



***Comprehensive Annual Financial Report***  
*for the year ended June 30, 2007*

***Redlands' City Council Members***

*Jon Harrison, Mayor*  
*Patricia L. Gilbreath, Mayor Pro Tempore*  
*Gilberto Gil, Councilmember*  
*Mick Gallagher, Councilmember*  
*Pete Aguilar, Councilmember*

*N. Enrique Martinez, City Manager*  
*Tina T. Kundig, Finance Director*

*Cover photograph courtesy of Cheryl Martin*

(This page intentionally left blank)

CITY OF REDLANDS  
CALIFORNIA

Comprehensive Annual Financial Report

Year ended June 30, 2007

Prepared by:  
FINANCE DEPARTMENT

Tina T. Kundig  
Director of Finance

(This page intentionally left blank)

CITY OF REDLANDS  
Comprehensive Annual Financial Report  
Year ended June 30, 2007

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION:	
Letter of Transmittal	i
GFOA Certificate of Achievement for Excellence in Financial Reporting	vii
Principal Officers	viii
Organization Chart	ix
FINANCIAL SECTION:	
Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	18
Statement of Activities	19
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	23
Statement of Revenues, Expenditures and Changes in Fund Balances	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Proprietary Funds:	
Statement of Net Assets	26
Statement of Revenues, Expenses and Changes in Fund Net Assets	28
Statement of Cash Flows	29
Agency Funds:	
Statement of Fiduciary Assets and Liabilities	31
Notes to the Basic Financial Statements	32

CITY OF REDLANDS  
 Comprehensive Annual Financial Report  
 (Continued)

TABLE OF CONTENTS, (CONTINUED)

	<u>Page</u>
Required Supplementary Information:	
Notes to Required Supplementary Information	73
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	74
Major Special Revenue Funds:	
Public Facilities Development	76
General Capital Improvement	77
Supplementary Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	79
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	86
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
State Gas Tax	90
Community Development Block Grant	91
Downtown Redlands Business Association	92
Parking Authority	93
Low and Moderate Income Housing	94
Emergency Services	95
Street Construction	96
Traffic Safety	97
Open Space	98
Disaster Recovery	99
Park Development	100
Local Transportation	101
Street Lighting District #1	102
Air Quality Improvement Measure I	103 104

CITY OF REDLANDS  
 Comprehensive Annual Financial Report  
 (Continued)

TABLE OF CONTENTS, (CONTINUED)

	<u>Page</u>
Designated Receipts	105
Traffic Signals	106
Landscape Maintenance District	107
Household Hazardous Waste	108
Supplemental Law Enforcement	109
Neighborhood Initiative Program	110
Drug Confiscation	111
Community Facilities District	112
Police Grants	113
CFD 2004-1 Assessment	114
 Nonmajor Debt Service Funds:	
Combining Balance Sheet	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	117
Schedule of Revenues, Expenditures and Changes in Fund Balances	
- Budget and Actual:	
City of Redlands	118
Redlands Public Improvement Corporation	119
Redevelopment Agency	120
 Nonmajor Capital Projects Funds:	
Combining Balance Sheet	122
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	123
Schedules of Revenues, Expenditures and Changes in Fund Balances	
- Budget and Actual:	
Storm Drain	124
General Obligation Bonds, Series 1988A	125
Redevelopment Projects	126
 Nonmajor Enterprise Funds:	
Combining Statement of Net Assets	128
Combining Statement of Revenues, Expenses and Changes in Net Assets	129
Combining Statement of Cash Flows	130

CITY OF REDLANDS  
Comprehensive Annual Financial Report  
(Continued)

TABLE OF CONTENTS. (CONTINUED)

	<u>Page</u>
Internal Service Funds:	
Combining Statement of Net Assets	133
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	134
Combining Statement of Cash Flows	135
Agency Funds:	
Combining Statement of Changes in Assets and Liabilities	138
STATISTICAL SECTION:	
Net Assets by Component	139
Changes in Net Assets	140
Fund Balances of Governmental Funds	142
Changes in Fund Balances of Governmental Funds	143
Assessed Value and Estimated Actual Value of Taxable Property	144
Assessed Value and Estimated Actual Value of Taxable Property by Major Type	145
Direct and Overlapping Property Tax Rates	146
Principal Property Tax Payers	147
Property Tax Levies and Collections	148
Ratios of Outstanding Debt by Type	149
Ratio of General Bonded Debt Outstanding	150
Direct and Overlapping Debt	151
Legal Debt Margin Information	152
Pledged-Revenue Coverage	153
Demographic and Economic Statistics	154
Principal Employers	155
City Employees by Function	156
Operating Indicators by Function	157
Capital Asset Statistics by Function	158