Subtotal General Fund	**$ 5,498,585**	**$ 5,872,280**	**$ 5,113,830**	**$ 5,080,180**	**$ (33,650)**	**$ 5,603,260**	**$ 523,080**
Parking	72,424	71,190	71,190	76,700	5,510	78,790	2,090
Construction Tax	$ 4,707	$ -	$ 15,000	$ 40,000	25,000	$ -	$ (40,000)
Citywide TIF	18,608,165	1,061,800	5,909,280	3,557,740	(2,351,540)	1,314,930	(2,242,810)
Dana TIF	204,533	-	-	-	-	-	-
NRTBD	476	-	-	-	-	-	-
Transportation Grant	23,339	-	452,720	-	(452,720)	-	-
Subtotal Special Revenue	**$ 18,913,644**	**$ 1,132,990**	**$ 6,448,190**	**$ 3,674,440**	**$ (2,773,750)**	**$ 1,393,720**	**$ (2,280,720)**
Totals	**$ 70,279,319**	**$ 63,556,560**	**$ 80,948,130**	**$ 74,893,944**	**$ (6,054,186)**	**$ 71,896,730**	**$ (2,997,214)**

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

Division		Personnel	Materials, Supplies & Services	Capital Outlay	Service	Total
RMU Administration	FY 2012-13 Adopted	$ 846,710	$ 239,320	$ -	$ -	$ 1,086,030
	FY 2011-12 Adopted	$ 855,840	$ 235,090	$ -	$ -	$ 1,090,930
	FY 2010-11 Amended	$ 1,244,880	$ 153,880	$ -	$ -	$ 1,398,760
	FY 2009-10 Actual	$ 1,118,915	$ 126,043	$ -	$ -	$ 1,244,958
ET/USA Locate	FY 2012-13 Adopted	1,482,820	287,215	-	-	1,770,035
	FY 2011-12 Adopted	1,442,330	278,080	-	-	1,720,410
	FY 2010-11 Amended	1,250,270	255,490	-	-	1,505,760
	FY 2009-10 Actual	1,198,961	195,018	258	-	1,394,237
Storm Drain Utility	FY 2012-13 Adopted	514,790	499,360	700,000		1,714,150
	FY 2011-12 Adopted	494,470	484,960	1,100,000	-	2,079,430
	FY 2010-11 Amended	486,720	861,210	271,600	-	1,619,530
	FY 2009-10 Actual	439,955	759,141	167,939	-	1,367,035
Water Utility	FY 2012-13 Adopted	3,787,642	9,068,390	7,387,430	1,027,210	21,270,672
	FY 2011-12 Adopted	3,632,402	8,740,260	8,796,000	1,025,150	22,193,812
	FY 2010-11 Amended	3,521,310	8,119,560	7,402,910	1,217,630	20,261,410
	FY 2009-10 Actual	2,925,754	7,303,966	2,579,907	1,222,488	14,032,115
Wastewater Utility	FY 2012-13 Adopted	4,386,743	7,545,950	21,028,010	6,098,160	39,058,863
	FY 2011-12 Adopted	4,250,217	7,387,715	21,889,400	5,527,410	39,054,742
	FY 2010-11 Amended	4,130,820	6,804,260	28,906,820	4,758,750	44,600,650
	FY 2009-10 Actual	3,708,791	5,861,762	14,636,880	3,621,312	27,828,745
Transportation Planning Administration	FY 2012-13 Adopted	-	-	-	-	-
	FY 2011-12 Adopted	-	-	-	-	-
	FY 2010-11 Amended	(7,810)	1,070	-	-	(6,740)
	FY 2009-10 Actual	75,022	35,882	-	-	110,904
Engineering	FY 2012-13 Adopted	(478,640)	631,380	-	-	152,740
	FY 2011-12 Adopted	(449,300)	618,050	-	-	168,750
	FY 2010-11 Amended	(101,010)	487,950	35,000	10,730	432,670
	FY 2009-10 Actual	135,522	437,538	18,603	10,716	602,379
Streets	FY 2012-13 Adopted	1,882,800	1,577,230	1,990,490		5,450,520
	FY 2011-12 Adopted	1,778,420	1,523,010	1,610,000	-	4,911,430
	FY 2010-11 Amended	1,663,620	1,667,460	1,356,820	-	4,687,900
	FY 2009-10 Actual	1,599,042	1,293,730	1,892,530	-	4,785,302

Division		Personnel	Materials, Supplies & Services	Capital Outlay	Service	Total
Parking	FY 2012-13 Adopted	61,800	16,990	-	-	78,790
	FY 2011-12 Adopted	60,000	16,700	-	-	76,700
	FY 2010-11 Amended	54,900	16,290	-	-	71,190
	FY 2009-10 Actual	52,036	12,109	8,279	-	72,424
Construction Tax Capital	FY 2012-13 Adopted	-	-	-	-	-
	FY 2011-12 Adopted	-	-	40,000	-	40,000
	FY 2010-11 Amended	-	-	15,000	-	15,000
	FY 2009-10 Actual	-	920	3,787	-	4,707
Citywide TIF	FY 2012-13 Adopted	-	16,220	79,700	1,219,010	1,314,930
	FY 2011-12 Adopted	-	15,920	2,320,030	1,221,790	3,557,740
	FY 2010-11 Amended	-	15,920	4,981,980	911,380	5,909,280
	FY 2009-10 Actual	-	13,578	17,419,875	1,174,712	18,608,165
Dana TIF	FY 2012-13 Adopted	-	-	-	-	-
	FY 2011-12 Adopted	-	-	-	-	-
	FY 2010-11 Amended	-	-	-	-	-
	FY 2009-10 Actual	-	-	204,533	-	204,533
NRTBD	FY 2012-13 Adopted	-	-	-	-	-
	FY 2011-12 Adopted	-	-	-	-	-
	FY 2010-11 Amended	-	-	-	-	-
	FY 2009-10 Actual	-	476	-	-	476
Transportation Grant Projects	FY 2012-13 Adopted	-	-	-	-	-
	FY 2011-12 Adopted	-	-	-	-	-
	FY 2010-11 Amended	-	-	452,720	-	452,720
	FY 2009-10 Actual	-	-	23,339	-	23,339
Total	FY 2012-13 Adopted	$ 12,484,665	$ 19,882,055	$ 31,185,630	$ 8,344,380	$ 71,896,730
	FY 2011-12 Adopted	$ 12,064,379	$ 19,299,785	$ 35,755,430	$ 7,774,350	$ 74,893,944
	FY 2010-11 Amended	$ 12,243,700	$ 18,383,090	$ 43,422,850	$ 6,898,490	$ 80,948,130
	FY 2009-10 Actual	$ 11,253,998	$ 16,040,163	$ 36,955,930	$ 6,029,228	$ 70,279,319

Personnel

The following table depicts the personnel assigned by division within the Municipal Utilities Department:

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
RMU Administration	F/T	8.00	8.00	7.00	6.00	(1.00)	6.00	-
	P/T	2.10	2.10	2.10	1.35	(0.75)	0.75	(0.60)
	Total	10.10	10.10	9.10	7.35	(1.75)	6.75	(0.60)
ET/USA Locate	F/T	9.00	9.00	9.00	9.00	-	9.00	-
	P/T	0.46	0.46	0.46	0.48	0.02	0.48	-
	Total	9.46	9.46	9.46	9.48	0.02	9.48	-
Storm Drain Utility	F/T	6.00	6.00	6.00	5.00	(1.00)	5.00	-
	P/T	-	-	-	-	-	-	-
	Total	6.00	6.00	6.00	5.00	(1.00)	5.00	-
Water Utility	F/T	28.00	28.00	28.00	28.00	-	28.00	-
	P/T	2.55	2.55	2.55	2.40	(0.15)	2.40	-
	Total	30.55	30.55	30.55	30.40	(0.15)	30.40	-
Wastewater Utility	F/T	32.00	32.00	32.00	33.00	1.00	33.00	-
	P/T	1.44	1.44	1.44	1.92	0.48	1.92	-
	Total	33.44	33.44	33.44	34.92	1.48	34.92	-
Transportation Planning Administration	F/T	2.00	2.00	1.00	1.00	-	1.00	-
	P/T	-	-	-	-	-	-	-
	Total	2.00	2.00	1.00	1.00	-	1.00	-
Engineering	F/T	34.00	34.00	32.00	35.00	2.00	35.00	-
	P/T	0.48	0.48	0.48	1.44	0.96	1.44	-
	Total	34.48	34.48	32.48	36.44	3.96	36.44	-
Streets	F/T	16.00	16.00	15.00	14.00	(1.00)	14.00	-
	P/T	0.48	0.48	0.48	2.88	2.40	2.88	-
	Total	16.48	16.48	15.48	16.88	1.40	16.88	-
Parking	F/T	-	-	-	-	-	-	-
	P/T	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
Total	F/T	135.00	135.00	130.00	131.00	-	131.00	-
	P/T	7.51	7.51	7.51	10.47	2.96	9.87	(0.60)
	Total	142.51	142.51	137.51	141.47	2.96	140.87	(0.60)

Capital Outlay

The capital outlay program for the Public Works Department 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 by utilizing funds made available annually to the Department within the respective operating divisions. 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. The following is a brief description of the major projects within each division by budget year:

Capital Projects – 2011-2012

Municipal Utilities:

Solid Waste Utility

Capital Improvements are budgeted in the amount of $1,000,000 for system improvements needed due to land development. The budgeted expenditure is for construction of a detention basin and channel improvements in the vicinity of Linden Avenue and West Street to mitigate peak flows due to development in the upper reaches of the Linden watershed; channel improvements at Mullen Parkway and Reflection Street to reduce flooding; and installation of trash interceptors on outfalls at various locations throughout the City to comply with water quality regulations.

Water Utility

The major capital expenditures in FY 2011-12 include: General system improvements and various water line replacements in the amount of $3,790,000, El Reno pump station replacement in the amount of $300,000, well head treatment improvements in the amount of $1,200,000, and treatment plant up-grades in the amount of $1,150,000.

Wastewater Utility

The major capital expenditures in FY 2011-12 include: I&I control in the amount of $1,000,000; Line replacement / maintenance in the amount of $1,000,000; Churn Creek Lift Station Improvements in the amount of $500,000; and continued Clear Creek Treatment Plant Expansion in the amount of $10,775,000.

Streets Division

The major Street related capital improvements include: $1,180,000 for overlay and preservation; $150,000 for sidewalk repair and ADA improvements; $180,000 for street striping and pavement markings; $40,000 for traffic calming devices; and $80,000 for engineering time related to pavement and bridge capital management. Note that this is a City-funded program, but staff will continue to compete for the numerous state and federal grant programs that has resulted in projects like Cypress Bridge, Buenaventura turn lanes, and more. Street funds may be used to match various state and federal transportation programs.

Transportation:

Citywide Traffic Impact Fee Program

Capital projects utilizing Citywide Traffic Impact Fee funds include: $240,000 in funds to match state and federal grant projects; $4,800,000 for the Placer Street Widening project; and $1,153,000 for the Quartz Hill Widening project; and $400,000 for traffic control devices at the SR299/Churn Creek Road ramps. In addition, funds will be used to begin design efforts on the Hilltop Overcrossing of I-5, Victor Avenue Widening and Twin View Boulevard Realignment near Oasis Road.

North Redding Traffic Benefit District (NRTBD)

Capital Improvements in the North Redding Traffic Benefit District area in 2011-12 are dependent on development in the Oasis Regional Specific Plan (ORSP) area. The recent construction of the first phase of the Oasis Road Interchange (funded with Citywide TIF and Federal American Recovery and Reinvestment Act (ARRA) funds) resulted in additional capacity for future growth in the plan area. Should additional development being contemplated actually occur, NRTBD funding will likely be used to meet some of the infrastructure demands including, but not limited to, the realignment of Twin View Boulevard, widening of Oasis Road near the interchange, and various intersection improvements. At this time none of these improvements are budgeted.

Capital Projects – 2012-2013

Municipal Utilities:

Storm Drain Utility

Capital Improvements are budgeted in the amount of $700,000 for system improvements needed due to land development. Projects include channel improvements at Mullen Parkway and Reflection Street to reduce flooding, and installation of trash interceptors on outfalls at various locations throughout the City to comply with water quality regulations.

Water Utility

The major capital expenditures in FY 12-13 include: General system improvements and various water main replacements in the amount of $1,600,000, Foothill Water Treatment Plant Facility Plan Upgrades in the amount of $750,000, well head treatment improvements in the amount of $3,900,000, and Cypress booster pump station in the amount of $625,050.

Wastewater Utility

The major capital expenditures in FY 12-13 include: I&I control in the amount of $1,036,000; Line replacement / maintenance in the amount of $1,036,000; Line replacement in conjunction with Westside Interceptor – Phase II in the amount of $2,920,000; Lift Station improvements in the amount of $828,800; and Phase 1C of the Stillwater Treatment Plant Expansion in the amount of $13,000,000.

Transportation:

Streets Division

The major Street related capital improvements include: $600,000 for overlay and preservation; $150,000 for sidewalk repair and ADA improvements; $180,000 for street striping and pavement markings; $40,000 for traffic calming devices; and $80,000 for engineering time related to pavement and bridge capital management.

Citywide Traffic Impact Fee Program

Traffic impact fee funds will be used to continue design efforts on the Victor Avenue Widening project as well as $300,000 set aside for a priority traffic control device and grant matching funds.

North Redding Traffic Benefit District (NRTBD)

Capital Improvements in the North Redding Traffic Benefit District area in 2012-13 are dependent on development in the Oasis Regional Specific Plan (ORSP) area. The recent construction of the first phase of the Oasis Road Interchange (funded with Citywide TIF and Federal American Recovery and Reinvestment Act (ARRA) funds) resulted in additional capacity for future growth in the plan area. Should additional development being contemplated actually occur, NRTBD funding will likely be used to meet some of the infrastructure demands including, but not limited to, the realignment of Twin View Boulevard, widening of Oasis Road near the interchange, and various intersection improvements. At this time none of these improvements are budgeted.

Significant Issues

RMU Administration

Besides overall management, the focus is on the following:

- Succession planning: Maintaining a well-trained, efficient, and safe workforce continues to be a challenge given the high number of recent retirements, aging workforce, and difficulty recruiting qualified candidates.
- Asset management: Implementation of a database system to improve useful lifetime record keeping, mapping, repair records, work orders, and inventory control to enable the divisions to do a better job of managing and preventing failures.
- Communications and Controls: Update and integrate the communication network and Supervisory Control and Data Acquisition (SCADA) systems currently used to control the collection, distribution and treatment operations of the utilities.
- Customer Service: Continued assessment, correction, and reconciliation of customer utility accounts.
- Safety: Formalize the organization, coordination, and record keeping of safety training activities.
- Cost of Services: Have cost of service analyses and rate recommendations prepared for the Water and Wastewater utilities.

Storm Drain Utility

The significant issue for the Storm Drain utility is insufficient revenue to maintain the system. The utility does not have the ability to increase monthly service rates to maintain the system without a 2/3 vote of the electorate as a result of Proposition 218. This has resulted in revenues being insufficient to cover staffing at the level needed to maintain an aging and expanding storm drain system subject to 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 to replace failing capital infrastructure. 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 restrict use of mechanical equipment to clean channels that can become filled with sediment and overgrown with heavy vegetation. Cleaning by hand labor is prohibitive in a City the size of Redding with this climate.

Wastewater

The significant issue facing the Wastewater utility is infiltration and inflow of ground water (I&I) into the City's sewer system. A significant reduction in the amount of I&I is necessary to satisfy State of California Regional Water Quality Control Board requirements. Major sources of I&I are deficient private sewer lateral connections to the City's sewer system and an aging system allowing inflow at system access points and infiltration from various underground sources. Currently, the utility has no means to control, regulate, or remedy the private lateral portion of the problem, but is evaluating alternatives to address the issue in the future.

Transportation:

Streets Division

The preservation of City streets continues to be the biggest challenge as funding sources have declined and costs are high. This is a challenge facing most cities as the State and Federal government's debate existing infrastructure maintenance needs and related funding support.

Parking Division

The Parking Division maintenance activities have been reduced by 20% due to budget cuts. Despite these cuts, a satisfactory level of maintenance has been maintained. The biggest issue facing the Parking Division is how to maintain revenues for maintenance and capital projects while paying the Risk Management debt. The City, along with downtown area business owners will debate parking meters, pay stations or another system for overall parking management and maintenance.

Transportation Planning Administration

The focus of the Division is serving as staff for RABA where the biggest issue is meeting the required farebox ratio as set by the Shasta County Transportation Planning Agency. There is also a continued emphasis on developing and maintaining alternative modes of transportation including the addition of bicycle lanes, completing sidewalk gaps between intersections and ensuring compliance with the Americans with Disabilities Act. Limited funding are available for these improvements.

Engineering

The most significant issues facing the Division continue to be regulatory and budget issues associated with the delivery and support of the capital program. Regulatory restrictions in the process continue to complicate and add cost and time to the project delivery, process including, but certainly not limited to, recent implementation of green house gas legislation (AB32, SB375, etc) and the new NPDES Construction Permit. In addition, budget pressures have resulted in continual efforts to reduce support costs and timelines while maintaining the City's high quality standards and project development tools.

The following tables illustrate the projected operating and capital fund balances for the next five years for the Enterprise Funds:

Storm Drain

Storm Drain Utility Rate Fund	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning Balance	$ 186,890	$ 360,370	$ 501,426	$ 508,894	$ 533,746
Revenues	1,192,910	1,150,206	1,154,807	1,161,736	1,170,449
Expenses	(1,019,430)	(1,009,150)	(1,147,340)	(1,136,883)	(1,170,611)
Net Income	173,480	141,056	7,467	24,853	(162)
Ending Balance	$ 360,370	$ 501,426	$ 508,894	$ 533,746	$ 533,584

Storm Drain Utility Connection Fee Fund	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning Balance	$ 2,674,580	$ 1,664,124	$ 1,053,858	$ 1,047,248	$ 894,645
Revenues	94,544	94,734	98,537	102,696	107,191
Expenses	(1,105,000)	(705,000)	(105,148)	(255,299)	(255,456)
Net Income	(1,010,456)	(610,266)	(6,611)	(152,603)	(148,265)
Ending Balance	$ 1,664,124	$ 1,053,858	$ 1,047,248	$ 894,645	$ 746,380

Water

Water Utility Rate Fund	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning Balance	$ 11,557,954	$ 8,008,941	$ 7,248,708	$ 7,826,643	$ 8,810,872
Revenues	17,384,435	20,031,839	21,319,395	22,403,074	19,792,770
Expenses	(20,933,448)	(20,792,072)	(20,741,460)	(21,418,844)	(18,813,332)
Net Income	(3,549,013)	(760,233)	577,935	984,230	979,438
Ending Balance	$ 8,008,941	$ 7,248,708	$ 7,826,643	$ 8,810,872	$ 9,790,310

Water Utility Connection Fee Fund	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning Balance	$ 39,522	$ 128,257	$ 415,013	$ 366,437	$ 793,783
Revenues	1,027,693	1,069,088	1,119,327	1,164,862	1,227,140
Expenses	(938,958)	(782,332)	(1,167,903)	(737,515)	(746,960)
Net Income	88,735	286,756	(48,576)	427,347	480,180
Ending Balance	$ 128,257	$ 415,013	$ 366,437	$ 793,783	$ 1,273,963

Wastewater

Wastewater Utility Rate Fund	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning Balance	$ 14,263,287	$ 15,582,131	$ 11,653,300	$ 12,815,078	$ 9,462,676
Revenues	50,502,838	26,166,893	34,041,488	29,845,703	25,921,190
Expenses	(49,183,994)	(30,095,723)	(32,879,709)	(33,198,106)	(27,860,505)
Net Income	1,318,844	(3,928,830)	1,161,779	(3,352,403)	(1,939,315)
Ending Balance	$ 15,582,131	$ 11,653,300	$ 12,815,078	$ 9,462,676	$ 7,523,360

Wastewater Utility Connection Fee Fund	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning Balance	$ 17,640,032	$ 17,702,212	$ 15,525,954	$ 14,734,704	$ 12,321,932
Revenues	11,197,412	3,441,914	5,723,367	4,248,586	2,661,080
Expenses	(11,135,232)	(5,618,172)	(6,514,617)	(6,661,358)	(5,056,764)
Net Income	62,180	(2,176,258)	(791,250)	(2,412,772)	(2,395,684)
Ending Balance	$ 17,702,212	$ 15,525,954	$ 14,734,704	$ 12,321,932	$ 9,926,248

2009-2011 Goals and Accomplishments

Municipal Utilities:

Storm Drain Utility

Goal

Maintain the City's Storm Drain System in the most efficient manner possible and continue to improve service to the public.

Accomplishments

1. Continued implementation of the Storm Drain Maintenance Operational Plan.
2. Implement computerized storm drain maintenance management program for better accountability.
3. Continued working with Regional Water Quality Control Board on issues pertaining to NPDES Phase 2 requirements.
4. Completed inventory of all outfalls within the MS4.
5. Worked closely with the Engineering Division to finalize the Churn Creek Basin Storm Drain Master Plan for the City.
6. Submitted a Stream Bed Alteration/Maintenance permit application through the Departments of Fish and Game and Army Corp of Engineers. The application was approved and a five (5) year permit was granted from Fish and Game. There was no response, either positive or negative from the Army Corp of Engineers.

Water Utility

Goal

Provide clean potable water to the citizens of the City.

Accomplishments

1. Satisfied all water quality standards established by the USEPA and the California Department of Public Health - Division of Drinking Water.
2. Met City-wide water demands (during peak demand period).
3. Improved the monitoring and control system for water treatment plants, pumping stations and groundwater wells.
4. Developed long term strategy and selected standard technology for treatment of new groundwater well sources, as needed to meet State and Federal water quality standards.
5. Completed a Spill Prevention Control and Countermeasure (SPCC) Plan for the Foothill WTP as required by the Regional Water Quality Control Board. This is an on-going program and effort.
6. Completed a Facility Plan for the Foothill Water Treatment Plant.

Goal

Provide public information and education on water issues.

Accomplishments

1. Provided water quality information through the Consumer Confidence Report to enhance public awareness.
2. Participated in the annual Energy Fairs, with educational displays on water efficient fixtures and landscaping, treatment, and distribution services.
3. Distributed free CD's with water-wise landscaping information.
4. Conducted print and television advertising for public awareness of water conservation during peak use periods.
5. Funded water efficiency related displays at Turtle Bay.
6. Funded rebates for water efficient appliance rebates through REU.
7. Implemented a high school education program in partnership with REU and local water agencies.
8. Participated in the Whole Earth Watershed Festival and pharmaceutical collection events.

Goal

Maintain and improve the City's existing water supply and distribution facilities.

Accomplishments

1. Completed the Foothill WTP Filtration System Improvements which covered the replacement of filter influent and backwash drain valves, filter under-drains, filter media and installation of a new air scour system to improve capacity and reliability for this critical facility.
2. Completed replacement of 5,000 feet of 18-inch cast iron raw water supply main, with a new 30-inch ductile iron water main from Pump House 1 to the Foothill WTP.
3. 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.

4. Water Treatment personnel along with Wastewater personnel are continuing to train as HAZMAT Industry Technicians for emergency responses to hazardous chemical releases at the city's water and wastewater treatment plants, groundwater well system, and throughout the city.
5. Replaced 52 polybutylene water services in the Polybutylene Replacement Program. All known polybutylene services have been replaced and now crews are replacing the unknown services as they come across them in the course of daily work activities.
6. Completed construction on replacement of 500 feet of old 4" steel water main with new 6"C-900 water main and fire hydrants on Pine Cone Lane in the Buckeye Pressure Zone.
7. Continued implementation of recommended security improvement measures recommended from the Vulnerability Assessment.
8. Installed new 30-inch mag-meter at FWTP to improve accuracy of water flow measurements.
9. Installed new 12-inch pressure reducing valve at Palisades vault with automated controls which can be operated by SCADA from FWTP to control flow from Buckeye Pressure Zone to Hilltop Pressure Zone.
10. Installed new 8-inch pressure reducing valve at Pump House 3 with automated controls which can be operated by SCADA from FWTP to control flow from the Buckeye Pressure Zone to the Foothill Pressure Zone.
11. Entered into an agreement with the Anderson Cottonwood Irrigation District (ACID) for up to 2000 acre-feet annually of raw water from the Sacramento River to better ensure the City meet projected capacity and quality demands.

Goal

Expand the water system capital facilities to accommodate new growth and development.

Accomplishments

1. Replacement of the Raw Water Supply line from Pump House No.1 to Foothill Water Treatment Plant.
2. Palisades Supervisory Vault replacement to increase water deliveries from the Buckeye Zone to the Hilltop-Dana Zone.
3. Continued development of Master Plan and water system model to identify future water system improvements.

Wastewater Utility

Goal

Begin construction of Capital Improvement Projects (CIP) so they will be completed within budget and on schedule.

Accomplishments

1. Completed construction of the Mary Street Force Main project in fall 2010. This new force main was necessary due to growth including, but not limited to, the approved Salt Creek Heights Subdivision in the Western service area and current capacity of the existing parallel force main that limited the Mary Street Lift Station pumping capacity and resulted in the Mary Street pump station overflowing into an emergency overflow pond during a major rain event in spring 2009.

2. Completed construction of the Mary Street Lift Station replacement project in spring 2011. This is a medium-sized lift station, located at the end of the Jenny Creek collection system. This lift station was due for replacement due to age, reliability, and the capacity of the existing lift station. The new design incorporates reliability and redundancy with pumping capacity. This project will implement an improved SCADA system, and a new backup power system. This project will also accommodate growth in the Western service area of the City of Redding.
3. Completed the construction of the Boulder Creek Interceptor Phase 1. This sanitary sewer collection system traverses approximately five miles of Boulder Creek, located in north Redding. This system is currently over wet-weather flow capacity, and has experienced sanitary sewer overflows. Design of Boulder Creek Interceptor Phase 2 & 3 is completed and currently under environmental review and right-of-way acquisition. Construction of phase two of this project is expected to begin in FY 2011-2012. Completion of this project will ensure the environment in the Boulder Creek area and that downstream water users are protected from sanitary sewer overflows and provides capacity for anticipated growth resulting from current and projected development including, but not limited to, the Highlands Park Subdivision.
4. Completion of the Stillwater Business Park sewer system in the summer of 2010. This project added approximately four miles of collection and force main piping, and a lift station capable of pumping two million gallons per day of wastewater to the Stillwater Treatment Plant. This new addition will provide the necessary sewer collection system for the business park allowing for new large scale manufacturing business development.
5. Completed Bid Packages 3 and 4 of the Clear Creek Wastewater Treatment Plant Facility Rehabilitation and Expansion Project in 2009 and 2010. The project consists of seven bid packages. Bid Packages 1, 2, 3 and 4, are now complete and Bid Package 6 is currently under construction at approximately 50% complete. Bid Package 5 design is completed and construction is expected to begin in summer 2011. Bid Package 7, the final bid package, will begin the design phase in summer 2011. The $80 million dollar project rehabilitates and replaces aging elements of the current plant and greatly increases dry weather and wet weather of the plant to meet current and projected demands.
6. Stillwater Wastewater Treatment Plant Expansion Project Phase 1A and 1B design was completed in fall 2010. Construction of Phase 1A and 1B is expected to begin in summer 2011. The Phase 1A and 1B improvements will allow treatment capacity for growth in the service area, including the Stillwater Business Park. Phase 1A and 1B will additionally provide for wet-weather flow treatment capacity which will significantly reduce or eliminate the need for storage of wastewater during major rain events.
7. Stillwater Wastewater Treatment Plant Diffuser Rehabilitation Project was completed in winter 2010. In 2005, the Stillwater in-river plant effluent diffuser was determined to be significantly malfunctioning with only one of twenty diffuser ports open. All other ports where blocked with river sediment and thus the discharge of plant effluent into the Sacramento River was found to be non-compliant with the facility NPDES permit. The diffuser ports where raised and upgraded to prevent river sediment from entering the ports and future diffuser failure.
8. Completion of the Sunny Hill Lift Station Generator Replacement project in the fall of 2009. This generator was original equipment at the lift station and was experiencing significant mechanical and operational failures. This generator is critical backup equipment for the lift station in the event of power failure to the station.
9. Completed the Churn Creek sewer lining project. Work included cured-in-place lining of 1,700 feet of 12” clay sewer pipe to reduce I&I.

10. Completed the Sulfur Creek 8” sewer line relocation project. Work included replacement and rerouting of 730 feet of 6” clay pipe.
11. Completed the Parkview Neighborhood alley improvement project. Work included replacement of 915 feet of failing 12” clay pipe (1920 era).
12. Completed the 2010 Sanitary Sewer Replacement project. Work included replacement of 1,430 feet of failing pipe at various locations throughout the City.

Goal

Improve the reliability and cost-effectiveness of the Wastewater Collection System operation.

Accomplishments

1. 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 has resulted in a continued reduction in mainline stoppages. The 25-year average is 35 stoppages per year. We reduced the number to 18 stoppages in 2010 by utilizing the methods listed above and with the addition of a second hydro-cleaning crew in 2010.
    a. Hydro-cleaned a minimum of 51% of all 6"-12” sewer mains.
    b. Kept the total number of annual mainline stoppages to 18.
    c. Annually inspected and performed maintenance on 3951 manholes. This is approximately 50% of the Wastewater Utility’s total inventory of manholes.
    d. Performed CCTV inspection of any suspected sewer mains as indicated by hydro-cleaning and manhole inspection. The total number of miles inspected through TV viewing for 2010 was 24.7 miles, or approximately 6 % of the 430 miles of collection system.
    e. Worked with Engineering and Public Works Inspectors to reduce the number of defective wastewater systems that were accepted.
2. Located and eliminated sources of inflow and infiltration. Previous flow monitoring efforts have allowed us to reduce inflow and infiltration through line repairs and sealing projects. Further and improved monitoring will provide specific targeted sewer mains, manholes, and private laterals rehabilitation, repair or replacement.

Goal

Improve the reliability and cost-effectiveness of the Wastewater Treatment Plants’ operations.

Accomplishments

1. Operated both the Stillwater and Clear Creek Plants to achieve and maintain good compliance records, with five discharge permit violations (4 in 2009, 1 in 2010, and 2 in 2011) in spite of the growing challenge of keeping treatment operations stable with unreliable aging equipment, high inflow and infiltration during wet weather periods, and during a complex plant expansion.
2. Continued to repair and replace aging equipment at the Clear Creek and Stillwater Wastewater Treatment Plants for improved process control and energy efficiency and to meet current regulatory and safety standards.

3. Implemented the use of Key Performance Indicators (KPI's) as a data and process management tool. This enables an 'at-a-glance' overview and transparency in the process control of the Wastewater Treatment Plants (WWTP). Through the use of KPI's, staff and supervisors are better equipped to recognize and understand process trends, and control the WWTP's in a strategic manner that produces higher efficiency and effluent discharge compliance.
4. Added remote desktop access to each of the WWTP's and the collection system's SCADA systems. This allows for immediate operational and mechanical remote troubleshooting of system failures or areas of concern during periods such as nights and weekends when the WWTP's and facilities are not staffed. Additionally, added standby coverage seven days a week by on-call operations staff.

Goal

Improve 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 and auditing process for new and existing utility accounts to ensure proper classification for accurate billing. As necessary, accounts that have been identified as having been incorrectly entered into the utility system have been corrected.
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's Storm Water Quality Improvement Plan to comply with the Federal NPDES Phase II Storm Water regulations.

ET/USA Locate

Goal

Provide system troubleshooting and repair of process control systems at all facilities.

Accomplishments

1. All troubleshooting requests addressed (processed 586 work orders from Operations).
2. All required repairs made.
3. Established wireless communication system working with IT to connect critical facilities to the Foothill Water Treatment plant Supervisory Control and Data Acquisition (SCADA) system.
4. Upgraded three of the six Programmable Logic Controller (PLC) central Processing Units (CPU) at Foothill and one at Buckeye Water Treatment Plants.
5. Developed design for uninterruptible power supply (UPS) installation on Foothill Water Treatment plant critical power circuits.
6. Removed and replaced chemical injection system at Foothill, including new automated chemical analyzers and injectors, and SCADA interface.
7. Installed new controls for Clarifier return pump and flow meter at Foothill and SCADA interface.
8. Replaced old, hard-wired filter backwash system with new automated filter backwash controls, including installation of new valve operators, automated backwash pump and blower motor controls, and SCADA interface.

9. Designed and built control panel for automated remote control of Palisades Pressure Reducing Valve (PRV) vault and provide construction inspection.
10. Provided construction inspection of the continuing expansion of the Clear Creek Wastewater Treatment plant.

Goal

Provide routine maintenance and repair on the City's 87 traffic signals.

Accomplishments

1. Inspected all traffic signals every 60 days.
2. All deficiencies identified during traffic signal inspection repaired.
3. Replaced failed detection cameras.

Goal

Provide construction contract inspection for new traffic signals.

Accomplishments

1. Mistletoe School Pedestrian Crossing inspected during construction.
2. No new traffic signals constructed although upgrades were made to the Buenaventura/Railroad Avenue as part of the Buenaventura Widening Project.

Engineering:

Goal

Maintain internal customer service, project efficiency, and quality construction documents.

Accomplishments

1. Utilized scoping documents for nearly every project delivered.
2. Held monthly or quarterly project status meetings with various capital improvement program customers.
3. Developed and managed a Capital Project Status Report for Engineering's portion of the City's Capital Improvement Program to track and report internally and externally.
4. Maintained low bid under the engineer's estimate on over 90% of the projects.
5. Construction change orders were routinely below 5%.
6. Provided assistance to other departments managing engineering consultant contracts by providing the Capital Improvement and Maintenance Project Submittal Requirements guidebook and being available for questions.
7. Provided 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

1. Completed scanning and indexing of all past and current record drawings for capital projects and made the program online for internal and external use.
2. 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.
3. Maintained cost history database for use by internal and external customers.
4. Implementing program to provide project information to public including (but not limited to) periodic information meetings with the media, presentations to local service groups and project updates in City Council reports.

Goal

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

Accomplishments

1. Maintained program-wide management of the Capital Improvement Plan (CIP). CIP information was incorporated into a data base to facilitate project status tracking and future CIP updates.
2. Project Status Report database was expanded and made available online.
3. Increased one-on-one communication with other departments needing engineering services. Monthly meetings are held with Redding Municipal Utilities to provide project status updates. Other meetings are held as necessary with other departments to provide project updates.

Goal

Continue to maintain the quality of surveys and map processing.

Accomplishments

1. Provided accurate and complete field and office surveys for design and land disposition. This objective was met.
2. Reviewed and evaluated development-related submittals. First check within three weeks and second check within two weeks. This objective was met.
3. Performed surveys for correction of citywide vertical datum. This is an ongoing project with work performed as time allows.

Transportation:

Streets

Goal

Continue to manage and maintain current roadways system with available funding.

Accomplishments

1. Utilized the Street Work Calendar to monitor and improve efficiency and daily work productivity.
2. Continued to rate existing pavement conditions on arterial roadways to meet goal of every four years and collectors and residential roadways every two years utilizing the current Pavement Management System.
3. Explored alternative paving methods such as rubberized cape seals, micro seals, and other advanced paving technologies.
4. Maintained as appropriate, with available funding, striping, signs, and pavement markings through in-house and outside contractual services. Made and installed 2,896 regulatory, warning and guide signs. Installed 189 miles of striping and 27,195 SF of pavement markings using in-house and contractual services.
5. Completed annual reflectivity night survey. Completed 1,084 work orders from the night survey.

Goal

Improve the pavement rating status of City roadways within the funding levels available.

Accomplishments

1. Applied asphalt overlay to 18 lane miles.
2. Crack sealed 40 lane miles of streets.
3. Completed wheel path grinding of approximately 15 lane miles utilizing outside contractual services.
4. Cape/slurry sealed 15 lane miles of pavement.

Goal

Continue with the development of various inventories to assist future budget and maintenance plan development.

Accomplishments

1. Worked closely with Information Technology and GIS to maintain the inventory of street stripping, pavement markings, and signs.
2. Maintained a computerized inventory system that is used for collection of all inventories associated within the Streets Division.

Goal

Ensure appropriate update and maintenance of the Vehicles and Traffic Ordinance

Accomplishments

1. Worked with GIS and traffic operations to develop and maintain a traffic control map accessible on the City's map server. Project is complete and available for in-house use.
2. Developed process to accurately update the traffic control map as new devices are installed.
3. Did not update incorrect and outdated references within the ordinance. However, worked with the community to determine common needs for parking downtown as well as a capacity analysis of the current parking system.

Traffic Operations

Goal

Enhance vehicular and pedestrian safety on public streets.

Accomplishments

1. Developed a cycle-based program to assess safety, accident, signing, delineation, speed, volume and bicycle/pedestrian facilities along major corridors. Completed first corridor study on Lake Blvd. resulting in the application and successful award of a safety grant to install medians in high collision areas.
2. Worked closely with Police Traffic Unit, streets personnel, operations, signal technicians, Caltrans, and engineering through bi-weekly meetings to coordinate requests for traffic controls, parking and enforcement.
3. Leveraged grant opportunities through Highway Safety Improvement Program, Bicycle Transportation Account, Safe Routes to School, and Office of Traffic Safety programs. Awarded two Safe Routes to School grants totaling $844,000 and awarded three Highway Safety Improvement grants totaling $1,746,000
4. Educated community members regarding traffic safety through brochures, posters, media stories and spots, website and community events.
5. Developed draft traffic calming program for neighborhoods.

Parking

Goal

Maintain and manage parking structure and offsite parking facilities owned by the City.

Accomplishments

1. Continued to meet regularly with property owners/business owners in the downtown and resolve parking-related issues and concerns.
2. Installed diagonal parking on Sacramento Street to increase parking capacity.
3. Completed a parking inventory and capacity analysis.
4. Continued to provide a satisfactory level of maintenance in and around the Downtown parking facility despite budget cuts resulting in reduced time allocated to downtown.
5. Completed repairs to failing hand rails and concrete repair to the stairwells.

Transportation Planning Administration

Goal

Enhance vehicular, cyclist and pedestrian safety on public streets.

Accomplishments

1. Implemented pedestrian safety improvements on Court Street, East Street, Tehama Street and the Tehama/Court signal system.
2. Completed a Pedestrian Safety Assessment of the downtown area.
3. Instituted a Bicycle Advisory Committee charged to advise staff on bicycle related issues and develop priorities for grant project submissions.

Performance Measures and Workload Indicators

Municipal Utilities:

Storm Drain Utility

The Storm Drain Utility is responsible for the maintenance of ditches, culverts, pipes, and catch basins; and capital improvements needed to maintain or upgrade the existing facilities. The system consists of 197 miles of open ditches and channels, 243 miles of storm drain pipe, 10,253 inlets, and 113 detention basins. There are five employees assigned to the maintenance of the storm drain system.

WORKLOAD AND PERFORMANCE MEASURES	2008-09 Actual	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Miles of Storm Drain Pipe	242	243	245	247	250
Miles of Ditches/Channels	191	197	199	201	203
Number of Maintained Drainage Basins	3	3	3	3	3
Miles of Ditches/Channels to be Maintained	47	22	22	22	22
Percentage of Maintained Ditches/Channels to be Inspected Annually	100%	100%	100%	100%	100%
Percentage of Inspected Ditches/Channels to be Maintained Annually	10%	15%	15%	15%	15%
Number of Inlets	10,090	10,253	10,355	10,459	10,563
Percentage of Inlets Inspected Annually	0%	50%	49%	48%	47%
Percentage of Inlets Cleaned/Maintained Annually	3.0%	3.0%	3.0%	3.0%	3.0%
Number of Outfalls	1,665	1,719	1,736	1,753	1,771
Percentage of Outfalls Inspected Annually	100%	80%	79%	78%	77%
Percentage of Inspected Outfalls Cleaned / Maintained Annually	3.0%	3.0%	3.0%	3.0%	3.0%

Water Utility

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. Performance indicators are as follows:

WORKLOAD AND PERFORMANCE MEASURES	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Number of customers/services	28,717	28,817	28,917	29,017
Net Annual New Services	125	100	100	100
Quantity of water produced (acre feet)	25,818	25,818	25,818	25,818
Percentage of days water quality met standards	100%	100%	100%	100%
Number of customer service calls (including water quality)	1,639	1,550	1,550	1,550
Miles of water mains	558	560	562	564
Miles of substandard mains	42	42	42	42
Number of main and water service failures/disruptions per year	526	550	550	550
Number of polybutylene (PB) service breaks	27	25	20	20
Number of PB scheduled replacement	0	0	0	0
Number of PB services remaining	1,363	1,338	1,318	1,298
Total O & M expenditures (x $1,000)	$7,312	$8,217	$8,799	$9,125
O & M cost per acre foot produced	$283	$318	$341	$353
Services per employee	1,025	1,029	1,032	1,036

Wastewater Utility

The Wastewater system consists of the domestic and industrial sewage collection, treatment, and disposal facilities serving the City. This system includes over 430 miles of interceptor and trunk sewers, 17 sewer lift stations, and 2 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. The heavy workload to maintain an aging system and the funding of system rehabilitation and expansion are the major challenges.

WORKLOAD AND PERFORMANCE MEASURES	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
No. of Residential HEs	30,887	30,917	30,947	30,977
No. of Commercial/Industrial HEs	10,655	10,665	10,655	10,665
Total HEs Served	41,542	41,583	41,613	41,643
Clear Creek Plant MGD** Dry Flow	7.2	7.2	7.2	7.2
Stillwater Plant MGD Dry Flow	2.6	2.6	2.6	2.6
Total Peak MGD Flows ***	51.2	51.3	51.3	51.3
Total GPD **** Dry Flow per Total HEs	236	235	235	235
Miles of Sewer Main	430	430	434	438
Total FTE Utility Staff	33	33	34	34
Total HEs Served per Total Staff	1,258	1,260	1,223	1,224

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.

Engineering Division

Activity	2009-010 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Subdivision Parcel Maps	4	3	3	3
Subdivision Final Maps	2	3	3	3
Lots Recorded	83	59	59	59
Property Line Adjustments	15	11	11	11
Encroachment Permits	107	160	160	160
Value of Projects Advertised for Bid	$18,005,620	$34,068,971	$ 30,000,000	$ 30,000,000
Number of Projects Advertised for Bid	20	31	25	25
Grading Permits	18	15	15	15
Easements	28	32	32	32
RFPs Prepared and Circulated	3	3	3	3

Streets Division

Activity	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Miles of Streets Maintained	465.5	467	467	470
Miles of Street Striping	455	460	465	475
Number of Signs	10,500	10,675	10,800	11,000
Number of Traffic Signals	87	88	90	91
Miles of Streets Resurfaced	10.2	7.8	15	0
Miles of Streets Preserved	0	0	15	15
Miles of In-house Wheel Path Grinding	15	0	0	0
Tons of Asphalt Material	783	900	1,500	1,500

Parking Division

Activity	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Number of On-Street Parking Meters	404	388	388	388
Number of Off-Street Parking Meters	102	0	0	0
Number of Parking Spaces	1374	1312	1320	1320
Number of Parking Lots	6	5	5	5

2009-11 Goals and Objectives

Municipal Utilities:

Storm Drain Utility

Goal

Maintain the City's Storm Drain System in the most efficient manner possible and continue to improve service to the public.

Objectives

1. Continue implementation of the Storm Drain Maintenance Operational Plan.
2. Continue working with Water Quality Control on issues pertaining to NPDES Phase 2 requirements.
3. Update of the Storm Drain Impact Fee as part of the Council directed update.

ET/USA Locate

Goal

Provide system troubleshooting and repair of process control systems at all facilities.

Objectives

1. Address all troubleshooting requests.
2. Make all required repairs.
3. Maintain wireless communication system for SCADA system.
4. Maintain Programmable Logic Controllers at treatment plants and lift stations.
5. Maintain backup power supply systems for critical treatment plant systems.
6. Maintain chemical injection systems and analyzers for treatment plant systems.

Goal

Provide routine maintenance and repair on the City's 87 traffic signals.

Objectives

1. Inspect all traffic signals every 60 days.
2. Repair all deficiencies identified during traffic signal inspection.

Goal

Provide construction contract inspection for new traffic signals.

Objectives

1. Provide technical support during signal design.
2. Inspect all traffic signals during construction.

Goal

Respond to Utility Service Alert (USA) requests.

Objectives

Provide two-working-day response for all utility locating requests.

Water Utility

Goal

Provide clean potable water to the citizens of the City.

Objectives

1. Meet all water quality standards established by the USEPA and the California Department of Public Health - Division of Drinking Water.
2. Complete unregulated contaminant monitoring regulation water sampling and analysis.
3. Reduce the number of customer complaints regarding water quality.

Goal

Provide public information and education on water issues.

Objectives

1. Provide water quality information through the Consumer Confidence Report to enhance public awareness.
2. 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.
3. Continue to implement and update the Best Management Practices from the Bureau of Reclamation Water Conservation Plan.
4. Continue to implement and update Urban Water Master Plan.

Goal

Improve and maintain the City's existing water facilities.

Objectives

1. Improve preventative maintenance and replacement programs for the distribution system valves, hydrants, and customer meters.
2. Continue upgrades to communications and electrical equipment to maximize operational reliability and efficiency at pump stations, groundwater wells, and treatment plants.
3. Continue annual replacement of approximately 5,000 feet per year of old cast iron and steel water mains each year.
4. Complete construction of well-head treatment system for iron and manganese removal as needed.

Goal

Expand the water system capital facilities to accommodate new growth and development.

Objectives

1. Implement measures identified in the recently completed Foothill Water Treatment Plant Facility Plan.

Goal

Promote a safe working environment while maintaining and operating facilities

Objectives

1. Continue to train for hazardous chemical spills at Water and Wastewater facilities.
2. Maintain and repair equipment before premature failures.
3. Continue to provide training on equipment and employee safety.
4. Implement Vulnerability Assessment security recommendations.

Wastewater Utility

Goal

Construction of Capital Improvement Projects (CIP) to meet the demands of the City's aging and undersized waste water infrastructure.

Objectives

1. Construct Boulder Creek Interceptor Phases 2 and 3, in FY 11/12 and 12/13.
2. Complete construction of Stillwater Wastewater Treatment Plant Expansion Project Phase 1A and 1B.
3. Complete the design, environmental review, and begin construction of improvements to the Stillwater Wastewater Treatment Plant Expansion Project Phase 1C.
4. Complete the design, environmental review, and begin construction of Clear Creek WWTP Regional Solids Handling Facility.
5. Complete design and construction of improvements to the Clear Creek WWTP Bid Packages 5 and 7.
6. Complete design and construction of the Clear Creek WWTP Backup Generator Project.
7. Complete construction of Country Oaks Sewer Replacement Project.
8. Complete construction of the Stillwater WWTP Electrical and Instrumentation Shop.
9. Complete design and construction of the Auditorium Drive Lift Station Replacement/Highway 44 undercrossing Project.
10. Begin design of the Westside Interceptor Phase 2 & 3.
11. Complete the Wastewater Utility Master Plan Update.
12. Complete the Kapusta Park Access Improvement Project as mitigation for SWTP Phase 1C pipeline project.
13. Complete Design and Construction of the 2011 and 2012 Sewer Replacement Projects of 6- through 12-inch sewer collection pipeline.

Goal

Improve the reliability and cost-effectiveness of the Wastewater Collection System operation.

Objectives

1. Hydro-clean a minimum of 33% of the sewer collection system main lines annually.
2. Conduct intensive flow monitoring and leak detection in the drainage basins tributary to downtown Redding and on the west side of town and then replace, repair and rehabilitate the system as needed.
3. Replace approximately 3,000 feet of failing clay sewer main and portions of the sewer connections in west Redding.
4. Upgrade aged and failing manholes located in the street right-of-way, and remote locations, with newer frames and covers to prevent unauthorized access and vandalism.
5. Insure compliance with State and Federal regulations:
    a. Participate in the establishment of the electronic filing system for reporting sanitary sewer overflows on schedule.
    b. Insure all Waste Discharge Requirements are complied with.
    c. Actively and effectively participate in the creation of our Sanitary Sewer Master Plan.
    d. Establish an effective and reliable Computerized Maintenance Management System.
    e. Investigate sources of I&I and make necessary repairs.
6. Continue to increase efficiency operations with the effective use of new technologies:
7. Continue to utilize our CCTV operations with regular data acquisition, pipe profiling, and system inspections.
8. Improve our rainfall monitoring by providing instrumentation that will monitor the rain gauges and show rainfall amounts on our SCADA system.
9. Acquire and utilize a Computer Maintenance and Management System to store and control all manner of wastewater collection system data.
10. Improve our root control and smoke testing capabilities.
11. Conduct hydro-cleaning and CCTV in our remote areas with the use of remote camera systems.
12. Complete upgrades of existing flow monitoring equipment.
13. Continue efficient operations and excellent customer service.
14. Continue to support and participate in activities that enhance the skills and knowledge of the Wastewater Collection staff. This will insure our staff is properly trained and motivated for the future.
15. Actively participate in the California Water Environment Association including the Voluntary Certification Program, Local Section activities, Annual and Northern Regional Conferences, and specialty training.
16. Insure 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 the Wastewater Treatment Plants' operations.

Objectives

1. Operate both the Stillwater and Clear Creek Plants efficiently and effectively to prevent plant process upsets, mechanical failures and NPDES discharge violations.
2. Continue to upgrade the aging equipment throughout the treatment plants for improved control and energy efficiency and to meet current safety standards.
3. Manage assets and preventative maintenance efficiently and effectively to ensure proper plant operation and minimize reactive or emergency maintenance.
4. Manage plant process control to provide the highest quality of wastewater treatment while maintaining low usage of chemicals and energy.

Goal

Improve industry tracking and environmental compliance while maintaining a business-friendly atmosphere.

Objectives

1. Continue to implement a 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 businesses are classified and billed properly.
3. Continue to implement updated local limits with all significant industrial users.
4. Assist with the implementation of the City of Redding's Storm Water Quality Improvement Plan which is required by the Federal NPDES Phase II Storm Water regulations, as follows:

Storm Drain Utility

Goal

Maintain the City's Storm Drain System in the most efficient manner possible and continue to improve service to the public.

Objective

1. Continue implementation of the Storm Drain Maintenance Operational Plan.
2. Implement the computerized Storm Drain Maintenance Program for better accountability.
3. Continue working with Water Quality Control on issues pertaining to N.P.D.E.S. Phase 2 requirements.
4. Work closely with the Engineering Division to determine which drainage basin should be considered for master plan update.
5. Search of additional funding opportunities for increased maintenance of the system.
6. Inventory the number of driveway culverts and street crossings to assist in the development of projected future maintenance needs.
    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 remote control underground video inspection system.
e. Continue our public education campaign to reduce Storm Water Pollution.

RMU Administration

Goal

Effectively manage the Department and assist the Divisions in meeting their goals.

Objectives

1. Meet regularly with Division Managers to discuss progress on objectives.
2. Develop and implement an effective budget management program that includes responsibility and accountability at all levels of the various Divisions.
3. Effectively work with other managers in the Department and City to support efforts in furthering other Department and City objectives.
4. Working with the other Department Managers, support Department efforts to identify and implement improved customer service and communication.
5. Host the California Water Environment Association Northern Regional Training Conference at the Convention Center in September 2011, to provide local access to technical training on water environment issues.

Transportation:

Streets Division

Goal

Continue to manage and maintain current roadways system with approved funding.

Objectives

1. Develop and implement programs such as shoulder backing, alleyway maintenance, crack seal, and sidewalk and asphalt removal and replacement.
2. Utilize the Street and Signs Work Calendars to monitor and improve efficiency and daily work productivity.
3. Maintain existing roadway pavement striping, markings and signing using city staff and contractual services as funding allows.
4. Complete annual reflectivity night survey.
5. 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.
6. Continue to explore and utilize alternative paving methods such as Rubberized Cape Seals, Micro Seals and other advanced paving technologies.
7. Assist other departments relative to safe traffic control during planned work and emergency response.

Goal

Improve the pavement rating status of City roadways within the funding levels approved by the City Council.

Objectives

1. Apply slurry seal or other alternative paving methods to approximately 12 miles of streets. A particular focus on neighborhood streets for this budget cycle.
2. Crack seal 15-20 miles of streets each year.
3. Wheel Path grind approximately 10 miles of streets.
4. Utilize in-house forces for targeted asphalt repair and replacement in areas of base failures prior to seal applications
5. Seek additional funds for street maintenance that may become available during each fiscal year.

Goal

Continue with the development of various inventories to assist future budget and maintenance plan development.

Objectives

1. Work closely with Information Technology and GIS to maintain up-to-date inventory of street barricades, alleyways, street striping, pavement markings and signs using such methods as mobile GPS units and laptop computers.
2. Work closely with Information Technology to maintain up-to-date inventory and utilize a computerized inventory system that will be used for collection of inventories within the Streets Division.
3. Implement new work order management system and ensure smooth transition from the old system.

Traffic Operations Division

Goal

Enhance vehicular, cyclist and pedestrian safety on public streets

Objectives

1. Continue to assess safety, collision, signing, delineation, speed, volume and bicycle/pedestrian facilities along major corridors and use the information in preparation of grant applications.
2. Work closely with Redding Police, streets personnel, traffic operations, signal technicians, Caltrans and city engineering through bi-weekly meetings to asses current traffic operation issues; coordinate requests for engineering analysis, changes in traffic control devices, striping and signing changes and additional law enforcement.
3. Use available City funds to leverage grant opportunities available through the Highway Safety Improvement Program, Safe Routes to School Program, Bicycle Transportation Account and Office of Traffic Safety program.
4. Educate the community regarding vehicle, bicycle and pedestrian safety through safety brochures, posters, media stories, the City website and community events.
5. Develop a traffic calming program and policy to help neighborhoods deal with excessive speeds on neighborhood streets.
6. Use Crossroads software to compile, analyze and report collision history and trends found in the City and minimize the need for comprehensive paper archiving.
7. Complete required traffic studies, traffic counts, turning movement studies, and ensure state compliance with management systems.

Goal

Ensure timely update and maintenance of the Redding Municipal Code as it pertains to traffic laws, encroachments, network planning, impact fees and established Speed Zones.

Objectives

1. Work with GIS and traffic operations to develop and maintain the traffic control map and allow accessibility on the City's map server.
2. Update as appropriate incorrect and outdated references within the Redding Municipal Code.
3. Update Speed Zones as required by the California Manual on Uniform Traffic Control Devices.
4. Review developments for traffic related operational issues, parking, alternative transportation modes, network planning and impact fee assessments.
5. Ensure timely review and issuance of encroachment, special events and transportation permits that adhere to recognized standards.
6. Complete ADA transition plan for curb ramps and traffic signal facilities.

Transportation Planning Division

Goal

Ensure adequate planning and consideration for alternate modes of transportation

Objectives

1. Work with Development Services to develop a complete streets ordinance
2. Work with the Bicycle Advisory Group to address cycling concerns and develop priorities for targeted grant applications
3. Ensure implementation of adopted Bicycle Action Plan.
4. Develop and implement various pedestrian safety improvements

Parking Division

Goal

Maintain and manage parking structure and offsite parking facilities owned by the City.

Objectives

1. Maintain inventory of existing striping and pavement markings, parking meters and signs within the downtown parking structure.
2. Continue to work in close relationship with property owners and business owners in the downtown area on parking system improvements.
3. Continue the current level of maintenance in and around the downtown parking facility including alternating of enforcement efforts.
4. Work with Development Services and the Redevelopment Agency to complete the Downtown Area Specific Plan to include parking system management objectives.

Engineering:

Goal

Maintain internal and external customer service and project efficiency.

Objectives

1. Continue to use scoping documents on all projects.
2. Maintain average contract bid within 10% of engineer's estimate.
3. Keep corrective contract change orders at 5% of construction cost.
4. Continue to identify and implement means to improve communication with various customers, internal and external.
5. 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

1. Improve on-line project information including more comprehensive and timely project information.
2. Continue to provide high standards on direct public contact including timely returning phone calls letters and emails and working towards always resolve various public issues brought to the attention of staff.
3. Develop and implement a proactive program to present project updates to Council, service clubs and other interested groups.

Goal

Deliver 90% plus of the projects in the year the project is identified in the Capital Improvement Program.

Objectives

1. Work with customers to accurately develop the City's five year Capital Improvement Program.
2. Develop project scoping documents before starting on every capital improvement project and include customer buy in in the process.
3. Continue to develop status reports for customers.
4. Maintain budgeted level of cross charges.
5. Hold regular project status meetings with the various engineering customers.

Goal

Continue to increase the quality of surveys and map processing.

Objectives

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

Unmet Needs

Municipal Utilities:

Storm Drain Utility

1. Additional maintenance positions - there are currently five (5) authorized positions (1 Supervisor, 1 Lead Worker, 2 Operators, 1 Maintenance Worker) for the entire City of Redding. Additional positions are needed, but not requested due to revenue constraints.
2. Increased maintenance funding for facility replacement and upgrade; completed by both contract and utility personnel.
3. Funding for the implementation of NPDES regulations, capital projects that relate to maintenance of the existing system, and funding for emergency repair projects. There is currently no funding identified for these work tasks. NPDES 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 NPDES requirements was estimated to average about $38 per household with a range of $29 to $46 per household. Most of these Cities have lower rainfall amounts than Redding. The cost for NPDES compliance breaks down into 10 categories:

- Construction Site Runoff Control
- Illicit Discharge Detection and Elimination
- Watershed Management
- Industrial and Commercial Programs
- Overall Stormwater Program Management
- Pollution Prevention
- Good Housekeeping for Municipal Operations
- Public Education Outreach Involvement
- Water Quality Monitoring
- Post Construction Monitoring for new development

An additional $300,000 in 2011-12, and $300,000 in 2012-13, is estimated to be necessary to cover costs for increased public education, cleaning, monitoring, and illicit discharge compliance. The bulk of these costs will be due to added field operations and maintenance obligations. Due to lack of funds in the Storm Drain Utility, these costs will be paid using other funds.

Water Utility

1. Funding for well head treatment facilities.
2. Funding for Foothill Water Treatment Plant rehabilitation. A Facilities Plan is currently being prepared by PACE Civil for the facility.
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.
5. Sufficient funding for Pump House 1.

Transportation:

Streets Division

1. Street maintenance continues to be the major challenge for the Streets Division. The Pavement Management Program (PMP) classifies the condition of the various street segments and provides a rating. The current backlog of pavement needs totals $30.6 million in order to bring the entire system to a "very good" rating. The current pavement condition index systemwide is 55 out of a 100 scale with residential streets falling in the "poor" category. To maintain the current rating, an investment of $7.5 million annually is needed. The current budget dedicates only a $1M per year investment.
2. Pedestrian facilities are experiencing deterioration and need continual repair and replacement and there are many gaps in the system that need new sidewalk and other enhancements. A backlog of $5 million has been identified to meet this need.

Parking Division

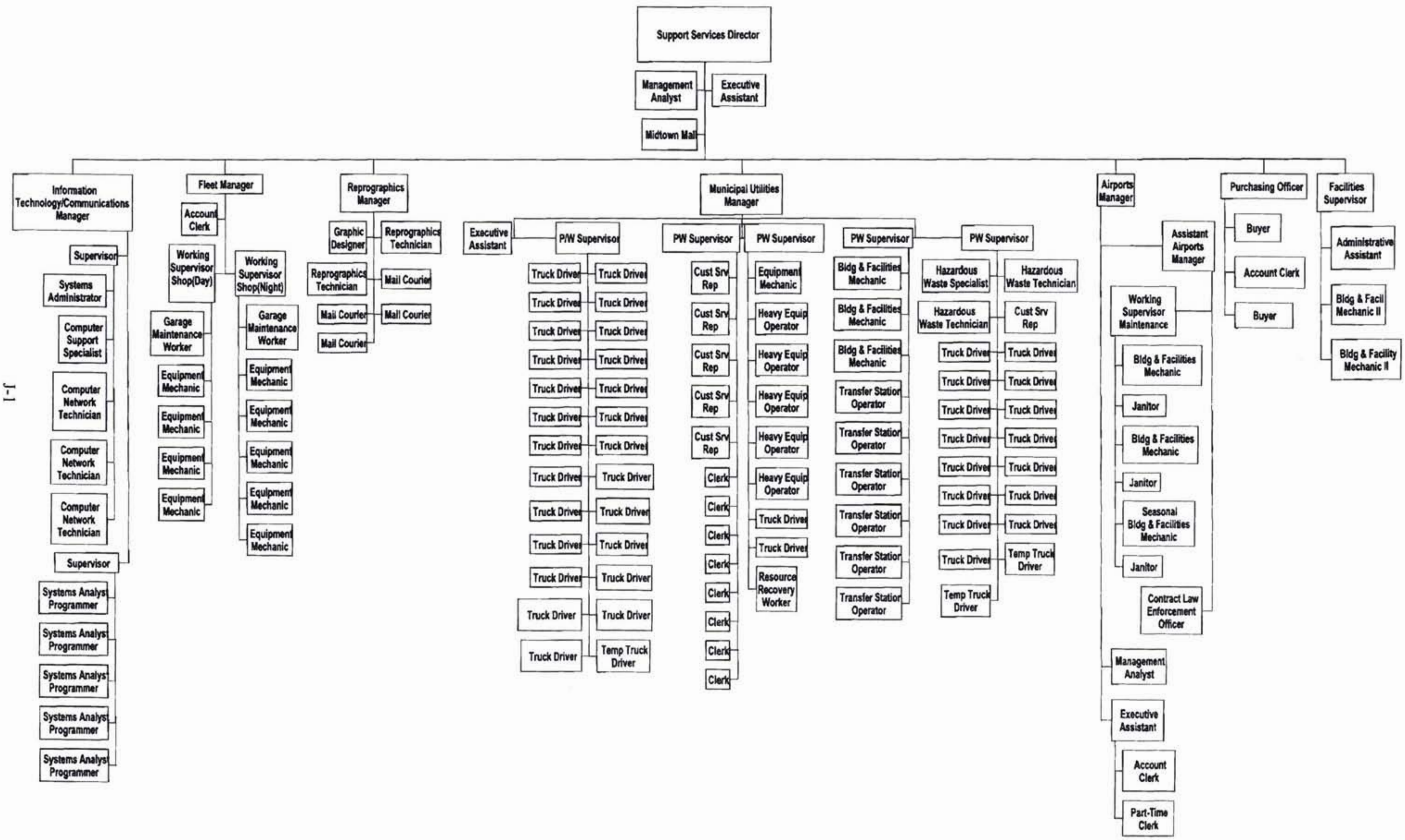
1. An investment of $65,000 is needed to convert existing parking meters to programmable electronic meters in order for the City Council to consider meter rate changes to keep pace with maintenance.
2. The public parking lots are in need of pavement overlay and preservation applications.
3. The downtown parking structure continues to age and limited funds are available for needed rehabilitation and repairs.

Engineering:

Budget circumstances in the City have resulted in an inability to fund and meet needs typically funded by the General Fund including:

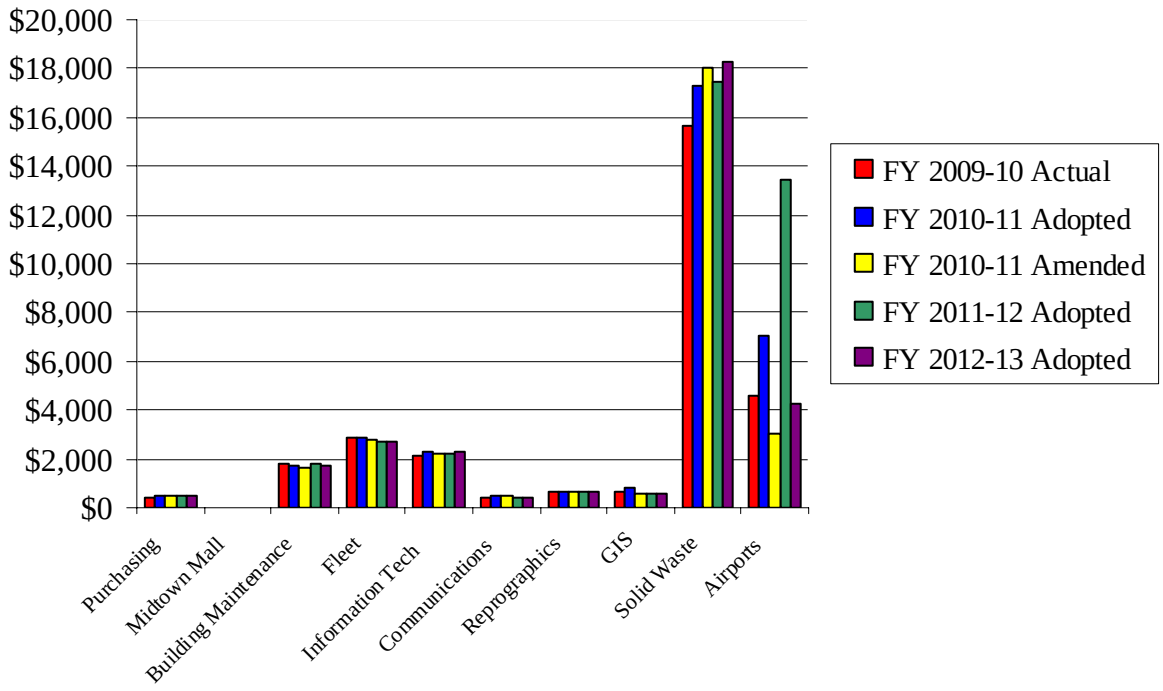
- Update of the City's Construction Standards.
- Development of City Standard Specifications (General and Technical)
- Some specific technical training
- Survey grade GPS with fixed base station.

SUPPORT SERVICES DEPARTMENT



SUPPORT SERVICES

Expenditure Comparisons (In Thousands)



SUPPORT SERVICES DEPARTMENT

Overview

The Support Services Department's adopted budget for FY 2011-12 totals $39,778,930, which is $9,870,981 more than the amended budget for FY 2010-11 of $30,151,480. The increase is due to the capital projects in the Airports Divisions. For FY 2012-13, the adopted budget totals $31,571,990, which is $8,206,940 less than the FY 2011-12 adopted budget. This decrease is primarily due to the full cost of the capital projects being budgeted in the first year of the budget cycle.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Purchasing	$ 444,855	$ 495,780	$ 468,780	$ 491,150	$ 22,370	$ 508,010	$ 16,860
Midtown Mall	14,087	27,990	27,990	28,420	430	28,420	-
General Fund Subtotal	458,942	523,770	496,770	519,570	22,800	536,430	16,860
Solid Waste Utility	15,640,983	17,326,340	18,016,850	17,497,620	(519,230)	18,296,320	798,700
Airports	4,585,398	7,049,270	3,054,920	13,419,070	10,364,150	4,267,110	(9,151,960)
Enterprise Fund Subtotal	20,226,381	24,375,610	21,071,770	30,916,690	9,844,920	22,563,430	(8,353,260)
Building Maintenance	1,772,747	1,758,709	1,678,139	1,782,790	104,651	1,753,480	(29,310)
Fleet Maintenance	2,883,148	2,883,980	2,756,630	2,694,890	(61,740)	2,689,870	(5,020)
Information Technology	2,116,008	2,324,410	2,245,170	2,192,240	(52,930)	2,303,680	111,440
Communication	433,391	450,890	450,890	443,970	(6,920)	446,900	2,930
Geographical Info Systems	665,554	782,920	557,780	569,850	12,070	602,140	32,290
Reprographics	622,679	669,150	650,800	658,930	8,130	676,060	17,130
Internal Service Funds Subtotal	8,493,527	8,870,059	8,339,409	8,342,670	3,261	8,472,130	129,460
TOTAL	$ 29,178,850	$ 33,769,439	$ 29,907,949	$ 39,778,930	$ 9,870,981	$ 31,571,990	$ (8,206,940)

* 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
	FY 2012-13 Adopted	$ 422,130	$ 85,880	$ -	$ -	$ 508,010
	FY 2011-12 Adopted	$ 406,540	$ 84,610	$ -	$ -	$ 491,150
	FY 2010-11 Amended	$ 379,930	$ 88,850	$ -	$ -	$ 468,780
Purchasing	FY 2009-10 Actual	$ 357,418	$ 87,437	$ -	$ -	$ 444,855
	FY 2012-13 Adopted	-	22,420	6,000	-	28,420
	FY 2011-12 Adopted	-	22,420	6,000	-	28,420
	FY 2010-11 Amended	-	17,990	10,000	-	27,990
Midtown Mall	FY 2009-10 Actual	-	12,014	2,073	-	14,087
	FY 2012-13 Adopted	7,058,820	9,153,630	1,180,170	903,700	18,296,320
	FY 2011-12 Adopted	6,830,640	8,921,310	840,670	905,000	17,497,620
	FY 2010-11 Amended	6,410,400	9,515,260	1,190,760	900,430	18,016,850
Solid Waste	FY 2009-10 Actual	5,742,648	7,858,266	1,136,244	903,825	15,640,983
	FY 2012-13 Adopted	953,770	1,300,160	1,352,000	661,180	4,267,110
	FY 2011-12 Adopted	893,180	1,293,090	10,633,000	599,800	13,419,070
	FY 2010-11 Amended	876,570	1,412,020	613,220	153,110	3,054,920
Airports	FY 2009-10 Actual	764,914	1,299,409	2,321,011	200,064	4,585,398
	FY 2012-13 Adopted	640,210	1,113,270	-	-	1,753,480
	FY 2011-12 Adopted	619,600	1,163,190	-	-	1,782,790
Building	FY 2010-11 Amended	550,819	1,127,320	-	-	1,678,139
Maintenance	FY 2009-10 Actual	614,492	1,158,255	-	-	1,772,747
	FY 2012-13 Adopted	1,404,180	1,285,690	-	-	2,689,870
	FY 2011-12 Adopted	1,366,500	1,286,390	42,000	-	2,694,890
	FY 2010-11 Amended	1,411,480	1,315,150	30,000	-	2,756,630
Fleet Maintenance	FY 2009-10 Actual	1,414,844	1,413,339	54,965	-	2,883,148
	FY 2012-13 Adopted	1,789,430	349,250	165,000	-	2,303,680
	FY 2011-12 Adopted	1,693,110	359,130	140,000	-	2,192,240
Information	FY 2010-11 Amended	1,812,550	365,400	67,220	-	2,245,170
Technology	FY 2009-10 Actual	1,668,668	331,297	116,043	-	2,116,008
	FY 2012-13 Adopted	22,950	169,450	4,500	250,000	446,900
	FY 2011-12 Adopted	20,120	169,350	4,500	250,000	443,970
	FY 2010-11 Amended	22,720	173,670	4,500	250,000	450,890
Communication	FY 2009-10 Actual	27,336	147,190	8,865	250,000	433,391
	FY 2012-13 Adopted	431,200	170,940	-		602,140
Geographical	FY 2011-12 Adopted	403,160	166,690	-		569,850
Information	FY 2010-11 Amended	392,220	159,560	6,000		557,780
Systems	FY 2009-10 Actual	518,914	143,040	3,600		665,554
	FY 2012-13 Adopted	386,290	127,770	162,000	-	676,060
	FY 2011-12 Adopted	368,900	128,030	162,000	-	658,930
	FY 2010-11 Amended	394,340	136,460	120,000	-	650,800
Reprographics	FY 2009-10 Actual	362,722	119,708	140,249	-	622,679
	FY 2012-13 Adopted	$ 13,108,980	$ 13,778,460	$ 2,869,670	$ 1,814,880	$ 31,571,990
	FY 2011-12 Adopted	$ 12,601,750	$ 13,594,210	$ 11,828,170	$ 1,754,800	$ 39,778,930
	FY 2010-11 Amended	$ 12,251,029	$ 14,311,680	$ 2,041,700	$ 1,303,540	$ 29,907,949
Total	FY 2009-10 Actual	$ 11,471,956	$ 12,569,955	$ 3,783,050	$ 1,353,889	$ 29,178,850

Personnel

The adopted personnel budget for the Support Services Department totals 129.70 FTE's which is 1.48 less than the FY 2010-11 amended budget. This decrease is due to a reduction of a part-time clerk in the Airports Division and one full time Mechanic in the Fleet Maintenance Division.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Purchasing	F/T	6.00	5.00	6.00	6.00	-	6.00	-
	P/T	0.48	0.48	-	-	-	-	-
	Total	6.48	5.48	6.00	6.00	-	6.00	-
Solid Waste	F/T	68.00	68.00	68.00	68.00	-	68.00	-
	P/T	3.36	3.36	3.36	3.36	-	3.36	-
	Total	71.36	71.36	71.36	71.36	-	71.36	-
Airports	F/T	7.00	7.00	7.00	7.00	-	7.00	-
	P/T	3.15	3.15	3.15	2.67	(0.48)	2.67	-
	Total	10.15	10.15	10.15	9.67	(0.48)	9.67	-
Building Maintenance	F/T	5.00	5.00	4.00	4.00	-	4.00	-
	P/T	-	-	-	-	-	-	-
	Total	5.00	5.00	4.00	4.00	-	4.00	-
Fleet Maintenance	F/T	15.00	15.00	14.00	13.00	(1.00)	13.00	-
	P/T	-	-	-	-	-	-	-
	Total	15.00	15.00	14.00	13.00	(1.00)	13.00	-
Information Technology	F/T	16.00	16.00	15.00	15.00	-	15.00	-
	P/T	-	-	0.75	0.75	-	0.75	-
	Total	16.00	16.00	15.75	15.75	-	15.75	-
Communication	F/T	-	-	-	-	-	-	-
	P/T					-		-
	Total	-	-	-	-	-	-	-
GIS	F/T	5.00	5.00	4.00	4.00	-	4.00	-
	P/T	-	-	-	-	-	-	-
	Total	5.00	5.00	4.00	4.00	-	4.00	-
Reprographics	F/T	4.00	4.00	4.00	4.00	-	4.00	-
	P/T	1.92	1.92	1.92	1.92	-	1.92	-
	Total	5.92	5.92	5.92	5.92	-	5.92	-
Total	F/T	126.00	125.00	122.00	121.00	(1.00)	121.00	-
	P/T	8.91	8.91	9.18	8.70	(0.48)	8.70	-
	Total	134.91	133.91	131.18	129.70	(1.48)	129.70	-

*Does not include positions at West Central Landfill (a quasi autonomous entity): [13.75 FTE's in 09-10 & 10-11 and 11.00 FTE's in 11-12 & 12-13].

Capital Outlay

Solid Waste Utility

The budgeted fiscal year 2011-12 capital outlay totals $840,670. Of this amount, $254,470 will be used to repair and replace worn out waste wheelers, containers and drop boxes; $50,000 to purchase a storm water filtration system; $85,000 for repair and remodel of the Solid Waste Administration office; $305,000 to implement the GPS/AVL (Global Position System/Automatic Vehicle Location) and route optimization project; $51,000 to slurry seal asphalt areas at the transfer facility. Adopted for fiscal year 2012-13 is $1,180,170. Of this amount, $255,470 is for repair and replacement of worn out waste wheelers, containers and drop boxes. The remaining $829,500 is for transfer facility improvements.

Airports

Airports budgeted fiscal year 2011-12 capital outlay totals $11,985,000. This amount consists of the following projects.

Municipal Airport Projects	Project Cost	Federal Grant	PFC Funding	Other Funding	Operating Revenue
FY 2011-12					
Terminal Building Expansion	$6,000,000	$ 5,367,500	$ 282,500	$ 350,000	$ -
Environmental Assessment Runway	350,000	332,500	17,500	-	-
Land Use Plan Update	250,000	225,000	-	-	25,000
Rehab Security Fence Signage	5,000	-	-	-	5,000
Fire Station 7 Equipment	18,000	-	-	-	18,000
PFC Audit	18,000	-	18,000	-	-
Car Wash Drain	5,000	-	-	-	5,000
Airfield Markings	25,000	23,750	1,250	-	-
Total FY 2011-12	6,671,000	5,948,750	319,250	350,000	53,000
FY 2012-13					
Permanent Parking Apron Design	160,000	152,000	8,000	-	-
T-Hangar Taxilane Rehab Design	85,000	80,750	4,250	-	-
Eastside Cargo Apron Design	120,000	114,000	6,000	-	-
Airfield Electrical System	75,000	71,250	3,750	-	-
Security Fence Design	55,000	52,250	2,750	-	-
PFC Audit	5,000	-	5,000	-	-
Administrative Office Furniture	15,000	-	-	-	15,000
Total FY 2012-13	$ 515,000	$ 470,250	$ 29,750	$ -	$ 15,000

Benton Airpark Projects	Project Cost	Federal Grant	State Grant	Operating Revenue
FY 2011-12				
Runway Safety Area Improvements	$ 1,905,000	$ 1,809,750	$ 45,240	$ 50,010
Rehab Runway 15/33	1,614,000	1,533,300	38,330	42,370
Medium Intensity Runway Lights	368,000	349,600	8,740	9,660
Water Pollution Control Facility Design	40,000	38,000	950	1,050
CHP Hangar Door Replacement	20,000	-	20,000	-
Pavement Mangement Maintenance	15,000	14,250	360	390
Total FY 2011-12	3,962,000	3,744,900	113,620	103,480
FY 2012-13				
ALP & Narrative Update	200,000	190,000	4,750	5,250
Water Pollution Control Facility	440,000	418,000	10,450	11,550
Rehab Taxiway Design	102,500	97,375	2,430	2,695
T-Hangar Taxilane Rehab Design	94,500	89,775	2,240	2,485
Total FY 2012-13	$ 837,000	$ 795,150	$ 19,870	$ 21,980

Fleet Maintenance

Fleet Maintenance Division's budgeted capital outlay for fiscal year 2011-12 totals $42,000. The Division will be purchasing a hot water pressure washer for $6,000 and a Diesel Particulate Filter (DPF) cleaner for $36,000.

Information Technology

Information Technology Division's budgeted capital outlay for fiscal year 2011-12 totals $140,000 and for fiscal year 2012-13 totals $165,000. Fiscal year 2011-12 consists of $30,000 for antivirus software, $50,000 for SQL database license upgrades, $50,000 for desktop environment replacement pilot program, and $10,000 for on-going support of the emergency operations center. Fiscal year 2012-13 consists of $125,000 for exchange server licensing, $30,000 for server backup hardware and software, and $10,000 for on-going support of the emergency operations center.

Communication

The Communication Division's adopted capital outlay budget for both fiscal years totals $4,500 for on-going support of the emergency operations center.

Significant Issues

Purchasing

The Purchasing Division will face challenges with providing training for the two new employees who filled positions of two long-term employees who retired in the last budget cycle.

Solid Waste Utiltiy

Significant issues for the Solid Waste Utility relate to the following:

1. Increasing waste diversion.
2. Handling more recyclables while increasing revenues.
3. Meeting State mandates on materials banned from the landfill.
4. Replacing aging solid waste collection vehicles to minimize downtime and reduce maintenance costs.

Solid Waste Fund (in thousands)	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning cash	$ 8,100	$ 6,295	$ 4,839	$ 2,985	$ 2,337
Revenue	15,333	16,474	16,764	17,437	18,147
Expenditures	17,138	17,930	18,619	18,085	18,941
Net Income	(1,994)	(1,651)	(2,061)	(858)	(1,012)
Ending cash	$ 6,295	$ 4,839	$ 2,945	$ 2,337	$ 1,544

(Excludes rolling stock and investment fund cash balances).

Airports Division

The Airports continue to face challenges during the economic downturn. Horizon Air discontinued air service on April 16, 2011. While recruitment of additional air service from the Municipal Airport has always been a high priority, the loss of Horizon Air has made it even more important. Also, hanger rentals are down. For the first time in many years, there is no waiting list.

While the economic downturn has had some negative impacts, the IASCO training facility has continued to grow and expand.

Airport Fund (in thousands)	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Beginning cash	$ 586	$ 196	$ 196	$ 104	$ 147
Revenue	13,004	4,242	7,129	5,297	8,850
Expenditures	13,394	4,242	7,221	5,254	8,964
Ending cash (non-dedicated)	196	186	104	80	33
Ending cash (dedicated PFC's)	-	10	-	67	-
Total ending cash	$ 196	$ 196	$ 104	$ 147	$ 33

Building Maintenance

Due to the budget shortfalls, it was necessary to eliminate a Building Maintenance Trade Working in the second year of the FY 2009-11 budget. This reduction in staff has put an even greater strain on the existing staff to keep up with all the requests for repairs and safety items. The Division will continue to prioritize requests and handle the most pressing items.

2009-2010 Goals and Accomplishments

Purchasing

Goal

Streamline the process flow associated with competitive Request for Proposals (RFP's) in the effort to avoid non value-added practices.

Accomplishment

After follow-up meetings with Public Works and REU (City Hall), this program was launched near the beginning of FY2009-10. Forms were created for various elements of the process, and a procedural document written. An alternate project numbering system was used as well as a different time of day and location for the receipt of proposals. This process helps the City Clerk's and courier staff to know where submittals belong. Records retention responsibilities have been shared with those using this alternate system.

Goal

Upgrade resources available at the Emergency Operations Center (EOC) for use by the Logistics Section, Support Branch - Supply Unit.

Accomplishments

1. It has been determined that the City has the ability to increase CAL-Card (Visa) spending limits within 24 hours if it was necessary to make large purchases.
2. Information Technology provides Purchasing an electronic file of the City's vendor database that has been downloaded on a portable drive and is updated quarterly. This process ensures access to a broad range of providers. The drive will be available through the Purchasing Officer.
3. The State's Office of Emergency Operation Services has been contacted and a copy of this region's Rental Equipment and Services Vendor List has been requested.

Goal

Where appropriate, make greater use of competitively awarded contracts from other agencies and organizations that the City can "piggyback" off of, to benefit from prices based on a larger aggregates. This process has the potential to offer the City cost savings and an increase in efficiency.

Accomplishment

The City continues to explore and make use of contracts competitively bid by much larger agencies, allowing the City to realize the benefits of volume pricing for contracts established for multiple years. The marketplace continues to grow with organizations offering cooperative purchasing agreements. Using these contracts, where appropriate, can also reduce the burden of the Purchasing staff of needing to otherwise issue competitive bids and Request for Proposals.

Currently in use are cooperative agreements in IT procurements, cell phones and services, office supplies, car rentals, package delivery, and occasionally office furniture. There are also contracts for auto parts, copiers, water treatment chemicals, and janitorial supplies that may be a good fit for the City and are currently being explored.

Solid Waste

Goal

Provide solid waste, recycling and green waste collection services for the City of Redding's residential customers.

Accomplishments

The Utility provided residential, green waste and recyclables collection for approximately 26,000 single-family households. City collection trucks collected 23,443 tons of waste, 14,280 tons of green waste and 7,518 tons of recyclables in fiscal year 2009-10. This was done with a minimum of incidental overtime. The Utility has collected 13,649 tons of waste, 8,296 tons of green waste and 4,272 tons of recyclables to date (January 2011) in fiscal year 2010-11.

Goal

Provide solid waste and recyclables collection services for the City's commercial customers.

Accomplishments

The Utility collected and is projected to collect the following tonnage of commercial wastes in fiscal year 2009-10 and recyclables through February 2011:

	FY 2009-10	FY 2010-11
Commercial waste from commercial customers	29,930	17,446
Mixed recyclables from commercial customers	638	390
Cardboard from commercial customers	3,021	1,531
Newspaper from commercial customers	48	22
Office paper from commercial customers	221	173

Goal

Process all incoming waste from City collection trucks and self-hauled waste from the public.

Accomplishments

The transfer station processed 78,868 tons of waste in fiscal year 2009-10. Through December 2010, the Utility processed 39,302 tons of waste.

Goal

Process and market the recyclables collected through all of the City's recycling programs.

Accomplishment

The Utility processed and marketed the following tonnage of recyclables, including rigid plastic, which was added in fiscal year 2009-10:

	Quantity	Revenue
Recyclables	8,486 tons	$1,298,230
Compost	3,817 yards	$ 66,439
Wood Fuel	6,425 tons	$ 36,917
Ground Green Waste	1,576 tons	$ -0-

For fiscal year 2010-11, it is estimated that compost yardage and wood fuel tonnage will be within 10% of the fiscal year 2009-10 figures.

Goal

Seek alternate recycling options to avoid burying the City's green waste in the landfill.

Accomplishment

The Utility added Sierra Pacific Industries in Burney, California as a resource accepting ground green waste. No green waste was buried at the landfill in fiscal year 2009-10.

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.

Accomplishment

This goal was abandoned, and the Utility discontinued the free coupon program in fiscal year 2009-10. The funds in the amount of $66,340 were used instead to help fund a Code Enforcement Officer position for City-wide litter abatement.

Goal

Sweep curbed streets once per month in residential neighborhoods and once every two weeks in commercial areas.

Accomplishment

The Utility swept the City's curbed residential streets once monthly and its curbed commercial streets once every two weeks.

Goal

Process customers' transactions at the scale house in an efficient and expedient manner.

Accomplishment

Three Scale House staff processed over 78,800 transaction in fiscal year 2009-10 and are on pace to match this number for fiscal year 2010-11. The staff has continued to provide efficient and expedient service for customers at the transfer station.

Goal

Continue to provide Household Hazardous Waste (HHW) services at the transfer station.

Accomplishments

The Household Hazardous Waste Facility staff served 7,310 customers in fiscal year 2009-10, collecting 103 tons of hazardous waste. Motors were removed from 1,952 appliances, and the staff collected 397 tons of electronic waste.

Goal

Reduce the number of at-fault vehicle and safety incidents.

Accomplishments

Unfortunately the number of at-fault incidents increased by 2 over the previous year. The Utility has enhanced its driver and operator certification program. The Utility also provided blood borne pathogens training, automatic external defibrillator training and cardio-pulmonary resuscitation training, hearing assessments, and loader training to selected employees, and annual 8-hour Hazwoper Refresher training to Household Hazardous Waste Facility employees.

Goal

Develop City-owned property that was purchased for growth and expansion of the transfer station.

Accomplishment

The goal was unmet and carried forward.

Other Accomplishments

1. The Utility added a mattress recycling program in fiscal year 2009-10, recycling and diverting 4,919 mattresses from burial in the landfill, saving approximately 4, 190 cubic yard of landfill space, thus prolonging the life of the landfill.
2. The Utility added a bicycle donation program in fiscal year 2009-10, donating 726 used bicycles to local non profit organizations. The bicycles were refurbished and provided to kids and citizens in need of transportation.
3. In 2007, the State introduced a new per capital disposal rate measurement system for determining compliance with AB 939. The new system changed from focusing on diversion rates in terms of percentages to Calculated Disposal Rate (pounds/person/day). The target Calculated Disposal Rate set by the State for the City's 2009 Annual Electronic Report was 6.4. The actual rate was 5.1, more than a pound lower than the target.
4. The Utility contracted for preparation of a Facility Master Plan. The Plan was developed as a guide for expansion of the transfer station, which includes development of City-owned property on the west side of Abernathy Lane.
5. The Utility added rigid plastics as a recyclable commodity in fiscal year 2010-11. Approximately 52 tons of rigid plastic was diverted from the landfill. These items were previously considered contaminants of the local recycling stream.

Airports Division

Goal

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

Accomplishments

1. Successfully completed the reversion of two large facilities to the Airport's inventory. The Peri Executive Hangar Complex consists of six large executive hangars became the Airport's property in March 2010 and the Redding Jet Center facility reverted to the Airport in October 2009.
2. Staff worked successfully with IASCO flight training to expand its operation at the Redding Airport as a major foreign flight training facility.
3. Promoted the lease/or sale of surplus property at both airports; leased vacant land and facilities at Redding Municipal Airport and Benton Airpark.
4. Scheduled capital projects and carryover projects were all under construction or completed by June 30, 2010.

Goal

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

Accomplishment

1. Anticipate a positive cash flow for its ten-year plan.
2. Promoted the lease/or sale of surplus property at both airports. Leased vacant land and facilities at Redding Municipal Airport and Benton Airpark.

Building Maintenance

Goal

Identify electric usage at various City buildings and make recommendations for utility savings.

Accomplishments

Through working with REU and their energy audit program, Building Maintenance has started to identify which buildings are the best candidates for energy efficiency retrofits. Old City Hall is currently being assessed.

Goal

Ensure that the City continues to receive the best janitorial services at the best price

Accomplishment

Building Maintenance completed the RFP process for janitorial services and worked with the janitorial contractor to ensure all duties are performed satisfactorily.

Goal

Ensure the City facilities are well maintained.

Accomplishments

Building Maintenance has continued to provide timely service and corrected identified safety issues despite budget reductions.

Fleet Maintenance

Goal

Ensure the City maintains compliance with required federal, state and county programs.

Accomplishments

1. Performed state required smog inspection on schedule for all affected gasoline and diesel-powered vehicles.
2. Performed state required smog inspection on schedule for diesel smoke inspection program.
3. Performed inspections and kept records for the state mandated Biennial Inspection of Terminals (BIT) program.
4. Performed and documented the OSHA-mandated 90-day crane inspections.
5. Coordinated the annual crane inspections.
6. Revised the 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.

Accomplishments

1. Provided equipment inspection classes to a portion of departments that utilize both medium and heavy trucks.
2. Provided driver training as necessary.
3. Performed 3,000-mile safety inspections on all police pursuit vehicles.
4. Performed trailer safety inspections.
5. Incorporated safety inspections into all preventative maintenance programs using the newly implemented "Faster" system. A checklist system has been generated and implemented for all fire apparatus.

Goal

Maintain cost containment measures.

Accomplishments

1. Provided training opportunities for mechanics to stay abreast of new technology. Provided testing and certification programs for staff.
2. Evaluated and liquidated underutilized equipment. Implemented a vehicle and equipment condition report to better detail equipment condition for use in on-line auctions.
3. Utilized the use of contract labor to complement in-house work when fiscally advantageous.

Additional Accomplishments:

1. Implemented the Fleet Asset Management system "Faster."
2. Implemented a check and balance system for parts acquisition and justification.
3. Implemented a full Preventative Maintenance program on all City equipment and vehicles.
4. Implemented a warranty monitoring system and new vehicle warranty setup in the Faster system.
5. Implemented "extended warranty" program through future new vehicle and equipment acquisitions when fiscally advantageous.
6. Implemented a new vehicle and equipment acquisition system to gather detailed vehicle technical data for initial setup.
7. Implemented, through the Faster system technician accountability and productivity monitoring.
8. Implemented, through the Faster system a detailed work annotation on all repairs performed. All technicians are required to document in detail repairs performed.
9. Implemented a "Tire run-out" program where all heavy-duty tires are fully utilized prior to re-capping.
10. Implemented an "auto-email" notification system for vehicle status. Currently in testing for Fire and Solid Waste.

Information Technology/Communication

Goal

Implement Virtual Server technology and Storage Area Network (SAN) based environment.

Accomplishments

1. Migrated 50% core systems to virtual environment.
2. Secured data services and reliability through enhanced backup and replication processes.
3. Evaluate DR (Disaster Recovery) capabilities of VMware and SAN technologies.
4. Implemented HA (High Availability) and fault tolerant components within virtual and SAN products in service.

Goal

Provide leadership for technology projects for all City departments.

Accomplishments

1. Provided project management and integration support for new applications.
2. Provided new application systems using modern client server and graphical user interface programming methods.
3. Continued to maintain and upgrade existing systems.
4. Continued to provide end-user support and training.

Goal

Maintain a robust citywide network infrastructure.

Accomplishment

1. Implemented real time monitoring and alert notification of core systems and network infrastructure
2. Implemented maintenance schedule and tracking system for network equipment updates and changes.
3. Performed required field change order on city hall data center UPS (Uninterrupted Power Supply) device.
4. Developing hybrid WAN (Wide Area Network) strategy including licensed frequency wireless technologies.

Goal

Enhance desktop deployment and application delivery services.

Accomplishments

1. Developed unattended installation processes for Microsoft applications.
2. Deployed and supported Windows 7 32 and 64 bit operating systems.
3. Migrated antivirus solution to low impact product increasing local desktop performance.

Goal

Real time monitoring and support of the 800MHz trunked radio system.

Accomplishments

1. Activated notification process of system alerts and service degradations.
2. Inventoried local spare parts cache.
3. Developing secondary services strategy with support vendor.
4. Installed environmental monitoring and reporting equipment at primary radio system site.

Goal

Maintain and support fire/security safety systems.

Accomplishment

1. Negotiated and contracted vendor services for recurring compliance inspections, maintenance and support.
2. Coordinated and executed enhancements improving system(s) ability to protect city property, staff and patrons.
3. Documented all systems, vendor contacts, account numbers and inspection schedules.
4. Initiated onsite compliance of inspection reports, certifications and other documents required by the fire marshal.

Goal

Evaluate Voice over Internet Protocol (VoIP) technologies.

Accomplishment

1. Implemented VoIP system for case study of this technology and its viability.
2. Identified and recommended specific product line solution for implementation.
3. Developing enterprise solution with OEM of selected VoIP products.

Goal

Create a new cell phone usage policy.

Accomplishment

The Taskforce determined a cell phone usage policy in no longer required since the IRS rules have changed.

GIS

Goal

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

Accomplishments

1. Built a comprehensive ESRI ArcGIS Server map service to support the Development Services permit/project tracking application.
2. Completed development of additional core data layers for use in the Development Services permit/project tracking application.
3. Completed various enhancements to mobile GIS applications for Public Works.
4. Performed significant GIS data updates to the Mapguide web-based interactive map and established an efficient update process.
5. Added more commonly utilized GIS data layers to the website and made them freely available for download to the public.
6. Limited Mapguide web-based interactive map outages to less than 5 events in 2009 and 2010, with the longest outage limited to a few hours.
7. Completed an update of the GIS Division website to be more consistent with other City web pages. Added more commonly utilized maps to the City's website and made them freely available for download to the public.

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.

Accomplisments

1. Completed over 2,000 mapping/work requests in FY 2009-10 and over 2,000 mapping/work requests again in FY 2010-11.
2. Provided quick-turnaround of maps, exhibits, and presentation materials for numerous economic development prospects.
3. 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.
4. Provided GIS support and integration for the Development Services permit/project tracking application.
5. Provided GIS support and integration for the Public Works Cartegraph Maintenance Management System.
6. Provided training to multiple City Departments in the use of GIS data, mobile GIS software, and applications.
7. Provided GIS support and integration for the Crossroads Traffic Collision software application for public safety.
8. Completed a new Wastewater Utility Atlas Book for Public Works containing current aerial imagery.
9. Provided GIS support for the Electric Utility ArcFM software application.
10. GIS also responded to several unanticipated assignments during the FY 2009-11 budget cycle, which included support for:
    - Housing Condition Survey mobile application for the Redevelopment Agency
    - Local Hazard Mitigation Plan
    - Olney Creek Floodplain Analysis

Reprographics

Goal

Provide the City of Redding with the highest quality copying, graphic design, and offset printing at the least cost.

Accomplishments

1. Acquired a print monitoring system to track and then optimize printing based upon price of all color and black toner prints within the City of Redding.
2. Changed the vendor used for film output saving the City $15.00 for every 8.5” X 11” piece of film purchased.

Goal

Expand multimedia services to the City of Redding.

Accomplishment

Placed on hold due to reduction in staff levels.

Goal

Optimize the use of technology and techniques to contain postage and mailing costs.

Accomplishment

As of March of 2011 postage statements are now submitted on-line to the USPS. The City is prepared to implement the “Intelligent Mail Bar Code” as soon as a required date is set by the USPS.

Performance Measures and Workload Indicators

Purchasing Division

Workload Indicators	2009-10 Actual	2010-11 Projected	2011-12 Projected	2012-13 Projected
Number P.O.s Issued	1,886	1,600	1,620	1,650
Number Blanket PO Transactions	14,627	14,000	14,280	14,600
Quotation Requests Distributed	107	125	125	130
Formal Bid/Proposal Projects Opened	88	62	65	66
Std P.O. Transactions Value	13,389,943	13,588,000	14,000,000	14,280,000
Blanket P.O. Transactions Value	5,419,414	5,578,565	5,600,000	5,715,000
Value of Std. & Blanket P.O.s	18,809,357	19,166,565	19,600,000	19,995,000
Value of CAL-Card Purchases	2,759,832	2,595,925	2,500,000	2,550,000
Total Value of Acquisitions	21,269,189	21,762,490	22,100,000	22,545,000
Revenue from Surplus and Scrap Sales, and On-Line Auctions	$137,503	$260,000	$300,000	$275,000

Solid Waste Facility

REPORT CATEGORY	2008-2009	2009-2010	Projected 2010-2011	Projected 2011-2012	Projected 2012-2013
Solid Waste Collection					
# Waste Wheelers	344,226	344,507	348,288	355,254	362,359
# Dumpsters	33,878	34,728	35,454	36,163	36,886
# Collections - Drop Boxes/Trash	2,277	2,180	2,348	2,395	2,443
# Collections - Compacotors/Trash	1,169	958	962	981	1,001
# CollectionsDrop Boxes/Compactors/Recycling	1,577	1,240	898	916	934
Waste @ Transfer Station					
City Trucks (Tons)	61,338	62,625	62,612	63,864	65,142
* City Self-Haul(Tons)	7,061	6,634	6,356	6,483	6,613
* Non-City Self-Haul (Tons)	5,774	5,698	5,746	5,861	5,978
Recycling Trash (Tons)	2,329	2,340	2,120	2,162	2,206
City Sweeper (Tons)	1,278	1,262	1,234	1,259	1,284
Compost Trash (Tons)	164	292	522	532	543
Mattress Trash (Tons)		17	14	14	15
Total Waste Collected (Tons)	77,944	78,868	78,604	80,176	81,780
Diverted Waste (Tons)	25,706	26,996	29,252	29,837	30,434
Recyclables					
Recyclables Sales (Tons)	8,486	8,447	8,606	8,692	8,779
Recyclables Sales (Revenue)	$1,000,626	$ 1,298,230	$ 1,400,000	$ 1,165,000	$ 1,165,050
Compost Sales (Tons)	2,292	2,290	2,036	2,138	2,245
Compost Sales (Yards)	3,810	3,817	3,392	3,562	3,740
Compost Sales (Revenue)	$ 67,346.00	$ 66,439	$ 72,000	$ 75,600	$ 79,380
Wood Chip Sales (Tons)	8,312	6,425	3,200	3,264	3,329
Wood Chip Sales (Revenue)	$ 49,287	$ 36,917	$ 18,000	$ 18,360	$ 18,727
Green Waste Sales (Tons)	-	1,577	3,200	3,232	3,264
Green Waste Sales (Revenue)	0	0	0	0	0
Mattress Recycling (Tons)		79	135	138	140
Land Applied (Tons)	1,493	1,911	3,500	3,000	3,000
# Vehicle Trips					
Total to Transfer Facility	84,570	79,135	79,760	80,558	81,363
Total Self-Haul to Transfer Facility	62,710	57,851	57,498	58,073	58,654
Total To Landfill	29,926	29,821	30,286	30,589	30,895
Total Self-Haul to Landfill	18,741	18,483	18,970	19,160	19,351
Transfer Station / Drop Off / HHW					
# HHW Customers	7,150	7,310	7,352	7,426	7,500
# HHW Tons Recycled / Destroyed	116	103	110	111	112
# Motors Removed	2,742	1,952	2,028	2,048	2,069
# Non-COR Customers	25,927	24,802	24,382	24,626	24,872

Airports Division

Workload Indicators	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Enplanements/Deplanements Total	114,777	109,000	111,000	115,000
Aircraft Ops Total	81,737	94,814	112,830	116,000
Auto parked in public lot	10,473	9,713	10,000	11,000
Acres of land sold	0	0	0	0
Aircraft (total T-hangars/open/tie-down lease	219	222	226	235
Facility and ground leases	47	48	49	50
Ground lease amendments and renewals	18	19	19	19

Building Maintenance Division

Workload Indicators	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 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 Division

Workload Indicators	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Repair Orders (All)	7850	9128	10750	11000
Number - City Units*	852	853	870	870
Special Equipment Training	4	4	6	6
Supervisory Training Classes	2	0	0	0

Information Technology Division

Workload Indicators	2008-09 Actual	2009-10 Actual	2010-11 Projected	2011-12 Projected	2013-14 Projected
System Up Time	99+%	99+%	99+%	99+%	99+%
Number of E-mail Accounts	700	760	850	850	850
Number of Service Calls – Hardware/Office Automation	3,165	2,530	2,200	2,200	2,000
Number of Service Calls – Application Programs	313	316	300	300	300
Number of Wide Area Network (WAN) Connected Facilities	24	24	26	27	27
Number of Windows Servers	42	58	60	65	60
Number of AS400 Servers	4	3	3	3	3
Number of Other Servers (Linux, Sun, Avaya, Unix)	9	15	20	30	30
Number of Registered Domains	21	26	26	30	30
Web Applications	10	11	12	13	15

Communications

Workload Indicators	2008-09 Actual	2009-10 Actual	2010-11 Projected	2011-12 Projected	2013-14 Projected
Telephone Lines	1,000	1,000	1,136	1,100	1100
Cell phones	414	414	450	475	475
Data Lines	108	108	108	108	108
800 MHz Mobile Radios	470	470	470	470	470
800 MHz Portable Radios	496	496	496	496	496
800 MHz Repeaters	14	14	15	15	15
800 MHz Controllers	3	3	3	3	3
800 MHz Sites	2	2	2	2	2
Fire Alarm Systems	20	20	20	20	20
Burglar Alarm Systems	30	30	30	30	30
Phone Systems	31	31	35	30	20

GIS

Workload Indicators	FY 2009-10 Actual	FY 2010-11 Actual	FY 2011-12 Projected	FY 2012-13 Projected
Mapping/Analysis Requests	2,066	2,096	2,200	2,300
Interactive Map Visits	1,334,859	2,200,903	1,500,00	1,600,000

Reprographics

Workload Indicators	2009-10 Actual	2010-11 Estimated	2011-12 Projected	2012-13 Projected
Photocopies Reproduced	2,483,337	2,500,000	2,500,000	2,500000
Press Impressions	2,743,500	3,160,650	3,200,000	3,300,000
Mail Stops	800/ week	800/week	800/week	800/week
Inserter	54,640/month	55,000/month	58,000/month	60,000/month

Goals and Objectives for Fiscal Years Ending June 30, 2012 and 2013

Purchasing

Goal

Provide two new employees with training and a solid skill set for operating in the Purchasing profession.

Objectives

Through use of the *Purchasing Handbook*, train by reading and discussing such topics as:

- Purchasing ethics;
- The value and use of our membership in California Association of Public Purchasing Officials;
- Variations of the competitive process (Proposals vs. Bids/Quotes);
- Buyer's process of decision making;
- Customer Service;
- Protecting the City - types of necessary insurance, licenses, terms and conditions
- State laws governing Purchasing and Contracts;
- Change orders;
- Price escalation/de-escalation clauses and methods;
- Reading drawings;
- Proofreading specifications;
- Different types of payment agreements (firm-fixed price, time and materials, cost plus fixed fee, etc.);
- Working with grants.

Goal

Enhance tools available to internal customers regarding their use of the AS400 for Purchasing related activities.

Objectives

1. Update the *Basic Purchasing Polices and Procedures* on the City's Intranet site;
2. Add AS400 related training to the Intranet;
3. Add insurance related training and documents to the Intranet;
4. In addition to making presentations at the annual Supervisory Training Academy, set aside one afternoon a month to offer training either in the Purchasing Division or at other division locations;
5. Offer to make presentations at various department staff meetings to provide overview of purchasing policies and procedures, with the availability of more detailed small group or one-on-one training as a follow up.

Goal

Enhance the City's ability to reach local non-profit agencies for transferring City surplus materials/equipment.

Objective

Develop an e-mail list to notify local non-profit agencies to inform them of the opportunities the City offers in regard to surplus items.

Solid Waste

Goal

Provide solid waste, recycling and green waste collection services for the City of Redding's residential customers.

Objective

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.

Objective

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. Increase diversion of construction waste by offering additional services when practical.

Goal

Process all incoming waste from City collection trucks and self-hauled waste from the public.

Objective

Daily process and transfer all incoming waste from City collection trucks and the public in the cleanest and most efficient manner possible with a minimum of overtime. Assume that waste will level and then begin to increase with growth in the range of 1% - 3%.

Goal

Process and market the recyclables collected through all of the City's recycling programs.

Objective

Process, sort and market at the best available price all recyclables collected by the Utility through all of 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.

Goal

Seek alternate recycling options to avoid burying the City's green waste in the landfill.

Objective

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 the land-application of green waste as an alternate daily cover at the landfill. Plan to expand the compost area to stockpile a larger quantity of raw material and install a covered area for finished product.

Goal

Sweep curbed streets once per month in residential neighborhoods and once every two weeks in commercial areas.

Objective

Provide regular sweeping to keep the City's curbed streets clean and clear of debris and to keep debris from streets from entering the City's storm drain systems, thus complying with NPDES standards.

Goal

Process customers' transactions at the scale house in an efficient and expedient manner.

Objective

Adequately staff the scale house to provide efficient service for transfer station customers.

Goal

Continue to provide Household Hazardous Waste (HHW) services at the transfer station.

Objective

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 forth 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.

Goal

Reduce the number of at-fault vehicle and safety incidents.

Objective

Increase safety training and awareness, especially as related to driving and operating equipment. Also address other OSHA-mandated requirements.

Goal

Develop City-owned property that was purchased for growth and expansion of the transfer station.

Objective

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.

Airports Division

Goal

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

Objectives

1. Maintain existing level of air carrier service.
2. Promote enhanced airline service at Redding Municipal Airport.
3. Complete scheduled capital projects and carryover projects by June 30, 2012, and June 30, 2013, respectfully.

Goal

Improve the Division's financial position by increasing the Airports Fund reserve.

Objectives

1. Review existing fee schedule and recommend appropriate modifications.
2. Promote the leasing and/or selling of surplus property at both airports.
3. Closely monitor all expenditures.

Building Maintenance

Goal

Work closely with the building contactor to ensure that all warranty items at the Redding Library are resolved.

Objective

Ensure that all water intrusion through the walls is eliminated.

Goal

Continue to monitor the Redding Police Department roof for leaks.

Objective

Repair roof as necessary to eliminate further damage while waiting for a new Police Department building.

Goal

Work closely with Public Works on the Promenade bathroom remodel.

Objective

Work with Public Works to provide them with any information or feedback to make this project successful.

Goal

Continue to provide timely facility maintenance services.

Objective

Prioritize work and address important items such as safety issues first.

Fleet Maintenance

Goal

Continue the City's compliance with safety requirements and mandated State, County, and City regulations.

Objective

1. Adhere to state required smog inspection schedules for gasoline & diesel-powered vehicles.
2. Adhere to state required smog inspection schedules for diesel smoke inspection program.
3. Perform inspections and maintain 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. Continually evaluate and revise emission compliance strategy to meet constantly changing rules and regulations as mandated by the California Air Resources Board.

Goal

Provide department driver training.

Objective

1. Continue to hold biennial training for the Redding Fire Department.
2. Make training and other resources available to other City departments.

Goal

Continue to reduce Fleet Maintenance cost.

Objective

1. Provide training and certification opportunities for mechanics to stay abreast of new and changing technologies.
2. Have all fleet staff that are responsible for repairing fire apparatus acquire accredited fire academy level-one certifications; a certification that requires a combination of training and certification from the California Fire Mechanic Academy, and the Automotive Service of Excellence certification program.
3. Eliminate underutilized equipment.
4. Evaluate other means of surplus equipment liquidation to increase financial returns to the City.
5. Evaluate the City vehicle take-home policy and revise as needed to save on maintenance and fuel cost.
6. Evaluate all normal stock parts in fleet inventory and secure lowest possible pricing for non-contract parts to include online purchasing and other potential cost saving methods.

7. Evaluate all normal stock parts and identify and eliminate obsolescence and prevent future occurrences of obsolescence.
8. Continue to work with the Purchasing Division on annual competitive bids for parts and service contracts.
9. Optimize use of contract labor to complement in-house work when fiscally beneficial.
10. Continue to assist City departments in identifying and replacing those pieces of equipment with excessive maintenance and repair expenses.
11. Hold contract vendors to high standards for all work performed and pursue all applicable warranties.

Goal

Reduce the number of vehicle accidents.

Objective

1. Continue to enforce reimbursement of costs from departments that have had avoidable accidents.
2. Specify through new vehicle and equipment acquisitions "Forewarn" or similar proximity warning systems and camera systems where beneficial.

Goal

Increase efficiencies by utilizing available technologies.

Objective

1. Transparency: Make fleet records available to departments via the "Faster" system.
2. Auto Email: After final testing, implement a city-wide auto email notification system detailing vehicle status and availability.
3. Online Request: Finish current testing and make "Customer Portal" available city-wide.
4. Paperwork reduction: Create a records retrieval system via document scanning and storage within the "Faster" system. Additionally, change current protocols of high volume printing and direct fleet staff to assign and perform work solely using workstations located within the fleet facility whenever possible.
5. Diagnostic Equipment: Transition from hardware-based equipment to software-based equipment when possible.

Information Technology

Goal

To provide cost effective, innovative information management and technological solutions that support the business strategies of the City of Redding, its departments and divisions. Additionally, provide a secure environment for data integrity, accessibility, system availability and delivery of information resources to the employees of the City of Redding and the citizens they serve.

Objectives

1. Upgrade existing core systems including IBM AS400 iSeries, Microsoft SQL, MS Exchange and Active Directory Services augmenting maintenance, support and development of key business applications including Financial, Payroll, Integrated Land Management and Unified Messaging Systems.

2. Provide project management and integration support for new applications, such as AVL (AutomaticVehicle Location), Integrated Land Management and Activity Tracking System, RMS (Recreation Management System), REU GIS System, and Municipal Utilities CarteGraph System.
3. Commit to excellence in all aspects of customer service with emphasis on personalized attention to end-user needs.
4. Provide training to city staff supporting website development and content management.

Goal

Enhance the enterprise network infrastructure.

Objectives

1. Ensure network availability at 99.99% or better uptime
2. Enhance Internet accessibility through implementation of BGP (Boarder Gateway Protocol), load balancing and secondary ISP.
3. Integrate wireless broadband deployments and existing fiber optic network (I-Net) resulting in a hybrid fault tolerant WAN (Wide Area Network).
4. Maintain deployment of best network security policies and practices.
5. Implementation and management of IPSS (Integrated Public Safety System) secure network partnering with RPD, SHASCOM and Shasta County.

Goal

Enhance office automation and desktop support.

Objectives

1. Migrate local storage on workstation class computer systems to centralized network storage providing shadow copy services enabling end user immediate access to multiple file versions for restoration (data recovery).
2. Deploy automation and support of 32 and 64-bit Windows 7 desktop operating systems.
3. Deploy RDS (Remote Desktop Service) strategy.
4. Finalize migration to Virtual Server technology and Storage Area Network (SAN) based environment.

Communications

Goal

Provide highly reliable, full service communications technologies backed by excellent personalized service.

Objectives

1. Respond to service requests in a timely manner
2. Develop and implement viable solutions for the communication needs of the City.
3. Consult on and/or manage new communication projects, strategies and other related efforts.

Goal

Coordinate assessment of fire/safety systems.

Objectives

1. Continue to provide alarm systems project management.
2. Coordinate necessary improvements required by site.
3. Publish RFP for 3-5 year maintenance contract for all sites.
4. Manage inspection and certification services for all sites.
5. Oversee workmanship and quality of services provided by associated vendors.

Goal

Enterprise wide Voice over Internet Protocol (VoIP) implementation.

Objective

Deploy VoIP telephony services to all city departments.

GIS

Goal

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

Objectives

1. Develop technology infrastructure and software 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.
2. Reduce the number of individual and custom mapping requests by making routine map data and analysis available to staff that requires it.
3. 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

1. Provide timely, efficient, and accurate GIS mapping and analysis support for City Departments.
2. Provide complete and thorough analysis, reporting, and final presentation of GIS data for special projects.
3. Assist City Departments and Divisions in the capture and collection, organization, implementation, presentation, and distribution of GIS data and applications.
4. Continue maintenance and implementation of new and existing map and data layers and GIS applications.

Goal

Perform assessment, system evaluation work, and integration/implementation plans for: (1) computerized permit/project tracking system; (2) Cartegraph for Water, Wastewater, Industrial Waste and Treatment Plants; (3) core data layers to support REU GIS applications; and (4) migration of existing Mapguide web-based interactive map to ESRI ArcGIS Server web-based map services.

Objectives

1. Participate in the assessment, system evaluation work, and integration/implementation plans for the four above projects.
2. Participate in the identification of infrastructure needs in support of the new systems, including servers, software, data conversion and ongoing maintenance, and implementation and integration.

Reprographics

Goal

Provide the City of Redding with the highest quality copying, graphic design, and offset printing at the least cost.

Objective

1. Continue to monitor and optimize the balance of offset presses and digital production equipment.
2. Optimize the outsourcing of printing, graphic design and mailing services to compliment in-house staff work.
3. Solicit RFP's to replace the 3 production copiers in Reprographics by October 30, 2011.

Goal

Save the City of Redding money through monitoring, then directing the color and black toner prints.

Objective

Use the information gathered from the Uniflow System to migrate color and black toner prints to the most cost effective device.

Goal

Optimize the use of technology and techniques to contain postage and mailing costs.

Objective

In partnership with the Information Technology Division, continue to monitor the USPS requirements for Intelligent Mail Bar-coding.

Unmet Needs

Purchasing

Travel and Training	$3,000

Solid Waste

Facility Improvements for next 20 years	$27,240,000

Airports

Deferred maintenance on City owned buildings	$ 390,000
Gravity feed sewer hookup	400,000
Resurface payment	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 improvements to retention pond	120,000
Resurface automobile parking lots at Benton Airpark	800,000
Parking Lot Pay Stations	175,000
CHP and CH2M Hill Hanger Repairs	50,000
Total	**$3,620,000**

Building Maintenance

Building and Facilities Mechanic II	$100,000
Window and Carpet Cleaning	5,000
Senior Citizen's Hall siding	15,000
Total	**$120,000**

Communications

Staffing 2 FTE's	$180,000
Radio asset replacement	unknown

GIS

Servers and Application Software	$50,000
Application Programmer for Web Mapping Services	125,000
Total	**$175,000**

APPENDIX

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GLOSSARY/ ACRONYMS

GLOSSARY/ACRONYMS

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.

A/D

Assessment District

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 adopted 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.

CARB

California Air Resource Board

CASH BASIS OF ACCOUNTING

Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

CDBG

Community Development Block Grant

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.

CVB

Convention and Visitors Bureau

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.

DIVISION

A sub-unit of a department representing a specific grouping of activities within a department, such as Administration, Operations, or Services. In the 14-digit accounting code structure, the division is identified by the second three-digit number, e.g. 000-XXX-00-0000-00.

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 14 digit accounting code structure as the last six digits, e.g., 000-000-00-XXXX-XX.

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 14 digit accounting code structure as the first three digits, e.g., XXX-000-00-0000-00.

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.

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 on City department to another City department. Information Systems, Records Management, Risk Management, and Building Maintenance represent departments which are funded this way.

LOCAL TAXES

Monies the City receives from taxes levied and/or collected locally, primarily property, sales, and transient occupancy taxes.

MODIFIED ACCRUAL BASIS OF ACCOUNTING

Basis of accounting according to which (a) revenues are recognized in the accounting periods in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which be recognized when due.

NON-DEPARTMENTAL EXPENDITURES

Operating expenditures that are City-wide and/or multi-departmental in nature.

NPDES

National Pollutant Discharge Elimination System

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.

RCAC

Redding Community Access Corporation

REU

Redding Electric Utility

RMU

Redding Municipal Utilities includes Solid Waste, Wastewater, Water, and Storm Drainage utilities.

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.

TMBID

Tourism Marketing Business Improvement District

TOT

Transient Occupancy Tax

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.

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 so8urces that re 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.

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 and Geographic Information Fund** - This fund was established to account for 1.) the data processing activities utilized by all City departments, and 2.) maintaining the City's geographic information system.

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. **Communications**- This fund was established to account for costs associated with maintaining the city's telephone and radio systems.

9. **Reprographics** - This fund was established to account for the costs associated with printing, mailing, sorting, and delivery of main and in-house documents.

10. **Volunteer Services** - This fund was established to account for costs associated with the City's volunteer worker program.

11. **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.

12. **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.

13. **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, CALIFORNIA
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, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
GENERAL BUDGET GOALS	90-160	402	04/03/90	1

BACKGROUND

The City of Redding maintains a Budget for Operating, Debt Service, and Capital Improvements in accordance with the laws of the State of California.

PURPOSE

To establish purposes for utilizing a 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 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 budget decisions.
6. Prepare and evaluate activity performance plans that relate to financing and spending plans in the City budget.
7. Encourage citizen involvement in the budget decision-making process through public hearings and informal meetings.

POLICY

The City will adhere to purposes stated for utilizing a Budget.

PROCEDURE

Specific procedures to achieve the purposes stated above are provided in the City of Redding Budget Policies and Procedures Manual.

Amended April 15, 2008, by Resolution No. 2008-35

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
BUDGET FINANCING GOALS	90-160	403	04/03/90	1

BACKGROUND

To develop a Budget, several specific assumptions need to be stated to facilitate the financing of the Budget.

PURPOSE

To establish the financing assumptions for the development of the 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 exiting 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.

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CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
BUDGET SERVICE LEVEL GOALS	90-160	404	04/03/90	1

BACKGROUND

To develop a 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, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
BUDGET SERVICE LEVEL GOALS	90-160	404	04/03/90	2

5. To avoid duplication of services with other units of government and seek joint-use opportunities for public facilities with both governmental units and non-profit organizations when effective service delivery can be provided at less cost or no cost to the City.

6. To recognize that City employees are City government's most valuable asset and that, as such, their concerns, participation, and morale are crucial to delivering high quality, efficient services to the residents and taxpayers of Redding.

7. To employ good management practices when planning for service delivery by including in budget requests money to pursue activities, such as:

   - Office automation and computer applications that increase productivity;
   - Equipment modernization;
   - Work-hour simplification;
   - Risk management/employee safety;
   - Preventative maintenance;
   - Energy conservation;
   - Life-cycle costing and purchasing of equipment;
   - Lease-purchase options for high-cost equipment purchases which reduce operating expenses;
   - Performance planning, reporting, and evaluation;
   - Employee training; and
   - Competitive bidding for services.

8. To modernize the physical and organizational structure of the City departments and offices to facilitate better management of resources. Create an environment which encourages innovative problem-solving and pursuit of opportunities to improve service delivery within existing budgets.

Amended April 15, 2008, by Resolution No. 2008-35

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ADOPTION OF THE BIENNIAL BUDGET	90-160	405	04/03/90	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 at least a biennial 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 a biennial 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 least every other year prior to the beginning of the fiscal year a comprehensive financial plan for the next fiscal year or two fiscal years (July 1 to June 30). After considering the City Manager's recommendations, the Mayor and City Council shall adopt the budget.

Amended April 15, 2008, by Resolution No. 2008-35

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
BUDGET AMENDMENTS POLICY	90-160	406	04/03/90	1

BACKGROUND

From time to time, the 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 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 for that purpose they may reduce by resolution one or more appropriations.

Amended April 15, 2008, by Resolution No. 2008-35

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
REBUDGET OF PRIOR YEAR APPROPRIATIONS	91-275	409	07/16/91	1

BACKGROUND

The City of Redding adopts a Budget at the beginning of each budget cycle. 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 overlooked 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 guidelines.

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 Budget or by Exhibit A of the Resolution adopting the 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.

Amended April 15, 2008, by Resolution No. 2008-35

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
FISCAL IMPACT STATEMENTS	92-50	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:

1. The best available estimate of the capital outlay cost of projects;
2. The best available estimate of operating costs of capital projects, extended over ten years;
3. The operating cost (and revenues) of newly proposed programs;
4. The cost of servicing commissions;
5. Estimates of the cost of employee compensation packages being negotiated or otherwise considered, including benefits;
6. 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, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ESTABLISHMENT OF LONG-RANGE FINANCIAL PLANS AND UNRESERVED CASH BALANCE	92-110	412	03/17/92	1

BACKGROUND

Fiscal stability is an important factor to any city. The budget decisions made today will have an impact on the City's future in not only what is accomplished, but what resources are available in the future. Being concerned with only making ends meet this year, with little planning about what the future will hold is shortsighted. Many governments become too shortsighted with their budget process, which causes crisis for them down the road. The decisions made today could have a profound impact on the City's future.

PURPOSE

Just as a city must look ahead at land use needs, it must also forecast its financial needs in order to avoid serious deficiencies or over-commitments to programs and projects. Establishing a long-range financial plan and minimum reserve levels will assist in accomplishing the City's goal and objectives and provide for orderly provisions of services to the citizens of Redding.

POLICY

It is the policy of the City Council of the City of Redding:

1. To prepare long-range financial plans for each of the City's major funds and update those plans at least biennially.
2. To maintain at a minimum an estimated five percent of projected expenditures unreserved cash balance at year end throughout the long-range financial plan.
3. When approval of additional appropriations is requested of Council the effect on the long-range financial plan should be considered.
4. A requested appropriation that would cause the estimated end of year cash reserve in any year of the long-range financial plan to drop below five percent needs to be submitted with a plan to insure the fiscal stability of the major fund's financial position.
5. During the budget process, the City Council will evaluate the cash balance to determine if adequate levels of cash are maintained based on the economic conditions of the area or other circumstances.

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CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ROLLING STOCK REPLACEMENT FUND	95-178	416	08-01-95	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, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
SUPPLEMENTAL BUDGET APPROPRIATIONS	96-051	417	03-19-96	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, CALIFORNIA
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, CALIFORNIA
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.
3. A justification separate from the budget process has been presented to and approved by the City Manager.
4. 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, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
EQUIPMENT REPLACEMENT FUND	2001-103	422	7/1/01	1

BACKGROUND

The City has established a Replacement Fund to accumulate resources to purchase certain equipment. The purpose of establishing the Equipment Replacement Fund is to manage equipment resources in the most efficient manner possible. In order to provide departments with the mechanism to manage their equipment and accumulate resources to replace certain equipment, the City needs to establish a formal policy regarding appropriation of funds for equipment.

PURPOSE

This policy would authorize department heads, with the City Manager's approval, to transfer funds accumulated in the Equipment Replacement Fund to the originating division's budget where the funds could be expended for equipment.

POLICY

The City of Redding has established an Equipment Replacement Fund to accumulate resources to purchase equipment. The Equipment Replacement Fund shall accumulate resources, interest earnings and cash transfers from the various divisions of the City. All cash transfers to the Equipment Replacement Fund need Council approval either in the annual budget or by amendment to the budget. A separate accounting of each division's transfers in, interest earnings and transfers out will be maintained for the Equipment Replacement Fund.

No equipment will be purchased directly from the Equipment Replacement Fund. In order to purchase equipment, cash will be transferred from the Equipment Replacement Fund to the originating division's budget. All cash transfers to the Equipment Replacement Fund, along with interest earnings, may be transferred back to the originating division's budget and expended for equipment in that division at the request of the department director. Council approval for the appropriation of funds is not necessary if the division's request does not exceed 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).

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
TRANSFERS BETWEEN FUNDS	2003-164	423	10-21-03	1

BACKGROUND

The City has established a Contingency Reserve Fund to segregate funds for future expenditures contained
in the General Fund's Ten-Year Plan or other purposes as approved by the City Council. A key responsibility of city government is to manage resources as efficiently and effectively as possible. To assist in managing the resources of the General Fund and the Contingency Reserve Fund effectively and efficiently there may be times when it would be beneficial to make transfers between these two funds. In these instances there would be no net impact to the City's budget or Ten-Year Plan.

PURPOSE

To allow City staff to manage City resources in the most efficient and effective way, the following policy would authorize the Finance Officer, with the City Manager's approval, to make transfers between the General Fund and the Contingency Reserve Fund.

POLICY

It is the policy of the City Council of the City of Redding to authorize the Finance Officer, with the City Manager's approval, to administratively make transfers between the General Fund and the Contingency Reserve Fund. The following conditions shall be met for all administrative transfers between these funds:

1. Transfers shall only be for purposes previously approved by the City Council in the General Fund's Ten-Year Plan or other purposes as approved by the City Council.

2. There shall be no net effect on the General Fund's Ten-Year Plan or the City's overall budget.

3. There shall be no net change in appropriations.

PROCEDURE

Transfers such as those described above shall be approved in the same manner as Appropriation Transfer Requests (reference Council Policy 401).

Amended on June 1, 2004, by Resolution No. 04-87

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
DEBT POLICY	08-36	426	04/15/08	1

SHORT-TERM OPERATING DEBT POLICY

The expenses associated with the day-to-day operations of the City will be covered by current revenues. However, because the City receives the majority of its property tax revenues and a substantial portion of its sales tax revenue at two (2) times during the year and other revenues may fluctuate during the year, the City may experience temporary cash shortfalls. In order to finance these temporary cash shortfalls, the City may incur short-term operating debt [typically, tax and revenue anticipation notes (TRANs)]. The amount of the short-term operating debt will be based on cash flow projections for the fiscal year and will comply with applicable Federal and State regulations. Operating revenues will be pledged to repay the debt, which will generally be repaid within fifteen months or less. The costs of such borrowings will be minimized to the greatest extent possible.

LONG-TERM CAPITAL DEBT POLICY

The long-term capital debt policy sets the parameters for issuing debt and provides guidance in the timing and structuring of long-term debt commitments. This policy does not apply to the following types of transactions and situations: land-based financings (typically, assessment districts); debt issued by the redevelopment agency; payroll related liabilities (e.g., pension plans and other post employment benefits); landfill closure and postclosure related liabilities; and risk management related liabilities. The City will consider the issuance of long-term obligations under the following conditions:

1. The City will use debt financing only for capital improvement projects and equipment purchases, and generally under the following circumstances:

   a. When the project is or will be included in the City's budget.

   b. When the project is not included in the City's budget but it is an emerging need whose timing was not anticipated during the budget preparation cycle, the planned financing of the project had not been completed during the budget cycle, or it is a project mandated immediately by State or Federal requirements.

   c. When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.

   d. When there are revenues sufficient to service the debt, whether from project revenues or other revenues sources.

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
DEBT POLICY	08-36	426	04/15/08	2

e. When the repayment of the debt can be demonstrated by being included in a current long-range financial plan for all funds affected.

2. The following criteria will be used to evaluate pay-as-you-go versus long-term debt financing in funding capital improvements and equipment:

a. Factors which favor pay-as-you-go:

(1) Current revenues and adequate fund balances are available.

(2) Project phasing is feasible.

(3) Debt levels would adversely affect the City's credit rating.

(4) Market conditions are unstable or present difficulties in marketing.

b. Factors which favor long-term financing:

(1) Current revenues and fund balance are not adequate to pay for the capital improvements or equipment.

(2) Projected revenues available for debt service are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating.

(3) The project for which financing is being considered is of the type that will allow the City to maintain an appropriate credit rating.

(4) Market conditions present favorable interest rates and demand for municipal financings.

(5) A project is mandated by State or Federal requirements and current revenues and fund balances are insufficient to pay project costs.

(6) A project is immediately required to meet or relieve capacity needs.

(7) The life of the project or asset financed is three years or longer.

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
DEBT POLICY	08-36	426	04/15/08	3

3. The following will be considered in evaluating appropriate debt levels:

   a. General Fund supported debt service will generally not exceed 10% of total budgeted expenditures, without specific City Council approval to exceed the 10% limitation.

   b. The General Fund may be used to provide back-up liquidity to improve the viability of a self-supported debt issue (excluding land-based or redevelopment agency financings), but only if the General Fund is not exposed to significant risk of loss of assets or impairment of liquidity. This evaluation of risk will consider such things as the following:

      (1) Volatility and collectibility of the revenue source identified for repayment of the debt.

      (2) The likelihood the General Fund would be reimbursed within one year for any payments it could need to make in its role as back-up guarantor.

4. The City will follow all State and Federal regulations and requirements regarding bond provisions, issuance, taxation and disclosure.

5. The adoption of resolutions of intent will be considered whenever a bond issuance is contemplated to increase the flexibility related to funding costs related to the project (e.g., project development costs, architectural costs, studies, etc.).

6. Typically the costs incurred by the City, such as bond counsel, underwriter fees, financial advisor fees, printing, underwriters' discount, will be charged to the bond issue to the extent allowable by law. Project design and construction costs, to the extent included in the project financing plan and allowable by law, should be reimbursed from bond proceeds.

7. The City may seek credit enhancements, such as letters of credit or insurance, when beneficial or cost-effective.

8. The City will monitor compliance with bond covenants and adhere to Federal arbitrage regulations. Any instances of noncompliance will be reported to the City Council.

9. The City will seek to maintain or improve its current bond rating and will not ordinarily consider long-term debt that, through its issuance, would cause the City's bond rating to be lowered.

CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
DEBT POLICY	08-36	426	04/15/08	4

10. The City will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure in every financial report and bond prospectus (Official Statement).

11. The City may obtain financing through a competitive basis or negotiated basis. If the City uses a negotiated financing, the City will perform steps necessary to ensure that the negotiated financing is competitive with similar current-long term financings.

12. The City will select financial advisors and/or underwriters on a competitive basis; these advisors may be retained for up to seven years to provide continuity and allow them to develop an understanding of the City's needs. Trustees and/or paying agents will be selected by competitive bid.

13. Interfund borrowing will be considered to finance projects on a case-by-case basis, only when sufficient funds are available to meet projected future expenditures in the fund making the loan. Interfund borrowing may be used when it would reduce costs of interest, debt issuance, and/or provide other benefits to the City.

14. The term of long-term debt instruments will not exceed the legal life of the asset or thirty years, whichever is less.

15. Bond proceeds will be invested in accordance with the provisions of the bond indenture. Funds set aside for debt service will only be used for that purpose.

16. Refundings will be considered to reduce interest costs, principal outstanding, or to eliminate restrictive debt covenants. Pooled financings with other government agencies will be considered, as appropriate.

REDDING REDEVELOPMENT AGENCY

REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
BUDGET SUMMARY

ACCOUNTS	CANBY/HILLTOP/CYPRESS			MARKET STREET		
	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
Revenue and Reserves:						
Estimated Funds and Reserves						
Beginning of Fiscal Year	**8,912,270**	**1,443,043**	**2,669,393**	**2,947,230**	**472,610**	**593,250**
Estimated Revenue	4,672,420	5,306,790	4,976,170	8,162,760	4,119,570	2,714,820
Total Revenue and Reserves	**13,584,690**	**6,749,833**	**7,645,563**	**11,109,990**	**4,592,180**	**3,308,070**
Expenditure Program Appropriations:						
Materials, Supplies & Services	220,200	203,900	203,900	47,320	41,900	41,900
Loan Repayment	0	0	0	562,960	1,478,670	1,020,260
Contract Services	444,220	469,500	495,570	168,910	148,850	155,920
Interdepartmental Charges	144,640	202,040	207,290	24,360	25,260	25,800
Pass-Throughs	2,977,150	2,700,000	2,700,000	1,800,000	1,650,000	1,650,000
Capital Outlay Projects	7,864,237	505,000	105,000	7,492,770	654,250	110,000
Communication and Computer Equipment	0	0	0	0	0	0
Total Expenditure Programs	**11,650,447**	**4,080,440**	**3,711,760**	**10,096,320**	**3,998,930**	**3,003,880**
Unbudgeted Funds	**1,934,243**	**2,669,393**	**3,933,803**	**1,013,670**	**593,250**	**304,190**
Year End Adjustments [2]				0		
Pass-Through Reserves (Previous Years)	-491,200			-541,060		
Pass-Through Interest (Current Year)						
Transfer from Debt Service						
Estimated Funds Available Year End	**1,443,043**	**2,669,393**	**3,933,803**	**472,610**	**593,250**	**304,190**

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
[2] Return of budgeted funds:

REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
REVENUE

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
2-1110	Property Tax Increment	4,296,360	3,903,120	3,932,710	3,282,520	2,955,570	2,950,820
6-1200-14	State Reimbursement (Courthouse)	0	0	0	0	1,400,000	0
4-1400	Property Tax Penalties	14,000	10,000	10,000	7,000	3,500	3,500
5-3100	Real Estate Rentals	400	0	0	640	0	0
5-5001	Funds Transfer to General Fund[2]	-550,000	-400,000	-45,800	0	-250,000	-250,000
5-5020	Fund Transfers	0	0	0	0	0	0
7-2010-11	Contrib-Oper-Public Work	0	0	0	0	0	0
7-2010-18	Contributions - Capital Public Works (Caltrans)	0	0	0	0	0	0
7-2010-18	Contrib-Capital-HHBID	216,000	250,000	0	0	0	0
7-2100	Contributions - Developers	0	0	0	0	0	0
7-4200	Loan Proceeds	0	0	0	4,844,500	0	0
9-7230-01	Loan to Market Street	562,960	1,478,670	1,020,260	0	0	0
7-9100	Miscellaneous Revenue	0	0	0	1,100	500	500
9-9110	Interest on Investment	80,000	40,000	40,000	27,000	10,000	10,000
9-9145-01	Interest on Loan to Market Street	52,700	25,000	19,000	0	0	0
9-9170	Fiscal Agent Interest	0	0	0	0	0	0
	Total Revenue	4,672,420	5,306,790	4,976,170	8,162,760	4,119,570	2,714,820

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.

[2] Payment to City of Redding in accordance with Reimbursement Agreement.

Note: Items noted in blue are increased projections.

Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
EXPENDITURES

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	Materials, Supplies & Services:						
2253	Professional Services	157,800	142,000	142,000	36,420	31,000	31,000
2254	Specialized Srvcs/Tech - Audit	15,000	15,000	15,000	2,000	2,000	2,000
2256	Consulting Services	3,500	3,500	3,500	3,000	3,000	3,000
2281	Office Equipment Maintenance Repair	1,200	1,200	1,200	0	0	0
2311	Communication Expense	3,200	3,200	3,200	0	0	0
2442	Postage/Mailing Expense	500	500	500	100	100	100
2444	Operating Material/Supplies	5,000	5,000	5,000	2,000	2,000	2,000
2446	Small Equipment/Furniture	1,500	3,000	3,000	0	0	0
2472	Advertising/Promotion	4,500	4,500	4,500	1,300	1,300	1,300
2473	Books/Dues/Subcriptions	13,500	13,500	13,500	2,000	2,000	2,000
2475	Insurance Expense	0	0	0	0	0	0
2631	Property Assessments	500	500	500	500	500	500
2641	Civic Center Rent	0	0	0	0	0	0
2671	Travel Expense	7,000	7,000	7,000	0	0	0
2782	Training Expense	3,000	3,000	3,000	0	0	0
2791	Computer Equipment	4,000	2,000	2,000	0	0	0
	Total Materials, Supplies & Services	**220,200**	**203,900**	**203,900**	**47,320**	**41,900**	**41,900**
	Loan Repayment:						
6845	Interest - Loan from CHC	0	0	0	52,700	168,410	183,000
6945	Principal - Loan from CHC	0	0	0	510,260	1,310,260	837,260
	Total Loan Repayment	**0**	**0**	**0**	**562,960**	**1,478,670**	**1,020,260**
	Contract Services - Staff	**444,220**	**469,500**	**495,570**	**168,910**	**148,850**	**155,920**
	Interdepartmental Services	**144,640**	**202,040**	**207,290**	**24,360**	**25,260**	**25,800**
	Capital Outlay and Other Programs	**7,864,237**	**505,000**	**105,000**	**7,492,770**	**654,250**	**110,000**
2249	**Pass-throughs to Taxing Entities and Schools**	**2,977,150**	**2,700,000**	**2,700,000**	**1,800,000**	**1,650,000**	**1,650,000**
	TOTAL EXPENDITURES	**11,650,447**	**4,080,440**	**3,711,760**	**10,096,320**	**3,998,930**	**3,003,880**

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
Note: Items noted in blue are increased projections.
Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
CAPITAL PROJECTS
CONTRACT SERVICES

	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	Contract Services						
1954	Redevelopment Staff[2]	238,050	259,240	275,870	130,000	108,250	113,620
1963	City Manager/Deputy City Manager	111,300	115,400	119,100	0	0	0
1965	City Attorney	37,200	35,900	37,500	20,200	20,600	20,900
1966	Planning	0	0	0	0	0	0
1967	Finance Staff	55,100	58,960	63,100	18,710	20,000	21,400
1990	Community Development	2,570	0	0	0	0	0
	Total Contract Services	**444,220**	**469,500**	**495,570**	**168,910**	**148,850**	**155,920**

REDDING REDEVELOPMENT AGENCY
INTERDEPARTMENTAL SERVICES

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	Inderdepartmental Charges:						
2001	Cost Allocation Plan Reimbursement	83,710	148,780	153,240	12,170	14,160	14,580
2101	Fixed Charge - Bldg Maintenance	10,370	10,290	10,020	0	0	0
2104	Fixed Charge - Information System	11,060	9,190	9,680	0	0	0
2105	Fixed Charge - Print Shop	10,900	12,250	12,500	0	0	0
2106	Fixed Charge - Fleet Maintenance	500	0	0	0	0	0
2107	Fixed Charge - Risk Management	7,760	3,480	3,430	3,890	3,180	3,140
2108	Fixed Charge - Records Management	4,030	2,690	2,710	0	0	0
2109	Fixed Charge - Communication	90	60	60	0	0	0
2116	Fixed Charge - GIS	5,490	4,850	5,120	3,300	2,920	3,080
2117	Fixed Charge - Volunteer Services	1,040	710	780	0	0	0
2118	Fixed Charge - Employer Service	440	490	500	0	0	0
2119	Fixed Charge - Legal	7,500	7,500	7,500	5,000	5,000	5,000
2162	Variable Charge - Mail	1,750	1,750	1,750	0	0	0
	Total Interdepartmental Charges	**144,640**	**202,040**	**207,290**	**24,360**	**25,260**	**25,800**

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
[2] Increased funding due to payment of accrual benefits as a result of the Redevelopment Manager's retirement.
Note: Items noted in blue are increased projections.
Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
CAPITAL OUTLAY PROJECTS AND OTHER PROGRAMS

NUMBER	ACCOUNTS	194-950 CANBY/HILLTOP/CYPRESS			196-961 MARKET STREET		
		2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	Capital Outlay Projects:						
4002-01	Public Safety Facility[2]	568,100	0	0	4,455,750	0	0
4002-02	Canby Road Sewer	0	400,000	0	0	0	0
4018-01	Loan Disbursement to Market	4,844,500	0	0	0	0	0
4081-01	Facade Program	218,940	15,000	15,000	140,530	75,000	75,000
4190-01	Property Management/Sales Expense	105,690	15,000	15,000	84,750	10,000	10,000
4451-01	Development Partnership	1,120,000	0	0	220,000	0	0
4478-01	Land Acquisition	0	0	0	590	544,250	0
4503-01	Open Space/River Access	69,870	0	0	27,430	0	0
4533-01	Preliminary Engineering Work - General	282,240	75,000	75,000	95,690	25,000	25,000
4536-01	Railroad Avenue Facade Program	0	0	0	15,000	0	0
4539-01	Parkview Facade Program	0	0	0	7,500	0	0
4543-01	Parkview Streetscape	0	0	0	21,710	0	0
4546-01	Parking Consultants	0	0	0	0	0	0
4613-01	Entry Features	6,260	0	0	14,500	0	0
4717-01	Property Acquisition	0	0	0	0	0	0
4735-01	Downtown Mall Removal	0	0	0	150,000	0	0
4735-02	Alley Reconstruction/Lighting	0	0	0	0	0	0
4735-03	Buenaventura Blvd Frontage Improvements	0	0	0	75,000	0	0
4784-01	Churn Creek Road Realignment	4,510	0	0	0	0	0
4784-02	Leila/Beverly/Ramona Improvements	0	0	0	0	0	0
4786-01	Hilltop Drive Improvement	0	0	0	0	0	0
4786-02	Courthouse Relocation	0	0	0	400,000	0	0
4786-03	Courthouse Property Acquisition	0	0	0	1,000,000	0	0
4826-01	Downtown Mall/Shasta College Improvements	0	0	0	12,460	0	0
4850-01	State Manadated Payment ERAF[3]	644,127	0	0	233,750	0	0
4889-01	Downtown Plan/Improvements	0	0	0	263,110	0	0
4889-02	Downtown Specific Plan	0	0	0	125,000	0	0
4889-03	Westside Road Improvements	0	0	0	150,000	0	0
	Total Capital Outlay Projects	7,864,237	505,000	105,000	7,492,770	654,250	110,000
	Capital Outlay Equipment Exceeding $5,000						
5711	Computers/Communication Projector	0	0	0	0	0	0
5699	Furniture & Office Equipment	0	0	0	0	0	0
	Total Capital Outlay Equipment Expense	0	0	0	0	0	0
	Total Capital Outlay and Other Programs	7,864,237	505,000	105,000	7,492,770	654,250	110,000

(1) Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
(2) Canby-Hilltop-Cypress allocation decreased by $4,455,750 in Fiscal Year 2010-11 representing Market Street's anticipated contribution to project.
(3) Supplemental Educational Revenue Augmentation Fund (SERAF) payment per Assembly Bill ABX4 26.
Note: Items noted in blue are increased projections.
Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
HOUSING
BUDGET SUMMARY

ACCOUNTS	2010-11			2011-12			2012-13		
	C/H/C AMENDED BUDGET(1)	MARKET ST. AMENDED BUDGET(1)	COMBINED AMENDED BUDGET	C/H/C PROPOSED BUDGET	MARKET ST PROPOSED BUDGET	COMBINED PROPOSED BUDGET	C/H/C PROPOSED BUDGET	MARKET ST PROPOSED BUDGET	COMBINED PROPOSED BUDGET
Revenue and Reserves									
Estimated Funds and Reserves:									
Beginning of Fiscal Year (2)	**5,049,990**	**3,043,260**	**8,093,250**	**1,347,340**	**192,510**	**1,539,850**	**767,320**	**140,300**	**907,620**
Estimated Revenue	2,888,120	236,700	3,124,820	2,485,320	10,000	2,495,320	2,485,320	8,000	2,493,320
Total Revenue and Reserves	**7,938,110**	**3,279,960**	**11,218,070**	**3,832,660**	**202,510**	**4,035,170**	**3,252,640**	**148,300**	**3,400,940**
Expenditure Program Appropriations									
Materials, Supplies & Services	104,250	36,700	140,950	103,700	36,700	140,400	103,700	36,700	140,400
Debt Service	770,950	0	770,950	765,200	0	765,200	767,040	0	767,040
Contract Services - Staff	825,300	0	825,300	742,780	0	742,780	780,360	0	780,360
Interdepartmental Charges	52,410	3,230	55,640	47,660	5,510	53,170	48,350	5,680	54,030
Capital Outlay Projects and Programs	4,937,860	3,047,520	7,985,380	1,506,000	20,000	1,526,000	906,000	20,000	926,000
Communication and Computer Equipment	0	0	0	0	0	0	0	0	0
Total Expenditure Program Appropriation	**6,690,770**	**3,087,450**	**9,778,220**	**3,165,340**	**62,210**	**3,227,550**	**2,605,450**	**62,380**	**2,667,830**
Unbudgeted Funds	**1,247,340**	**192,510**	**1,439,850**	**667,320**	**140,300**	**807,620**	**647,190**	**85,920**	**733,110**
Year End Adjustments (3)	100,000	0	**100,000**	100,000	0	100,000	100,000	0	100,000
Funds Available	**1,347,340**	**192,510**	**1,539,850**	**767,320**	**140,300**	**907,620**	**747,190**	**85,920**	**833,110**

(1) Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
(2) Beginning funds include bond proceeds held in Division 971, Special Projects.
(3) Year End Adjustments - CHC: Other Housing $100,000 in each year.

REDDING REDEVELOPMENT AGENCY
HOUSING
REVENUE

NUMBER	ACCOUNTS	2010-11			2011-12			2012-13		
		213-953 C/H/C REVISED ESTIMATE[1]	216-964 MARKET ST REVISED ESTIMATE[1]	COMBINED REVISED ESTIMATE	213-953 C/H/C PROPOSED BUDGET	216-964 MARKET ST PROPOSED BUDGET	COMBINED PROPOSED BUDGET	213-953 C/H/C PROPOSED BUDGET	216-964 MARKET ST PROPOSED BUDGET	COMBINED PROPOSED BUDGET
2-1110	Tax Increment[2]	2,616,360	0	2,616,360	2,440,120	0	2,440,120	2,440,120	0	2,440,120
5-5012	Return of Home Matching Funds	0	0	0	0	0	0	0	0	0
5-5020	Fund Transfers In	0	0	0	0	0	0	0	0	0
5-3100	Real Estate Rentals	270	0	270	0	0	0	0	0	0
6-1300	CDBG Funds	0	0	0	0	0	0	0	0	0
6-1320	HOME Funds	0	0	0	0	0	0	0	0	0
6-2650	Federal Grant fot Transitional Housing	0	0	0	0	0	0	0	0	0
7-2010	Developer Fees	0	0	0	0	0	0	0	0	0
7-2010	Developer Fees - Habitat Infill	0	0	0	0	0	0	0	0	0
7-2100	Contributions-Developers	0	0	0	0	0	0	0	0	0
7-4100	Sale of Property	0	210,000	210,000	0	0	0	0	0	0
7-4300	Bond Proceeds	0	0	0	0	0	0	0	0	0
7-9100	Miscellaneous Revenue	700	0	700	1,000	0	1,000	1,000	0	1,000
9-7200	Loan Repayment Principal-Parkview	0	0	0	15,100	0	15,100	15,100	0	15,100
9-7400	Loan Repayment Interest-Parkview	0	0	0	0	0	0	0	0	0
9-7200	Loan Repayment Principal	117,460	0	117,460	0	0	0	0	0	0
9-7400	Loan Repayment Interest	68,210	13,500	81,710	0	0	0	0	0	0
9-7610	Late Payment Charges	80	0	80	100	0	100	100	0	100
9-7630	Interest Payments on Housing/Rehab Loans	2,600	0	2,600	2,000	0	2,000	2,000	0	2,000
9-7635	Principal Payments on Housing/Rehab Loans	6,000	0	6,000	7,000	0	7,000	7,000	0	7,000
9-7636	Forgiveable Loan Principal	0	0	0	0	0	0	0	0	0
9-7640	Interest Payments on Housing/DAP Loans	17,200	0	17,200	0	0	0	0	0	0
9-7645	Principal Payments on Housing/DAP Loans	36,240	0	36,240	0	0	0	0	0	0
9-9110	Interest on Investment	23,000	13,200	36,200	20,000	10,000	30,000	20,000	8,000	28,000
9-9170	Fiscal Agent Interest	0	0	0	0	0	0	0	0	0
	Total Cash In[2]	**2,888,120**	236,700	**3,124,820**	2,485,320	10,000	**2,495,320**	2,485,320	8,000	**2,493,320**

(1) Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.

(2) In accordance with Health and Safety Code Section 33334.3(i), Canby-Hilltop-Cypress to pay Market Street's 20% Low- and Moderate-Income Housing Fund obligation.
Net change to Total Tax Increment Revenue is zero.

Note: Items noted in blue are increased projections.

Note: Items noted in blue are decreased projections.

REDDING REDEVELOPMENT AGENCY
HOUSING
EXPENDITURES

NUMBER	ACCOUNTS	2010-11 213-953 C/H/C AMENDED BUDGET[1]	2010-11 216-964 MARKET ST AMENDED BUDGET[1]	2010-11 COMBINED AMENDED BUDGET	2011-12 213-953 C/H/C PROPOSED BUDGET	2011-12 216-964 MARKET ST PROPOSED BUDGET	2011-12 COMBINED PROPOSED BUDGET	2012-13 213-953 C/H/C PROPOSED BUDGET	2012-13 216-964 MARKET ST PROPOSED BUDGET	2012-13 COMBINED PROPOSED BUDGET
	Materials, Supplies & Services:									
2253	Professional Services/Consultant	0	0	0	0	0	0	0	0	0
2254	Specialized Services/Technical	4,050	700	4,750	4,000	700	4,700	4,000	700	4,700
2281	Office Equipment Maintenance/Repair	500	0	500	500	0	500	500	0	500
2311	Communication Expense	1,200	0	1,200	1,200	0	1,200	1,200	0	1,200
2442	Postage and Mailing Expense	500	0	500	500	0	500	500	0	500
2444	Operating Material Supplies	4,000	0	4,000	4,000	0	4,000	4,000	0	4,000
2446	Small Equipment/Furniture	1,500	0	1,500	1,000	0	1,000	1,000	0	1,000
2467	Loan Fees (U.S. Escrow)	1,500	0	1,500	1,500	0	1,500	1,500	0	1,500
2468	Tax Administration Fees	70,000	35,000	105,000	70,000	35,000	105,000	70,000	35,000	105,000
2472	Advertising/Promotion	1,500	0	1,500	1,500	0	1,500	1,500	0	1,500
2473	Books/Dues/Subscriptions	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
2631	Property Assessments	500	1,000	1,500	500	1,000	1,500	500	1,000	1,500
2671	Travel Expense	3,000	0	3,000	3,000	0	3,000	3,000	0	3,000
2782	Employee Training	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
2791	Computer Equipment	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
2911	Fiscal/Paying Agent Fees	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000
	Total Materials, Supplies & Services	**104,250**	**36,700**	**140,950**	**103,700**	**36,700**	**140,400**	**103,700**	**36,700**	**140,400**
	Debt Service:									
6755	RRA CHC Series A Interest	198,070	0	198,070	172,320	0	172,320	144,160	0	144,160
6756	RRA CHC Series B Interest	167,880	0	167,880	167,880	0	167,880	167,880	0	167,880
6955	RRA CHC Series A Principal	405,000	0	405,000	425,000	0	425,000	455,000	0	455,000
6956	RRA CHC Series B Principal	0	0	0	0	0	0	0	0	0
	Total Debt Service	**770,950**	**0**	**770,950**	**765,200**	**0**	**765,200**	**767,040**	**0**	**767,040**
	Contract Services - Staff	**825,300**	**0**	**825,300**	**742,780**	**0**	**742,780**	**780,360**	**0**	**780,360**
	Interdepartmental Services	**52,410**	**3,230**	**55,640**	**47,660**	**5,510**	**53,170**	**48,350**	**5,680**	**54,030**
	Capital Outlay and Other Programs	**4,937,860**	**3,047,520**	**7,985,380**	**1,506,000**	**20,000**	**1,526,000**	**906,000**	**20,000**	**926,000**
	TOTAL EXPENDITURES	**6,690,770**	**3,087,450**	**9,778,220**	**3,165,340**	**62,210**	**3,227,550**	**2,605,450**	**62,380**	**2,667,830**

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
Note: Items noted in blue are increased projections.
Note: Items noted in blue are decreased projections.

REDDING REDEVELOPMENT AGENCY
HOUSING
CONTRACT SERVICES

NUMBER	ACCOUNTS	2010-11 213-953 C/H/C AMENDED BUDGET[1]	2010-11 216-964 MARKET ST AMENDED BUDGET[1]	2010-11 COMBINED AMENDED BUDGET	2011-12 213-953 C/H/C PROPOSED BUDGET	2011-12 216-964 MARKET ST PROPOSED BUDGET	2011-12 COMBINED PROPOSED BUDGET	2012-13 213-953 C/H/C PROPOSED BUDGET	2012-13 216-964 MARKET ST PROPOSED BUDGET	2012-13 COMBINED PROPOSED BUDGET
	Contract Services:									
1954	Redevelopment Staff[2]	355,000	0	355,000	418,420	0	418,420	439,610	0	439,610
1963	City Manager's Office	46,000	0	46,000	77,500	0	77,500	79,800	0	79,800
1965	City Attorney's Office	17,200	0	17,200	17,900	0	17,900	18,300	0	18,300
	Planning Staff	2,650	0	2,650	5,780	0	5,780	5,780	0	5,780
1967	Finance Staff	22,600	0	22,600	24,180	0	24,180	25,870	0	25,870
1990	Community Development Staff	381,850	0	381,850	199,000	0	199,000	211,000	0	211,000
	Total Contract Services	**825,300**	**0**	**825,300**	**742,780**	**0**	**742,780**	**780,360**	**0**	**780,360**

REDDING REDEVELOPMENT AGENCY
HOUSING
INTERDEPARTMENTAL SERVICES

NUMBER	ACCOUNTS	2010-11 213-953 C/H/C AMENDED BUDGET[1]	2010-11 216-964 MARKET ST AMENDED BUDGET[1]	2010-11 COMBINED AMENDED BUDGET	2011-12 213-953 C/H/C PROPOSED BUDGET	2011-12 216-964 MARKET ST PROPOSED BUDGET	2011-12 COMBINED PROPOSED BUDGET	2012-13 213-953 C/H/C PROPOSED BUDGET	2012-13 216-964 MARKET ST PROPOSED BUDGET	2012-13 COMBINED PROPOSED BUDGET
	Interdepartmental Charges:									
2001	Cost Allocation Plan Reimbursement	16,700	3,230	19,930	14,980	5,510	20,490	15,430	5,680	21,110
2101	Fixed Charge - Bldg Maintenance	6,920	0	6,920	6,860	0	6,860	6,680	0	6,680
2104	Fixed Charge - Information System	3,420	0	3,420	3,150	0	3,150	3,320	0	3,320
2105	Fixed Charge - Print Shop	2,720	0	2,720	420	0	420	450	0	450
2106	Fixed Charge - Fleet Mgmt	300	0	300	0	0	0	0	0	0
2107	Fixed Charge - Risk Management	7,760	0	7,760	8,140	0	8,140	8,030	0	8,030
2116	Fixed Charge - GIS	6,260	0	6,260	5,530	0	5,530	5,840	0	5,840
2118	Fixed Charge - Employer Service	2,330	0	2,330	2,580	0	2,580	2,600	0	2,600
2119	Fixed Charge - Legal Service	4,000	0	4,000	4,000	0	4,000	4,000	0	4,000
2162	Variable Charge - Mail	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
	Total Interdepartmental Charges	**52,410**	**3,230**	**55,640**	47,660	**5,510**	53,170	48,350	**5,680**	54,030

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.

[2] Increased funding due to payment of accrual benefits as a result of the Redevelopment Manager's retirement.

Note: Items noted in blue are increased projections.

Note: Items noted in blue are decreased projections.

REDDING REDEVELOPMENT AGENCY
HOUSING
CAPITAL OUTLAY AND OTHER PROGRAMS

NUMBER	ACCOUNTS	2010-11 213-953 C/H/C AMENDED BUDGET[1]	2010-11 216-964 MARKET ST AMENDED BUDGET[1]	2010-11 COMBINED AMENDED BUDGET	2011-12 213-953 C/H/C PROPOSED BUDGET	2011-12 216-964 MARKET ST PROPOSED BUDGET	2011-12 COMBINED PROPOSED BUDGET	2012-13 213-953 C/H/C PROPOSED BUDGET	2012-13 216-964 MARKET ST PROPOSED BUDGET	2012-13 COMBINED PROPOSED BUDGET
	Projects and Programs:									
4190-01	Property Management/Sales Expense	0	55,200	55,200	0	20,000	20,000	0	20,000	20,000
4500-01	Parkview Neighborhood	10,510	0	10,510	0	0	0	0	0	0
4519-01	Predevelopment	103,100	0	103,100	150,000	0	150,000	150,000	0	150,000
4519-02	Affordability Covenant	230,000	0	230,000	0	0	0	0	0	0
4522-01	Downtown 300	0	1,823,870	1,823,870	0	0	0	0	0	0
4523-01	Target Neighborhoods - Property Acquisition	141,440	0	141,440	0	0	0	0	0	0
4524-01	Lake Boulevard Planning	30,740	0	30,740	0	0	0	0	0	0
4529-01	Lake Boulevard Development	625,000	0	625,000	0	0	0	0	0	0
4545-01	Neighborhood Infrastructure Improvements	300,000	0	300,000	0	0	0	0	0	0
4631-01	First Time Homebuyer Counseling	15,000	0	15,000	6,000	0	6,000	6,000	0	6,000
4717-01	Property Acquisition	600,000	0	600,000	0	0	0	0	0	0
4756-01	Other RRA Housing (foreclosures)	100,000	0	100,000	100,000	0	100,000	100,000	0	100,000
4801-01	Housing Rehabilitation	0	0	0	0	0	0	0	0	0
4802-01	Homebuyer Program	0	300,000	300,000	300,000	0	300,000	300,000	0	300,000
4812-01	Transitional Housing	0	0	0	0	0	0	0	0	0
4885-01	Substantial Rehab/New Development	1,691,010	707,480	2,398,490	750,000	0	750,000	250,000	0	250,000
4885-02	Neighborhood Incentives	0	96,870	96,870	150,000	0	150,000	100,000	0	100,000
4885-03	Lake Boulevard Incentives	100,000	0	100,000	0	0	0	0	0	0
4885-04	Downtown Incentives	200,000	0	200,000	0	0	0	0	0	0
4885-06	Homebuyer Incentive Program	0	28,270	28,270	0	0	0	0	0	0
4885-09	Neighborhood Planning	0	0	0	50,000	0	50,000	0	0	0
4919-01	Parkview Mixed Use Development	84,490	0	84,490	0	0	0	0	0	0
4922-01	Parkview Scattered Residential Infill	322,090	0	322,090	0	0	0	0	0	0
4936-01	Parkview Other Residential Incentives	65,410	0	65,410	0	0	0	0	0	0
4943-01	Residential Development - The Woods	261,690	35,830	297,520	0	0	0	0	0	0
4949-01	MLK Other Residential Incentives	54,540	0	54,540	0	0	0	0	0	0
4952-01	MLK Linden Avenue Development	2,840	0	2,840	0	0	0	0	0	0
	Total Projects and Programs	**4,937,860**	**3,047,520**	**7,985,380**	**1,506,000**	**20,000**	**1,526,000**	**906,000**	**20,000**	**926,000**
	Capital Outlay Equipment Exceeding $5,000									
5711	Computer Equipment	0	0	0	0	0	0	0	0	0
	Total Communication/Computer Equipment	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Total Capital Outlay and Other Programs	**4,937,860**	**3,047,520**	**7,985,380**	**1,506,000**	**20,000**	**1,526,000**	**906,000**	**20,000**	**926,000**

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
Note: Items noted in blue are increased projections.
Note: Items noted in blue are decreased projections.

REDDING REDEVELOPMENT AGENCY
DEBT SERVICE
BUDGET SUMMARY

ACCOUNTS	212-10-300 CANBY/HILLTOP/CYPRESS			215-10-300 MARKET STREET			195-10-300 MIDTOWN		
	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2011-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
Revenue and Reserves:									
Estimated Funds and Reserves **Beginning of Fiscal Year**	**4,876,040**	**4,878,810**	**4,872,020**	**911,630**	**912,690**	**912,550**	**0**	**0**	**0**
Estimated Revenue	2,407,220	2,386,550	2,389,460	487,100	482,710	487,460	66,290	62,630	62,630
Total Revenue and Reserves	**7,283,260**	**7,265,360**	**7,261,480**	**1,398,730**	**1,395,400**	**1,400,010**	**66,290**	**62,630**	**62,630**
Expenditure Appropriations:									
Materials, Supplies & Services	190,000	177,000	177,000	75,000	71,000	71,000	4,920	2,000	2,000
Debt Service	2,214,450	2,216,340	2,210,680	411,040	411,850	411,730	61,370	60,630	60,630
Total Expenditure Appropriations	**2,404,450**	**2,393,340**	**2,387,680**	**486,040**	**482,850**	**482,730**	**66,290**	**62,630**	**62,630**
Year End Funds and Reserves:	**4,878,810**	**4,872,020**	**4,873,800**	**912,690**	**912,550**	**917,280**	**0**	**0**	**0**
Bond Reserve with Fiscal Agent[2]	2,219,200	2,219,200	2,219,200	418,470	418,470	418,470			
Year End Restricted Funds	2,659,610	2,652,820	2,654,600	494,220	494,080	498,810	0	0	0
Year End Unrestricted Funds	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

[1]Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
[2]Funds in 212-10-300 and 215-10-300.

REDDING REDEVELOPMENT AGENCY
DEBT SERVICE
REVENUE

NUMBER	ACCOUNTS	212-952 CANBY/HILLTOP/CYPRESS			215-963 MARKET STREET			195-960 MIDTOWN		
		2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
2-1110	Tax Increment	2,401,080	2,419,050	2,389,460	485,480	482,710	487,460	65,930	62,630	62,630
4-1400	Property Tax Penalties	0	0	0	0	0	0	110	0	0
9-9110	Investment Income	0	0	0	0	0	0	250	0	0
9-9170	Fiscal Agent Interest [2]	6,140	(32,500)	0	1,620	0	0	0	0	0
	Total Revenue	**2,407,220**	**2,386,550**	**2,389,460**	**487,100**	**482,710**	**487,460**	**66,290**	**62,630**	**62,630**

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.

[2] Arbitrage liability on the Canby-Hilltop-Cypress Redevelopment Project Tax Allocation Bonds, 2003 Series A

Note: Items noted in blue are increased projections.

Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
DEBT SERVICE
EXPENDITURES

NUMBER	ACCOUNTS	212-952 CANBY/HILLTOP/CYPRESS			215-963 MARKET STREET			195-960 MIDTOWN		
		2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	Materials, Supplies & Services:									
2001	Cost Allocation Reimbursement	0	0	0	0	0	0	0	0	0
2254	Specialized Services/Tech - Audit	0	0	0	0	0	0	0	0	0
2468	Tax Administration Fees - County	175,000	165,000	165,000	67,000	65,000	65,000	1,920	2,000	2,000
2911	Fiscal/Paying Agent Fees	15,000	12,000	12,000	8,000	6,000	6,000	0	0	0
4850	State Mandated Payment ERAF	0	0	0	0	0	0	3,000	0	0
	Total Materials, Supplies & Services	**190,000**	**177,000**	**177,000**	**75,000**	**71,000**	**71,000**	**4,920**	**2,000**	**2,000**
	Debt Service - Bond Payments									
6501	Interest Expense Parking Fund				0	0	0	20,000	18,500	17,500
6945	Loan Repayment Principal				0	0	0	41,370	42,130	43,130
6775	Bond Market Street 2003 Interest	0	0	0	206,040	196,850	186,730	0	0	0
6975	Bond Market Street 2003 Principal	0	0	0	205,000	215,000	225,000	0	0	0
6776	Bond CHC Series A Interest	999,450	951,340	900,680	0	0	0	0	0	0
6976	Bond CHC Series A Principal	1,215,000	1,265,000	1,310,000	0	0	0	0	0	0
6502	Electric Fund Interest Expense	0	0	0	0	0	0	0	0	0
6757	Lease Revenue Bond Interest	0	0	0	0	0	0	0	0	0
6957	Lease Revenue Bond Principal	0	0	0	0	0	0	0	0	0
	Total Debt Service	**2,214,450**	**2,216,340**	**2,210,680**	**411,040**	**411,850**	**411,730**	**61,370**	**60,630**	**60,630**
	TOTAL EXPENDITURES	**2,404,450**	**2,393,340**	**2,387,680**	**486,040**	**482,850**	**482,730**	**66,290**	**62,630**	**62,630**

[1] Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
Note: Items noted in blue are increased projections.
Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
SHASTEC
BUDGET SUMMARY

ACCOUNTS	197-965 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
Revenue and Reserves:									
Estimated Funds and Reserves									
Beginning of Fiscal Year	**8,097,280**	**2,566,160**	**1,487,660**	**3,144,650**	**1,614,280**	**1,297,280**	**1,126,000**	**1,151,470**	**1,151,470**
Estimated Revenue	876,530	726,030	722,880	464,960	424,860	424,860	1,017,490	997,430	1,000,580
Total Revenue and Reserves	**8,973,810**	**3,292,190**	**2,210,540**	**3,609,610**	**2,039,140**	**1,722,140**	**2,143,490**	**2,148,900**	**2,152,050**
Expenditure Appropriations:									
Materials, Supplies & Services	63,000	63,000	63,000	20,000	20,000	20,000	48,390	55,000	55,000
Loan Repayment - Clover Creek	226,810	226,810	226,810	0	0	0	0	0	0
Contract Services	41,100	41,500	42,000	0	70,000	0	0	0	0
Interdepartmental Charges	8,950	13,220	13,600	1,270	1,860	1,920	0	0	0
Pass-Throughs	510,000	510,000	510,000	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	943,630	942,430	945,580
Capital Outlay Projects	5,557,790	950,000	0	1,974,060	650,000	400,000	0	0	0
Total Expenditure Appropriations	**6,407,650**	**1,804,530**	**855,410**	**1,995,330**	**741,860**	**421,920**	**992,020**	**997,430**	**1,000,580**
Unbudgeted Funds	**2,566,160**	**1,487,660**	**1,355,130**	**1,614,280**	**1,297,280**	**1,300,220**	**1,151,470**	**1,151,470**	**1,151,470**
Year End Adjustments	0	0	0	0	0	0	0	0	0
Bond Reserve with Fiscal Agent	0	0	0	0	0	0	1,151,470	1,151,470	1,151,470
Estimated Funds Availabe Year End	**2,566,160**	**1,487,660**	**1,355,130**	**1,614,280**	**1,297,280**	**1,300,220**	**0**	**0**	**0**

(1) Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.

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REDDING REDEVELOPMENT AGENCY
SHASTEC
REVENUE

NUMBER	ACCOUNTS	197-965 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
		2010-11 AMENDED BUDGET	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
2-1110	Tax Increment	827,330	694,030	690,880	449,960	412,860	412,860	972,490	957,430	960,580
4-1400	Property Tax Penalties	5,000	2,000	2,000	0	0	0	0	0	0
6-1200-18	State Grant - Capital	0	0	0	0	0	0	0	0	0
7-2010-18	Contribution-Capital Public Works	1,200	0	0	0	0	0	0	0	0
7-4300-01	Bond Proceeds	0	0	0	0	0	0	0	0	0
9-9110	Investment Income	25,000	20,000	20,000	15,000	12,000	12,000	0	0	0
9-9170	Fiscal Agent Interest	18,000	10,000	10,000	0	0	0	45,000	40,000	40,000
	Total Revenue	**876,530**	**726,030**	**722,880**	**464,960**	**424,860**	**424,860**	**1,017,490**	**997,430**	**1,000,580**

Note: Items noted in blue are increased projections.
Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
SHASTEC
EXPENDITURES

NUMBER	ACCOUNTS	197-965 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
		2010-11 AMENDED BUDGET(1)	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET(1)	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET(1)	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	Materials, Supplies & Services:									
2253	Professional Services	61,000	61,000	61,000	0	0	0	0	0	0
2254	Specialized Services/Tech - Audit	1,000	1,000	1,000	0	0	0	0	0	0
2444	Operating Material/Supplies	1,000	1,000	1,000	0	0	0	0	0	0
2468	County Tax Administration Fees	0	0	0	20,000	20,000	20,000	46,940	50,000	50,000
2911	Fiscal/Paying Agent Fees	0	0	0	0	0	0	1,450	5,000	5,000
2912	Bond Issuance Costs	0	0	0	0	0	0	0	0	0
	Total Materials, Supplies & Services	**63,000**	**63,000**	**63,000**	**20,000**	**20,000**	**20,000**	**48,390**	**55,000**	**55,000**
	Contract Services									
1954	Redding Redevelopment Staff	25,100	25,500	26,000	0	0	0	0	0	0
2254	Anderson Redevelopment Staff	8,000	8,000	8,000	0	0	0	0	0	0
2254	Shasta County Redevelopment Staff	8,000	8,000	8,000	0	70,000	0	0	0	0
	Total Contract Services	**41,100**	**41,500**	**42,000**	**0**	**70,000**	**0**	**0**	**0**	**0**
	Interdepartmental Services									
	Cost Allocation Reimbursement	8,460	12,720	13,100	1270	1,860	1920	0	0	0
	Variable Charge - Mail	490	500	500	0	0	0	0	0	0
	Total Interdepartmental Charges	**8,950**	**13,220**	**13,600**	**1,270**	**1,860**	**1920**	**0**	**0**	**0**
	Pass-Through to Other Taxing Entities	510,000	**510,000**	**510,000**	**0**	**0**	**0**	**0**	**0**	**0**
	Capital Outlay and Other Programs	**5,557,790**	**950,000**	**0**	**1,974,060**	**650,000**	**400,000**	**0**	**0**	**0**
	Loan Repayment - Clover Creek									
6845	Interest Payment - Clover Creek	139,140	45,000	43,000	0	0	0	0	0	0
6945	Principal Payment - Clover Creek	87,670	181,810	183,810	0	0	0	0	0	0
	Total Loan Repayment - Clover Creek	**226,810**	**226,810**	**226,810**	**0**	**0**	**0**	**0**	**0**	**0**
	Debt Service - Bond Payments									
6777	Bond Interest - SHASTEC 2006	0	0	0	0	0	0	668,630	657,430	645,580
6977	Bond Principal - SHASTEC 2006	0	0	0	0	0	0	275,000	285,000	300,000
	Total Debt Service	**0**	**0**	**0**	**0**	**0**	**0**	**943,630**	**942,430**	**945,580**
	TOTAL EXPENDITURES	**6,407,650**	**1,804,530**	**855,410**	**1,995,330**	**741,860**	**421,920**	**992,020**	**997,430**	**1,000,580**

(1) Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
Note: Items noted in blue are increased projections.
Note: Items noted in red are decreased projections.

REDDING REDEVELOPMENT AGENCY
SHASTEC
CAPITAL OUTLAY PROJECTS AND OTHER PROGRAMS

NUMBER	ACCOUNTS	197-965 CAPITAL			218-967 HOUSING			217-966 DEBT SERVICE		
		2010-11 AMENDED BUDGET(1)	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET(1)	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET(1)	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	Capital Outlay Projects:									
4261-01	Sacramento River Bridge Widening	0	0	0	0	0	0	0	0	0
4312-01	Stillwater Industrial	1,635,530	0	0	0	0	0	0	0	0
4334-01	Old Oregon Trail Widening/Alignment	1,650,000	0	0	0	0	0	0	0	0
4652-01	Widen North Street-Ravenwood/Sharon	370,270	0	0	0	0	0	0	0	0
4732-01	Riverside Ave/I-5 Interchange	200,000	100,000	0	0	0	0	0	0	0
4850-01	State Mandated Payment ERAF	145,320	0	0	0	0	0	0	0	0
4885-01	Substantial Rehab/New Development-Redding	0	0	0	500,000	650,000	400,000	0	0	0
4885-05	Multi-FamilyRehab Program-County	0	0	0	850,000	0	0	0	0	0
4885-07	Substantial Rehab/New Development-Anderson	0	0	0	125,000	0	0	0	0	0
4885-08	Energy Efficiency Loans - Redding	0	0	0	499,060	0	0	0	0	0
4925-01	Clover Creek Drainage	206,670	0	0	0	0	0	0	0	0
4925-02	Airport Expansion Project	0	350,000	0	0	0	0	0	0	0
4925-03	Riverside Avenue Widening	0	500,000	0	0	0	0	0	0	0
4965-01	Fig Tree/Airport Road Traffic Signal	350,000	0	0	0	0	0	0	0	0
4968-01	Airport Road Widening	1,000,000	0	0	0	0	0	0	0	0
	Total Capital Outlay Projects	**5,557,790**	**950,000**	**0**	**1,974,060**	**650,000**	**400,000**	**0**	**0**	**0**

(1) Current Budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.
Note: Items noted in blue are increased expenditures.

REDDING REDEVELOPMENT AGENCY
BUCKEYE
BUDGET SUMMARY

ACCOUNTS	CAPITAL PROJECTS			HOUSING		
	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
Revenue and Reserves:						
Estimated Funds and Reserves						
Beginning of Fiscal Year	**1,264,670**	**74,160**	**65,560**	**398,350**	**455,070**	**449,950**
Estimated Revenue	367,980	320,910	320,910	91,720	80,350	80,350
Total Revenue and Reserves	**1,632,650**	**395,070**	**386,470**	**490,070**	**535,420**	**530,300**
Expenditure Program Appropriations:						
Materials, Supplies & Services	20,080	71,640	21,730	5,000	5,470	5,480
Contract Services	11,500	11,670	12,290	0	0	0
Pass-Through Allocations	89,250	96,200	96,200	0	0	0
Capital Outlay Projects	1,437,660	150,000	200,000	30,000	80,000	80,000
Total Expenditure Programs	**1,558,490**	**329,510**	**330,220**	**35,000**	**85,470**	**85,480**
Unbudgeted Funds	**74,160**	**65,560**	**56,250**	**455,070**	**449,950**	**444,820**
Year End Adjustments						
Estimated Funds Available Year End	**74,160**	**65,560**	**56,250**	**455,070**	**449,950**	**444,820**

[1]Current budget includes 2009-10 carryovers, appropriation transfers, and approved amendments.

REDDING REDEVELOPMENT AGENCY
BUCKEYE
REVENUE & EXPENDITURES

NUMBER	ACCOUNTS	198-968 CAPITAL PROJECTS 2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET	218-970 HOUSING 2010-11 AMENDED BUDGET[1]	2011-12 PROPOSED BUDGET	2012-13 PROPOSED BUDGET
	REVENUE						
2-1110	Property Tax Increment	358,880	315,410	315,410	89,720	78,850	78,850
4-1400	Property Tax Penalties	1,100	500	500	0	0	0
9-9110	Interest on Investment	8,000	5,000	5,000	2,000	1,500	1,500
	Total Revenue	**367,980**	**320,910**	**320,910**	**91,720**	**80,350**	**80,350**
	EXPENDITURES						
	Materials, Supplies & Services:						
2001	Cost Allocation Plan Reimbursement	1,280	2,840	2,930	0	470	480
2253	Professional Services[2]	300	50,300	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	16,300	16,300	16,300	5,000	5,000	5,000
2472	Advertising/Promotion	1,000	1,000	1,000	0	0	0
	Total Materials, Supplies & Services	**20,080**	**71,640**	**21,730**	**5,000**	**5,470**	**5,480**
	Contract Services						
1954	Redding Redevelopment Staff	11,500	11,670	12,290	0	0	0
	Total Contract Services	**11,500**	**11,670**	**12,290**	**0**	**0**	**0**
2249	**Pass-Through Allocations**	89,250	**96,200**	**96,200**	**0**	**0**	**0**
	Capital Projects						
4271-02	Churn Creek/Twin View Bridge (RRA)	645,470	0	0	0	0	0
4271-03	Churn Creek/Old Oasis Bridge (SC)	142,460	0	0	0	0	0
4271-04	Traffic Signal Lake Blvd/Keswick Dam (RRA)	391,040	0	0	0	0	0
4271-06	Buckeye Creek/Dean Road Bridge (SC)	130,000	150,000	0	0	0	0
4271-07	Randolph Road Widening (SC)	75,000	0	200,000	0	0	0
4271-08	S/D Old Oasis/Theresa (SC)	20,000	0	0	0	0	0
4717	Property Acquisition	0	0	0	0	0	0
4850	State Mandated Payment ERAF	33,690	0	0	0	0	0
4885-01	Substantial Rehab/New Development (RRA)	0	0	0	30,000	80,000	80,000
4885-02	Substantial Rehab/New Development (SC)	0	0	0	0	0	0
	Total Capital Projects	**1,437,660**	**150,000**	**200,000**	**30,000**	**80,000**	**80,000**
	Total Expenditures	**1,558,490**	**329,510**	**330,220**	**35,000**	**85,470**	**85,480**

[1]Current budget includes 2009-1008 carryovers, appropriation transfers, and approved amendments.

[2]Funds for bond issuance moved from 2010-11 to 2011-12.

Note: Items noted in blue are increased projections.

Note: Items noted in red are decreased projections.

REDDING AREA BUS AUTHORITY

REDDING AREA BUS AUTHORITY
2011-13 BUDGET
REVENUES

ACCOUNTS	2010-11 As Amended	2011-12 Requested	2011-12 + (-)	EXPLANATION
Operating				
Passenger Fares	$ 882,059	$ 825,000	$ (57,059)	Based on revised 7-year financial plan revenues
Other Transit Revenue	$ 50,000	$ 60,000	$ 10,000	Back of bus advertising - increase with new contract
Non-transit Revenue	$ 65,000	$ 60,000	$ (5,000)	Interest income, lease, vending and miscellaneous revenues
Shasta County	$ 98,749	$ 100,700	$ 1,951	Operating the Burney Express
Shasta County RTPA Overall Work Program	$ 93,468	$ 56,000	$ (37,468)	Federal planning funds to be used for operations
TDA	$ 3,367,624	$ 3,373,396	$ 5,772	Funds for operations; includes funds from the cities of Anderson, Redding, and Shasta Lake and the County of Shasta
Federal	$ 750,000	$ 750,000	$ -	Federal funds to be used for operations (5307)
Capital				
TDA	$ -	$ 4,800	$ 4,800	Local 20% match for Federal and TDA funded capital acquisitions
Federal 5307	$ 1,429,640	$ 1,061,047	$ (368,593)	Funds for capital acquisitions for rolling stock, computers, passenger loading improvements, and miscellaneous equipment
Federal (ARRA)	$ -	$ -	$ -	FTA Economic Stimulus funds
Proposition 1B	$ 1,604,591	$ 508,462	$ (1,096,129)	Proposition 1B for Capital Equipment - based on Program Expenditure Plan
Proposition 1B S/S	$ 153,000	$ 153,000	$ -	Proposition 1B Safety and Security funds
Total Revenues	**$ 8,494,131**	**$ 6,952,405**	**$ (1,541,726)**	

REDDING AREA BUS AUTHORITY
2011-13 BUDGET
EXPENSES

ACCOUNTS Expenses	2010-11 As Amended	2011-12 Requested	2011-12 + (-)	EXPLANATION
1950 Personnel	$ 250,000	$ 300,000	$ 50,000	Transportation/Police/Streets/Finance staff/Permit Center
2252 Security Contracts	$ 39,140	$ 38,000	$ (1,140)	Security services for Downtown Transit Center (DTC)
2253 Professional Svcs/Consultants	$ 100,000	$ 20,000	$ (80,000)	Consultant support for various programs including marketing
2257 Landscape Maintenance	$ 25,750	$ 18,000	$ (7,750)	Landscape maintenance for DTC and Maintenance Facility
2274 Vehicle Fuel/Lubricant	$ 580,000	$ 680,000	$ 100,000	Vehicle Fuel Expenses
2276 Vehicle Repair/Maintenance	$ 20,000	$ 20,000	$ -	***Accounts 2276 - 2279*** represent general repair for
2277 Vehicle Tires/Tubes	$ 50,000	$ 50,000	$ -	transit vans/coaches; age of fleet is requireing more parts
2279 Vehicle Parts/Supplies	$ 350,000	$ 325,000	$ (25,000)	maintenance; tires savings due to new contract provider
2291 Utility Expense	$ 75,460	$ 82,000	$ 6,540	Maintenance Facility and DTC utilities
2311 Communication Expense	$ 39,140	$ 32,000	$ (7,140)	Includes lease lines connecting the DTC/Maint Fac
2331 Purchased Transportation	$ 3,300,000	$ 3,250,000	$ (50,000)	Contract Operator
2332 Contract Services	$ 15,450	$ 20,000	$ 4,550	Miscellaneous contracts for pest control, and mats
2443 Printing Outside	$ 28,840	$ 32,000	$ 3,160	Route maps, transit brochures, passes, punchcards, etc.
2444 Operating Materials/Supplies	$ 18,500	$ 23,000	$ 4,500	Miscellaneous operating expenses/supplies
2447 Software Upgrades	$ 3,700	$ 3,500	$ (200)	Software for Transit and Finance support staff
2451 Permit Fees	$ 4,500	$ 4,500	$ -	NPDES Permit
2472 Advertising/Promotions	$ 12,020	$ 22,000	$ 9,980	Media advertising--newspaper, radio, and television
2473 Books/Dues/Subscriptions	$ 13,390	$ 15,000	$ 1,610	Dues for transit organizations, subscriptions, etc.
2475 Insurance Expense	$ 63,860	$ 55,000	$ (8,860)	Errors/omissions for Board and public liability/property damage for Maintenance Facility/DTC and other RABA improvements
2480 Other Allowances	$ 2,060	$ 3,000	$ 940	Allowance for Board members for monthly meetings
2599 Building Repair/Maintenance	$ 5,150	$ 6,000	$ 850	Miscellaneous building repairs--windows, minor repairs, etc.
2641 Civic Center Rent	$ 16,110	$ 16,110	$ -	RABA allocated share
City Interdepartmental Charges				
2001 Cost Allocation Plan	$ 96,120	$ 61,590	$ (34,530)	Interdepartmental charges; City allocation general support
2104 Fix Charge - Information Systems	$ 5,110	$ 12,320	$ 7,210	Based on support needed to run computer equipment
2105 Fix Charge - Print Shop	$ 2,350	$ 2,670	$ 320	Provides some of RABA's brochures and informational material
2106 Fix Charge - Fleet Maintenance	$ 110	$ 160	$ 50	Service for one RABA vehicle
2107 Fix Charge - Risk Mgmt	$ -	$ 4,080	$ 4,080	Based on usage
2108 Fix Charge - Records Mgmt	$ 2,110	$ 3,050	$ 940	Based on usage
2109 Fix Charge - Communications	$ 15,650	$ 18,900	$ 3,250	Based on number of radios/telephones
2116 Fix Charge - GIS	$ 58,500	$ 47,400	$ (11,100)	Based on usage
2130 Administrative Overhead	$ 6,270	$ -	$ (6,270)	
2162 Variable Charge - Mail	$ 2,590	$ 1,090	$ (1,500)	Based on usage
4047 Overall Work Program	$ 105,020	$ 58,726	$ (46,294)	Funded by Shasta Co. MPO; includes travel/training costs, ridership analyses, implementing transit plans
Total Operating Expenses	**$ 5,306,900**	**$ 5,225,096**	**$ (81,804)**	

REDDING AREA BUS AUTHORITY
2011-13 BUDGET
EXPENSES

ACCOUNTS Expenses	2010-11 As Amended	2011-12 Requested	2011-12 + (-)	EXPLANATION
CAPITAL OUTLAY				
Maint. Facility Equipment	$ 750,000	$ -	$ (750,000)	Covered Solar Parking, HVAC Replacement, Bus Wash Replacement
Maint. Facility Repair/Replacement	$ 57,181	$ -	$ (57,181)	Front office repairs and renovation
RABA Intermodal Building Expansion	$ 180,000	$ -	$ (180,000)	DTC expansion including restrooms, vending, driver area and covered waiting areas
DTC Expansion Property Purchase	$ 665,000	$ -	$ (665,000)	Purchase remainder of property to north of transit center between Tehama and Shasta streets
Demand Response Vans	$ 77,250	$ -	$ (77,250)	Replace three demand response vans in 2012-13
Administration/Office/Other	$ 30,280	$ 24,000	$ (6,280)	Office furniture, equipment, tools, etc.
Dispatch Software/AVLs for DR	$ 240,000	$ -	$ (240,000)	Dispatch software and automated vehicle locators for demand response fleet
Security Enhancements	$ 151,000	$ 70,000	$ (81,000)	Solar lights, vulnerability assessment, etc
Building Access at DTC	$ 10,000	$ -	$ (10,000)	
Security Cameras at DTC	$ 60,000	$ -	$ (60,000)	
Vehicle Security Camera Equipment	$ 85,000	$ 83,000	$ (2,000)	Security cameras for both fixed route and demand response fleets
Passenger Loading Improvements	$ 384,860	$ 284,000	$ (100,860)	ADA accessibility, sidewalk and bus stop improvements
Bus-Transit	$ 4,654,810	$ 1,242,309	$ (3,412,501)	Replace three coaches in 2011-12 and two in 2012-13
Re-paint Coaches	$ -	$ -	$ -	Complete
Grant Administration		$ 24,000	$ 24,000	Staff time to adminster federal grants
Total Capital Outlay	**$ 7,345,381**	**$ 1,727,309**	**$ (5,618,072)**	

TOTAL EXPENSES	**$ 12,652,281**	**$ 6,952,405**	**$ (5,699,876)**	

REDDING AREA BUS AUTHORITY
FY 2011-2018 Proposed 7-Year Plan
SUMMARY

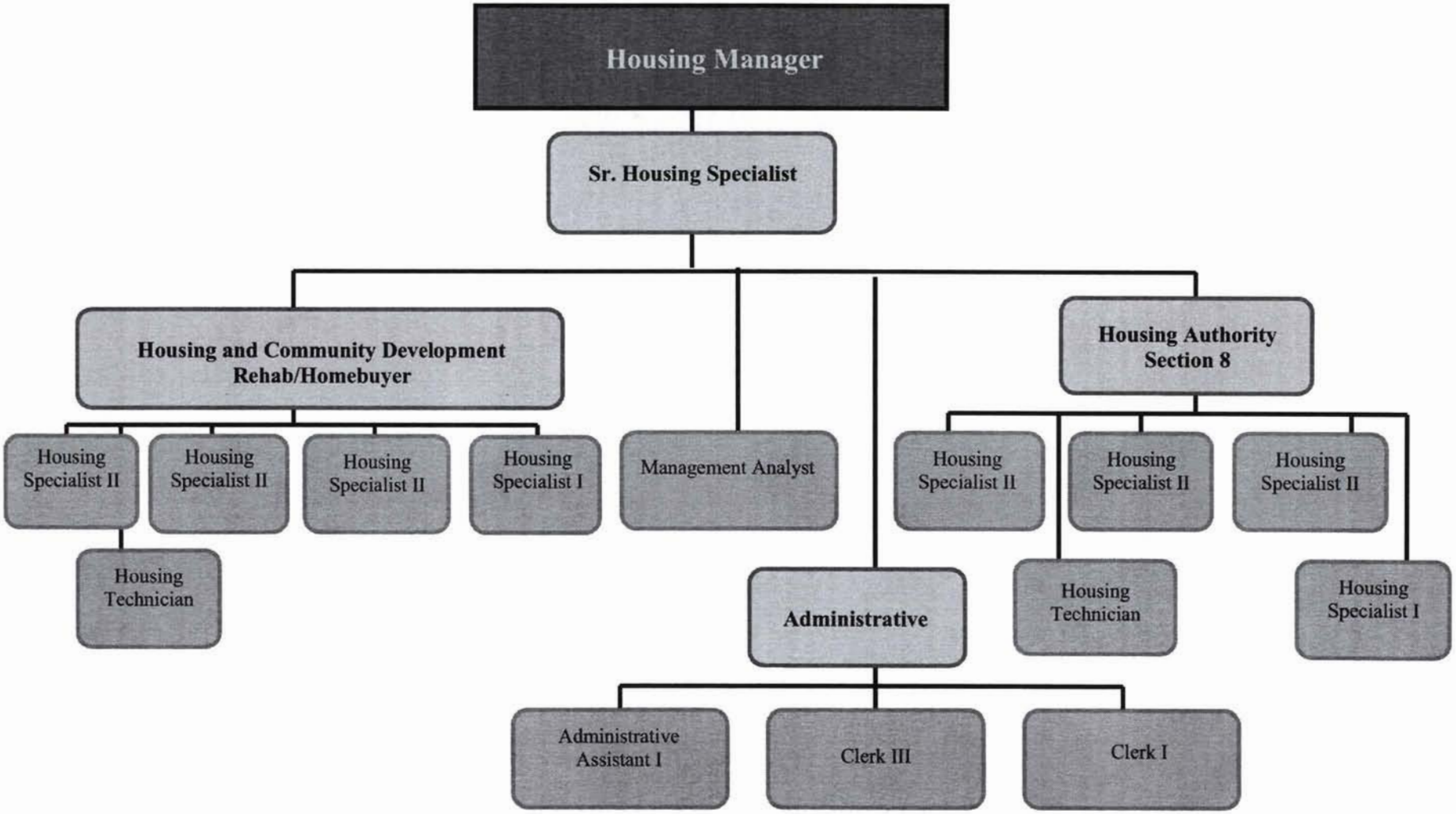
ACCOUNTS Revenues	2011-12 Budget	2012-13 Projected	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
Passenger Fares-Fixed Route	$ 563,000	$ 571,445	$ 580,017	$ 588,717	$ 597,548	$ 606,511	$ 615,609
Passenger Fares-Demand Response	$ 240,000	$ 244,800	$ 249,696	$ 254,690	$ 259,784	$ 264,979	$ 270,279
Other Revenue	$ 298,700	$ 303,920	$ 308,091	$ 314,305	$ 320,649	$ 327,124	$ 333,734
FTA-Operating	$ 750,000	$ 750,000	$ 650,000	$ 650,000	$ 650,000	$ 650,000	$ 500,000
FTA-Capital	$ 1,065,847	$ 872,565	$ 91,843	$ 537,001	$ 265,000	$ 1,528,000	$ 1,322,396
TDA-Operating	$ 3,368,596	$ 3,469,192	$ 3,699,622	$ 3,831,971	$ 3,968,271	$ 4,108,638	$ 4,410,920
TDA-Capital	$ 4,800	$ 4,800	$ 5,280	$ 5,808	$ 6,389	$ 7,028	$ 7,730
Other Capital (FTA ARRA, Prop 1B)	$ 661,462	$ 1,209,991	$ 793,000	$ 993,000	$ 503,000	$ 1,492,000	$ 153,000
TOTAL REVENUES	**$ 6,952,405**	**$ 7,426,713**	**$ 6,377,548**	**$ 7,175,493**	**$ 6,570,641**	**$ 7,492,280**	**$ 7,460,668**

Expenses	2011-12 Budget	2012-13 Projected	2013-14 Projected	2014-15 Projected	20015-16 Projected	2015-16 Projected	2016-17 Projected
Personnel	$ 300,000	$ 308,000	$ 315,700	$ 323,593	$ 331,682	$ 339,974	$ 348,474
Purchased Transportation	$ 3,250,000	$ 3,344,250	$ 3,441,233	$ 3,541,029	$ 3,643,719	$ 3,749,387	$ 3,858,119
Vehicle Expenses	$ 1,075,000	$ 1,075,000	$ 1,100,450	$ 1,126,528	$ 1,153,249	$ 1,180,630	$ 1,208,688
Other Operating Expenses	$ 368,110	$ 377,110	$ 389,640	$ 402,631	$ 416,101	$ 430,068	$ 444,554
Marketing/Advertising/Promotions	$ 22,000	$ 22,000	$ 22,440	$ 22,889	$ 23,347	$ 23,814	$ 24,290
City Interdepartmental Charges	$ 151,260	$ 157,030	$ 160,956	$ 164,980	$ 169,104	$ 173,332	$ 177,665
Overall Work Program	$ 58,726	$ 60,767	$ 62,286	$ 63,843	$ 65,439	$ 67,075	$ 68,752
Total Operating Expenses	**$ 5,225,096**	**$ 5,344,157**	**$ 5,492,705**	**$ 5,645,492**	**$ 5,802,641**	**$ 5,964,280**	**$ 6,130,542**
Capital Outlay	**$ 1,727,309**	**$ 2,082,556**	**$ 884,843**	**$ 1,530,001**	**$ 768,000**	**$ 3,020,000**	**$ 1,483,126**
TOTAL EXPENSES	**$ 6,952,405**	**$ 7,426,713**	**$ 6,377,548**	**$ 7,175,493**	**$ 6,570,641**	**$ 8,984,280**	**$ 7,613,668**

Combined Fare Box Ratio - As Proposed	15.8%	15.7%	15.5%	15.4%	15.2%	15.0%	14.8%
RTPA Required Farebox Ratio	17.3%	17.9%	18.6%	19.0%	19.0%	19.0%	19.0%

REDDING HOUSING AUTHORITY

HOUSING DIVISION



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HOUSING AUTHORITY OF THE CITY OF REDDING (RHA)

Overview

The Housing Authority of the City of Redding (RHA) provides housing assistance through the Section 8 Housing Choice Voucher (HCV) 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 2011-12 is $1,214,510 ($1,155,790 in administrative fees, plus $58,720 pay for the Family Self-sufficiency (FSS) Coordinator). Total administrative expenditures are expected to total $1,245,260. The revenue for the HCV program is determined by HUD. The RHA also receives interest income and damage/overpayment reimbursements from households on the HCV program. HAP revenue for rental assistance payments to landlords is expected to total $8,711,480.

The total budget request by the Housing Authority for 2011-12 totals $10,024,300, an increase of $57,620 over the current year amended budget.

The continuance of preserving an adequate reserve fund for the Housing Authority remains a critical issue. When costs continue to escalate while the revenue stream decreases, the Housing Authority must maintain a reserve account to meet expected and unexpected expenditures.

Description	FY 2009-10 Actual	FY 2010-11 Adopted	FY 2011-12 Amended*	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
RHA	$ 9,169,601	$ 7,803,230	$ 9,966,680	$ 10,024,300	$ 57,620	$ 10,041,460	$ 17,160

* 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
RHA	FY 2012-13 Adopted	$ 1,078,750	$ 191,760	$ 8,770,950	$ -	$ 10,041,460
	FY 2011-12 Adopted	$ 1,027,920	$ 189,430	$ 8,806,950	$ -	$ 10,024,300
	FY 2010-11 Amended	$ 1,010,140	$ 186,170	$ 8,770,370	$ -	$ 9,966,680
	FY 2009-10 Actual	$ 771,172	$ 179,638	$ 8,218,791	$ -	$ 9,169,601

Personnel

The Housing and Community Development Fund currently has budgeted 15 full-time employees and 1 part-time employee for the two-year budget cycle. These employees are shared between Community Development and the RHA. At this time, there are no new personnel hires during the 2011-11 and 2012-13 budget years. During the past two years, the Division had three employees leave (a Housing Manager and two Housing Specialist IIs). The three positions are currently vacant, but remain in the budget. A full-time employee plans to retire in FY 2011-12.

Description		FY 2009-10 Actual	FY 2010-11 Adopted	FY 2010-11 Amended	FY 2011-12 Adopted	Increase (Decrease)	FY 2012-13 Adopted	Increase (Decrease)
Community Development	F/T	15.00	15.00	15.00	15.00	-	15.00	-
	P/T	0.48	0.48	0.48	0.48	-	0.48	-
	Total	15.48	15.48	15.48	15.48	-	15.48	-

Capital Outlay

Capital expenditures for fiscal years (FY) 2011-2013 include expenditures for Housing Assistance Payments (HAP) to landlords/owners on Section 8 Housing Choice Voucher participants and salary of the FSS Coordinator. In FY 2011-12, Capital Outlay also includes funds set aside for the purchase of an upgrade to the RHA's current HAPPY software operating system.

Significant Issues

The Housing Authority, like other federally funded functions, is facing cost pressures and potential budget reductions. Final outcomes on these issues will not be clear until the final federal budget decisions are resolved, likely to occur by July 2011. At present, estimates are that Housing Choice Voucher administrative fees will be reduced by 8 percent in the coming fiscal year. This is compounded by reductions projected for the CDBG and HOME programs, as well as budget reductions in Redevelopment funding for Housing Division related services. In total, these potential reductions (if they occur) would result in a budget shortfall of an estimated $91,000 each year of the two-year budget cycle.

The Housing Authority budget has been developed to respond to these fiscal pressures. Current position vacancies can be held open during the budget cycle, resulting in Division budget savings estimated at $262,000 in FY 2011-12, and $289,000 in FY 2012-13. However, the loss of positions will have a direct negative impact on services, including processing of vouchers, public-outreach efforts, and efforts to identify and resolve fraudulent activity.

Any shortfall in revenues can be addressed through a variety of sources, including additional HCV lease-ups, CDBG administrative funds, or use of Housing Administration reserve funds (projected balance is $430,000 in June 2011).

2009-2011 Goals and Accomplishments

Goal

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.

Accomplishments

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 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. Continuing education and training has improved staff knowledge and performance in data-entry capability, and neighborhood new development projects, and tracking; and
3. Team field inspections utilizing the new HAPPY software system have been implemented and have increased 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 93 percent last year on its yearly assessment by HUD's Section 8 Management Assessment Program.

Performance Measures and Workload Indicators

1. Waiting list admissions will be consistent with selection criteria and sorted properly in regard to admission policies.

   Measurement – Quality control samples show that 98 percent of families were selected for admission in accordance with RHA policies.
2. Rent determinations will be both consistent with written policy and will be reasonable based on current rents for comparable units.

   Measurement – Quality control samples show that 97.22 percent of files provide for accurate rent determinations.
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.

   Measurement – Quality control samples show that 100 percent of files were correct.
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.

   Measurement – Twenty-five inspections were conducted by Housing staff.
5. Failed HQS inspections will result in correction of deficiencies cited or termination of rental assistance within eight weeks.

   Measurement – Quality control samples show that 100 percent of inspections were cited or terminated.
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 90 and 110 percent of the most recently published Fair Market Rents. When applicable, the approved exception payment standard will be utilized.

   Measurement – Quality control samples indicated that 100 percent of cases utilized the correct payment standard. Approximately five exception payment standards were utilized for reasonable accommodation purposes.
7. All assisted families will be reexamined on a yearly basis.

   Measurement – Quality control samples show that 99 percent of all families were reexamined on a yearly basis.

8. The Housing Authority will maximize its lease-up to 1,528, the maximum number of baseline units.
   Measurement – The average lease-up rate for 2010 was 94.86 percent of baseline units.
9. Maximize enrollment of FSS families to ensure FSS Coordinator funding.
   Measurement – The mandatory number of FSS slots is 14; on average, forty-nine families participated in the program.

2011-13 Goals and Objectives

Goal

To administer the Section 8 Housing Choice Voucher Program in a manner consistent with HUD's mandates.

Objective

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.

Goal

Continue to develop and implement strategies to provide rental assistance benefits to qualifying low- and moderate-income households during a period of budget uncertainty.

Objective

Anticipate and, to the degree possible, prepare for changes in HUD's rental assistance program on an ongoing basis.

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