

**REQUIRED SUPPLEMENTARY INFORMATION**

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## CITY OF REDLANDS

### Notes to Required Supplementary Information

Year ended June 30, 2007

#### (1) Budgetary Control and Accounting

The City adheres to the following general procedures in establishing its annual budget, which is reflected in the accompanying basic financial statements:

- The annual budget adopted by the City Council provides for the general operations of the City. It includes proposed expenditures and the means of financing them. Budgeted appropriations lapse at the end of the year.
- The City Council approves total budgeted appropriations and amendments to appropriations throughout the year. The City Council must approve budget appropriation transfers between departments within a fund. The departments of the General Fund are considered to be departments for purposes of this requirement. Each fund other than the General Fund is considered to be departments. Actual expenditures may not legally exceed budgeted appropriations at the departmental level.
- Annual budgets are adopted for all Governmental Funds Types on a basis substantially consistent with Generally Accepted Accounting Principles (GAAP).
- The budgetary information shown for revenues and expenditures represents the original adopted budget adjusted for any changes made by the City Council. For the year ended June 30, 2007, supplemental appropriations in the amount of \$10,588,713 were made.
- Formal budgetary information is employed as a management control device. Commitments for materials and services, such as purchase orders and contracts are recorded during the year as encumbrances to assist in controlling expenditures. Appropriations which are encumbered at year end lapse, and then are added to the following year's budgeted appropriations. However, encumbrances at year-end are reported as reservations of fund balance.

CITY OF REDLANDS  
 General Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual  
 Year ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 37,753,555	39,824,138	39,380,502	(443,636)
Licenses, permits and fines	5,694,457	9,523,569	10,179,808	656,239
Intergovernmental	-	752,805	593,317	(159,488)
Charges for services	6,377,623	1,570,826	1,685,122	114,296
Investment income	1,076,700	1,019,668	1,543,020	523,352
Other	-	435,397	461,228	25,831
Total revenues	<u>50,902,335</u>	<u>53,126,403</u>	<u>53,842,997</u>	<u>716,594</u>
<b>Expenditures:</b>				
<b>General government:</b>				
City council	174,090	166,393	178,136	(11,743)
City clerk	285,939	281,423	268,283	13,140
City manager	308,037	359,464	389,233	(29,769)
Finance	1,159,167	1,176,877	1,141,941	34,936
City treasurer	605,155	624,947	613,838	11,109
City attorney	519,322	520,011	523,537	(3,526)
Community development	1,998,442	1,675,007	1,667,798	7,209
Administrative services	2,682,464	3,119,206	3,146,786	(27,580)
Management information systems	600,491	509,235	481,216	28,019
Total general government	<u>8,333,107</u>	<u>8,432,563</u>	<u>8,410,768</u>	<u>21,795</u>
<b>Public safety:</b>				
Police	21,364,248	21,929,480	21,908,917	20,563
Fire	9,180,233	9,757,536	9,522,691	234,845
Total public safety	<u>30,544,481</u>	<u>31,687,016</u>	<u>31,431,608</u>	<u>255,408</u>
Highway and streets	<u>4,122,500</u>	<u>4,169,812</u>	<u>4,047,053</u>	<u>122,759</u>
<b>Culture and recreation:</b>				
Community services	1,530,553	1,547,279	1,465,626	81,653
Parks	1,601,196	1,627,683	1,630,551	(2,868)
Total culture and recreation	<u>3,131,749</u>	<u>3,174,962</u>	<u>3,096,177</u>	<u>78,785</u>
Library	<u>1,926,433</u>	<u>1,876,432</u>	<u>1,851,926</u>	<u>24,506</u>
Capital outlay	<u>497,322</u>	<u>2,540,686</u>	<u>2,967,666</u>	<u>(426,980)</u>

(Continued)

CITY OF REDLANDS  
 General Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Budget and Actual  
 (Continued)

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Debt service:				
Principal	427,484	605,379	465,548	139,831
Interest	63,165	100,878	60,165	40,713
Total debt service	<u>490,649</u>	<u>706,257</u>	<u>525,713</u>	<u>180,544</u>
Total expenditures	<u>49,046,241</u>	<u>52,587,728</u>	<u>52,330,911</u>	<u>256,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,856,094</u>	<u>538,675</u>	<u>1,512,086</u>	<u>973,411</u>
Other financing sources (uses):				
Issuance of debt	-	-	1,269,165	1,269,165
Transfers in	1,532,816	2,836,600	2,958,431	121,831
Transfers out	<u>(4,730,863)</u>	<u>(4,694,664)</u>	<u>(4,300,918)</u>	<u>393,745</u>
Total other financing sources (uses)	<u>(3,198,047)</u>	<u>(1,858,064)</u>	<u>(73,322)</u>	<u>1,784,742</u>
Net change in fund balance	(1,341,953)	(1,319,389)	1,438,764	2,758,153
Fund balance at beginning of year	<u>11,808,960</u>	<u>11,808,960</u>	<u>11,808,960</u>	<u>-</u>
Fund balance at end of year	<u>\$ 10,467,007</u>	<u>10,489,571</u>	<u>13,247,724</u>	<u>2,758,153</u>

CITY OF REDLANDS  
Special Revenue Fund

Public Facilities Development

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses, permits and fines	\$ 2,493,100	1,884,000	1,783,374	(100,626)
Total revenues	2,493,100	1,884,000	1,783,374	(100,626)
Expenditures:				
Current:				
General Government	-	418	318	100
Capital outlay	-	2,934	2,934	-
Total expenditures	-	3,352	3,252	100
Excess (deficiency) of revenues over (under) expenditures	2,493,100	1,880,648	1,780,122	(100,526)
Other financing sources:				
Transfers out	(969,796)	(969,796)	(963,471)	6,325
Total other financing sources (uses)	(969,796)	(969,796)	(963,471)	6,325
Net change in fund balance	1,523,304	910,852	816,651	(94,201)
Fund balance at beginning of year	(3,188,496)	(3,188,496)	(3,188,496)	-
Fund balance (deficit) at end of year	\$ (1,665,192)	(2,277,644)	(2,371,845)	(94,201)

CITY OF REDLANDS  
Special Revenue Fund

General Capital Improvement

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	-	2,372,897	2,372,897
Charges for services	-	-	1,500	1,500
Investment income	-	87,659	48,075	(39,584)
Other	-	20,000	20,000	-
Total revenues	-	107,659	2,442,472	2,334,813
<b>Expenditures:</b>				
Current:				
General Government	-	297,987	145,692	152,295
Capital outlay	-	4,634,397	2,908,962	1,725,435
Total expenditures	-	4,932,384	3,054,654	1,877,730
Excess (deficiency) of revenues over (under) expenditures	-	(4,824,725)	(612,182)	4,212,543
<b>Other financing sources:</b>				
Issuance of debt	-	-	1,985,000	1,985,000
Transfers in	382,667	382,667	750	(381,917)
Transfers out	-	-	(30,351)	(30,351)
Total other financing sources (uses)	382,667	382,667	1,955,399	1,572,732
Net change in fund balance	382,667	(4,442,058)	1,343,217	5,785,275
Fund balance at beginning of year	(3,258,147)	(3,258,147)	(3,258,147)	-
Fund balance (deficit) at end of year	\$ (2,875,480)	(7,700,205)	(1,914,930)	5,785,275

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**SUPPLEMENTARY SCHEDULES**

CITY OF REDLANDS  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2007

	Special Revenue	Debt Service	Capital Projects	Permanent Fund Cemetery Endowment	Totals
<b>Assets:</b>					
Cash and investments	\$ 27,595,382	3,026,110	10,184,888	1,581,388	42,387,768
Cash and investments with fiscal agent	52	3,589,205	-	-	3,589,257
<b>Receivables:</b>					
Accounts	114,966	-	-	2,165	117,131
Taxes	221,026	211,579	-	-	432,605
Interest	137,462	64,778	128,538	-	330,778
Due from other governments	2,580,924	-	-	-	2,580,924
Total assets	<u>\$ 30,649,812</u>	<u>6,891,672</u>	<u>10,313,426</u>	<u>1,583,553</u>	<u>49,438,463</u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 642,639	-	74,473	830	717,942
Accrued payroll	127,630	-	7,444	-	135,074
Deferred revenue	2,178,671	-	-	-	2,178,671
Due to other funds	1,138,029	-	-	-	1,138,029
Deposits	42,225	-	-	-	42,225
Total liabilities	<u>4,129,194</u>	<u>-</u>	<u>81,917</u>	<u>830</u>	<u>4,211,941</u>
<b>Fund balances:</b>					
<b>Reserved for:</b>					
Encumbrances	2,995,571	-	869,573	-	3,865,144
Endowment	-	-	-	1,582,723	1,582,723
Unreserved	23,525,047	6,891,672	9,361,936	-	39,778,655
Total fund balances	<u>26,520,618</u>	<u>6,891,672</u>	<u>10,231,509</u>	<u>1,582,723</u>	<u>45,226,522</u>
Total liabilities and fund balances	<u>\$ 30,649,812</u>	<u>6,891,672</u>	<u>10,313,426</u>	<u>1,583,553</u>	<u>49,438,463</u>

CITY OF REDLANDS  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year ended June 30, 2007

	Special Revenue	Debt Service	Capital Projects	Permanent Fund Cemetery Endowment	Totals
Revenues:					
Taxes	\$ 1,181,682	6,580,691	-	-	7,762,373
Licenses, permits and fines	2,379,381	-	443,300	-	2,822,681
Intergovernmental	12,684,232	-	-	-	12,684,232
Charges for services	528,150	-	-	-	528,150
Investment income	1,363,463	184,789	447,037	-	1,995,289
Other	1,533,786	-	-	62,150	1,595,936
Total revenues	<u>19,670,694</u>	<u>6,765,480</u>	<u>890,337</u>	<u>62,150</u>	<u>27,388,661</u>
Expenditures:					
Current:					
General government	3,909,179	-	1,292,143	-	5,201,322
Public safety	4,576,890	-	-	-	4,576,890
Highway and streets	1,320,559	-	66,563	-	1,387,122
Culture and recreation	215,316	-	-	-	215,316
Capital outlay	6,671,295	-	1,010,200	-	7,681,495
Debt service:					
Principal	-	3,490,000	-	-	3,490,000
Interest	10,421	2,590,130	-	-	2,600,551
Fiscal charges	-	238,111	-	-	238,111
Total expenditures	<u>16,703,660</u>	<u>6,318,241</u>	<u>2,368,906</u>	<u>-</u>	<u>25,390,807</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,967,034</u>	<u>447,239</u>	<u>(1,478,569)</u>	<u>62,150</u>	<u>1,997,854</u>
Other financing sources (uses):					
Transfers in	4,673,201	2,594,759	1,758,810	-	9,026,770
Transfers out	(4,396,379)	(2,944,158)	(7,400)	-	(7,347,937)
Total other financing sources (uses)	<u>276,822</u>	<u>(349,399)</u>	<u>1,751,410</u>	<u>-</u>	<u>1,678,833</u>
Net change in fund balances	3,243,856	97,840	272,841	62,150	3,676,687
Fund balances at beginning of year	<u>23,276,762</u>	<u>6,793,832</u>	<u>9,958,668</u>	<u>1,520,573</u>	<u>41,549,835</u>
Fund balances at end of year	<u>\$ 26,520,618</u>	<u>6,891,672</u>	<u>10,231,509</u>	<u>1,582,723</u>	<u>45,226,522</u>

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## NONMAJOR SPECIAL REVENUE FUNDS

The City maintains the following special revenue funds for the purposes indicated:

State Gas Tax – To account for the receipt and subsequent expenditure of the City's share of the State levied tax on gasoline and other vehicle fuels.

Community Development Block Grant – To account for expenditures and related reimbursements of various grants from the San Bernardino County Office of Economic and Community Development.

Downtown Redlands Business Association – To account for collection and subsequent expenditure of a fee, collected with the business license fee, for attracting business to the downtown area.

Parking Authority – To account for a city-wide authority formed to control parking.

Low and Moderate Income Housing – To account for annual monies which, by law, must be set aside from Redevelopment tax increment revenues for the purpose of funding a program for development and improvement of housing for low and moderate income families.

Emergency Services – To account for the collection of a special property tax to be spent on paramedic services.

Street Construction – To account for the collection and related expenditure of development impact fees designated for new street construction projects.

Traffic Safety – To account for the receipt and subsequent expenditure of traffic fines for moving violations within the City limits.

Open Space – To account for receipt and subsequent expenditure of fees collected to provide for open space land in and around the City.

Disaster Recovery – To account for all expenditures and revenues relating to natural disasters for the purpose of consolidating such information for federal and state reimbursements and enhancing Single Audit reporting requirements.

Park Development – To account for the collection and subsequent expenditure of developer fees levied for the purpose of acquiring land for parks.

Local Transportation – To account for the receipt and subsequent expenditure of street and road construction and maintenance projects financed by a share of the quarter of one percent State sales tax pursuant to the Transportation Development Act.

Street Lighting District #1 – To account for the maintenance, operation and service of street lighting facilities financed by assessments collected from landowners within the district.

## NONMAJOR SPECIAL REVENUE FUNDS, (CONTINUED)

Air Quality Improvement – To account for the collection and subsequent expenditure of AB2766 (District Fees to Implement the California Clean Air Act) monies to be used for pollution reduction.

Measure I – To account for revenues resulting from a voter approved half cent retail transaction and use tax, to be used for transportation improvements and traffic management programs.

Designated Receipts – To account for deposits and donations designated for specific purposes.

Traffic Signals – To account for the collection and related expenditure of development impact fees designated for new traffic signal construction projects.

Landscape Maintenance District – To account for assessments collected from landowners to maintain landscaping in parkways and common areas within the District.

Household Hazardous Waste – To account for revenue collected and expenditures made to properly dispose of household hazardous waste.

Supplemental Law Enforcement – To account for receipt and subsequent expenditure of AB3229 monies which pursuant to the Citizens' Option for Public Safety (COPS) Program must be spent for supplemental law enforcement services.

Neighborhood Initiative Program – To account for expenditures and related reimbursements of grant monies received from the County of San Bernardino to preserve and revitalize neighborhoods.

Drug Confiscation – To account for receipt and subsequent expenditure of various asset seizure monies.

Community Facilities District – To account for developer deposits and bond proceeds related to Community Facilities Districts established for the purpose of constructing infrastructure.

Police Grants – To account for receipt and expenditure of grant monies received from various agencies for public safety programs.

CFD 2004 – 1 Assessment – To account for the maintenance of landscaping in public right-of-way and easements surrounding tract no. 16408.

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CITY OF REDLANDS  
Nonmajor Special Revenue Funds

Combining Balance Sheet

June 30, 2007

	<u>State Gas Tax</u>	<u>Community Development Block Grant</u>	<u>Downtown Redlands Business Association</u>	<u>Parking Authority</u>	<u>Low and Moderate Income Housing</u>
<b>Assets:</b>					
Cash and investments	\$ -	-	326,725	124,704	10,886,974
Cash and investments with fiscal agent	-	-	-	-	-
<b>Receivables:</b>					
Accounts	-	-	-	-	-
Taxes	120,836	-	-	-	-
Interest	-	-	-	-	137,462
Due from other governments	-	32,596	-	-	-
	<u>-</u>	<u>32,596</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 120,836</u>	<u>32,596</u>	<u>326,725</u>	<u>124,704</u>	<u>11,024,436</u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	2,858	5,950	1,615	59,306
Accrued payroll	-	782	5,654	-	8,297
Deferred revenue	-	12,921	-	-	-
Due to other funds	-	29,195	-	-	-
Deposits	-	-	-	4,225	-
Advances payable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>45,756</u>	<u>11,604</u>	<u>5,840</u>	<u>67,603</u>
<b>Fund balances (deficits):</b>					
Reserved	-	80,492	6,756	-	98,636
Unreserved	120,836	(93,652)	308,365	118,864	10,858,197
	<u>120,836</u>	<u>(93,652)</u>	<u>308,365</u>	<u>118,864</u>	<u>10,858,197</u>
Total fund balances (deficit)	<u>120,836</u>	<u>(13,160)</u>	<u>315,121</u>	<u>118,864</u>	<u>10,956,833</u>
Total liabilities and fund balances	<u>\$ 120,836</u>	<u>32,596</u>	<u>326,725</u>	<u>124,704</u>	<u>11,024,436</u>

<u>Emergency Services</u>	<u>Street Construction</u>	<u>Traffic Safety</u>	<u>Open Space</u>	<u>Disaster Recovery</u>	<u>Park Development</u>	<u>Local Transportation</u>	<u>Street Lighting District #1</u>
64,894	-	-	1,797,740	-	2,642,008	4,279,653	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	102,857	-
19,781	-	-	-	-	-	-	339
-	-	-	-	-	-	-	-
-	-	-	-	91,378	-	834,230	-
<u>84,675</u>	<u>-</u>	<u>-</u>	<u>1,797,740</u>	<u>91,378</u>	<u>2,642,008</u>	<u>5,216,740</u>	<u>339</u>
3	-	-	-	135	-	54,831	-
84,672	-	-	-	3,224	-	9,524	488
-	-	-	-	91,378	-	834,230	-
-	-	-	-	88,186	-	-	-
-	-	-	-	-	-	28,000	-
-	-	-	-	-	-	-	-
<u>84,675</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>182,923</u>	<u>-</u>	<u>926,585</u>	<u>488</u>
565	-	-	-	-	-	352,128	10,901
(565)	-	-	1,797,740	(91,545)	2,642,008	3,938,027	(11,050)
-	-	-	1,797,740	(91,545)	2,642,008	4,290,155	(149)
<u>84,675</u>	<u>-</u>	<u>-</u>	<u>1,797,740</u>	<u>91,378</u>	<u>2,642,008</u>	<u>5,216,740</u>	<u>339</u>

(Continued)

CITY OF REDLANDS  
Nonmajor Special Revenue Funds

Combining Balance Sheet

(Continued)

	<u>Air Quality Improvement</u>	<u>Measure I</u>	<u>Designated Receipts</u>	<u>Traffic Signals</u>	<u>Landscape Maintenance District</u>
<b>Assets:</b>					
Cash and investments	242,470	4,332,906	1,901,297	-	2,593
Cash and investments with fiscal agent	-	-	-	-	-
<b>Receivables:</b>					
Accounts	-	-	-	-	-
Taxes	-	78,480	-	-	230
Interest	-	-	-	-	-
Due from other governments	<u>22,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>264,662</u>	<u>4,411,386</u>	<u>1,901,297</u>	<u>-</u>	<u>2,823</u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	-	46,085	142,184	-	2,335
Accrued payroll	-	1,085	-	-	488
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Advances payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>47,170</u>	<u>142,184</u>	<u>-</u>	<u>2,823</u>
<b>Fund balances (deficits):</b>					
Reserved	-	12,536	-	-	12,485
Unreserved	<u>264,662</u>	<u>4,351,680</u>	<u>1,759,113</u>	<u>-</u>	<u>(12,485)</u>
Total fund balances (deficit)	<u>264,662</u>	<u>4,364,216</u>	<u>1,759,113</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>264,662</u>	<u>4,411,386</u>	<u>1,901,297</u>	<u>-</u>	<u>2,823</u>

<u>Household Hazardous Waste</u>	<u>Supplemental Law Enforcement</u>	<u>Neighborhood Initiative Program</u>	<u>Drug Confiscation</u>	<u>Community Facilities District</u>	<u>Police Grants</u>	<u>CFD 2004-1 Assessment</u>	<u>Totals</u>
410,703	130,894	-	200,952	-	-	250,869	27,595,382
-	-	-	-	52	-	-	52
8,385	-	-	-	-	3,724	-	114,966
-	-	-	-	-	-	1,360	221,026
-	-	-	-	-	-	-	137,462
<u>2,486</u>	<u>-</u>	<u>846,309</u>	<u>2,640</u>	<u>-</u>	<u>749,093</u>	<u>-</u>	<u>2,580,924</u>
<u>421,574</u>	<u>130,894</u>	<u>846,309</u>	<u>203,592</u>	<u>52</u>	<u>752,817</u>	<u>252,229</u>	<u>30,649,812</u>
7,060	-	290,492	1,940	-	23,299	4,546	642,639
-	-	-	-	-	13,416	-	127,630
-	84,129	846,309	-	-	309,704	-	2,178,671
-	-	468,942	-	-	551,706	-	1,138,029
-	-	-	-	-	-	10,000	42,225
-	-	-	-	-	-	-	-
<u>7,060</u>	<u>84,129</u>	<u>1,605,743</u>	<u>1,940</u>	<u>-</u>	<u>898,125</u>	<u>14,546</u>	<u>4,129,194</u>
-	-	2,232,389	1,675	-	173,400	13,608	2,995,571
<u>414,514</u>	<u>46,765</u>	<u>(2,991,823)</u>	<u>199,977</u>	<u>52</u>	<u>(318,708)</u>	<u>224,075</u>	<u>23,525,047</u>
<u>414,514</u>	<u>46,765</u>	<u>(759,434)</u>	<u>201,652</u>	<u>52</u>	<u>(145,308)</u>	<u>237,683</u>	<u>26,520,618</u>
<u>421,574</u>	<u>130,894</u>	<u>846,309</u>	<u>203,592</u>	<u>52</u>	<u>752,817</u>	<u>252,229</u>	<u>30,649,812</u>

CITY OF REDLANDS  
 Nonmajor Special Revenue Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 Year ended June 30, 2007

	State Gas Tax	Community Development Block Grant	Downtown Redlands Business Association	Parking Authority	Low and Moderate Income Housing
Revenues:					
Taxes	\$ -	-	-	-	-
Licenses, permits and fines	-	-	77,820	-	-
Intergovernmental	1,296,022	453,746	-	-	1,078,000
Charges for services	-	-	273,162	-	-
Investment income	-	-	19,252	4,608	482,219
Other	-	-	1,975	-	42,630
<b>Total revenues</b>	<u>1,296,022</u>	<u>453,746</u>	<u>372,209</u>	<u>4,608</u>	<u>1,602,849</u>
Expenditures:					
Current:					
General government	-	42,450	418,020	19,755	2,151,831
Public safety	-	-	-	-	-
Highway and streets	-	360,988	-	-	-
Culture and recreation	-	16,238	-	-	-
Capital outlay	-	-	15,324	-	-
Debt service:					
Interest	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>419,676</u>	<u>433,344</u>	<u>19,755</u>	<u>2,151,831</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,296,022</u>	<u>34,070</u>	<u>(61,135)</u>	<u>(15,147)</u>	<u>(548,982)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	1,185,348
Transfers out	(1,296,296)	(1,233)	-	-	(667,818)
<b>Total other financing sources (uses)</b>	<u>(1,296,296)</u>	<u>(1,233)</u>	<u>-</u>	<u>-</u>	<u>517,530</u>
<b>Net change in fund balances</b>	(274)	32,837	(61,135)	(15,147)	(31,452)
Fund balances (deficit) at beginning of year	<u>121,110</u>	<u>(45,997)</u>	<u>376,256</u>	<u>134,011</u>	<u>10,988,285</u>
Fund balances (deficit) at end of year	<u>\$ 120,836</u>	<u>(13,160)</u>	<u>315,121</u>	<u>118,864</u>	<u>10,956,833</u>

<u>Emergency Services</u>	<u>Street Construction</u>	<u>Traffic Safety</u>	<u>Open Space</u>	<u>Disaster Recovery</u>	<u>Park Development</u>	<u>Local Transportation</u>	<u>Street Lighting District #1</u>
1,040,041	-	-	-	-	-	-	24,758
-	1,269,761	170,353	180,651	-	554,083	-	-
-	-	-	-	21,377	-	4,768,284	-
12,394	-	-	-	-	-	242,594	-
-	-	-	84,414	-	129,248	158,191	-
-	-	-	-	-	-	-	-
<u>1,052,435</u>	<u>1,269,761</u>	<u>170,353</u>	<u>265,065</u>	<u>21,377</u>	<u>683,331</u>	<u>5,169,069</u>	<u>24,758</u>
-	-	-	9,900	36,430	-	-	-
3,076,615	-	-	-	-	-	-	-
-	-	-	-	-	-	790,600	15,152
-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,067,215	-
-	-	-	-	-	10,421	-	-
<u>3,076,615</u>	<u>-</u>	<u>-</u>	<u>9,900</u>	<u>36,430</u>	<u>10,421</u>	<u>3,857,815</u>	<u>15,152</u>
<u>(2,024,180)</u>	<u>1,269,761</u>	<u>170,353</u>	<u>255,165</u>	<u>(15,053)</u>	<u>672,910</u>	<u>1,311,254</u>	<u>9,606</u>
2,024,180	-	-	-	-	-	1,396,474	-
-	(1,269,761)	(173,544)	-	-	(750)	(850,509)	(9,755)
<u>2,024,180</u>	<u>(1,269,761)</u>	<u>(173,544)</u>	<u>-</u>	<u>-</u>	<u>(750)</u>	<u>545,965</u>	<u>(9,755)</u>
-	-	(3,191)	255,165	(15,053)	672,160	1,857,219	(149)
-	-	3,191	1,542,575	(76,492)	1,969,848	2,432,936	-
-	-	-	1,797,740	(91,545)	2,642,008	4,290,155	(149)

(Continued)

CITY OF REDLANDS  
 Nonmajor Special Revenue Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 (Continued)

	Air Quality Improvement	Measure I	Designated Receipts	Traffic Signals	Landscape Maintenance District
Revenues:					
Taxes	-	-	-	-	27,516
Licenses, permits and fines	-	-	-	126,713	-
Intergovernmental	85,590	1,021,946	-	-	-
Charges for services	-	-	-	-	-
Investment income	9,107	212,038	-	-	-
Other	-	27	1,415,043	-	-
	<u>94,697</u>	<u>1,234,011</u>	<u>1,415,043</u>	<u>126,713</u>	<u>27,516</u>
Total revenues					
Expenditures:					
Current:					
General government	-	-	1,025,170	-	94,715
Public safety	-	-	-	-	-
Highway and streets	-	153,819	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	440,352	-	-	-
Debt service:					
Interest	-	-	-	-	-
	<u>-</u>	<u>594,171</u>	<u>1,025,170</u>	<u>-</u>	<u>94,715</u>
Total expenditures					
Excess (deficiency) of revenues over (under) expenditures	<u>94,697</u>	<u>639,840</u>	<u>389,873</u>	<u>126,713</u>	<u>(67,199)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	67,199
Transfers out	-	-	-	(126,713)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(126,713)</u>	<u>67,199</u>
Total other financing sources (uses)					
Net change in fund balances	94,697	639,840	389,873	-	-
Fund balances (deficit) at beginning of year	<u>169,965</u>	<u>3,724,376</u>	<u>1,369,240</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) at end of year	<u>264,662</u>	<u>4,364,216</u>	<u>1,759,113</u>	<u>-</u>	<u>-</u>

<u>Household Hazardous Waste</u>	<u>Supplemental Law Enforcement</u>	<u>Neighborhood Initiative Program</u>	<u>Drug Confiscation</u>	<u>Community Facilities District</u>	<u>Police Grants</u>	<u>CFD 2004-1 Assessment</u>	<u>Totals</u>
-	-	-	-	-	-	89,367	1,181,682
-	-	-	-	-	-	-	2,379,381
12,354	75,638	1,400,000	-	-	2,471,275	-	12,684,232
-	-	-	-	-	-	-	528,150
106,775	3,753	52,245	-	2	92,571	9,040	1,363,463
-	-	-	73,741	-	370	-	1,533,786
<u>119,129</u>	<u>79,391</u>	<u>1,452,245</u>	<u>73,741</u>	<u>2</u>	<u>2,564,216</u>	<u>98,407</u>	<u>19,670,694</u>
96,843	-	-	-	-	-	14,065	3,909,179
-	52,697	-	79,579	-	1,367,999	-	4,576,890
-	-	-	-	-	-	-	1,320,559
-	-	199,078	-	-	-	-	215,316
-	22,941	2,047,231	-	-	1,078,232	-	6,671,295
-	-	-	-	-	-	-	10,421
<u>96,843</u>	<u>75,638</u>	<u>2,246,309</u>	<u>79,579</u>	<u>-</u>	<u>2,446,231</u>	<u>14,065</u>	<u>16,703,660</u>
<u>22,286</u>	<u>3,753</u>	<u>(794,064)</u>	<u>(5,838)</u>	<u>2</u>	<u>117,985</u>	<u>84,342</u>	<u>2,967,034</u>
-	-	-	-	-	-	-	4,673,201
-	-	-	-	-	-	-	(4,396,379)
-	-	-	-	-	-	-	276,822
22,286	3,753	(794,064)	(5,838)	2	117,985	84,342	3,243,856
<u>392,228</u>	<u>43,012</u>	<u>34,630</u>	<u>207,490</u>	<u>50</u>	<u>(263,293)</u>	<u>153,341</u>	<u>23,276,762</u>
<u>414,514</u>	<u>46,765</u>	<u>(759,434)</u>	<u>201,652</u>	<u>52</u>	<u>(145,308)</u>	<u>237,683</u>	<u>26,520,618</u>

CITY OF REDLANDS  
State Gas Tax Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 1,190,900	1,296,022	105,122
Excess of revenues over expenditures	1,190,900	1,296,022	105,122
Other financing uses:			
Transfers out	<u>(1,232,500)</u>	<u>(1,296,296)</u>	<u>(63,796)</u>
Net change in fund balance	(41,600)	(274)	41,326
Fund balance at beginning of year	<u>121,110</u>	<u>121,110</u>	<u>-</u>
Fund balance at end of year	<u>\$ 79,510</u>	<u>120,836</u>	<u>41,326</u>

CITY OF REDLANDS  
Community Development Block Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 1,169,665	453,746	(715,919)
Charges for Services	<u>85</u>	<u>-</u>	<u>(85)</u>
Total revenues	<u>1,169,750</u>	<u>453,746</u>	<u>(716,004)</u>
Expenditures:			
Current:			
General government	45,350	42,450	2,900
Highways and streets	699,683	360,988	338,695
Culture and recreation	15,032	16,238	(1,206)
Capital outlay	<u>409,685</u>	<u>-</u>	<u>409,685</u>
Total expenditures	<u>1,169,750</u>	<u>419,676</u>	<u>750,074</u>
Other financing sources (uses):			
Transfers out	<u>-</u>	<u>(1,233)</u>	<u>(1,233)</u>
Net change in fund balance	-	32,837	32,837
Fund balance (deficit) at beginning of year	<u>(45,997)</u>	<u>(45,997)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (45,997)</u>	<u>(13,160)</u>	<u>32,837</u>

CITY OF REDLANDS  
Downtown Redlands Business Association Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses, permits and fines	\$ 75,000	77,820	2,820
Charges for services	275,644	273,162	(2,482)
Investment income	10,000	19,252	9,252
Other	<u>2,040</u>	<u>1,975</u>	<u>(65)</u>
Total revenues	<u>362,684</u>	<u>372,209</u>	<u>9,525</u>
Expenditures:			
Current:			
General government	442,933	418,020	24,913
Capital outlay	<u>15,324</u>	<u>15,324</u>	<u>-</u>
Total expenditures	<u>458,257</u>	<u>433,344</u>	<u>24,913</u>
Net change in fund balance	(95,573)	(61,135)	34,438
Fund balance at beginning of year	<u>376,256</u>	<u>376,256</u>	<u>-</u>
Fund balance at end of year	<u>\$ 280,683</u>	<u>315,121</u>	<u>34,438</u>

CITY OF REDLANDS  
Parking Authority Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ 5,300	4,608	(692)
Expenditures:			
Current:			
General government	18,697	19,755	(1,058)
Total expenditures	<u>18,697</u>	<u>19,755</u>	<u>(1,058)</u>
Net change in fund balance	(13,397)	(15,147)	(1,750)
Fund balance at beginning of year	<u>134,011</u>	<u>134,011</u>	-
Fund balance at end of year	<u>\$ 120,614</u>	<u>118,864</u>	<u>(1,750)</u>

CITY OF REDLANDS  
Low and Moderate Income Housing Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 1,078,000	1,078,000	-
Investment income	400,000	482,219	82,219
Other	<u>42,230</u>	<u>42,630</u>	<u>400</u>
Total revenues	<u>1,520,230</u>	<u>1,602,849</u>	<u>82,619</u>
Expenditures:			
Current:			
General government	<u>2,077,869</u>	<u>2,151,831</u>	<u>(73,962)</u>
Total expenditures	<u>2,077,869</u>	<u>2,151,831</u>	<u>(73,962)</u>
Excess of revenues over expenditures	<u>(557,639)</u>	<u>(548,982)</u>	<u>8,657</u>
Other financing sources (uses):			
Transfers in	946,360	1,185,348	238,988
Transfers out	<u>(768,068)</u>	<u>(667,818)</u>	<u>100,250</u>
Total other financing sources (uses)	<u>178,292</u>	<u>517,530</u>	<u>339,238</u>
Net change in fund balance	(379,347)	(31,452)	347,895
Fund balance at beginning of year	<u>10,988,285</u>	<u>10,988,285</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 10,608,938</u></u>	<u><u>10,956,833</u></u>	<u><u>347,895</u></u>

CITY OF REDLANDS  
Emergency Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 1,050,000	1,040,041	(9,959)
Charges for services	<u>11,032</u>	<u>12,394</u>	<u>1,362</u>
Total revenues	<u>1,061,032</u>	<u>1,052,435</u>	<u>(8,597)</u>
Expenditures:			
Current:			
Public safety	<u>3,095,222</u>	<u>3,076,615</u>	<u>18,607</u>
Total expenditures	<u>3,095,222</u>	<u>3,076,615</u>	<u>18,607</u>
Excess (deficiency) of revenues over (under) expenditures	(2,034,190)	(2,024,180)	10,010
Other financing sources:			
Transfers in	<u>1,779,002</u>	<u>2,024,180</u>	<u>245,178</u>
Net change in fund balance	(255,188)	-	255,188
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ (255,188)</u>	<u>-</u>	<u>255,188</u>

CITY OF REDLANDS  
Street Construction Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses, permits and fines	\$ 1,137,230	1,269,761	132,531
Excess of revenues over expenditures	1,137,230	1,269,761	132,531
Other financing uses:			
Transfers out	<u>(853,700)</u>	<u>(1,269,761)</u>	<u>(416,061)</u>
Net change in fund balance	283,530	-	(283,530)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 283,530</u>	<u>-</u>	<u>(283,530)</u>

CITY OF REDLANDS  
Traffic Safety Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses, permits and fines	\$ 170,000	170,353	353
Excess of revenues over expenditures	170,000	170,353	353
Other financing uses:			
Transfers out	<u>(170,000)</u>	<u>(173,544)</u>	<u>(3,544)</u>
Net change in fund balance	-	(3,191)	(3,191)
Fund balance at beginning of year	<u>3,191</u>	<u>3,191</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 3,191</u>	<u>-</u>	<u>(3,191)</u>

CITY OF REDLANDS  
Open Space Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses, permits and fees	\$ 200,000	180,651	(19,349)
Investment income	<u>24,000</u>	<u>84,414</u>	<u>60,414</u>
Total revenues	<u>224,000</u>	<u>265,065</u>	<u>41,065</u>
Expenditures:			
Current:			
General government	<u>9,900</u>	<u>9,900</u>	<u>-</u>
Total expenditures	<u>9,900</u>	<u>9,900</u>	<u>-</u>
Net change in fund balance	214,100	255,165	41,065
Fund balance at beginning of year	<u>1,542,575</u>	<u>1,542,575</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1,756,675</u></u>	<u><u>1,797,740</u></u>	<u><u>41,065</u></u>

CITY OF REDLANDS  
Disaster Recovery Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 75,471	21,377	(54,094)
Total revenues	<u>75,471</u>	<u>21,377</u>	<u>(54,094)</u>
Expenditures:			
Current:			
General government	63,976	36,430	27,546
Capital outlay	<u>55,881</u>	<u>-</u>	<u>55,881</u>
Total expenditures	<u>119,857</u>	<u>36,430</u>	<u>83,427</u>
Excess (deficiency) of revenues over (under) expenditures	(44,386)	(15,053)	29,333
Fund balance (deficit) at beginning of year	<u>(76,492)</u>	<u>(76,492)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ (120,878)</u></u>	<u><u>(91,545)</u></u>	<u><u>29,333</u></u>

CITY OF REDLANDS  
Park Development Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses, permits and fines	\$ 565,505	554,083	(11,422)
Investment income	<u>52,830</u>	<u>129,248</u>	<u>76,418</u>
Total revenues	<u>618,335</u>	<u>683,331</u>	<u>64,996</u>
Expenditures:			
Debt Service:			
Interest	<u>10,500</u>	<u>10,421</u>	<u>79</u>
Total expenditures	<u>10,500</u>	<u>10,421</u>	<u>79</u>
Excess of revenues over expenditures	607,835	672,910	65,075
Other financing uses:			
Transfers out	<u>(382,667)</u>	<u>(750)</u>	<u>381,917</u>
Net change in fund balance	225,168	672,160	446,992
Fund balance at beginning of year	<u>1,969,848</u>	<u>1,969,848</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2,195,016</u></u>	<u><u>2,642,008</u></u>	<u><u>446,992</u></u>

CITY OF REDLANDS  
Local Transportation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 4,768,284	4,768,284	-
Charges for services	242,594	242,594	-
Investment income	100,000	158,191	58,191
Proceeds from sale of land	28,000	-	(28,000)
	<u>5,138,878</u>	<u>5,169,069</u>	<u>30,191</u>
Total revenues			
Expenditures:			
Current:			
Highway and streets	857,161	790,600	66,561
Capital outlay	7,949,300	3,067,215	4,882,085
	<u>8,806,461</u>	<u>3,857,815</u>	<u>4,948,646</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	(3,667,583)	1,311,254	4,978,837
Other financing sources:			
Transfers in	958,100	1,396,474	438,374
Transfers out	-	(850,509)	(850,509)
	<u>958,100</u>	<u>545,965</u>	<u>(412,135)</u>
Total other financing sources (uses)			
Net change in fund balance	(2,709,483)	1,857,219	4,566,702
Fund balance at beginning of year	<u>2,432,936</u>	<u>2,432,936</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (276,547)</u>	<u>4,290,155</u>	<u>4,566,702</u>

CITY OF REDLANDS  
Street Lighting District #1 Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 22,000	24,758	2,758
Expenditures:			
Current:			
Highway and streets	28,762	15,152	13,610
Excess (deficiency) of revenue over (under) expenditures	(6,762)	9,606	16,368
Other financing uses:			
Transfers in	5,515	-	(5,515)
Transfers out	-	(9,755)	(9,755)
Total other financing sources (uses)	5,515	(9,755)	(15,270)
Net change in fund balance	(1,247)	(149)	1,098
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	<u>\$ (1,247)</u>	<u>(149)</u>	<u>1,098</u>

CITY OF REDLANDS  
Air Quality Improvement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 83,000	85,590	2,590
Investment income	<u>2,500</u>	<u>9,107</u>	<u>6,607</u>
Excess (deficiency) of revenues over (under) expenditures	85,500	94,697	9,197
Fund balance at beginning of year	<u>169,965</u>	<u>169,965</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 255,465</u></u>	<u><u>264,662</u></u>	<u><u>9,197</u></u>

CITY OF REDLANDS  
Measure I Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 1,200,000	1,021,946	(178,054)
Investment income	\$ 130,000	212,038	82,038
Other	<u>-</u>	<u>27</u>	<u>27</u>
Total revenues	<u>1,330,000</u>	<u>1,234,011</u>	<u>(95,989)</u>
Expenditures:			
Current:			
Highway and streets	182,378	153,819	28,559
Capital outlay	<u>1,905,629</u>	<u>440,352</u>	<u>1,465,277</u>
Total expenditures	<u>2,088,007</u>	<u>594,171</u>	<u>1,493,836</u>
Net change in fund balance	(758,007)	639,840	1,397,847
Fund balance at beginning of year	<u>3,724,376</u>	<u>3,724,376</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,966,369</u>	<u>4,364,216</u>	<u>1,397,847</u>

CITY OF REDLANDS  
Designated Receipts Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ -	1,415,043	1,415,043
Expenditures:			
Current:			
General government	-	1,025,170	(1,025,170)
Net change in fund balance	-	389,873	389,873
Fund balance at beginning of year	<u>1,369,240</u>	<u>1,369,240</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,369,240</u>	<u>1,759,113</u>	<u>389,873</u>

CITY OF REDLANDS  
Traffic Signals Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses, permits and fees	\$ 115,000	126,713	11,713
Excess of revenues over expenditures	<u>115,000</u>	<u>126,713</u>	<u>11,713</u>
Other financing uses:			
Transfers out	<u>(104,400)</u>	<u>(126,713)</u>	<u>(22,313)</u>
Net change in fund balance	10,600	-	(10,600)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 10,600</u>	<u>-</u>	<u>(10,600)</u>

CITY OF REDLANDS  
Landscape Maintenance District Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 26,000	27,516	1,516
Expenditures:			
Current:			
General government	99,834	94,715	5,119
Excess (deficiency) of revenues over (under) expenditures	(73,834)	(67,199)	6,635
Other financing sources:			
Transfers in	60,073	67,199	7,126
Net change in fund balance	(13,761)	-	13,761
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	<u>\$ (13,761)</u>	<u>-</u>	<u>13,761</u>

CITY OF REDLANDS  
Household Hazardous Waste Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 9,868	12,354	2,486
Investment income	<u>105,000</u>	<u>106,775</u>	<u>1,775</u>
Total Revenue	<u>\$ 114,868</u>	<u>119,129</u>	<u>4,261</u>
Expenditures:			
Current:			
General government	<u>104,590</u>	<u>96,843</u>	<u>7,747</u>
Total expenditures	<u>104,590</u>	<u>96,843</u>	<u>7,747</u>
Net change in fund balance	10,278	22,286	12,008
Fund balance at beginning of year	<u>392,228</u>	<u>392,228</u>	<u>-</u>
Fund balance at end of year	<u>\$ 402,506</u>	<u>414,514</u>	<u>12,008</u>

CITY OF REDLANDS  
Supplemental Law Enforcement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 159,767	75,638	(84,129)
Investment income	<u>1,584</u>	<u>3,753</u>	<u>2,169</u>
Total revenues	<u>161,351</u>	<u>79,391</u>	<u>(81,960)</u>
Expenditures:			
Current:			
Public safety	130,542	52,697	77,845
Capital outlay	<u>27,636</u>	<u>22,941</u>	<u>4,695</u>
Total expenditures	<u>158,178</u>	<u>75,638</u>	<u>82,540</u>
Net change in fund balance	3,173	3,753	580
Fund balance at beginning of year	<u>43,012</u>	<u>43,012</u>	<u>-</u>
Fund balance at end of year	<u>\$ 46,185</u>	<u>46,765</u>	<u>580</u>

CITY OF REDLANDS  
Neighborhood Initiative Program Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 100,000	1,400,000	1,300,000
Investment Income	<u>40,000</u>	<u>52,245</u>	<u>12,245</u>
Total revenues	<u>140,000</u>	<u>1,452,245</u>	<u>1,312,245</u>
Expenditures:			
Current:			
Culture and recreation	250,000	199,078	50,922
Capital outlay	<u>3,972,000</u>	<u>2,047,231</u>	<u>1,924,769</u>
Total expenditures	<u>4,222,000</u>	<u>2,246,309</u>	<u>1,975,691</u>
Net change in fund balance	(4,082,000)	(794,064)	3,287,936
Fund balance (deficit) at beginning of year	<u>34,630</u>	<u>34,630</u>	<u>-</u>
Fund balance at end of year	<u>\$ (4,047,370)</u>	<u>(759,434)</u>	<u>3,287,936</u>

CITY OF REDLANDS  
Drug Confiscation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 75,119	73,741	(1,378)
Expenditures:			
Current:			
Public safety	<u>81,799</u>	<u>79,579</u>	<u>2,220</u>
Total expenditures	<u>81,799</u>	<u>79,579</u>	<u>2,220</u>
Net change in fund balance	(6,680)	(5,838)	842
Fund balance at beginning of year	<u>207,490</u>	<u>207,490</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 200,810</u></u>	<u><u>201,652</u></u>	<u><u>842</u></u>

CITY OF REDLANDS  
Community Facilities District Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ 5,000	2	(4,998)
Net change in fund balance	5,000	2	(4,998)
Fund balance at beginning of year	<u>50</u>	<u>50</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,050</u>	<u>52</u>	<u>(4,998)</u>

CITY OF REDLANDS  
Police Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 1,330,799	2,471,275	1,140,476
Investment income	183,000	92,571	(90,429)
Other	<u>-</u>	<u>370</u>	<u>370</u>
Total revenues	<u>1,513,799</u>	<u>2,564,216</u>	<u>1,050,417</u>
Expenditures:			
Current:			
Public safety	2,255,844	1,367,999	887,845
Capital outlay	<u>2,575,315</u>	<u>1,078,232</u>	<u>1,497,083</u>
Total expenditures	<u>4,831,159</u>	<u>2,446,231</u>	<u>2,384,928</u>
Net change in fund balance	(3,317,360)	117,985	3,435,345
Fund balance (deficit) at beginning of year	<u>(263,293)</u>	<u>(263,293)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ (3,580,653)</u></u>	<u><u>(145,308)</u></u>	<u><u>3,435,345</u></u>

CITY OF REDLANDS  
CFD 2004-1 Assessment

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 77,000	89,367	12,367
Investment income	<u>3,656</u>	<u>9,040</u>	<u>5,384</u>
Total revenues	<u>80,656</u>	<u>98,407</u>	<u>17,751</u>
Expenditures:			
Current:			
General government	<u>101,053</u>	<u>14,065</u>	<u>86,988</u>
Net change in fund balance	(20,397)	84,342	104,739
Fund balance at beginning of year	<u>153,341</u>	<u>153,341</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 132,944</u></u>	<u><u>237,683</u></u>	<u><u>104,739</u></u>

## DEBT SERVICE FUNDS

The City maintains the following debt service funds for the purposes indicated:

### Nonmajor Funds

City of Redlands – To account for the receipt of property taxes to be used for the retirement of the 1988 General Obligation Measure “O” Open Space Bonds and the 1994 Refunding General Obligation Bonds, and the 2003 General Obligation Refunding Bonds.

Redlands Public Improvement Corporation – To account for the retirement of the 1993 Refunding of the 1986 and 1987 Projects Certificates of Participation and the 1994 Taxable Certificates of Participation (City of Redlands/Wal-Mart Parking Facility), and the 2003 Refunding Lease Revenue Certificates of Participation.

Redevelopment Agency – To account for the receipt of tax increment and retirement of the 1987 Tax Allocation Refunding Bonds, the 1994 Subordinated Tax Allocation Refunding Bonds, the 1994 Refunding Parking Lease Revenue Bonds, and the 2003A Series Tax Allocation Bonds

CITY OF REDLANDS  
Nonmajor Debt Service Funds

Combining Balance Sheet

June 30, 2007

	City of Redlands	Redlands Public Improvement Corporation	Redevelopment Agency	Totals
<b>Assets:</b>				
Cash and investments	\$ 1,264,741	-	1,761,369	3,026,110
Cash and investments with fiscal agent	-	-	3,589,205	3,589,205
<b>Receivables:</b>				
Taxes	28,926	-	182,653	211,579
Interest	-	-	64,778	64,778
	-	-	64,778	64,778
Total assets	\$ 1,293,667	-	5,598,005	6,891,672
 <b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Advances payable	\$ -	-	-	-
Total liabilities	-	-	-	-
 <b>Fund balances:</b>				
Unreserved	1,293,667	-	5,598,005	6,891,672
Total fund balances	1,293,667	-	5,598,005	6,891,672
Total liabilities and fund balances	\$ 1,293,667	-	5,598,005	6,891,672

CITY OF REDLANDS  
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2007

	City of Redlands	Redlands Public Improvement Corporation	Redevelopment Agency	Totals
Revenues:				
Taxes	\$ 716,394	-	5,864,297	6,580,691
Investment income	-	-	184,789	184,789
	716,394	-	6,049,086	6,765,480
Total revenues				
Expenditures:				
Debt service:				
Principal	450,000	1,310,000	1,730,000	3,490,000
Interest	148,025	610,991	1,831,114	2,590,130
Fiscal charges	4,744	5,950	227,417	238,111
	602,769	1,926,941	3,788,531	6,318,241
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	113,625	(1,926,941)	2,260,555	447,239
Other financing sources (uses):				
Transfers in	-	1,926,941	667,818	2,594,759
Transfers out	-	-	(2,944,158)	(2,944,158)
	-	1,926,941	(2,276,340)	(349,399)
Total other financing sources (uses)				
Net change in fund balances	113,625	-	(15,785)	97,840
Fund balances at beginning of year	1,180,042	-	5,613,790	6,793,832
Fund balances at end of year	\$ 1,293,667	-	5,598,005	6,891,672

CITY OF REDLANDS  
City of Redlands  
Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 604,937	716,394	111,457
Total revenues	<u>604,937</u>	<u>716,394</u>	<u>111,457</u>
Expenditures:			
Debt service:			
Principal	450,000	450,000	-
Interest	148,025	148,025	-
Fiscal charges	3,364	4,744	(1,380)
Total expenditures	<u>601,389</u>	<u>602,769</u>	<u>(1,380)</u>
Excess of revenues over expenditures	3,548	113,625	110,077
Other financing sources (uses):			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,548	113,625	110,077
Fund balance at beginning of year	<u>1,180,042</u>	<u>1,180,042</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,183,590</u>	<u>1,293,667</u>	<u>110,077</u>

CITY OF REDLANDS  
 Redlands Public Improvement Corporation  
 Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ -	-	-
Expenditures:			
Debt service:			
Principal	1,310,000	1,310,000	-
Interest	610,991	610,991	-
Fiscal charges	<u>5,950</u>	<u>5,950</u>	-
Total expenditures	<u>1,926,941</u>	<u>1,926,941</u>	-
Excess (deficiency) of revenues (over) under expenditures	<u>(1,926,941)</u>	<u>(1,926,941)</u>	-
Other financing sources:			
Transfers in	<u>1,939,592</u>	<u>1,926,941</u>	<u>(12,651)</u>
Net change in fund balance	12,651	-	(12,651)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 12,651</u>	<u>-</u>	<u>(12,651)</u>

CITY OF REDLANDS  
Redevelopment Agency  
Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes	\$ 5,636,800	5,864,297	227,497
Investment income	<u>200,000</u>	<u>184,789</u>	<u>(15,211)</u>
Total revenues	<u>5,836,800</u>	<u>6,049,086</u>	<u>212,286</u>
Expenditures:			
Debt service:			
Principal	1,730,000	1,730,000	-
Interest	1,827,942	1,831,114	(3,172)
Fiscal charges	<u>232,567</u>	<u>227,417</u>	<u>5,150</u>
Total expenditures	<u>3,790,509</u>	<u>3,788,531</u>	<u>1,978</u>
Excess of revenues over expenditures	<u>2,046,291</u>	<u>2,260,555</u>	<u>214,264</u>
Other financing sources (uses):			
Transfers in	768,068	667,818	(100,250)
Transfers out	<u>(3,066,295)</u>	<u>(2,944,158)</u>	<u>122,137</u>
Total other financing sources (uses)	<u>(2,298,227)</u>	<u>(2,276,340)</u>	<u>21,887</u>
Net change in fund balance	(251,936)	(15,785)	236,151
Fund balance at beginning of year	<u>5,613,790</u>	<u>5,613,790</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,361,854</u>	<u>5,598,005</u>	<u>236,151</u>

## NONMAJOR CAPITAL PROJECT FUNDS

The City maintains the following capital project funds for the purposes indicated:

Storm Drain – To account for receipt and subsequent expenditure of developer fees assessed to provide additional storm drains as required.

General Obligation Bonds Series 1988A – To account for proceeds of a general obligation bond approved by the voters for the purchase of park lands and “open space” areas.

Redevelopment Projects – To account for monies to be used for the acquisition or construction of facilities or land, as well as other miscellaneous administrative costs.

CITY OF REDLANDS  
Nonmajor Capital Projects Funds

Combining Balance Sheet

June 30, 2007

	Storm Drain	General Obligation Bond, Series 1988A	Redevelopment Projects	Totals
Assets:				
Cash and investments	\$ 2,563,474	173,169	7,448,245	10,184,888
Receivables:				
Interest	-	-	128,538	128,538
Notes	-	-	-	-
Total assets	<u>\$ 2,563,474</u>	<u>173,169</u>	<u>7,576,783</u>	<u>10,313,426</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 10,671	-	63,802	74,473
Accrued payroll	257	-	7,187	7,444
Total liabilities	<u>10,928</u>	<u>-</u>	<u>70,989</u>	<u>81,917</u>
Fund balances:				
Reserved for encumbrances	-	-	869,573	869,573
Unreserved	2,552,546	173,169	6,636,221	9,361,936
Total fund balances	<u>2,552,546</u>	<u>173,169</u>	<u>7,505,794</u>	<u>10,231,509</u>
Total liabilities and fund balances	<u>\$ 2,563,474</u>	<u>173,169</u>	<u>7,576,783</u>	<u>10,313,426</u>

CITY OF REDLANDS  
Nonmajor Capital Projects Funds

Combining Statement Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2007

	<u>Storm Drain</u>	<u>General Obligation Bond, Series 1998A</u>	<u>Redevelopment Projects</u>	<u>Totals</u>
Revenues:				
Licenses, permits and fines	\$ 443,300	-	-	443,300
Investment income	<u>110,522</u>	<u>8,713</u>	<u>327,802</u>	<u>447,037</u>
Total revenues	<u>553,822</u>	<u>8,713</u>	<u>327,802</u>	<u>890,337</u>
Expenditures:				
Current:				
General government	-	5,000	1,287,143	1,292,143
Highway and streets	66,563	-	-	66,563
Capital outlay	<u>-</u>	<u>-</u>	<u>1,010,200</u>	<u>1,010,200</u>
Total expenditures	<u>66,563</u>	<u>5,000</u>	<u>2,297,343</u>	<u>2,368,906</u>
Excess (deficiency) of revenues over (under) expenditures	<u>487,259</u>	<u>3,713</u>	<u>(1,969,541)</u>	<u>(1,478,569)</u>
Other financing sources (uses):				
Transfers in	-	-	1,758,810	1,758,810
Transfer out	<u>-</u>	<u>-</u>	<u>(7,400)</u>	<u>(7,400)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,751,410</u>	<u>1,751,410</u>
Net change in fund balances	487,259	3,713	(218,131)	272,841
Fund balances at beginning of year	<u>2,065,287</u>	<u>169,456</u>	<u>7,723,925</u>	<u>9,958,668</u>
Fund balances at end of year	<u>\$ 2,552,546</u>	<u>173,169</u>	<u>7,505,794</u>	<u>10,231,509</u>

CITY OF REDLANDS  
Storm Drain Fund  
Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Licenses, permits and fines	\$ 427,400	443,300	15,900
Investment income	<u>55,000</u>	<u>110,522</u>	<u>55,522</u>
Total revenues	<u>482,400</u>	<u>553,822</u>	<u>71,422</u>
Expenditures:			
Current:			
Highway and streets	<u>11,097</u>	<u>66,563</u>	<u>(55,466)</u>
Net change in fund balances	471,303	487,259	15,956
Fund balance at beginning of year	<u>2,065,287</u>	<u>2,065,287</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,536,590</u>	<u>2,552,546</u>	<u>15,956</u>

CITY OF REDLANDS  
 General Obligation Bonds, Series 1988A  
 Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ 4,000	8,713	4,713
Expenditures:			
Current:			
General government	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balances	(1,000)	3,713	4,713
Fund balance at beginning of year	<u>169,456</u>	<u>169,456</u>	<u>-</u>
Fund balance at end of year	<u>\$ 168,456</u>	<u>173,169</u>	<u>4,713</u>

CITY OF REDLANDS  
 Redevelopment Projects Fund  
 Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual

Year ended June 30, 2007

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Investment income	\$ 232,100	327,802	95,702
Expenditures:			
Current:			
General government	2,391,095	1,287,143	1,103,952
Capital outlay	1,057,600	1,010,200	47,400
Total expenditures	<u>3,448,695</u>	<u>2,297,343</u>	<u>1,151,352</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,216,595)</u>	<u>(1,969,541)</u>	<u>1,247,054</u>
Other financing sources (uses):			
Transfers in	2,119,935	1,758,810	(361,125)
Transfers out	<u>-</u>	<u>(7,400)</u>	<u>(7,400)</u>
Total other financing sources (uses)	<u>2,119,935</u>	<u>1,751,410</u>	<u>(368,525)</u>
Net change in fund balance	(1,096,660)	(218,131)	878,529
Fund balance at beginning of year	<u>7,723,925</u>	<u>7,723,925</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,627,265</u>	<u>7,505,794</u>	<u>878,529</u>

## **NONMAJOR ENTERPRISE FUNDS**

The City maintains the following enterprise funds for the purposes indicated:

Aviation – To account for the operations of the Redlands Municipal Airport.

Cemetery – To account for the operations of Hillside Memorial Park Cemetery.

Groves – To account for the farming operations of citrus groves owned by the City.

CITY OF REDLANDS  
Nonmajor Enterprise Funds  
Combining Statement of Net Assets  
June 30, 2007

	<u>Business-type Enterprise Funds</u>			<u>Totals</u>
	<u>Aviation</u>	<u>Cemetery</u>	<u>Groves</u>	
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ 24,045	605,360	350,275	979,680
Accounts receivable	-	83,387	-	83,387
Taxes receivable	56	-	-	56
Total current assets	<u>24,101</u>	<u>688,747</u>	<u>350,275</u>	<u>1,063,123</u>
Noncurrent assets:				
Interest receivable	-	20,212	-	20,212
Capital assets:				
Land and water rights	1,165,281	630,631	13,255,463	15,051,375
Buildings	2,726,995	82,119	-	2,809,114
Machinery and equipment	70,650	401,041	-	471,691
Less accumulated depreciation	(176,429)	(458,357)	-	(634,786)
Total capital assets	<u>3,786,497</u>	<u>655,434</u>	<u>13,255,463</u>	<u>17,697,394</u>
Total assets	<u>3,810,598</u>	<u>1,364,393</u>	<u>13,605,738</u>	<u>18,780,729</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	5,280	8,736	44,828	58,844
Accrued payroll	1,355	10,294	1,008	12,657
Deposits	1,431	587,689	40,917	630,037
Compensated absences - current	-	3,864	-	3,864
Total current liabilities	<u>8,066</u>	<u>610,583</u>	<u>86,753</u>	<u>705,402</u>
Long-term liabilities:				
Compensated absences - noncurrent	-	3,863	-	3,863
Advances payable	1,758,918	1,414,185	-	3,173,103
Total long-term liabilities	<u>1,758,918</u>	<u>1,418,048</u>	<u>-</u>	<u>3,176,966</u>
Total liabilities	<u>1,766,984</u>	<u>2,028,631</u>	<u>86,753</u>	<u>3,882,368</u>
<b>Net assets:</b>				
Invested in capital assets, net of related debts	3,786,497	655,434	13,255,463	17,697,394
Unrestricted	(1,742,883)	(1,319,672)	263,522	(2,799,033)
Total net assets (deficit)	<u>\$ 2,043,614</u>	<u>(664,238)</u>	<u>13,518,985</u>	<u>14,898,361</u>

CITY OF REDLANDS  
Nonmajor Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Net Assets

Year ended June 30, 2007

	<u>Business-type Enterprise Funds</u>			<u>Totals</u>
	<u>Aviation</u>	<u>Cemetery</u>	<u>Groves</u>	
Operating revenues:				
Charges for services	\$ -	368,831	552,474	921,305
Other	<u>210,434</u>	<u>-</u>	<u>168,147</u>	<u>378,581</u>
Total operating revenues	<u>210,434</u>	<u>368,831</u>	<u>720,621</u>	<u>1,299,886</u>
Operating expenses:				
Personal services	37,278	285,118	32,780	355,176
Repairs and maintenance	3,629	48,718	-	52,347
Administrative and general	74,147	146,053	675,999	896,199
Depreciation	<u>61,521</u>	<u>(14,959)</u>	<u>-</u>	<u>46,562</u>
Total operating expenses	<u>176,575</u>	<u>464,930</u>	<u>708,779</u>	<u>1,350,284</u>
Operating income (loss)	<u>33,859</u>	<u>(96,099)</u>	<u>11,842</u>	<u>(50,398)</u>
Nonoperating revenues (expenses):				
Property taxes	52,655	-	-	52,655
Investment income	-	101,833	14,473	116,306
Interest expense	(91,734)	(77,016)	-	(168,750)
Miscellaneous income	<u>2,590</u>	<u>168,623</u>	<u>-</u>	<u>171,213</u>
Total non-operating revenues (expenses)	<u>(36,489)</u>	<u>193,440</u>	<u>14,473</u>	<u>171,424</u>
Grants	10,979	-	-	10,979
Transfers in (note 3)	-	26,339	-	26,339
Transfers out (note 3)	<u>-</u>	<u>(26,339)</u>	<u>-</u>	<u>(26,339)</u>
Change in net assets	8,349	97,341	26,315	132,005
Net assets (deficit) at beginning of year	<u>2,035,265</u>	<u>(761,579)</u>	<u>13,492,670</u>	<u>14,766,356</u>
Net assets (deficit) at end of year	<u>\$ 2,043,614</u>	<u>(664,238)</u>	<u>13,518,985</u>	<u>14,898,361</u>

CITY OF REDLANDS  
Nonmajor Enterprise Funds

Combining Statement of Cash Flows

Year ended June 30, 2007

	<u>Business-type Enterprise Funds</u>			<u>Totals</u>
	<u>Aviation</u>	<u>Cemetery</u>	<u>Groves</u>	
Cash flows from primary activities:				
Cash received from customers	\$ 210,378	419,686	736,538	1,366,602
Cash payments to suppliers for goods and services	(87,712)	(202,779)	(663,158)	(953,649)
Cash payments for employees for services	<u>(36,845)</u>	<u>(281,218)</u>	<u>(32,540)</u>	<u>(350,603)</u>
Net cash provided by (used for) operating activities	<u>85,821</u>	<u>(64,311)</u>	<u>40,840</u>	<u>62,350</u>
Cash flows from noncapital financing activities:				
Cash received from other funds	-	26,339	-	26,339
Cash paid to other funds	(128,000)	(196,339)	-	(324,339)
Cash received for other activities	<u>55,245</u>	<u>168,623</u>	<u>-</u>	<u>223,868</u>
Net cash provided by noncapital financing activities	<u>(72,755)</u>	<u>(1,377)</u>	<u>-</u>	<u>(74,132)</u>
Cash flows from capital and related financing activities:				
Cash paid for acquisition of capital assets	-	-	-	-
Grants received	<u>10,979</u>	<u>-</u>	<u>-</u>	<u>10,979</u>
Net cash provided by (used for) capital and related financing activities	<u>10,979</u>	<u>-</u>	<u>-</u>	<u>10,979</u>
Cash flows from investing activities:				
Interest received	<u>-</u>	<u>101,833</u>	<u>14,473</u>	<u>116,306</u>
Net cash provided by investing activities	<u>-</u>	<u>101,833</u>	<u>14,473</u>	<u>116,306</u>
Net increase (decrease) in cash and cash equivalents	24,045	36,145	55,313	115,503
Cash and cash equivalents at beginning of year	<u>-</u>	<u>569,215</u>	<u>294,962</u>	<u>864,177</u>
Cash and cash equivalents at end of year	<u>\$ 24,045</u>	<u>605,360</u>	<u>350,275</u>	<u>979,680</u>

CITY OF REDLANDS  
Nonmajor Enterprise Funds

Combining Statement of Cash Flows

(Continued)

	<u>Business-type Enterprise Funds</u>			<u>Totals</u>
	<u>Aviation</u>	<u>Cemetery</u>	<u>Groves</u>	
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 33,859	(96,099)	11,842	(50,398)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	61,521	(14,959)	-	46,562
(Increase) decrease in accounts receivable	-	9,581	-	9,581
(Increase) decrease in taxes receivable	(56)	-	-	(56)
(Increase) decrease in interest receivable	-	11,413	-	11,413
Increase (decrease) in accounts payable	(9,936)	(8,008)	12,841	(5,103)
Increase (decrease) in accrued payroll	433	1,771	240	2,444
Increase (decrease) in deposits	-	29,861	15,917	45,778
Increase (decrease) in compensated absences	-	2,129	-	2,129
Total adjustments	<u>51,962</u>	<u>31,788</u>	<u>28,998</u>	<u>112,748</u>
Net cash provided by (used for) operating activities	<u>\$ 85,821</u>	<u>(64,311)</u>	<u>40,840</u>	<u>62,350</u>

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## INTERNAL SERVICE FUNDS

The City maintains the following internal service funds for the purposes indicated:

Workers' Compensation Self-Insurance – To account for the City's self-insured Workers' Compensation program which is provided to all City departments and funds.

Liability Self-Insurance – To account for the City's self-insured general and automobile liability programs which are provided to all City departments and funds.

Payroll Clearing – To account for the City's activity relative to all taxes, health, and Public Employee Retirement System contributions.

Utility Billing – To account for billing services costs provided for water, sewer and solid waste.

Vehicle Pool and Maintenance – To provide replacement and maintenance of all City vehicles and major equipment and to account for vehicle rental services to all City departments.

CITY OF REDLANDS  
Internal Service Funds

Combining Statement of Net Assets

June 30, 2007

	Workers' Compensation Self-Insurance	Liability Self-Insurance	Payroll Clearing	Utility Billing	Vehicle Pool and Maintenance	Totals
<b>Assets:</b>						
Current assets:						
Cash and investments	\$ 3,905,973	1,667,518	956,285	304,997	-	6,834,773
Accounts receivable	-	-	-	3,423	13,632	17,055
Inventory	-	-	-	-	179,519	179,519
<b>Total current assets</b>	<u>3,905,973</u>	<u>1,667,518</u>	<u>956,285</u>	<u>308,420</u>	<u>193,151</u>	<u>7,031,347</u>
Capital assets:						
Machinery and equipment	-	-	-	-	261,017	261,017
Less accumulated depreciation	-	-	-	-	(56,004)	(56,004)
<b>Total capital assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,013</u>	<u>205,013</u>
<b>Total assets</b>	<u>3,905,973</u>	<u>1,667,518</u>	<u>956,285</u>	<u>308,420</u>	<u>398,164</u>	<u>7,236,360</u>
<b>Liabilities:</b>						
Current liabilities:						
Accounts payable	14,245	13,935	956,285	2,650	274,048	1,261,163
Accrued payroll	6,529	5,145	-	30,944	39,350	81,968
Claims payable	1,746,866	574,219	-	-	-	2,321,085
Compensated absences	2,865	-	-	249,953	176,155	428,973
<b>Total liabilities</b>	<u>1,770,505</u>	<u>593,299</u>	<u>956,285</u>	<u>283,547</u>	<u>489,553</u>	<u>4,093,189</u>
<b>Net assets:</b>						
Invested in capital assets, net of related debt	-	-	-	-	205,013	205,013
Unrestricted	2,135,468	1,074,219	-	24,873	(296,402)	2,938,158
<b>Total net assets (deficit)</b>	<u>\$ 2,135,468</u>	<u>1,074,219</u>	<u>-</u>	<u>24,873</u>	<u>(91,389)</u>	<u>3,143,171</u>

CITY OF REDLANDS  
Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets

Year ended June 30, 2007

	Workers' Compensation Self-Insurance	Liability Self-Insurance	Payroll Clearing	Utility Billing	Vehicle Pool and Maintenance	Totals
Operating revenues:						
Charges for services	\$ 2,000,000	-	469,737	1,173,661	3,538,944	7,182,342
Other	-	(4,497)	-	409,420	-	404,923
	<u>2,000,000</u>	<u>(4,497)</u>	<u>469,737</u>	<u>1,583,081</u>	<u>3,538,944</u>	<u>7,587,265</u>
Total operating revenues						
Operating expenses:						
Personal services	300,846	142,432	-	1,093,629	1,202,514	2,739,421
Repairs and maintenance	-	-	-	43,228	2,111,308	2,154,536
Administration and general	791,286	798,431	-	339,270	591,564	2,520,551
Depreciation	-	-	-	-	18,309	18,309
Premiums paid out	276,680	300,709	-	-	-	577,389
	<u>1,368,812</u>	<u>1,241,572</u>	<u>-</u>	<u>1,476,127</u>	<u>3,923,695</u>	<u>8,010,206</u>
Total operating expenses						
Operating income (loss)	<u>631,188</u>	<u>(1,246,069)</u>	<u>469,737</u>	<u>106,954</u>	<u>(384,751)</u>	<u>(422,941)</u>
Nonoperating revenues:						
Investment income	-	-	-	4,288	-	4,288
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,288</u>	<u>-</u>	<u>4,288</u>
Total nonoperating revenues						
Income (loss) before transfers	<u>631,188</u>	<u>(1,246,069)</u>	<u>469,737</u>	<u>111,242</u>	<u>(384,751)</u>	<u>(418,653)</u>
Transfers:						
Transfers in	-	1,246,069	-	-	-	1,246,069
Transfers out	-	-	(469,737)	-	-	(469,737)
	<u>-</u>	<u>1,246,069</u>	<u>(469,737)</u>	<u>-</u>	<u>-</u>	<u>776,332</u>
Total transfers						
Change in net assets	631,188	-	-	111,242	(384,751)	357,679
Net assets (deficit) at beginning of year	<u>1,504,280</u>	<u>1,074,219</u>	<u>-</u>	<u>(86,369)</u>	<u>293,362</u>	<u>2,785,492</u>
Net assets (deficit) at end of year	<u>\$ 2,135,468</u>	<u>1,074,219</u>	<u>-</u>	<u>24,873</u>	<u>(91,389)</u>	<u>3,143,171</u>

CITY OF REDLANDS  
Internal Service Funds

Combining Statement of Cash Flows

Year ended June 30, 2007

	<u>Workers' Compensation Self-Insurance</u>	<u>Liability Self-Insurance</u>	<u>Payroll Clearing</u>	<u>Utility Billing</u>	<u>Vehicle Pool and Maintenance</u>	<u>Totals</u>
Cash flows from operating activities:						
Cash received from user departments	\$ 2,000,000	457	469,737	1,582,678	3,534,410	7,587,282
Cash payments to suppliers for goods and services	(809,739)	(808,268)	956,285	(387,292)	(2,678,631)	(3,727,645)
Cash payments for claims	(276,680)	(300,709)	-	-	-	(577,389)
Cash payments to employees for services	(301,293)	(139,863)	-	(899,767)	(1,185,466)	(2,526,389)
Net cash provided by (used for) operating activities	<u>612,288</u>	<u>(1,248,383)</u>	<u>1,426,022</u>	<u>295,619</u>	<u>(329,687)</u>	<u>755,859</u>
Cash flows from noncapital financing activities:						
Cash received from other funds	-	1,246,069	-	-	-	1,246,069
Cash paid to other funds	-	-	(469,737)	-	-	(469,737)
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>1,246,069</u>	<u>(469,737)</u>	<u>-</u>	<u>-</u>	<u>776,332</u>
Cash flows from capital and related financing activities:						
Cash paid for acquisition of capital assets	-	-	-	-	(97,163)	(97,163)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97,163)</u>	<u>(97,163)</u>
Cash flows from investing activities:						
Interest received	-	-	-	4,288	-	4,288
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,288</u>	<u>-</u>	<u>4,288</u>
Net increase (decrease) in cash and cash equivalents	612,288	(2,314)	956,285	299,907	(426,850)	1,439,316
Cash and cash equivalents at beginning of year	<u>3,293,685</u>	<u>1,669,832</u>	<u>-</u>	<u>5,090</u>	<u>426,850</u>	<u>5,395,457</u>
Cash and cash equivalents at end of year	<u>\$ 3,905,973</u>	<u>1,667,518</u>	<u>956,285</u>	<u>304,997</u>	<u>-</u>	<u>6,834,773</u>

CITY OF REDLANDS  
Internal Service Funds

Combining Statement of Cash Flows  
(Continued)

	Workers' Compensation Self-Insurance	Liability Self-Insurance	Payroll Clearing	Utility Billing	Vehicle Pool and Maintenance	Totals
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ 631,188	(1,246,069)	469,737	106,954	(384,751)	(422,941)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation	-	-	-	-	18,309	18,309
(Increase) decrease in accounts receivable	-	4,954	-	(403)	(4,534)	17
(Increase) decrease in inventory	-	-	-	-	(49,753)	(49,753)
Increase (decrease) in accounts payable	(18,453)	(9,837)	956,285	(4,794)	73,994	997,195
Increase (decrease) in accrued payroll	(719)	2,569	-	5,973	7,985	15,808
Increase (decrease) in compensated absences	272	-	-	187,889	9,063	197,224
Total adjustments	(18,900)	(2,314)	956,285	188,665	55,064	1,178,800
Net cash provided by (used for) operating activities	\$ 612,288	(1,248,383)	1,426,022	295,619	(329,687)	755,859

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## AGENCY FUNDS

The City maintains the following Agency Funds for the purposes indicated:

Special Deposits – To account for the collection and disposition of deposits collected by various City departments which will be retained for specific purposes or subsequently refunded.

Community Facilities District Trust – To account for fiscal agent activity related to a Community Facilities District established for the purpose of constructing infrastructure.

CITY OF REDLANDS  
 Agency Funds  
 Combining Statement of Changes in Assets and Liabilities  
 Year ended June 30, 2007

	<u>Balance at</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2007</u>
<u>Special Deposits</u>				
Assets:				
Cash and investments	\$ 4,066,392	4,533,773	3,408,474	5,191,691
Interest receivable	<u>584,811</u>	<u>945,001</u>	<u>584,811</u>	<u>945,001</u>
Total assets	<u>\$ 4,651,203</u>	<u>5,478,774</u>	<u>3,993,285</u>	<u>6,136,692</u>
Liabilities:				
Accounts payable	\$ 13,381	688,029	675,674	25,736
Deposits	<u>4,637,822</u>	<u>5,478,772</u>	<u>4,005,638</u>	<u>6,110,956</u>
Total liabilities	<u>\$ 4,651,203</u>	<u>6,166,801</u>	<u>4,681,312</u>	<u>6,136,692</u>
<u>Community Facilities District</u>				
Assets:				
Cash and investments	\$ 2,548,336	936,282	913,010	2,571,608
Interest receivable	<u>6,739</u>	<u>6,739</u>	<u>6,739</u>	<u>6,739</u>
Total assets	<u>\$ 2,555,075</u>	<u>943,021</u>	<u>919,749</u>	<u>2,578,347</u>
Liabilities:				
Accounts payable	\$ -	-	-	-
Deposits	<u>2,555,075</u>	<u>1,395,584</u>	<u>1,372,312</u>	<u>2,578,347</u>
Total liabilities	<u>\$ 2,555,075</u>	<u>1,395,584</u>	<u>1,372,312</u>	<u>2,578,347</u>
<u>Total - All Agency Funds</u>				
Assets:				
Cash and investments	\$ 6,614,728	5,470,055	4,321,484	7,763,299
Interest receivable	<u>591,550</u>	<u>951,740</u>	<u>591,550</u>	<u>951,740</u>
Total assets	<u>\$ 7,206,278</u>	<u>6,421,795</u>	<u>4,913,034</u>	<u>8,715,039</u>
Liabilities:				
Accounts payable	\$ 13,381	688,029	675,674	25,736
Deposits	<u>7,192,897</u>	<u>6,874,356</u>	<u>5,377,950</u>	<u>8,689,303</u>
Total liabilities	<u>\$ 7,206,278</u>	<u>7,562,385</u>	<u>6,053,624</u>	<u>8,715,039</u>