

COMBINING NONMAJOR GOVERNMENTAL FUNDS

CITY OF REDDING
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2001

ASSETS	Total Special Revenue Funds	Total Capital Project Funds	Total Debt Service Funds	Total Nonmajor Governmental Funds
Cash and investments	\$ 15,244,279	\$16,846,531	\$ —	\$32,090,810
Interest receivables	280,666	243,065	—	523,731
Accounts receivable, net	125,862	—	—	125,862
Intergovernmental receivable	1,382,265	168,843	1,026,560	2,577,668
Taxes receivable	210,000	48,874	—	258,874
Other receivables	15,337	278,633	—	293,970
Due from other funds	—	319,780	—	319,780
Restricted assets:				
Cash and investments	101,443	356,036	4,236,932	4,694,411
Interest receivable	—	14,479	34,963	49,442
Taxes receivable	—	—	510,189	510,189
Interfund receivables	9,339	33,571	—	42,910
Other assets	696,195	—	—	696,195
Deposits	—	1,140,000	—	1,140,000
Advances to other funds	980,392	304,417	—	1,284,809
Notes receivable	<u>14,851,166</u>	<u>14,921</u>	<u>—</u>	<u>14,866,087</u>
 Total assets	 <u>\$33,896,944</u>	 <u>\$19,769,150</u>	 <u>\$ 5,808,644</u>	 <u>\$59,474,738</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 237,133	\$ 529,261	\$ —	\$ 766,394
Accrued liabilities	18,301	7,095	—	25,396
Intergovernmental payable	810	2,593	—	3,403
Due to other funds	72,852	60,967	—	133,819
Deferred revenues	1,519,774	544,918	1,415,341	3,480,033
Interfund payables	41,000	34,707	9,339	85,046
Deposits	102,043	1	—	102,044
Advances from other funds	<u>2,801,706</u>	<u>161,200</u>	<u>980,392</u>	<u>3,943,298</u>
Total liabilities	<u>4,793,619</u>	<u>1,340,742</u>	<u>2,405,072</u>	<u>8,539,433</u>
 Fund balances (deficit):				
Reserved for encumbrances	339,743	1,992,295	—	2,332,038
Reserved for noncurrent advances	—	331,598	—	331,598
Reserved for debt service	9,243	—	4,213,832	4,223,075
Reserved for capital projects	977,121	—	—	977,121
Reserved for school projects	—	602,338	—	602,338
Reserved for other	230,983	2	—	230,985
Reserved for noncurrent notes receivable	6,668,451	—	—	6,668,451
Unreserved:				
Designated for continuing projects	—	11,833,840	—	11,833,840
Undesignated	<u>20,877,784</u>	<u>3,668,335</u>	<u>(810,260)</u>	<u>23,735,859</u>
Total fund balances (deficit)	<u>29,103,325</u>	<u>18,428,408</u>	<u>3,403,572</u>	<u>50,935,305</u>
 Total liabilities and fund balances	 <u>\$33,896,944</u>	 <u>\$19,769,150</u>	 <u>\$ 5,808,644</u>	 <u>\$59,474,738</u>

See accompanying notes to financial statements.

CITY OF REDDING
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2001

	Total Special Revenue Funds	Total Capital Projects Funds	Total Debt Service Funds	Total Nonmajor Governmental Funds
REVENUES:				
Property taxes	\$1,442,947	\$ 1,873,927	\$ 2,274,472	\$ 5,591,346
Special assessments	101,911	—	—	101,911
License, fees and permits	1,925,295	—	—	1,925,295
Intergovernmental revenues	10,848,130	2,100,127	—	12,948,257
Fines, forfeitures and penalties	121,527	—	—	121,527
Use of money and property	2,423	88,114	—	90,537
Interest revenue	1,135,518	1,176,495	172,661	2,484,674
Other	739,479	864,743	—	1,604,222
Total revenues	<u>16,317,230</u>	<u>6,103,406</u>	<u>2,447,133</u>	<u>24,867,769</u>
EXPENDITURES:				
Current:				
Community development	8,254,992	1,003,846	—	9,258,838
General government	—	—	128,936	128,936
Public safety	140,808	—	—	140,808
Public works	115,528	—	—	115,528
Capital outlay	—	4,533,670	—	4,533,670
Debt service:				
Principal retirement	—	—	831,132	831,132
Interest and fiscal charges	104,260	49,724	1,953,829	2,107,813
Bond administration costs	—	—	11,480	11,480
Total expenditures	<u>8,615,588</u>	<u>5,587,240</u>	<u>2,925,377</u>	<u>17,128,205</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,701,642</u>	<u>516,166</u>	<u>(478,244)</u>	<u>7,739,564</u>
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	2,837	3,680	—	6,517
Operating transfers in	578,250	737,001	953,069	2,268,320
Operating transfers out	<u>(3,226,439)</u>	<u>—</u>	<u>(525,401)</u>	<u>(3,751,840)</u>
Total other financing sources (uses)	<u>(2,645,352)</u>	<u>740,681</u>	<u>427,668</u>	<u>(1,477,003)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>5,056,290</u>	<u>1,256,847</u>	<u>(50,576)</u>	<u>6,262,561</u>
FUND BALANCES (DEFICIT), beginning of year, as originally stated				
	22,866,708	15,479,980	3,454,148	41,800,836
Prior period adjustment	115,000	1,597,194	—	1,712,194
Change in accounting principle	<u>1,065,327</u>	<u>94,387</u>	<u>—</u>	<u>1,159,714</u>
FUND BALANCES (DEFICIT), beginning of year, (as restated)				
	<u>24,047,035</u>	<u>17,171,561</u>	<u>3,454,148</u>	<u>44,672,744</u>
FUND BALANCES (DEFICIT), end of year				
	<u>\$29,103,325</u>	<u>\$18,428,408</u>	<u>\$ 3,403,572</u>	<u>\$50,935,305</u>

See accompanying notes to financial statements.

CITY OF REDDING

THIS PAGE INTENTIONALLY LEFT BLANK

Nonmajor Governmental Funds Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Parking Fund - This fund was established to account for the receipts of parking-related revenues and expenditures.

Street Maintenance Fund - This fund was established to account for the construction and maintenance of the street system of the City. Financing is provided by the State and is restricted to street expenditures.

Community Development Fund - This fund was established to account for financing and rehabilitation of homes and government structures. Financing is provided by Federal Housing and Urban Development.

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.

Housing Fund - This fund was established to account for subsidies received on behalf of low to moderate income families. Financing is provided by Federal Housing and Urban Development and a portion of tax increment revenue from redevelopment project area property.

General Special Revenue - This fund was established to account for receipts and disbursements of special revenues required to be segregated from the General Fund revenues.

Landscape Maintenance Districts - This fund was established to account for the activities of landscape maintenance assessment districts. The landscape districts collect assessments to pay for landscape maintenance in the assessment area.

CITY OF REDDING
Combining Balance Sheet
Special Revenue
Nonmajor Governmental Funds
June 30, 2001

	<u>Parking</u>	<u>Street Maintenance</u>	<u>Community Development</u>	<u>Special Development</u>	<u>Housing</u>
ASSETS					
Cash and investments	\$ 35,389	\$ 569,399	\$ 1,400,854	\$ 8,731,158	\$4,292,254
Interest receivable	595	—	24,552	109,771	142,715
Accounts receivable, net	—	—	—	—	125,862
Intergovernmental receivable	—	407,722	438,504	536,039	—
Taxes receivables	—	—	—	—	193,321
Other receivable	—	—	13,121	—	2,216
Restricted cash and investment	—	—	—	—	101,443
Interfund receivables	9,339	—	—	—	—
Other assets	—	—	—	—	696,195
Advances to other funds	980,392	—	—	—	—
Notes receivable	—	—	8,932,484	—	5,918,682
	<u>—</u>	<u>—</u>	<u>8,932,484</u>	<u>—</u>	<u>5,918,682</u>
Total assets	<u>\$ 1,025,715</u>	<u>\$ 977,121</u>	<u>\$10,809,515</u>	<u>\$ 9,376,968</u>	<u>\$11,472,688</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,721	\$ —	\$ 62,416	\$ 27,171	\$ 139,871
Accrued liabilities	743	—	16,385	—	1,173
Intergovernmental payable	810	—	—	—	—
Due to other funds	—	—	—	—	72,852
Deferred revenues	—	—	—	536,039	983,735
Interfund payables	—	—	—	41,000	—
Deposits	—	—	—	—	102,043
Advances from other funds	2,203,241	—	—	598,465	—
	<u>2,203,241</u>	<u>—</u>	<u>—</u>	<u>598,465</u>	<u>—</u>
Total liabilities	<u>2,208,515</u>	<u>—</u>	<u>78,801</u>	<u>1,202,675</u>	<u>1,299,674</u>
Fund balances (deficit):					
Reserved for encumbrances	—	—	248,045	—	91,698
Reserved for debt service	9,243	—	—	—	—
Reserved for capital projects	—	977,121	—	—	—
Reserved for other	—	—	—	—	—
Reserved for noncurrent notes receivable	980,392	—	—	—	5,688,059
Unreserved, undesignated	(2,172,435)	—	10,482,669	8,174,293	4,393,257
	<u>(2,172,435)</u>	<u>—</u>	<u>10,482,669</u>	<u>8,174,293</u>	<u>4,393,257</u>
Total fund balances (deficit)	<u>(1,182,800)</u>	<u>977,121</u>	<u>10,730,714</u>	<u>8,174,293</u>	<u>10,173,014</u>
Total liabilities and fund balances	<u>\$ 1,025,715</u>	<u>\$ 977,121</u>	<u>\$10,809,515</u>	<u>\$ 9,376,968</u>	<u>\$11,472,688</u>

<u>General</u>	<u>Landscape Maintenance Districts</u>	<u>Total</u>
\$ —	\$ 215,225	\$15,244,279
—	3,033	280,666
—	—	125,862
—	—	1,382,265
—	16,679	210,000
—	—	15,337
—	—	101,443
—	—	9,339
—	—	696,195
—	—	980,392
—	—	<u>14,851,166</u>
<u>\$ —</u>	<u>\$ 234,937</u>	<u>\$33,896,944</u>
\$ —	\$ 3,954	\$ 237,133
—	—	18,301
—	—	810
—	—	72,852
—	—	1,519,774
—	—	41,000
—	—	102,043
—	—	<u>2,801,706</u>
<u>—</u>	<u>3,954</u>	<u>4,793,619</u>
—	—	339,743
—	—	9,243
—	—	977,121
—	230,983	230,983
—	—	6,668,451
—	—	<u>20,877,784</u>
<u>—</u>	<u>230,983</u>	<u>29,103,325</u>
<u>\$ —</u>	<u>\$ 234,937</u>	<u>\$33,896,944</u>

See accompanying notes to financial statements.

CITY OF REDDING
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Special Revenue
Nonmajor Governmental Funds
For the Year Ended June 30, 2001

	<u>Parking</u>	<u>Street Maintenance</u>	<u>Community Development</u>	<u>Special Development</u>
REVENUES:				
Tax revenues	\$ —	\$ —	\$ —	\$ —
Special assessments	—	—	—	—
Licenses, fees and permits	80,809	—	—	1,844,486
Intergovernmental revenues	—	3,184,533	2,350,042	15,000
Fines, forfeitures and penalties	121,527	—	—	—
Use of money and property	—	—	—	—
Interest revenue	31,886	2,076	172,334	599,880
Other revenues	<u>—</u>	<u>—</u>	<u>35,874</u>	<u>72,070</u>
Total revenues	<u>234,222</u>	<u>3,186,609</u>	<u>2,558,250</u>	<u>2,531,436</u>
EXPENDITURES:				
Community development	—	—	962,655	1,499,712
Public safety	140,808	—	—	—
Public works	115,528	—	—	—
Debt service:				
Interest and fiscal charges	<u>9,243</u>	<u>—</u>	<u>—</u>	<u>95,017</u>
Total expenditures	<u>265,579</u>	<u>—</u>	<u>962,655</u>	<u>1,594,729</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,357)</u>	<u>3,186,609</u>	<u>1,595,595</u>	<u>936,707</u>
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	—	—	—	—
Operating transfers in	—	—	238,250	200,000
Operating transfers out	<u>—</u>	<u>(2,424,291)</u>	<u>(140,000)</u>	<u>(11,600)</u>
Total other financing sources (uses)	<u>—</u>	<u>(2,424,291)</u>	<u>98,250</u>	<u>188,400</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(31,357)</u>	<u>762,318</u>	<u>1,693,845</u>	<u>1,125,107</u>
FUND BALANCES (DEFICIT), beginning of year	(1,151,443)	—	9,036,869	6,052,123
Prior period adjustment	—	—	—	—
Change in accounting principle	<u>—</u>	<u>214,803</u>	<u>—</u>	<u>997,063</u>
FUND BALANCE (DEFICIT), as restated	<u>(1,151,443)</u>	<u>214,803</u>	<u>9,036,869</u>	<u>7,049,186</u>
FUND BALANCES (DEFICIT), end of year	<u><u>\$(1,182,800)</u></u>	<u><u>\$ 977,121</u></u>	<u><u>\$10,730,714</u></u>	<u><u>\$ 8,174,293</u></u>

<u>Housing</u>	<u>General</u>	<u>Landscape Maintenance District</u>	<u>Total Special Revenue</u>
\$ 1,442,947	\$ —	\$ —	\$ 1,442,947
—	—	101,911	101,911
—	—	—	1,925,295
5,298,555	—	—	10,848,130
—	—	—	121,527
2,423	—	—	2,423
315,302	—	14,040	1,135,518
<u>219,237</u>	<u>412,298</u>	<u>—</u>	<u>739,479</u>
<u>7,278,464</u>	<u>412,298</u>	<u>115,951</u>	<u>16,317,230</u>
5,716,569	—	76,056	8,254,992
—	—	—	140,808
—	—	—	115,528
<u>—</u>	<u>—</u>	<u>—</u>	<u>104,260</u>
<u>5,716,569</u>	<u>—</u>	<u>76,056</u>	<u>8,615,588</u>
<u>1,561,895</u>	<u>412,298</u>	<u>39,895</u>	<u>7,701,642</u>
2,837	—	—	2,837
140,000	—	—	578,250
<u>(238,250)</u>	<u>(412,298)</u>	<u>—</u>	<u>(3,226,439)</u>
<u>(95,413)</u>	<u>(412,298)</u>	<u>—</u>	<u>(2,645,352)</u>
<u>1,466,482</u>	<u>—</u>	<u>39,895</u>	<u>5,056,290</u>
8,738,071	—	191,088	22,866,708
115,000	—	—	115,000
<u>(146,539)</u>	<u>—</u>	<u>—</u>	<u>1,065,327</u>
<u>8,706,532</u>	<u>—</u>	<u>191,088</u>	<u>24,047,035</u>
<u>\$10,173,014</u>	<u>\$ —</u>	<u>\$ 230,983</u>	<u>\$29,103,325</u>

See accompanying notes to financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

Nonmajor Governmental Funds Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

General - This fund was established to account for the financing and construction activities of the general government.

Redevelopment Agency Capital Project Funds:

Canby-Hilltop-Cypress Project Fund - This fund was established to account for the financing and construction activities in the Canby-Hilltop-Cypress project area of Redding. Financing is being provided by the Redding Redevelopment Agency. Current activity is ongoing and will span several years.

Market Street Project Fund – This fund was established to account for the financing and construction activities in the Market Street project area of Redding. Financing is being provided by the Redding Redevelopment Agency. Current activity is ongoing and will span several years.

Buckeye Project Fund - This fund was established to account for the financing and construction activities in the Buckeye project area of Redding. Financing will be provided by future Redding Redevelopment Agency tax allocation bonds. Current activity is ongoing and will span several years.

SHASTECH Project Fund – This fund was established to account for the financing and construction activities in the SHASTECH redevelopment project area. Financing will be provided by future Redding Redevelopment Agency tax allocation bonds. Current activity is ongoing and will span several years.

CITY OF REDDING
Combining Balance Sheet
Capital Projects
Nonmajor Governmental Funds
June 30, 2001

ASSETS	General	Canby/Hilltop/ Cypress Project	Market Street Project	Buckeye Project
Cash and investments	\$ 1,085,732	\$14,269,045	\$ 1,279,899	\$ 5,897
Interest receivable	—	189,106	17,061	78
Accounts receivable, net	—	—	—	—
Intergovernmental receivable	—	—	—	—
Taxes receivable	—	—	—	—
Other receivables	—	278,633	—	—
Due from other funds	—	60,967	258,813	—
Restricted assets:				
Cash and investments	356,036	—	—	—
Interest receivable	14,479	—	—	—
Taxes receivable	—	—	—	—
Interfund receivables	—	33,571	—	—
Other assets	—	—	—	—
Deposits	—	—	—	—
Advances to other funds	—	304,417	—	—
Notes receivable	—	—	14,921	—
	<u>—</u>	<u>—</u>	<u>14,921</u>	<u>—</u>
 Total assets	 <u>\$ 1,456,247</u>	 <u>\$15,135,739</u>	 <u>\$ 1,570,694</u>	 <u>\$ 5,975</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 73,216	\$ 74,184	\$ 339,077	\$ —
Accrued liabilities	—	7,095	—	—
Intergovernmental payable	—	—	2,593	—
Due to other funds	—	—	55,967	5,000
Deferred revenues	—	415,183	—	—
Interfund payables	—	—	—	—
Deposits	—	—	—	—
Advances from other funds	—	—	—	161,200
Total liabilities	<u>73,216</u>	<u>496,462</u>	<u>397,637</u>	<u>166,200</u>
 Fund balances (deficit):				
Reserved for encumbrances	—	1,188,691	576,127	—
Reserved for noncurrent advances	—	331,598	—	—
Reserved for debt service	—	—	—	—
Reserved for capital projects	—	—	—	—
Reserved for school projects	—	20,598	581,740	—
Reserved for other	—	—	—	—
Reserved for non-current notes receivable	—	—	—	—
Unreserved:				
Designated for continuing projects	1,236,033	9,382,120	15,190	—
Undesignated	146,998	3,716,270	—	(160,225)
Total fund balances (deficit)	<u>1,383,031</u>	<u>14,639,277</u>	<u>1,173,057</u>	<u>(160,225)</u>
 Total liabilities and fund balances	 <u>\$ 1,456,247</u>	 <u>\$15,135,739</u>	 <u>\$ 1,570,694</u>	 <u>\$ 5,975</u>

SHASTE Project	Total Capital Projects
\$ 205,958	\$16,846,531
36,820	243,065
—	—
168,843	168,843
48,874	48,874
—	278,633
—	319,780
—	356,036
—	14,479
—	—
—	33,571
—	—
1,140,000	1,140,000
—	304,417
—	14,921
<u>\$ 1,600,495</u>	<u>\$19,769,150</u>
\$ 42,784	\$ 529,261
—	7,095
—	2,593
—	60,967
129,735	544,918
34,707	34,707
1	1
—	161,200
<u>207,227</u>	<u>1,340,742</u>
227,477	1,992,295
—	331,598
—	—
—	—
—	602,338
2	2
—	—
1,200,497	11,833,840
(34,708)	3,668,335
<u>1,393,268</u>	<u>18,428,408</u>
<u>\$ 1,600,495</u>	<u>\$19,769,150</u>

See accompanying notes to financial statements.

CITY OF REDDING
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Capital Projects
Nonmajor Governmental Funds
For the Year Ended June 30, 2001

	<u>General</u>	Canby/Hilltop/ Cypress <u>Project</u>	Market Street <u>Project</u>	Buckeye <u>Project</u>
REVENUES:				
Property taxes	\$ —	\$ 851,969	\$ 681,694	\$ —
Special assessments	—	—	—	—
License, fees and permits	—	—	—	—
Intergovernmental revenues	—	—	706,000	—
Fines, forfeitures and penalties	—	—	—	—
Use of money and property	—	88,114	—	—
Interest revenue	103,426	945,244	75,703	263
Other	800,832	5,002	11,256	5,712
Total revenues	<u>904,258</u>	<u>1,890,329</u>	<u>1,474,653</u>	<u>5,975</u>
EXPENDITURES:				
Current:				
Community development	—	523,995	250,561	157,081
General government	—	—	—	—
Public safety	—	—	—	—
Public works	—	—	—	—
Capital outlay	711,722	1,922,795	1,386,093	—
Debt service:				
Principal retirement	—	—	—	—
Interest and fiscal charges	—	—	5,897	9,119
Bond administration costs	—	—	—	—
Total expenditures	<u>711,722</u>	<u>2,446,790</u>	<u>1,642,551</u>	<u>166,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>192,536</u>	<u>(556,461)</u>	<u>(167,898)</u>	<u>(160,225)</u>
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	—	280	3,400	—
Operating transfers in	211,600	520,276	5,125	—
Operating transfers out	—	—	—	—
Total other financing sources (uses)	<u>211,600</u>	<u>520,556</u>	<u>8,525</u>	<u>—</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>404,136</u>	<u>(35,905)</u>	<u>(159,373)</u>	<u>(160,225)</u>
FUND BALANCES (DEFICIT), beginning of year, as originally stated				
	(712,686)	14,675,182	1,332,430	—
Prior period adjustment	1,597,194	—	—	—
Change in accounting principle	<u>94,387</u>	<u>—</u>	<u>—</u>	<u>—</u>
FUND BALANCES (DEFICIT), beginning of year, (as restated)				
	<u>978,895</u>	<u>14,675,182</u>	<u>1,332,430</u>	<u>—</u>
FUND BALANCES (DEFICIT), end of year				
	<u>\$ 1,383,031</u>	<u>\$14,639,277</u>	<u>\$ 1,173,057</u>	<u>\$ (160,225)</u>

<u>SHASTE Project</u>	<u>Total Capital Projects</u>
\$ 340,264	\$ 1,873,927
—	—
—	—
1,394,127	2,100,127
—	—
—	88,114
51,859	1,176,495
<u>41,941</u>	<u>864,743</u>
<u>1,828,191</u>	<u>6,103,406</u>
72,209	1,003,846
—	—
—	—
—	—
513,060	4,533,670
—	—
34,708	49,724
<u>—</u>	<u>—</u>
<u>619,977</u>	<u>5,587,240</u>
<u>1,208,214</u>	<u>516,166</u>
—	3,680
—	737,001
<u>—</u>	<u>—</u>
<u>—</u>	<u>740,681</u>
<u>1,208,214</u>	<u>1,256,847</u>
185,054	15,479,980
—	1,597,194
<u>—</u>	<u>94,387</u>
<u>185,054</u>	<u>17,171,561</u>
<u>\$ 1,393,268</u>	<u>\$18,428,408</u>

See accompanying notes to financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

Nonmajor Governmental Funds Debt Service Funds

Debt service funds are used to account for the payment of interest and principal on general debt of the City and related entities.

Redevelopment Agency Debt Service Funds:

Midtown Project Bonds - This fund was established to accumulate monies for payment of Redevelopment bonds. Debt service is provided by property tax increment revenue. (In form, financing is provided for the debt service by lease revenue from the Parking Fund. However, a reciprocal agreement exists that provides for the reimbursement of these lease payments from the property tax increment revenue. Therefore, in substance, the final source for this debt service is property tax increment revenue. This debt service fund is presented using a substance over form disclosure approach.)

Canby-Hilltop-Cypress Project Bonds – This fund was established to accumulate monies for payment of tax allocation bonds. Debt service is provided by property tax increment revenue.

Market Street Project Bonds – This fund was established to accumulate monies for payment of tax allocation bonds. Debt service is provided by property tax increment revenue.

General - This fund was established to accumulate monies for payment of long-term bonds that are the responsibility of the General Fund.

CITY OF REDDING
Combining Balance Sheet
Debt Service
Nonmajor Governmental Funds
June 30, 2001

ASSETS	<u>Midtown Project Bonds</u>	<u>Canby/Hilltop/ Cypress Project Bonds</u>	<u>Market Street Project Bonds</u>	<u>General</u>	<u>Total</u>
Intergovernmental receivable	\$ —	\$ —	\$ —	\$ 1,026,560	\$ 1,026,560
Restricted assets:					
Cash and investments	168,101	2,950,060	189,584	929,187	4,236,932
Interest receivable	479	33,467	540	477	34,963
Taxes receivable	<u>4,166</u>	<u>375,187</u>	<u>130,836</u>	<u>—</u>	<u>510,189</u>
 Total assets	 <u>\$ 172,746</u>	 <u>\$ 3,358,714</u>	 <u>\$ 320,960</u>	 <u>\$ 1,956,224</u>	 <u>\$ 5,808,644</u>
 LIABILITIES AND FUND BALANCES					
Liabilities:					
Deferred revenues	\$ 1,929	\$ 281,138	\$ 105,714	\$ 1,026,560	\$ 1,415,341
Interfund payables	9,339	—	—	—	9,339
Advances from other funds	<u>980,392</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>980,392</u>
 Total liabilities	 <u>991,660</u>	 <u>281,138</u>	 <u>105,714</u>	 <u>1,026,560</u>	 <u>2,405,072</u>
Fund balances (deficit):					
Reserved for debt service	—	3,077,576	215,246	921,010	4,213,832
Unreserved, undesignated	<u>(818,914)</u>	<u>—</u>	<u>—</u>	<u>8,654</u>	<u>(810,260)</u>
 Total fund balances (deficit)	 <u>(818,914)</u>	 <u>3,077,576</u>	 <u>215,246</u>	 <u>929,664</u>	 <u>3,403,572</u>
 Total liabilities and fund balances	 <u>\$ 172,746</u>	 <u>\$ 3,358,714</u>	 <u>\$ 320,960</u>	 <u>\$ 1,956,224</u>	 <u>\$ 5,808,644</u>

See accompanying notes to financial statements.

CITY OF REDDING
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Debt Service
Nonmajor Governmental Funds
For the Year Ended June 30, 2001

	<u>Midtown Project Bonds</u>	<u>Canby/Hilltop/ Cypress Project Bond</u>	<u>Market Street Project Bonds</u>	<u>General</u>	<u>Total Debt Service</u>
REVENUES:					
Property taxes	\$ 22,955	\$ 2,025,889	\$ 225,628	\$ —	\$ 2,274,472
Interest revenue	<u>11,555</u>	<u>141,468</u>	<u>10,984</u>	<u>8,654</u>	<u>172,661</u>
Total revenues	<u>34,510</u>	<u>2,167,357</u>	<u>236,612</u>	<u>8,654</u>	<u>2,447,133</u>
EXPENDITURES:					
Current:					
General government	883	97,609	30,444	—	128,936
Debt service:					
Principal retirement	65,000	475,000	40,000	251,132	831,132
Interest and fiscal charges	41,983	1,069,210	140,700	701,936	1,953,829
Bond administration costs	<u>1,500</u>	<u>6,180</u>	<u>3,800</u>	<u>—</u>	<u>11,480</u>
Total expenditures	<u>109,366</u>	<u>1,647,999</u>	<u>214,944</u>	<u>953,068</u>	<u>2,925,377</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(74,856)</u>	<u>519,358</u>	<u>21,668</u>	<u>(944,414)</u>	<u>(478,244)</u>
OTHER FINANCING SOURCES (USES):					
Operating transfers in	—	—	—	953,069	953,069
Operating transfers out	<u>—</u>	<u>(520,276)</u>	<u>(5,125)</u>	<u>—</u>	<u>(525,401)</u>
Total other financing sources (uses)	<u>—</u>	<u>(520,276)</u>	<u>(5,125)</u>	<u>953,069</u>	<u>427,668</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(74,856)</u>	<u>(918)</u>	<u>16,543</u>	<u>8,655</u>	<u>(50,576)</u>
FUND BALANCES (DEFICIT),					
beginning of year	<u>(744,058)</u>	<u>3,078,494</u>	<u>198,703</u>	<u>921,009</u>	<u>3,454,148</u>
FUND BALANCES (DEFICIT),					
end of year	<u>\$ (818,914)</u>	<u>\$ 3,077,576</u>	<u>\$ 215,246</u>	<u>\$ 929,664</u>	<u>\$ 3,403,572</u>

See accompanying notes to financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

Nonmajor Proprietary Funds Enterprise Funds

Enterprise funds account for operations that are financed and operated in a manner similar to a private business enterprise. The intent of the governing body is that the cost of providing goods or services be financed primarily through user charges. An enterprise fund is also used when 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.

Airport - This fund was established to account for the operations of the City's airports.

Storm Drainage Utility - 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.

Redding Area Bus Authority - This fund was established to account for the operations of the Redding Area Bus Authority.

Convention Center - This fund was established to account for the operations of the Convention Center and Visitors Bureau.

Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2001

	<u>Airport</u>	<u>Storm Drainage Utility</u>	<u>Redding Area Bus Authority</u>	<u>Convention Center</u>	<u>Totals</u>
ASSETS					
Current assets:					
Cash and investments	\$ 2,975	\$ 576,325	\$ 1,093,572	\$ 134,159	\$ 1,807,031
Interest receivable	391	6,062	9,532	154	16,139
Accounts receivable, net	24,735	102,229	6,422	—	133,386
Prepaid items	—	—	2,592	—	2,592
Intergovernmental receivable	350,336	—	382,903	—	733,239
Inventories	<u>—</u>	<u>59,674</u>	<u>66,164</u>	<u>—</u>	<u>125,838</u>
Total current assets	<u>378,437</u>	<u>744,290</u>	<u>1,561,185</u>	<u>134,313</u>	<u>2,818,225</u>
Restricted assets:					
Cash and investments	307,929	—	—	66,203	374,132
Interest receivable	<u>—</u>	<u>—</u>	<u>—</u>	<u>342</u>	<u>342</u>
Total restricted assets	<u>307,929</u>	<u>—</u>	<u>—</u>	<u>66,545</u>	<u>374,474</u>
Capital assets:					
Land	3,525,577	28,727	813,247	194,000	4,561,551
Utility plants	—	11,714,953	—	—	11,714,953
Buildings	7,771,132	—	5,625,131	3,441,565	16,837,828
Improvements other than buildings	13,066,461	2,348,779	1,227,805	274,070	16,917,115
Automotive equipment	682,661	337,348	6,477,308	121,889	7,619,206
Furnishings and equipment	122,875	16,054	1,342,694	197,672	1,679,295
Assets under capital lease	—	321,428	—	559,210	880,638
Construction in progress	<u>455,243</u>	<u>17,626</u>	<u>—</u>	<u>—</u>	<u>472,869</u>
Total capital assets	25,623,949	14,784,915	15,486,185	4,788,406	60,683,455
Less: accumulated depreciation	<u>(13,870,458)</u>	<u>(4,424,554)</u>	<u>(5,424,843)</u>	<u>(3,265,818)</u>	<u>(26,985,673)</u>
Net capital assets	<u>11,753,491</u>	<u>10,360,361</u>	<u>10,061,342</u>	<u>1,522,588</u>	<u>33,697,782</u>
Other assets:					
Financing costs, net	<u>34,407</u>	<u>—</u>	<u>—</u>	<u>4,036</u>	<u>38,443</u>
Total other assets	<u>34,407</u>	<u>—</u>	<u>—</u>	<u>4,036</u>	<u>38,443</u>
Total assets	<u>12,474,264</u>	<u>11,104,651</u>	<u>11,622,527</u>	<u>1,727,482</u>	<u>36,928,924</u>

	<u>Airport</u>	<u>Storm Drainage Utility</u>	<u>Redding Area Bus Authority</u>	<u>Convention Center</u>	<u>Totals</u>
LIABILITIES AND NET ASSETS					
Current liabilities (payable from current assets):					
Accounts payable	\$ 31,960	\$ 14,604	\$ 350,987	\$ 36,299	\$ 433,850
Accrued liabilities	29,348	14,935	—	75,602	119,885
Accrued interest payable	14,347	—	—	2,186	16,533
Due to other funds	—	—	41,734	—	41,734
Deferred revenues	—	—	687,609	19,689	707,298
Interfund payables	286,289	—	—	—	286,289
Capital leases, current	—	59,198	—	28,107	87,305
Long-term debt, current	15,729	—	—	9,975	25,704
State loan, current	<u>90,306</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>90,306</u>
Total current liabilities (payable from current assets)	<u>467,979</u>	<u>88,737</u>	<u>1,080,330</u>	<u>171,858</u>	<u>1,808,904</u>
Long-term liabilities:					
Accrued compensated absences	52,046	41,861	—	168,278	262,185
Advances from other funds	3,640,426	—	—	1,040,847	4,681,273
Capital leases, net of current	—	233,789	—	488,468	722,257
Long-term debt, net of current	956,724	—	—	430,350	1,387,074
State loan, net of current	<u>509,437</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>509,437</u>
Total long-term liabilities	<u>5,158,633</u>	<u>275,650</u>	<u>—</u>	<u>2,127,943</u>	<u>7,562,226</u>
Total liabilities	<u>5,626,612</u>	<u>364,387</u>	<u>1,080,330</u>	<u>2,299,801</u>	<u>9,371,130</u>
Net assets:					
Invested in capital assets, net of related debt	9,625,341	10,067,374	10,061,342	631,868	30,385,925
Restricted for capital projects	—	163,097	—	—	163,097
Restricted for debt service	—	—	—	—	—
Unrestricted	<u>(2,777,689)</u>	<u>509,793</u>	<u>480,855</u>	<u>(1,204,187)</u>	<u>(2,991,228)</u>
Total net assets	<u>\$ 6,847,652</u>	<u>\$10,740,264</u>	<u>\$10,542,197</u>	<u>\$ (572,319)</u>	<u>\$27,557,794</u>

See accompanying notes to financial statements.

CITY OF REDDING
Combining Statement of Revenues, Expenses,
and Changes in Net Assets
Nonmajor Enterprise Funds
For the Year Ended June 30, 2001

	<u>Airport</u>	<u>Storm Drainage Utility</u>	<u>Redding Area Bus Authority</u>	<u>Convention Center</u>	<u>Totals</u>
OPERATING REVENUES:					
User fees and charges	\$ 117,127	\$ 847,660	\$ 591,038	\$ 169,688	\$ 1,725,513
Rental charges	669,279	—	—	188,401	857,680
Other operating revenue	<u>506,432</u>	<u>19,728</u>	<u>51,036</u>	<u>1,946</u>	<u>579,142</u>
Total operating revenues	<u>1,292,838</u>	<u>867,388</u>	<u>642,074</u>	<u>360,035</u>	<u>3,162,335</u>
OPERATING EXPENSES:					
Cost of power, water, and transportation	—	—	1,841,133	—	1,841,133
Maintenance, operations, and administration	1,235,062	734,102	1,289,720	1,695,834	4,954,718
Depreciation and amortization	<u>1,093,183</u>	<u>670,026</u>	<u>878,906</u>	<u>179,064</u>	<u>2,821,179</u>
Total operating expenses	<u>2,328,245</u>	<u>1,404,128</u>	<u>4,009,759</u>	<u>1,874,898</u>	<u>9,617,030</u>
Operating income (loss)	<u>(1,035,407)</u>	<u>(536,740)</u>	<u>(3,367,685)</u>	<u>(1,514,863)</u>	<u>(6,454,695)</u>
NON-OPERATING REVENUES (EXPENSES):					
Interest revenue	18,691	32,858	20,725	10,072	82,346
Interest expense	(151,058)	(9,728)	—	(57,584)	(218,370)
Intergovernmental revenues	835,868	764	399,775	311	1,236,718
Gain (loss) on disposal of assets	118,745	25,463	(17,475)	—	126,733
Other non-operating revenue	<u>199,405</u>	<u>—</u>	<u>2,059,389</u>	<u>—</u>	<u>2,258,794</u>
Total non-operating revenues (expenses)	<u>1,021,651</u>	<u>49,357</u>	<u>2,462,414</u>	<u>(47,201)</u>	<u>3,486,221</u>
Income (loss) before operating transfers and capital contributions	<u>(13,756)</u>	<u>(487,383)</u>	<u>(905,271)</u>	<u>(1,562,064)</u>	<u>(2,968,474)</u>
Capital contributions	—	1,126,777	2,054,729	—	3,181,506
Operating transfers in	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,370,596</u>	<u>1,370,596</u>
Change in net assets	<u>(13,756)</u>	<u>639,394</u>	<u>1,149,458</u>	<u>(191,468)</u>	<u>1,583,628</u>
Net assets (deficits), beginning of year, as originally reported	6,957,775	9,984,831	9,392,739	(340,387)	25,994,958
Prior period adjustments	14,158	—	—	—	14,158
Change in accounting policy	(110,525)	(7,458)	—	(40,764)	(158,747)
Change in accounting principle	<u>—</u>	<u>123,497</u>	<u>—</u>	<u>300</u>	<u>123,797</u>
Net assets (deficit), as restated	<u>6,861,408</u>	<u>10,100,870</u>	<u>9,392,739</u>	<u>(380,851)</u>	<u>25,974,166</u>
Net assets (deficit), end of year	<u>\$ 6,847,652</u>	<u>\$10,740,264</u>	<u>\$10,542,197</u>	<u>\$ (572,319)</u>	<u>\$27,557,794</u>

See accompanying notes to financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF REDDING
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2001

	<u>Airport</u>	<u>Storm Drainage Utility</u>	<u>Redding Area Bus Authority</u>	<u>Convention Center</u>	<u>Totals</u>
Cash flows from operating activities:					
Cash received from customers	\$ 1,288,181	\$ 975,077	\$ 657,529	\$ 362,039	\$ 3,282,826
Cash paid to suppliers	(694,954)	(418,789)	(3,303,479)	(659,284)	(5,076,506)
Cash paid to employees	<u>(523,005)</u>	<u>(283,972)</u>	<u>—</u>	<u>(1,046,977)</u>	<u>(1,853,954)</u>
Net cash provided (used) by operating activities	<u>70,222</u>	<u>272,316</u>	<u>(2,645,950)</u>	<u>(1,344,222)</u>	<u>(3,647,634)</u>
Cash flows from noncapital financing activities:					
Intergovernmental	819,352	—	3,166,146	311	3,985,809
Advances from other funds	(202,162)	764	—	—	(201,398)
Repayment of advances to other funds	—	(156)	—	—	(156)
Other revenue received	199,405	—	19,698	—	219,103
Operating transfers in	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,370,596</u>	<u>1,370,596</u>
Net cash provided (used) by noncapital financing activities	<u>816,595</u>	<u>608</u>	<u>3,185,844</u>	<u>1,370,907</u>	<u>5,373,954</u>
Cash flows from capital and related financing activities:					
Capital grants received	—	—	2,052,911	—	2,052,911
Proceeds from sale of assets	273,873	33,011	11,310	—	318,194
Purchase of capital assets	(989,927)	(37,643)	(1,858,876)	(2,929)	(2,889,375)
Interest paid	(152,948)	(15,517)	—	(57,631)	(226,096)
Principal paid on long-term debt	(129,993)	—	—	—	(129,993)
Principal paid on capital leases	<u>—</u>	<u>(28,441)</u>	<u>—</u>	<u>(35,885)</u>	<u>(64,326)</u>
Net cash provided (used) by capital and related financing activities	<u>(998,995)</u>	<u>(48,590)</u>	<u>205,345</u>	<u>(96,445)</u>	<u>(938,685)</u>
Cash flows from investing activities:					
Collection on loan receivable	156,253	—	—	—	156,253
Investment revenue received	<u>19,183</u>	<u>31,081</u>	<u>14,441</u>	<u>8,068</u>	<u>72,773</u>
Net cash provided (used) by investing activities	<u>175,436</u>	<u>31,081</u>	<u>14,441</u>	<u>8,068</u>	<u>229,026</u>
Net increase (decrease) in cash	63,258	255,415	759,680	(61,692)	1,016,661
Cash and investments, beginning of year	<u>247,646</u>	<u>320,910</u>	<u>333,892</u>	<u>262,054</u>	<u>1,164,502</u>
Cash and investments, end of year	<u>\$ 310,904</u>	<u>\$ 576,325</u>	<u>\$ 1,093,572</u>	<u>\$ 200,362</u>	<u>\$ 2,181,163</u>

(continued)

	<u>Airport</u>	<u>Storm Drainage Utility</u>	<u>Redding Area Bus Authority</u>	<u>Convention Center</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (1,035,407)	\$ (536,740)	\$ (3,367,685)	\$ (1,514,863)	\$ (6,454,695)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	1,093,183	670,026	878,906	179,064	2,821,179
(Increase) decrease in accounts receivable	(4,657)	137,677	(1,199)		131,821
(Increase) decrease in intergovernmental receivables	(16,516)	—	—	—	(16,516)
(Increase) decrease in inventories	—	(11,103)	(6,113)	—	(17,216)
Increase (decrease) in accounts payable	(3,245)	12,848	(92,616)	(36,234)	(119,247)
Increase (decrease) in accrued liabilities	10,644	(1,784)	—	(12,717)	(3,857)
Increase (decrease) in intergovernmental payable	—	—	(73,897)	—	(73,897)
Increase (decrease) in deferred revenues	—	—	16,654	19,689	36,343
Increase (decrease) in accrued compensated absences	<u>26,220</u>	<u>1,392</u>	<u>—</u>	<u>20,839</u>	<u>48,451</u>
Total adjustments	<u>1,105,629</u>	<u>809,056</u>	<u>721,735</u>	<u>170,641</u>	<u>2,807,061</u>
Net cash provided (used) by operating activities	<u>\$ 70,222</u>	<u>\$ 272,316</u>	<u>\$ (2,645,950)</u>	<u>\$ (1,344,222)</u>	<u>\$ (3,647,634)</u>
Schedule of noncash capital and related financing activities:					
Plant contributed from developers	<u>—</u>	<u>1,126,777</u>	<u>—</u>	<u>—</u>	<u>1,126,777</u>

See accompanying notes to financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

Nonmajor Proprietary Funds Internal Service Funds

Internal service funds are used to finance and account for special activities and services performed by a designated department to other departments within the same governmental unit on a cost reimbursement basis.

Equipment Fund - This fund was established to account for all motorized and communications equipment utilization by City departments.

Information Systems Fund - This fund was established to account for the data processing activities utilized by all City departments.

General Support Services Fund - This fund was established to account for general support services utilized by all City departments.

Risk Management Fund - This fund was established to account for the self-insurance activities of the City.

CITY OF REDDING
Combining Statement of Net Assets
Nonmajor Internal Service Funds
June 30, 2001

	<u>Equipment</u>	<u>Information Systems</u>	<u>General Support Services</u>	<u>Risk Management</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ 532,251	\$ 649,115	\$ 475,445	\$ 5,950,657	\$ 7,607,468
Interest receivable	7,536	8,804	5,197	61,438	82,975
Accounts receivable, net	—	—	—	10,759	10,759
Prepaid items	—	—	—	147,993	147,993
Inventories	69,713	—	—	—	69,713
Interfund receivables	<u>—</u>	<u>—</u>	<u>—</u>	<u>269,457</u>	<u>269,457</u>
 Total current assets	 <u>609,500</u>	 <u>657,919</u>	 <u>480,642</u>	 <u>6,440,304</u>	 <u>8,188,365</u>
Capital assets:					
Land	—	—	8,310	—	8,310
Equipment	1,160,826	—	137,912	—	1,298,738
Improvements other than buildings	52,917	71,229	—	—	124,146
Automotive equipment	7,953,172	—	114,689	10,985	8,078,846
Furnishings and equipment	37,065	367,271	—	—	404,336
Assets under capital lease	<u>310,437</u>	<u>207,311</u>	<u>47,262</u>	<u>—</u>	<u>565,010</u>
 Total capital assets	 9,514,417	 645,811	 308,173	 10,985	 10,479,386
Less: accumulated depreciation	<u>(6,282,652)</u>	<u>(556,508)</u>	<u>(218,602)</u>	<u>(10,986)</u>	<u>(7,068,748)</u>
 Net capital assets	 <u>3,231,765</u>	 <u>89,303</u>	 <u>89,571</u>	 <u>(1)</u>	 <u>3,410,638</u>
Other assets:					
Advances to other funds	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,740,663</u>	<u>2,740,663</u>
 Total other assets	 <u>—</u>	 <u>—</u>	 <u>—</u>	 <u>2,740,663</u>	 <u>2,740,663</u>
 Total assets	 <u>3,841,265</u>	 <u>747,222</u>	 <u>570,213</u>	 <u>9,180,966</u>	 <u>14,339,666</u>

(continued)

LIABILITIES AND NET ASSETS	<u>Equipment</u>	<u>Information Systems</u>	<u>General Support Services</u>	<u>Risk Management</u>	<u>Total</u>
Current liabilities (payable from current assets):					
Accounts payable	\$ 105,450	\$ 19,299	\$ 196,839	\$ 111,186	\$ 432,774
Accrued liabilities	83,681	100,260	65,229	41,264	290,434
Claims and judgments payable	—	—	—	7,878,942	7,878,942
Deposits	—	—	—	8,411	8,411
Capital leases, current	<u>—</u>	<u>18,424</u>	<u>9,673</u>	<u>—</u>	<u>28,097</u>
Total current liabilities (payable from current assets)	<u>189,131</u>	<u>137,983</u>	<u>271,741</u>	<u>8,039,803</u>	<u>8,638,658</u>
Long-term liabilities:					
Accrued compensated absences	106,084	201,589	151,138	9,775	468,586
Capital leases, net of current	<u>—</u>	<u>—</u>	<u>28,469</u>	<u>—</u>	<u>28,469</u>
Total long-term liabilities	<u>106,084</u>	<u>201,589</u>	<u>179,607</u>	<u>9,775</u>	<u>497,055</u>
Total liabilities	<u>295,215</u>	<u>339,572</u>	<u>451,348</u>	<u>8,049,578</u>	<u>9,135,713</u>
Net assets:					
Invested in capital assets, net of related debt	3,231,765	89,303	51,430	—	3,372,498
Unrestricted	<u>314,285</u>	<u>318,347</u>	<u>67,435</u>	<u>1,131,388</u>	<u>1,831,455</u>
Total net assets	<u>\$ 3,546,050</u>	<u>\$ 407,650</u>	<u>\$ 118,865</u>	<u>\$ 1,131,388</u>	<u>\$ 5,203,953</u>

See accompanying notes to financial statements.

CITY OF REDDING
Combining Statement of Revenues, Expenses,
and Changes in Net Assets
Nonmajor Internal Service Funds
For the Year Ended June 30, 2001

	<u>Equipment</u>	<u>Information Systems</u>	<u>General Support Services</u>	<u>Risk Management</u>	<u>Total</u>
OPERATING REVENUES:					
User fees and charges	\$ 2,595,860	\$ 1,555,550	\$ 2,986,112	\$ 9,250,353	\$16,387,875
Other operating revenue	<u>313,470</u>	<u>1,636</u>	<u>—</u>	<u>—</u>	<u>315,106</u>
Total operating revenues	<u>2,909,330</u>	<u>1,557,186</u>	<u>2,986,112</u>	<u>9,250,353</u>	<u>16,702,981</u>
OPERATING EXPENSES:					
Maintenance, operations, and administration	2,756,891	1,510,609	3,113,735	10,691,695	18,072,930
Depreciation and amortization	<u>727,544</u>	<u>100,020</u>	<u>32,812</u>	<u>—</u>	<u>860,376</u>
Total operating expenses	<u>3,484,435</u>	<u>1,610,629</u>	<u>3,146,547</u>	<u>10,691,695</u>	<u>18,933,306</u>
Operating income (loss)	<u>(575,105)</u>	<u>(53,443)</u>	<u>(160,435)</u>	<u>(1,441,342)</u>	<u>(2,230,325)</u>
NON-OPERATING REVENUES (EXPENSES):					
Interest revenue	36,386	49,513	35,452	579,491	700,842
Interest expense	—	1,042	(2,679)	—	(1,637)
Gain (loss) on disposal of capital assets	(27,780)	(22,110)	—	—	(49,890)
Other non-operating revenues (expenses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,682</u>	<u>3,682</u>
Total non-operating revenues (expenses)	<u>8,606</u>	<u>28,445</u>	<u>32,773</u>	<u>583,173</u>	<u>652,997</u>
Income (loss) before operating transfers	(566,499)	(24,998)	(127,662)	(858,169)	(1,577,328)
Operating transfers in	<u>1,392,847</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,392,847</u>
Change in Net assets	<u>826,348</u>	<u>(24,998)</u>	<u>(127,662)</u>	<u>(858,169)</u>	<u>(184,481)</u>
Net assets, beginning of year	2,804,708	484,232	298,355	1,993,723	5,581,018
Change in accounting policy	<u>(85,006)</u>	<u>(51,584)</u>	<u>(51,828)</u>	<u>(4,166)</u>	<u>(192,584)</u>
Net assets, beginning of year, (as restated)	<u>2,719,702</u>	<u>432,648</u>	<u>246,527</u>	<u>1,989,557</u>	<u>5,388,434</u>
Net assets, end of year	<u>\$ 3,546,050</u>	<u>\$ 407,650</u>	<u>\$ 118,865</u>	<u>\$ 1,131,388</u>	<u>\$ 5,203,953</u>

See accompanying notes to financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF REDDING
Combining Statement of Cash Flows
Nonmajor Internal Service Funds
For the Year Ended June 30, 2001

	<u>Equipment</u>	<u>Information Systems</u>	<u>General Support Services</u>	<u>Risk Management</u>	<u>Total</u>
Cash flows from operating activities:					
Cash received from other funds	\$ 2,911,204	\$ 1,557,186	\$ 2,986,112	\$ 9,247,689	\$ 16,702,191
Cash paid to suppliers	(1,794,622)	(265,211)	(2,037,140)	(9,665,473)	(13,762,446)
Cash paid to employees	<u>(959,263)</u>	<u>(1,194,561)</u>	<u>(1,001,804)</u>	<u>(156,447)</u>	<u>(3,312,075)</u>
Net cash provided (used) by operating activities	<u>157,319</u>	<u>97,414</u>	<u>(52,832)</u>	<u>(574,231)</u>	<u>(372,330)</u>
Cash flows from noncapital financing activities:					
Advances (to) from other funds	—	—	—	180,157	180,157
Repayment of advances to other funds	—	—	(1,024)	—	(1,024)
Operating transfers out	<u>1,392,847</u>	<u>—</u>	<u>—</u>	<u>3,682</u>	<u>1,396,529</u>
Non-operating revenue					
Net cash provided (used) by noncapital financing activities	<u>1,392,847</u>	<u>—</u>	<u>(1,024)</u>	<u>183,839</u>	<u>1,575,662</u>
Cash flows from capital and related financing activities:					
Proceeds from sale of assets	15,365	—	—	—	15,365
Purchase of capital assets	(1,437,353)	(14,211)	(19,617)	—	(1,471,181)
Interest paid	—	1,042	(2,678)	—	(1,636)
Principal paid on long-term debt	<u>—</u>	<u>(71,544)</u>	<u>(9,121)</u>	<u>—</u>	<u>(80,665)</u>
Net cash (used) by capital and related financing activities	<u>(1,421,988)</u>	<u>(84,713)</u>	<u>(31,416)</u>	<u>—</u>	<u>(1,538,117)</u>
Cash flows from investing activities:					
Investment revenue received	<u>33,133</u>	<u>46,810</u>	<u>34,535</u>	<u>576,906</u>	<u>691,384</u>
Net cash provided by investing activities	<u>33,133</u>	<u>46,810</u>	<u>34,535</u>	<u>576,906</u>	<u>691,384</u>
Net increase (decrease) in cash	161,311	59,511	(50,737)	186,514	356,599
Cash and investments, beginning of year	<u>370,940</u>	<u>589,604</u>	<u>526,182</u>	<u>5,764,143</u>	<u>7,250,869</u>
Cash and investments, end of year	<u>\$ 532,251</u>	<u>\$ 649,115</u>	<u>\$ 475,445</u>	<u>\$ 5,950,657</u>	<u>\$ 7,607,468</u>

(continued)

	<u>Equipment</u>	<u>Information Systems</u>	<u>General Support Services</u>	<u>Risk Management</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (575,105)	\$ (53,443)	\$ (160,435)	\$(1,441,342)	\$(2,230,325)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	727,544	100,020	32,812	—	860,376
(Increase) decrease in accounts receivable				(2,664)	(2,664)
(Increase) decrease in inventories	184				184
(Increase) decrease in prepaid items				(38,265)	(38,265)
Increase (decrease) in accounts payable	38,826	12,083	59,456	87,249	197,614
Increase (decrease) in accrued liabilities	(17,169)	4,150	(573)	926	(12,666)
Increase (decrease) in claims and judgments payable				820,571	820,571
Increase (decrease) in deposits				1,317	1,317
Increase (decrease) in intergovernmental payable				(446)	(446)
Increase (decrease) in accrued compensated absences	<u>(16,961)</u>	<u>34,604</u>	<u>15,908</u>	<u>(1,577)</u>	<u>31,974</u>
Total adjustments	<u>732,424</u>	<u>150,857</u>	<u>107,603</u>	<u>867,111</u>	<u>1,857,995</u>
Net cash provided (used) by operating activities	<u>\$ 157,319</u>	<u>\$ 97,414</u>	<u>\$ (52,832)</u>	<u>\$ (574,231)</u>	<u>\$ (372,330)</u>

See accompanying notes to financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

BUDGETARY COMPARISON SCHEDULES

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF REDDING
Special Revenue Parking Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Licenses and perm its	\$ 86,100	\$ 86,100	\$ 80,809	\$ (5,291)
Fines, forfeitures and penalties	130,000	137,200	121,527	(15,673)
Interest revenue	<u>23,900</u>	<u>23,900</u>	<u>31,190</u>	<u>7,290</u>
 Total revenues	 <u>240,000</u>	 <u>247,200</u>	 <u>233,526</u>	 <u>(13,674)</u>
 EXPENDITURES:				
Current:				
Public safety	131,160	145,360	116,718	28,642
Public works	153,740	255,453	140,253	115,200
Debt service:				
Interest and fiscal charges	<u>9,250</u>	<u>9,250</u>	<u>9,243</u>	<u>7</u>
 Total expenditures	 <u>294,150</u>	 <u>410,063</u>	 <u>266,214</u>	 <u>143,849</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(54,150)</u>	 <u>(162,863)</u>	 <u>(32,688)</u>	 <u>130,175</u>
 OTHER FINANCING SOURCES (USES):				
Operating transfers in	<u>131,000</u>	<u>131,420</u>	<u>—</u>	<u>(131,420)</u>
Total other financing sources (uses)	<u>131,000</u>	<u>131,420</u>	<u>—</u>	<u>(131,420)</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	 <u>76,850</u>	 <u>(31,443)</u>	 <u>(32,688)</u>	 <u>(1,245)</u>
 BUDGETARY FUND BALANCE (DEFICIT), beginning of year	 <u>(1,151,443)</u>	 <u>(1,151,443)</u>	 <u>(1,151,443)</u>	 <u>—</u>
 BUDGETARY FUND BALANCE (DEFICIT), end of year	 <u><u>\$(1,074,593)</u></u>	 <u><u>\$(1,182,886)</u></u>	 <u><u>\$(1,184,131)</u></u>	 <u><u>\$ (1,245)</u></u>
 Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:				
			\$(1,182,800)	
1. Financial statement only interest income adjustment per GASB 31.			(695)	
2. The City does not budget for accounts payable adjustments.			<u>(636)</u>	
 Budgetary fund balance			 <u><u>\$(1,184,131)</u></u>	

See accompanying notes to financial statements.

CITY OF REDDING
Special Revenue Street Maintenance Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenue	\$ 2,315,060	\$ 2,882,360	\$ 2,991,614	\$ 109,254
Total revenues	<u>2,315,060</u>	<u>2,882,360</u>	<u>2,991,614</u>	<u>109,254</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,315,060</u>	<u>2,882,360</u>	<u>2,991,614</u>	<u>109,254</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers out	<u>(2,315,000)</u>	<u>(2,457,060)</u>	<u>(2,424,291)</u>	<u>32,769</u>
Total other financing sources (uses)	<u>(2,315,000)</u>	<u>(2,457,060)</u>	<u>(2,424,291)</u>	<u>32,769</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>60</u>	<u>425,300</u>	<u>567,323</u>	<u>142,023</u>
BUDGETARY FUND BALANCE, beginning of year, (as originally reported)	—	—	—	—
Change in accounting principle	<u>214,803</u>	<u>214,803</u>	<u>214,803</u>	<u>—</u>
BUDGETARY FUND BALANCE, beginning of year, (as restated)	<u>214,803</u>	<u>214,803</u>	<u>214,803</u>	<u>—</u>
BUDGETARY FUND BALANCE, end of year	<u>\$ 214,863</u>	<u>\$ 640,103</u>	<u>\$ 782,126</u>	<u>\$ 142,023</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$ 977,121	
1. Financial statement only interest income adjustment per GASB 31.			(2,076)	
2. Change in accounting principle as an adjustment to beginning fund balance.			<u>(192,919)</u>	
Budgetary fund balance			<u>\$ 782,126</u>	

See accompanying notes to financial statements.

CITY OF REDDING
Special Revenue Community Development Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenue	\$ 2,330,500	\$ 3,172,224	\$ 2,850,232	\$ (321,992)
Interest revenue	118,500	142,724	191,446	48,722
Other revenues	—	925	35,874	34,949
 Total revenues	 2,449,000	 3,315,873	 3,077,552	 (238,321)
EXPENDITURES:				
Current:				
Community development	2,489,746	5,665,258	3,074,335	2,590,923
 Total expenditures	 2,489,746	 5,665,258	 3,074,335	 2,590,923
 Excess (deficiency) of revenues over (under) expenditures	 (40,746)	 (2,349,385)	 3,217	 2,352,602
OTHER FINANCING SOURCES (USES):				
Operating transfers in	238,250	238,250	238,250	—
Operating transfers out	(4,000)	(149,055)	(149,055)	—
Total other financing sources (uses)	234,250	89,195	89,195	—
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	 193,504	 (2,260,190)	 92,412	 2,352,602
 BUDGETARY FUND BALANCE, beginning of year	 9,036,869	 9,036,869	 9,036,869	 —
 BUDGETARY FUND BALANCE, end of year	 <u>\$ 9,230,373</u>	 <u>\$ 6,776,679</u>	 <u>\$ 9,129,281</u>	 <u>\$ 2,352,602</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$10,730,714	
1. Financial statement only interest income adjustment per GASB 31.			(28,181)	
2. The City does not budget for accounts payable adjustments.			(605,684)	
3. The City budgets for and records loans made in the expenditure accounts, but adjusts the actual disbursement to loans receivable.			(1,504,265)	
4. The City does not budget for the rolling stock fund.			(10,086)	
5. The City does not budget for benefit accruals.			(1,731)	
6. The City budgets for investment income on all funds, including refundable interest to HUD.			48,324	
7. The City budgets for and records loan payments received in the revenue accounts, but adjusts the actual payment to loans receivable.			523,370	
8. The City budgets for grants on a cash basis.			(23,180)	
Budgetary fund balance			<u>\$ 9,129,281</u>	

See accompanying notes to financial statements.

CITY OF REDDING
Special Revenue Special Development Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Licenses and perm its	\$ 1,141,170	\$ 1,206,170	\$ 1,853,950	\$ 647,780
Intergovernmental revenue	40,000	4,045,615	15,000	(4,030,615)
Interest revenue	10,630	10,630	425,522	414,892
Other revenues	<u>—</u>	<u>7,090</u>	<u>72,068</u>	<u>64,978</u>
Total revenues	<u>1,191,800</u>	<u>5,269,505</u>	<u>2,366,540</u>	<u>(2,902,965)</u>
EXPENDITURES:				
Current:				
Community development	730,000	25,793,207	1,507,288	24,285,919
Debt service:				
Principal and interest payments	<u>277,460</u>	<u>277,460</u>	<u>206,929</u>	<u>70,531</u>
Total expenditures	<u>1,007,460</u>	<u>26,070,667</u>	<u>1,714,217</u>	<u>24,356,450</u>
Excess (deficiency) of revenues over (under) expenditures	<u>184,340</u>	<u>(20,801,162)</u>	<u>652,323</u>	<u>21,453,485</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	—	342,000	200,000	(142,000)
Operating transfers out	<u>(250,000)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total other financing sources (uses)	<u>(250,000)</u>	<u>342,000</u>	<u>200,000</u>	<u>(142,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(65,660)</u>	<u>(20,459,162)</u>	<u>852,323</u>	<u>21,311,485</u>
BUDGETARY FUND BALANCE,				
beginning of year, (as originally reported)	6,052,123	6,052,123	6,052,123	—
Change in accounting principle	<u>997,063</u>	<u>997,063</u>	<u>997,063</u>	<u>—</u>
BUDGETARY FUND BALANCE,				
beginning of year, (as restated)	<u>7,049,186</u>	<u>7,049,186</u>	<u>7,049,186</u>	<u>—</u>
BUDGETARY FUND BALANCE				
(DEFICIT), end of year	<u>\$ 6,983,526</u>	<u>\$(13,409,976)</u>	<u>\$ 7,901,509</u>	<u>\$21,311,485</u>

Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:

	\$ 8,174,293
1. Financial statement only interest income adjustment per GASB 31.	(174,358)
2. The City does not budget for accounts payable adjustments.	(7,577)
3. The City does not budget for timing differences due to GASB 33.	(98,288)
4. The City budgets for the Electric's portion of the development fees in the Special Development Fund, but records the actual revenue in the Electric Fund.	107,751
5. The City budgets for the principal and interest portion of debt service payments.	(111,912)
6. The City did not budget for operating transfer.	<u>11,600</u>

Budgetary fund balance

\$ 7,901,509

See accompanying notes to financial statements.

CITY OF REDDING
Special Revenue Housing Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 1,344,540	\$ 1,349,300	\$ 1,442,947	\$ 93,647
Intergovernmental revenue	5,132,023	5,283,153	5,152,016	(131,137)
Use of money and property	135,000	135,000	273,296	138,296
Interest revenue	167,750	170,100	304,545	134,445
Other revenues	<u>6,600</u>	<u>11,600</u>	<u>219,237</u>	<u>207,637</u>
Total revenues	<u>6,785,913</u>	<u>6,949,153</u>	<u>7,392,041</u>	<u>442,888</u>
EXPENDITURES:				
Current:				
Community development	<u>7,638,451</u>	<u>10,094,340</u>	<u>7,345,267</u>	<u>2,749,073</u>
Total expenditures	<u>7,638,451</u>	<u>10,094,340</u>	<u>7,345,267</u>	<u>2,749,073</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(852,538)</u>	<u>(3,145,187)</u>	<u>46,774</u>	<u>3,191,961</u>
OTHER FINANCING SOURCES (USES):				
Proceeds sale of property	—	—	2,837	2,837
Operating transfers in	<u>—</u>	<u>140,000</u>	<u>140,000</u>	<u>—</u>
Total other financing sources (uses)	<u>—</u>	<u>140,000</u>	<u>142,837</u>	<u>2,837</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(852,538)</u>	<u>(3,005,187)</u>	<u>189,611</u>	<u>3,194,798</u>
BUDGETARY FUND BALANCE,				
beginning of year, (as originally reported)	8,738,071	8,738,071	8,738,071	—
Prior period adjustment	115,000	115,000	115,000	—
Change in accounting principle	<u>(146,539)</u>	<u>(146,539)</u>	<u>(146,539)</u>	<u>—</u>
BUDGETARY FUND BALANCE,				
beginning of year, (as restated)	<u>8,706,532</u>	<u>8,706,532</u>	<u>8,706,532</u>	<u>—</u>
BUDGETARY FUND BALANCE, end of year	<u>\$ 7,853,994</u>	<u>\$ 5,701,345</u>	<u>\$ 8,896,143</u>	<u>\$ 3,194,798</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$10,173,014	
1. Financial statement only interest income adjustment per GASB 31.			(11,916)	
2. The City does not budget for accounts payable adjustments.			122,927	
3. The City budgets for and records loans made in the expenditure accounts, but adjusts the actual disbursement to loans receivable.			(1,115,927)	
4. The City budgets for land purchases in the expenditure accounts, but adjusts the actual payment to assets held for resale for property that is to be sold.			(398,495)	
5. The City does not budget for benefit accruals.			1,047	
6. The City budgets for and records loan payments received in the revenue accounts, but adjusts the actual payment to loans receivable.			272,105	
7. The City does not budget for rolling stock.			(73)	
8. Change in accounting principle as an adjustment to beginning fund balance.			<u>(146,539)</u>	
Budgetary fund balance			<u>\$ 8,896,143</u>	

See accompanying notes to financial statements.

CITY OF REDDING
Special Revenue General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Other revenue	\$ 323,000	\$ 323,000	\$ 412,298	\$ 89,298
Total revenues	<u>323,000</u>	<u>323,000</u>	<u>412,298</u>	<u>89,298</u>
Excess (deficiency) of revenues over (under) expenditures	<u>323,000</u>	<u>323,000</u>	<u>412,298</u>	<u>89,298</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers out	<u>(323,000)</u>	<u>(323,000)</u>	<u>(412,298)</u>	<u>(89,298)</u>
Total other financing sources (uses)	<u>(323,000)</u>	<u>(323,000)</u>	<u>(412,298)</u>	<u>(89,298)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
BUDGETARY FUND BALANCE, beginning of year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
FUND BALANCE, end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			<u>\$ —</u>	
Budgetary fund balance			<u>\$ —</u>	

See accompanying notes to financial statements.

CITY OF REDDING
 General Capital Projects Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Interest revenue	\$ —	\$ —	\$ 88,709	\$ 88,709
Other	<u>—</u>	<u>820,000</u>	<u>800,832</u>	<u>(19,168)</u>
Total revenues	<u>—</u>	<u>820,000</u>	<u>889,541</u>	<u>69,541</u>
EXPENDITURES:				
Current:				
Capital outlay	<u>—</u>	<u>3,190,152</u>	<u>1,226,416</u>	<u>1,963,732</u>
Total expenditures	<u>—</u>	<u>3,190,152</u>	<u>1,226,416</u>	<u>1,963,732</u>
Excess (deficiency) of revenues over (under) expenditures	<u>—</u>	<u>(2,370,152)</u>	<u>(336,875)</u>	<u>2,033,277</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	<u>—</u>	<u>200,000</u>	<u>200,000</u>	<u>—</u>
Total other financing sources (uses)	<u>—</u>	<u>200,000</u>	<u>200,000</u>	<u>—</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>—</u>	<u>(2,170,152)</u>	<u>(136,875)</u>	<u>2,033,277</u>
BUDGETARY FUND BALANCE (DEFICIT), beginning of year, (as originally reported)	(712,686)	(712,686)	(712,686)	—
Prior period adjustment	1,597,194	1,597,194	1,597,194	—
Change in accounting principle	<u>94,387</u>	<u>94,387</u>	<u>94,387</u>	<u>—</u>
BUDGETARY FUND BALANCE (DEFICIT), beginning of year, (as restated)	<u>978,895</u>	<u>978,895</u>	<u>978,895</u>	<u>—</u>
BUDGETARY FUND BALANCE (DEFICIT), end of year	<u>\$ 978,895</u>	<u>\$(1,191,257)</u>	<u>\$ 842,020</u>	<u>\$ 2,033,277</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$ 1,383,031	
1. Financial statement only interest income adjustment per GASB 31.			(14,717)	
2. The City does not budget for accounts payable adjustments.			(514,694)	
3. The City did not budget for operating transfer			<u>(11,600)</u>	
Budgetary fund balance			<u>\$ 842,020</u>	

See accompanying notes to financial statements.

CITY OF REDDING
 Canby-Hilltop-Cypress Capital Project Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 723,440	\$ 723,440	\$ 851,969	\$ 128,529
Intergovernmental revenues	400,372	400,372	398,764	(1,608)
Use of money and property	182,188	182,188	182,180	(8)
Interest revenue	320,813	321,413	898,397	576,984
Other revenue	<u>—</u>	<u>—</u>	<u>5,002</u>	<u>5,002</u>
 Total revenues	 <u>1,626,813</u>	 <u>1,627,413</u>	 <u>2,336,312</u>	 <u>708,899</u>
EXPENDITURES:				
Current:				
General government	457,551	519,371	524,010	(4,639)
Capital outlay	<u>1,835,000</u>	<u>12,678,950</u>	<u>2,013,462</u>	<u>10,665,488</u>
 Total expenditures	 <u>2,292,551</u>	 <u>13,198,321</u>	 <u>2,537,472</u>	 <u>10,660,849</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(665,738)</u>	 <u>(11,570,908)</u>	 <u>(201,160)</u>	 <u>11,369,748</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of land	<u>159,290</u>	<u>159,290</u>	<u>280</u>	<u>(159,010)</u>
Total other financing sources (uses)	<u>159,290</u>	<u>159,290</u>	<u>280</u>	<u>(159,010)</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	 <u>(506,448)</u>	 <u>(11,411,618)</u>	 <u>(200,880)</u>	 <u>11,210,738</u>
BUDGETARY FUND BALANCE, beginning of year	<u>14,675,182</u>	<u>14,675,182</u>	<u>14,675,182</u>	<u>—</u>
BUDGETARY FUND BALANCE, end of year	<u>\$14,168,734</u>	<u>\$ 3,263,564</u>	<u>\$14,474,302</u>	<u>\$11,210,738</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$14,639,277	
1. Financial statement only interest income adjustment per GASB 31.			(46,848)	
2. The City budgets for and records principal payments in the revenue accounts, but adjusts the actual payment to loans receivable.			94,066	
3. The City budgets for and records grants on a cash basis, but adjusts the revenue account to grants receivable at year end.			398,764	
4. Excess funds from debt service transferred to capital projects.			(520,276)	
5. The City does not budget for benefit accruals.			(13)	
6. The City does not budget for accounts payable adjustments.			(87,686)	
7. The City budgets for and records loans made in the expenditure accounts, but adjusts the actual disbursement to loans receivable.			<u>(2,982)</u>	
 Budgetary fund balance			 <u>\$14,474,302</u>	

See accompanying notes to financial statements.

CITY OF REDDING
Market Street Capital Project Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 620,000	\$ 620,000	\$ 681,694	\$ 61,694
Intergovernmental revenues	1,101,419	1,161,419	887,425	(273,994)
Interest revenue	40,000	44,600	71,377	26,777
Other revenue	—	—	21,556	21,556
Total revenues	1,761,419	1,826,019	1,662,052	(163,967)
EXPENDITURES:				
Current:				
General government	445,965	447,035	250,585	196,450
Capital outlay	213,000	2,530,670	1,139,992	1,390,678
Debt Service:				
Principal retirement	50,000	50,000	50,000	—
Interest	5,030	5,030	5,897	(867)
Total expenditures	713,995	3,032,735	1,446,474	1,586,261
Excess (deficiency) of revenues over (under) expenditures	1,047,424	(1,206,716)	215,578	1,422,294
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of land	—	—	3,400	3,400
Proceeds from loan	344,000	344,000	—	(344,000)
Operating transfers in	250,000	250,000	—	(250,000)
Total other financing sources (uses)	594,000	594,000	3,400	(590,600)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,641,424	(612,716)	218,978	831,694
BUDGETARY FUND BALANCE, beginning of year	1,332,430	1,332,430	1,332,430	—
BUDGETARY FUND BALANCE, end of year	\$ 2,973,854	\$ 719,714	\$ 1,551,408	\$ 831,694

Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:

	\$ 1,173,057
1. Financial statement only interest income adjustment per GASB 31.	(4,324)
2. The City budgets for and records grants on a cash basis, but adjusts the revenue account to grants receivable at year end.	181,425
3. Excess funds from debt service transferred to capital projects.	(5,125)
4. The City does not budget for benefit accruals.	(25)
5. The City does not budget for accounts payable adjustments.	266,172
6. The City budgets for and records principal payments in the expenditure accounts, but adjusts the actual payment to loans payable.	(50,000)
7. The City budgets for and records loans made in the expenditure accounts, but adjusts the actual disbursement to loans receivable.	(20,072)
8. The City budgets for and records loan payments received in the revenue accounts, but adjusts the actual payment to loans receivable.	10,300

Budgetary fund balance

\$ 1,551,408

See accompanying notes to financial statements.

CITY OF REDDING
 Buckeye Capital Project Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Interest revenue	\$ —	\$ —	\$ 249	\$ 249
Other revenue	<u>—</u>	<u>—</u>	<u>5,712</u>	<u>5,712</u>
Total revenues	<u>—</u>	<u>—</u>	<u>5,961</u>	<u>5,961</u>
EXPENDITURES:				
Current:				
General government	—	157,081	157,081	—
Debt service:				
Interest	<u>—</u>	<u>9,119</u>	<u>9,119</u>	<u>—</u>
Total expenditures	<u>—</u>	<u>166,200</u>	<u>166,200</u>	<u>—</u>
Excess (deficiency) of revenues over (under) expenditures	<u>—</u>	<u>(166,200)</u>	<u>(160,239)</u>	<u>5,961</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from loan	<u>—</u>	<u>166,200</u>	<u>157,081</u>	<u>(9,119)</u>
Total other financing sources (uses)	<u>—</u>	<u>166,200</u>	<u>157,081</u>	<u>(9,119)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>—</u>	<u>—</u>	<u>(3,158)</u>	<u>(3,158)</u>
BUDGETARY FUND BALANCE, beginning of year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
BUDGETARY FUND BALANCE, end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (3,158)</u>	<u>\$ (3,158)</u>

Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:

	\$ (160,225)
1. Financial statement only interest income adjustment per GASB 31.	(14)
2. The City budgets for and records proceeds from loans in the revenue accounts, but adjusts the actual loan to advances payable to other funds.	<u>157,081</u>
Budgetary fund balance	<u>\$ (3,158)</u>

See accompanying notes to financial statements.

CITY OF REDDING
SHASTEC Capital Project Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 303,250	\$ 310,504	\$ 340,264	\$ 29,760
Intergovernmental revenues	—	5,000,000	1,316,763	(3,683,237)
Interest revenue	18,000	18,000	50,983	32,983
Other revenue	—	—	41,943	41,943
	321,250	5,328,504	1,749,953	(3,578,551)
Total revenues				
EXPENDITURES:				
Current:				
General government	44,609	123,864	109,360	14,504
Capital outlay	—	6,852,340	1,594,523	5,257,817
Debt Service:				
Principal retirement	44,977	88,120	88,114	6
Interest	5,023	5,300	34,707	(29,407)
	94,609	7,069,624	1,826,704	5,242,920
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	226,641	(1,741,120)	(76,751)	1,664,369
OTHER FINANCING SOURCES (USES):				
Proceeds from loan	—	2,000,000	—	(2,000,000)
Total other financing sources (uses)	—	2,000,000	—	(2,000,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	226,641	258,880	(76,751)	(335,631)
BUDGETARY FUND BALANCE, beginning of year	185,054	185,054	185,054	—
BUDGETARY FUND BALANCE, end of year	\$ 411,695	\$ 443,934	\$ 108,303	\$ (335,631)

Explanation of differences from the Statement of Revenues, Expenditures
and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund
Balance from the Statement of Revenues, Expenditures and Changes in
Fund Balance:

	\$ 1,393,268
1. Financial statement only interest income adjustment per GASB 31.	(873)
2. The City does not budget for accounts payable adjustments.	21,387
3. The City budgets for and records principal payments in the expenditure accounts, but adjusts the actual payment to loans payable.	(88,114)
4. The City budgets for land purchases in the expenditure accounts, but adjusted the actual payment to deposits for land purchased by condemnation.	(1,140,000)
5. The City budgets for and records grants on a cash basis, but adjusts the revenue accounts to grants receivable at year end.	(77,365)
Budgetary fund balance	\$ 108,303

See accompanying notes to financial statements.

CITY OF REDDING
Midtown Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 33,000	\$ 33,000	\$ 22,955	\$ (10,045)
Interest income	10,000	10,000	11,555	1,555
Use of money and property	<u>77,470</u>	<u>77,470</u>	<u>77,471</u>	<u>1</u>
 Total revenues	 <u>120,470</u>	 <u>120,470</u>	 <u>111,981</u>	 <u>(8,489)</u>
EXPENDITURES:				
Current:				
Administrative	1,700	1,700	883	817
Professional services	500	500	—	500
Debt Service:				
Bond administration costs	2,100	2,100	1,500	600
Principal retirement	69,110	65,110	65,000	110
Interest	<u>51,060</u>	<u>51,060</u>	<u>51,226</u>	<u>(166)</u>
 Total expenditures	 <u>124,470</u>	 <u>120,470</u>	 <u>118,609</u>	 <u>1,861</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(4,000)</u>	 <u>—</u>	 <u>(6,628)</u>	 <u>(6,628)</u>
 BUDGETARY FUND BALANCE (DEFICIT), beginning of year	 <u>(744,058)</u>	 <u>(744,058)</u>	 <u>(744,058)</u>	 <u>—</u>
 BUDGETARY FUND BALANCE (DEFICIT), end of year	 <u><u>\$ (748,058)</u></u>	 <u><u>\$ (744,058)</u></u>	 <u><u>\$ (750,686)</u></u>	 <u><u>\$ (6,628)</u></u>
 Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$ (818,914)	
1. The City budgets for lease revenue for the parking structure, but adjusts the actual advance to intergovernmental payable.			77,471	
2. The City budgets for debt service payments for the parking structure in the special revenue fund.			<u>(9,243)</u>	
 Budgetary fund balance			 <u><u>\$ (750,686)</u></u>	

See accompanying notes to financial statements.

CITY OF REDDING
 Canby-Hilltop-Cypress Debt Service Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 1,978,060	\$ 1,978,060	\$ 2,025,889	\$ 47,829
Interest revenue	<u>110,000</u>	<u>110,000</u>	<u>106,692</u>	<u>(3,308)</u>
Total revenues	<u>2,088,060</u>	<u>2,088,060</u>	<u>2,132,581</u>	<u>44,521</u>
EXPENDITURES:				
Current:				
General government	110,000	110,000	97,609	12,391
Debt Service:				
Bond administration costs	15,000	15,000	6,180	8,820
Principal retirement	475,000	475,000	475,000	—
Interest	<u>1,069,220</u>	<u>1,069,220</u>	<u>1,069,210</u>	<u>10</u>
Total expenditures	<u>1,669,220</u>	<u>1,669,220</u>	<u>1,647,999</u>	<u>21,221</u>
Excess (deficiency) of revenues over (under) expenditures	<u>418,840</u>	<u>418,840</u>	<u>484,582</u>	<u>65,742</u>
BUDGETARY FUND BALANCE, beginning of year	<u>3,078,494</u>	<u>3,078,494</u>	<u>3,078,494</u>	<u>—</u>
BUDGETARY FUND BALANCE, end of year	<u>\$ 3,497,334</u>	<u>\$ 3,497,334</u>	<u>\$ 3,563,076</u>	<u>\$ 65,742</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balances to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$ 3,077,576	
1. Financial statement only interest income adjustment per GASB 31.			(34,776)	
2. Excess funds from debt service transferred to capital projects.			<u>520,276</u>	
Budgetary fund balance			<u>\$ 3,563,076</u>	

See accompanying notes to financial statements.

CITY OF REDDING
Market Street Debt Service Funds
Budgetary Comparison Schedule
For the Year Ended June 30, 2001

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 223,200	\$ 223,200	\$ 225,628	\$ 2,428
Interest revenue	<u>10,000</u>	<u>10,000</u>	<u>9,766</u>	<u>(234)</u>
Total revenues	<u>233,200</u>	<u>233,200</u>	<u>235,394</u>	<u>2,194</u>
EXPENDITURES:				
Current:				
General government	35,500	35,500	30,444	5,056
Debt Service:				
Principal retirement	40,000	40,000	40,000	—
Interest	140,700	140,700	140,700	—
Bond administration costs	<u>7,000</u>	<u>7,000</u>	<u>3,800</u>	<u>3,200</u>
Total expenditures	<u>223,200</u>	<u>223,200</u>	<u>214,944</u>	<u>8,256</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,000</u>	<u>10,000</u>	<u>20,450</u>	<u>10,450</u>
BUDGETARY FUND BALANCE, beginning of year	<u>198,703</u>	<u>198,703</u>	<u>198,703</u>	<u>—</u>
BUDGETARY FUND BALANCE, end of year	<u>\$ 208,703</u>	<u>\$ 208,703</u>	<u>\$ 219,153</u>	<u>\$ 10,450</u>
Explanation of differences from the Statement of Revenues, Expenditures and Changes in Fund Balance to Actual Amounts Budgetary Basis Fund Balance from the Statement of Revenues, Expenditures and Changes in Fund Balance:			\$ 215,246	
1. Financial statement only interest income adjustment per GASB 31.			(1,218)	
2. Excess funds from debt service transferred to capital projects.			<u>5,125</u>	
Budgetary fund balance			<u>\$ 219,153</u>	

See accompanying notes to financial statements.

SUPPLEMENTAL INFORMATION