

**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.