

CITY of BANNING



Fiscal Year 2011/2012
ADOPTED BUDGET
2nd Year of the Two Year Budget





OFFICIALS

Barbara Hann Mayor
John Machisic Mayor Pro Tem
Bob Botts Council Member
Debbie Franklin Council Member
/Housing Authority Chairperson
Don Robinson Council Member
/Community Redevelopment Agency Chairman
John McQuown City Treasurer
Marie Calderon City Clerk

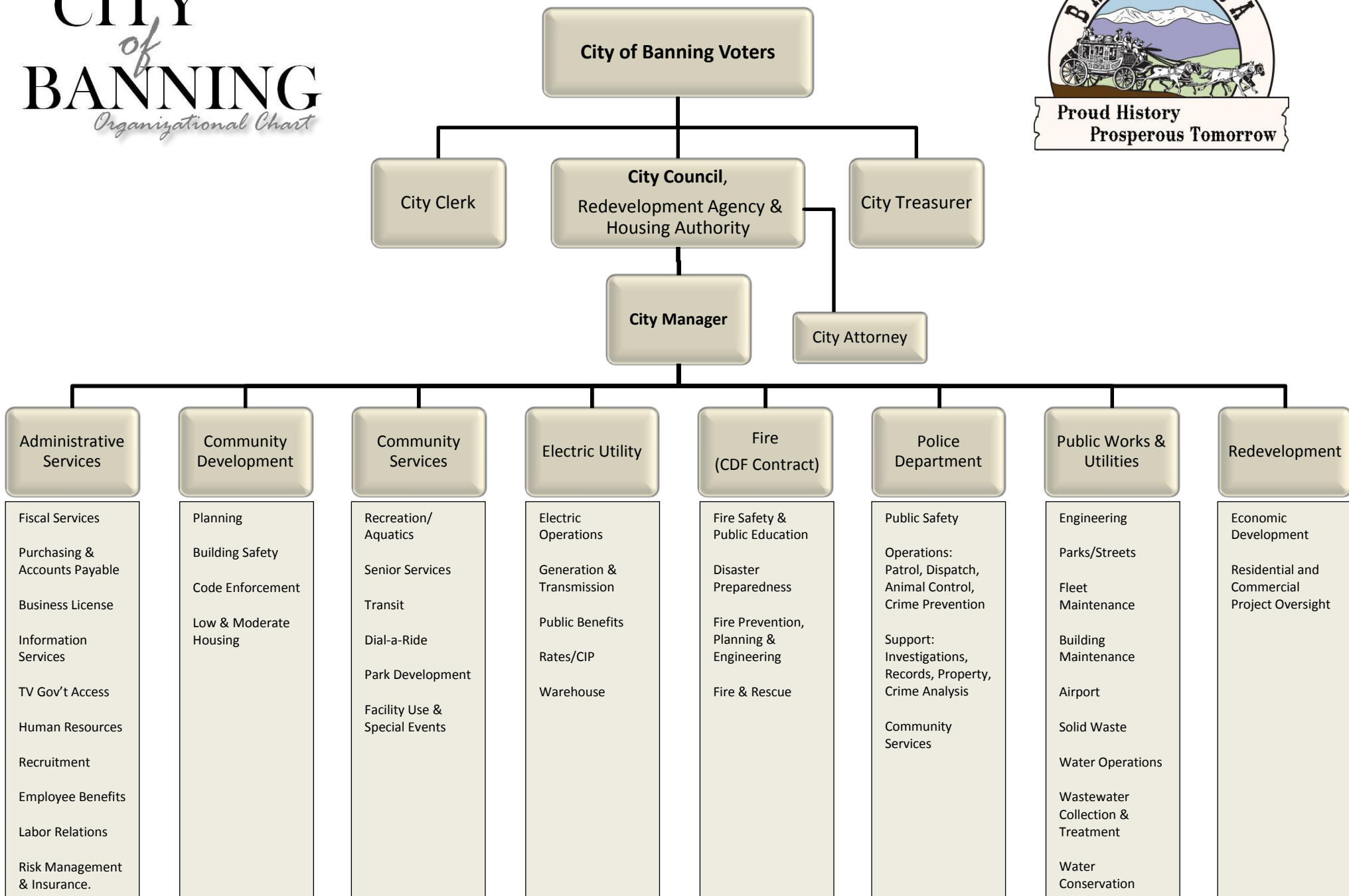
EXECUTIVE STAFF

Andrew (Andy) Takata
City Manager

Dave Aleshire City Attorney
June Overholt Administrative Services Director/Deputy City Manager
Zai Abu Bakar Community Development Director
Heidi Meraz Community Services Director
Fred Mason Electric Utilities Director
Jeff Stowells Fire Battalion Chief
Leonard Purvis Police Chief
Duane Burk Public Works Director
Vacant Economic Development/Redevelopment Director

CITY of BANNING

Organizational Chart



CITYofBANNING

Fiscal Year 2011/2012 Budget

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CITY of BANNING *Budget Message*

June 28th, 2011

Honorable Mayor, City Council and Citizens,

In the midst of a tough economy, the City of Banning has responded and addressed difficult issues. Over the last few years, Council and staff have worked together to make significant reductions to the budget (approximately \$8M in the General Fund) in light of losses in revenues due to the recession. These efforts have included reductions in staffing, outsourcing some services and bringing in-house other services, reductions in operating budgets, negotiations with the bargaining groups and increasing utility rates.

This is the second year of the City's two year budget. The budget was preliminarily adopted last June. The update of the budget document included department input, meetings with department heads, the City Manager, and additional reviews by Finance to identify issues, budget savings or changes in estimates. This budget message will describe major changes in the budget, observations and areas of concern for future budgets. Staff is continuing to explore options for addressing operating funds with structural deficits.

General Fund *General Fund*

As a result of improvements in revenues and reductions in the expenditure budget, the original deficit of <\$1,342,872> has been reduced to <\$467,565>. The deficit is considered structural in that there are no revenue increases expected within the next budget year that will pay for the ongoing expenditure levels in the General Fund. The table below provides a quick summary of net changes ("variance") to the budget. The subsequent observations describe the major reasons for the variance.

General Fund	FY12 ADOPTED	FY12 ADJUSTED	Variance
Revenues	12,228,082	12,708,595	480,513
Expenditures	13,570,954	13,176,160	(394,794)
Surplus/(Deficit)	(1,342,872)	(467,565)	

Revenues

The updated Fiscal Year 2011/12 (FY12) budget includes favorable revenue adjustments of \$480,513 net. This includes sales tax, TOT, and adjustments for agreements approved subsequent to the original presentation in June 2010. For example, the COPS grant was awarded after the budget was adopted last June. This budget document has been updated to include revenue sources that were unknown or unconfirmed last June. Most adjustments are similar to those made at midyear for FY11.

There is some concern that if the recession takes a double dip, this will affect the improved estimates included in the budget. Property tax revenues continue to decrease. This source of revenue lags behind the economy both in when it drops and when it recovers. The estimates were reduced to be similar to FY11.

Expenditures

Expenditure appropriations were decreased by \$394,794 net. Significant reductions to the expenditure budget include two major areas: 1) The budget for animal control services has been reduced to reflect savings from the contract with Beaumont and 2) The original budget included the full cost of Engine 20. The City is continuing the contract that shares the cost for Engine 20 with the City of Beaumont and the County of Riverside.

There were other adjustments to expenditures that offset the savings from these two items. Code Enforcement and Weed Abatement functions are now fully funded in the General Fund. The budget includes an operating contingency for situations that may warrant an increase in expenditures. For example, the State has not resolved its budget issues. One of the potential impacts to the City is an increase in booking fees. If the State budget causes City booking fees to go up, the contingency will help cover this increase. Other adjustments include increases in PERS rates for public safety, savings from the police department reorganization, and adjustments

to budgets as needed. Another reduction in the budget is the special community events and programs funded by Council through separate action in July 2010 after the budget was adopted.

Budget Deficit

Although the budget situation in the General Fund is improved compared to what was originally presented, there is still a structural deficit. This will be funded through the fund balance reserves. Since the budget is prepared conservatively, there may be increased revenues or budget savings. For example, there are some businesses that may open thus generating sales tax that were not factored into the estimates. There are savings that are expected as a result of negotiations with the employees that were not assumed in the budget. However, staff continues to recommend caution regarding the use of reserves to cover structural deficits.

Council has established a strategic goal to maintain existing reserves and even to improve reserves for capital replacement needs. The significant impact of the recent economic recession has proven the necessity of maintaining sufficient reserves to insure the City's ability to offset the short-term impacts of revenue loss and the ability to react and adjust to emergencies as they arise.

Future Outlook

There are efforts in progress that should alleviate the budget deficit for FY12 as described above. However, there are challenges in the economy and in other funds that will impact the General Fund in the following year and beyond. Below are some examples of the challenges in balancing future budgets:

- The State budget may eliminate the Redevelopment Agency. The budget has not been adjusted to reflect this impact. There are already efforts in place to fight the State against this action. Decisions regarding the programs, staffing and services currently funded through the CRA will need to be considered to either eliminate or move those costs to other City funds, primarily the General Fund. Budget related to the Housing Authority will be established through a separate Council report.
- PERS costs continue to increase.

- Capital replacements have been postponed due to budget balancing efforts. The lack of a regular replacement fund creates a potential crisis in the coming years when fleet, computers and/or software need to be replaced.
- The County MOU that partially funds four police officers provides \$450,000 annually through 2018. Beginning in FY13, the General Fund will need to subsidize this program because costs exceed the available revenue.
- COP Grant funded officers will need to be absorbed into operations beginning in FY14.
- Maintenance of Effort (MOE) requirements by the County may require additional General Fund resources for street projects.
- The JPA between Banning, Hemet and Beaumont for the area command center is expected to lose Hemet as a member in December 2011. The remaining members will need to absorb the costs previously paid by Hemet.
- The agreement with the County, Beaumont and Banning to share costs for Engine 20 expires at the end of FY12.

Special Revenue Funds

Special Revenue Funds

Special Revenue Funds, as the title suggests, include budgets for revenue sources that are restricted in their use. Typically this includes grants and other dedicated amounts used to pay for specialized operations, such as some police services, streets and roads, restricted monies and assessment districts, to name a few. The budgets in this category of funds are typically self-balancing. Some of the funds may have a structural deficit in the proposed budgets due to a timing issue. For example, revenues are received in one year but the expenditures occur in the following year. In those situations fund balance is utilized.

Funds that have already been mentioned that will impact the General Fund are the County of Riverside/Police MOU (F003) and the Area Police Computer fund (F370). The Gas Tax fund (F100) currently receives a subsidy from the General Fund of \$256K. The MOE requirements of the County may require an increase in General Fund resources. Staff will be reviewing the requirements to ensure they are consistent with State requirements, which will hopefully result in relief from the MOE.

Capital Improvement Funds

Capital Improvement Funds

These categories primarily account for development impact fee related funds and capital funds financed through bonds. The Sunset Grade Separation project has a budget for some preliminary costs. However, once the project is fully funded and ready for construction, Council approval will be needed to establish the construction budget.

Banning Utility Authority (BUA)

Banning Utility Authority

The original projected FY12 deficit for the Water Operations Fund and the Wastewater Operations Fund were <\$1,172,343> and <\$616,172>, respectively. With the approval of the rate increases, revenues for both funds were increased to reflect actual trends. The rate study projected higher revenues due to various assumptions related to improvements in the economy leading to inactive accounts becoming active and even new development. The changes in the economy have not occurred as anticipated, resulting in lower revenues. As a result, all capital projects have been removed from the budget until the revenues are sufficient to fund the projects. With this budget the Water Operations Fund is balanced with a moderate surplus of \$114k. The Wastewater Operations Fund has a deficit of <\$169k>. There is still concern regarding meeting the requirements for debt service coverage.

The budgetary and fiscal policies state a goal of maintaining a fund balance reserve of 10% of the upcoming appropriations budget. There is a projected balance at the end of FY12 of \$1.5M for Water and \$1.3M for Wastewater to meet this requirement. The remaining BUA funds were adjusted to remove capital projects that are not expected to occur in FY12. Once the projects are ready for Council approval, a request for budget appropriations will be made.

Enterprise Funds

Enterprise Funds

The Airport and Transit funds are balanced. For the Airport Fund, adjustments to the budget were made to reflect reductions in both fuel sales and costs. For Transit, the adjustments reflect the projected increases in available funding provided by the Riverside County Transportation Commission (RCTC). The Refuse Fund shows a deficit budget that has been reduced from what was originally approved. There is sufficient fund balance available to cover the cost.

The Electric Operations Fund has a reduction to revenues based on challenges with the bulk resale market. When the City has excess energy above and beyond what is needed for the residents and businesses, the excess energy is sold. In the current economy, the resale rates are very low. In order to mitigate the structural deficit for FY12 a transfer from the Rate Stability fund of \$1.2M was included in the FY12 budget. In the Debt Service Fund there is savings due to the buyback of bonds that occurred in the Fall of 2010.

The budgetary and fiscal policies state a goal of maintaining an operational fund balance reserve of 10% of the upcoming appropriations budget. There is a projected balance at the end of FY12 of \$5.9M to meet this requirement. In addition, the policy indicates that the Electric Rate Stability Fund maintain a minimum reserve of 20% of the upcoming operating budget. There is a projected balance at the end of FY12 of \$5.9M to meet this requirement.

Internal Service Funds

Internal Service Funds

The Internal Service Funds contain expenditures that, by their nature, are shared among most funds in the City, Utility Authority and Redevelopment Agency. The annual amounts are analyzed and then allocated out to the various funds, thereby including the applicable costs in each department's budget. In FY11, allocations were lower than budgeted costs in order to utilize fund balance. In FY12, allocations have been set at the amounts of the anticipated expenditures.

The largest of these funds is the Insurance Fund. Costs associated with liability exposures and employee related cost for worker's comp and unemployment insurance are accounted for here. The Council has adopted a policy of maintaining a minimum fund balance of \$500,000 in this fund to be available for unknown lawsuits and other insurance costs. There is a balance projected at the end of FY12 of \$1 M to meet this requirement.

Community Redevelopment Agency Funds

Community Redevelopment Agency Funds

The Community Redevelopment Agency (CRA) is comprised of four operating and three bond proceed funds. These funds are the Low to Moderate (Low/Mod) Income Housing Fund, a Debt Service Fund, an Administration Fund, a Project Fund, two Bond Proceeds Funds related to the

2003 Tax Allocation Bonds and one Bond Proceeds Fund related to the 2007 Tax Allocation Bonds. The Housing Authority budget will be established through a separate Council report.

Property tax increment is received annually. The Low/Mod Income Housing Fund, by State statute, receives 20% of the Agency's increment. The remaining increment is then used to pay for required debt service pass-through, administration, and programs/projects, in that order.

The CRA continues to face difficult circumstances. The previously approved 5 year implementation plan described the diminishing resources available to fund operations. Due to the economy, the property tax increment revenues have been reduced by \$430K. The tax increment the City currently receives is barely sufficient to fund the Low/Mod set aside requirements, pass through obligations and debt service.

The ongoing costs currently budgeted for Administration and Programs/Projects are being sustained entirely by the use of reserves. Steps have been taken to reduce expenditures by removing the budget for Code Enforcement, weed abatement and the Gang Task force. Support for the Chamber and Cultural Alliance has been reduced in accordance with the 5 year implementation plan. The remaining reserves at the end of FY12 are not sufficient to cover both the operating budget and the amounts owed for the SERAF loan payment to the Low/Mod Fund.

(SERAF loan payment: As a reminder, the State took \$1.9 million in May 2010 and another \$392,204 in May 2011 to help balance the State's General Fund. These payments were funded through Low/Mod Fund reserves. The CRA must now dedicate approximately \$381,000 of tax increment revenue per year for five years to pay back these loans.)

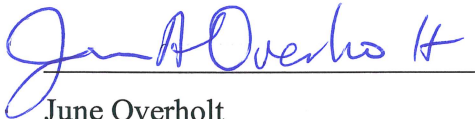
To complicate matters, the Governor has been actively pursuing the elimination of the CRA. The Council took action in April 2011 to commit any remaining bond funds. The budget as presented assumes that the State will not take away the CRA. If the Governor is successful in his efforts at any level, there will most likely be an adverse impact to City operations and services as either the General Fund will be required to absorb the staff and functions currently paid through the CRA or the programs will need to be eliminated.

In Conclusion

In Conclusion

Approval of the budget document provides a framework and necessary authority to provide a variety of services to citizens, to complete planned projects and to pay the required debt service payments for the Fiscal Year 2011-12. The budget is a living document. Adjustments to the budget are expected through-out the year.

Respectfully submitted:



June Overholt
Administrative Services Director/
Deputy City Manager



Andy Takata
City Manager

CITY OF BANNING
Fund Summary Status
FY12 Projections
FY 2011-2012

#	FUND NAME	(1) Projected Balance @ July 1, 2011	(2) FY 2011-12 Revised Revenue	(3) FY 2011-12 Revised Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ June 30, 2012 (Col. 1+4)
<u>Governmental Funds</u>						
001	General	3,978,425	12,708,595	13,176,160	(467,565)	3,510,860
	Subtotal	3,978,425	12,708,595	13,176,160	(467,565)	3,510,860
<u>Special Revenue Funds</u>						
002	Developer Deposits - Community Dev.	-	-	-	-	-
003	County of Riverside - Police MOU	139,312	451,000	536,822	(85,822)	53,490
100	Gas Tax	396,730	1,107,335	901,607	205,728	602,458
100	Gas Tax - AB 2928	500,377	450	-	450	500,827
100	Gax Tax - Prop 1B	5,281	75	-	75	5,356
101	Measure A Street	657,267	387,000	379,000	8,000	665,267
103	SB300 Street Improvement	147,342	725	-	725	148,067
104	Article 3 - Sidewalk Construction	19,230	300	-	300	19,530
110	C.D.B.G.	-	-	-	-	-
111	Landscape Maintenance Assmt. Dist.#1	195,109	131,510	131,510	-	195,109
132	Air Quality	138,368	32,000	-	32,000	170,368
140	Asset Forfeiture	2,485	10	-	10	2,495
148	Supplemental Law Enforcement	400	-	-	-	400
149	Public Safety - Sales Tax	13,311	202,676	202,676	-	13,311
150	State Park Bond Act	924	-	-	-	924
200	Special Donations	24,730	1,500	1,500	-	24,730
201	Senior Center Activities	61,772	6,700	16,700	(10,000)	51,772
202	Animal Control Reserve	4,880	30	-	30	4,910
203	Police Volunteer	2,823	30	1,080	(1,050)	1,773
204	D.A.R.E./Great Grant	-	-	-	-	-
300	City Hall COP Debt Service	43,478	443,600	443,600	-	43,478
360	Sun Lakes CFD #86-1	34,630	250	250	-	34,630
365	Assessment Dist - #91-1 Wilson St. Debt	344,309	272,805	272,805	-	344,309
370	Area Police Computer	11,619	51,244	50,994	250	11,869
375	Fair Oaks 2004-1 Debt Service	193,574	208,798	208,798	-	193,574
376	Cameo Homes	45,496	225	-	225	45,721
	Subtotal	2,983,447	3,298,263	3,147,342	150,921	3,134,368

CITY OF BANNING
Fund Summary Status
FY12 Projections
FY 2011-2012

#	FUND NAME	(1) Projected Balance @ July 1, 2011	(2) FY 2011-12 Revised Revenue	(3) FY 2011-12 Revised Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ June 30, 2012 (Col. 1+4)
<u>Capital Improvement Funds</u>						
400	Police Facilities Development	19,240	1,650	-	1,650	20,890
410	Fire Facility Development	920,749	9,500	-	9,500	930,249
420	Traffic Control Facility	160,609	2,500	20,000	(17,500)	143,109
421	Ramsey & Highland Home Traffic Signal	80,191	400	-	400	80,591
430	General Facilities	465,187	4,500	-	4,500	469,687
441	Sunset Grade Separation Fund	(54)	1,100,000	1,100,000	-	(54)
444	Wilson Median	375,216	1,850	-	1,850	377,066
451	Park Development	22,208	1,900	-	1,900	24,108
470	Capital Improvement Funds	699,901	10,000	-	10,000	709,901
Subtotal		2,743,247	1,132,300	1,120,000	12,300	2,755,547
<u>Banning Utility Authority</u>						
660	Water Operations	1,436,846	8,272,350	8,158,042	114,308	1,551,154
661	Water Capital Facility Fee	4,144,833	79,000	-	79,000	4,223,833
662	Irrigation Water	2,229,452	15,000	-	15,000	2,244,452
663	BUA Water Capital Project Fund	86,034	25,000	-	25,000	111,034
669	BUA Water Debt Service Fund	96,433	2,294,425	2,293,925	500	96,933
Water Subtotal		7,993,598	10,685,775	10,451,967	233,808	8,227,406
680	Wastewater Operations	1,407,475	2,715,000	2,884,124	(169,124)	1,238,351
681	Wastewater Capital Facility Fees	12,067,058	514,044	-	514,044	12,581,102
683	BUA Wastewater Capital Project Fund	715,308	3,000	-	3,000	718,308
685	State Revolving Loan	764,484	306,000	304,295	1,705	766,189
689	BUA Wastewater Debt Service Fund	90,635	393,685	393,185	500	91,135
Wastewater Subtotal		15,044,960	3,931,729	3,581,604	350,125	15,395,085
Subtotal		23,038,558	14,617,504	14,033,571	583,933	23,622,491

CITY OF BANNING
Fund Summary Status
FY12 Projections
FY 2011-2012

#	FUND NAME	(1) Projected Balance @ July 1, 2011	(2) FY 2011-12 Revised Revenue	(3) FY 2011-12 Revised Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ June 30, 2012 (Col. 1+4)
<u>Enterprise Funds</u>						
600	Airport	225,713	174,900	174,885	15	225,728
610	Transit Operations	-	1,261,037	1,261,037	-	-
690	Refuse	349,094	3,164,250	3,200,118	(35,868)	313,226
	Subtotal	574,807	4,600,187	4,636,040	(35,853)	538,954
670	Electric Operations	6,211,274	28,905,650	29,147,834	(242,184)	5,969,090
672	Rate Stability	4,934,559	2,240,000	1,200,000	1,040,000	5,974,559
673	Electric Improvement	9,721,726	143,045	2,200,000	(2,056,955)	7,664,771
674	Electric Bond Project Fund	15,410,604	30,000	22,500	7,500	15,418,104
675	Public Benefit Fund	244,326	705,400	680,462	24,938	269,264
678	Electric Debt Service Fund	120,840	2,670,046	2,669,546	500	121,340
	Electric Subtotal	36,643,329	34,694,141	35,920,342	(1,226,201)	35,417,128
	Subtotal	37,218,136	39,294,328	40,556,382	(1,262,054)	35,956,082
<u>Internal Service Funds</u>						
700	Insurance	1,070,091	2,046,425	2,040,844	5,581	1,075,672
702	Fleet Maintenance	278,321	1,181,097	1,179,072	2,025	280,346
703	Information Systems Services	99,316	387,837	386,354	1,483	100,799
761	Utility Billing Services	91,140	1,474,966	1,474,222	744	91,884
	Subtotal	1,538,868	5,090,325	5,080,492	9,833	1,548,701
<u>Community Redevelopment Agency Funds</u>						
810	Low\Mod Housing	2,451,825	895,452	914,271	(18,819)	2,433,006
830	Debt Service Fund	12,266	4,649,007	4,609,644	39,363	51,629
850	Administration Fund	66,767	789,500	722,940	66,560	133,327
855	Tax Allocation Bonds-2007 Tabs	-	50,000	40,021	9,979	9,979
856	Tax Allocation Bonds-2003 Tabs	438,990	10,000	7,500	2,500	441,490
857	Low\Mod Tax Alloc Bonds-2003 Tabs	184,719	10,000	189,759	(179,759)	4,960
860	Project Fund	2,741,575	15,000	1,417,704	(1,402,704)	1,338,871
	Subtotal	5,896,142	6,418,959	7,901,839	(1,482,880)	4,413,262
	GRAND TOTAL ALL FUNDS	77,396,823	82,560,274	85,015,786	(2,455,512)	74,941,311

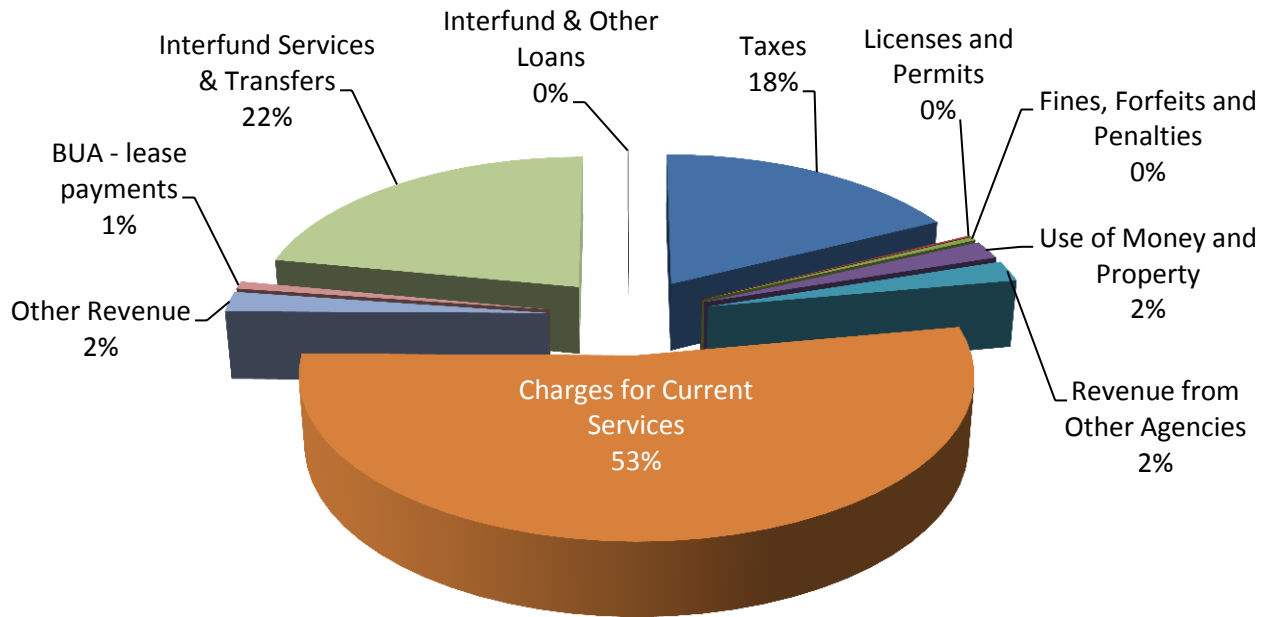
City of Banning
Total City Revenues By Category and Fund

Category	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
Taxes	17,100,911	14,992,259	14,352,895	14,503,835
Licenses and Permits	150,478	171,010	128,465	131,675
Fines, Forfeits and Penalties	318,905	314,163	364,450	317,550
Use of Money and Property	4,303,077	2,677,629	1,468,827	1,555,229
Revenue from Other Agencies	4,031,572	3,465,369	4,874,286	1,777,979
Charges for Current Services	41,990,785	42,241,708	42,733,521	43,777,181
Other Revenue	2,686,774	2,229,854	4,670,992	1,720,851
BUA - lease payments	250,000	1,901,000	651,000	651,000
Interfund Support	38,664,956	21,214,764	16,783,220	18,048,888
Interfund & Other Loan Revenues	381,105	1,120,014	72,395	76,086
Total	109,878,563	90,327,770	86,100,051	82,560,274

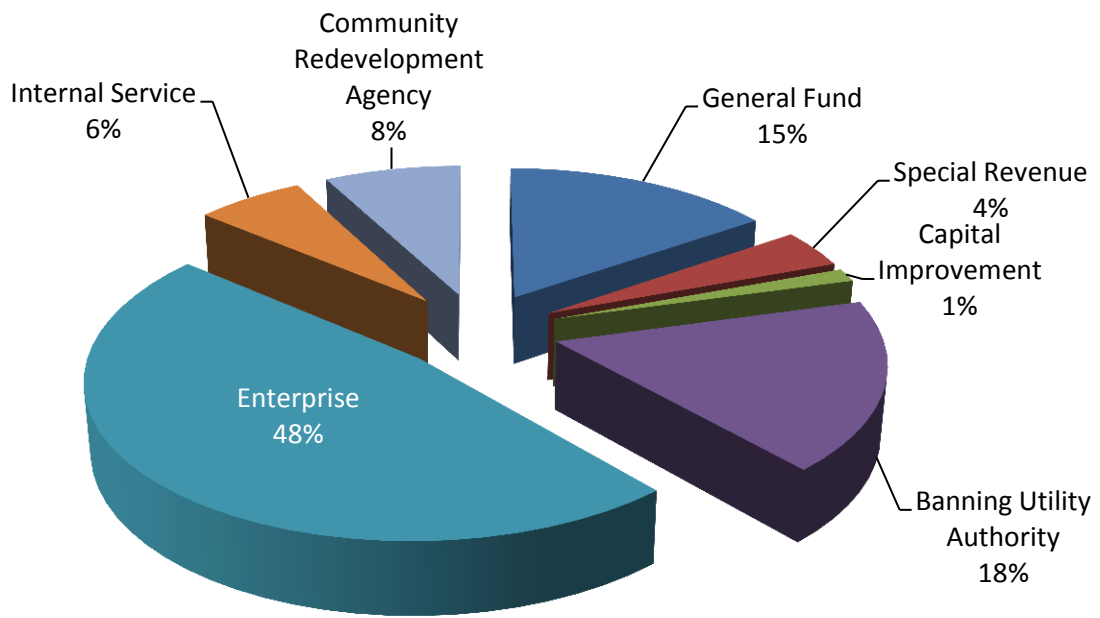
Funds	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
General Fund	14,769,790	14,044,334	13,161,261	12,708,595
Special Revenue	5,386,223	3,965,332	4,185,364	3,298,263
Capital Improvement	1,002,742	215,767	2,830,015	1,132,300
Banning Utility Authority	18,847,130	13,410,088	16,905,795	14,617,504
Enterprise	51,720,778	43,524,729	38,226,792	39,294,328
Internal Service	5,909,481	4,633,487	4,364,462	5,090,325
Community Redevelopment Agency	12,242,419	10,534,033	6,426,362	6,418,959
Total	109,878,563	90,327,770	86,100,051	82,560,274

City of Banning
Fiscal year 2011-12
Total Revenue All Funds = \$82,560,274

Revenue by Category - All Funds



Revenue by Fund - All Funds



City of Banning
Total City Expenses By Category and Fund

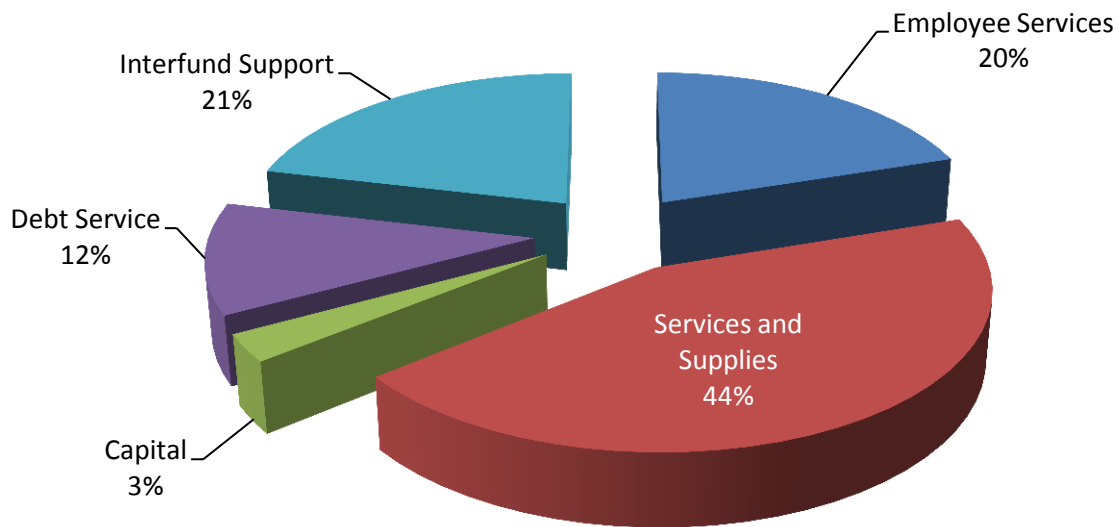
Category	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
Employee Services	19,629,024	16,766,713	17,011,090	16,980,728
Services and Supplies	37,795,669	41,382,347	42,341,457	37,653,833
Capital	29,924,173	20,105,330	30,177,169	2,437,500
Debt Service	9,752,683	9,716,019	9,882,511	9,808,570
Interfund Support	38,325,527	22,592,423	16,914,692	18,135,155
Total	135,427,076	110,562,832	116,326,919	85,015,786

Budgeted Personnel (Including Fire) ***233.57*** ***191.27*** ***178.34*** ***175.68***

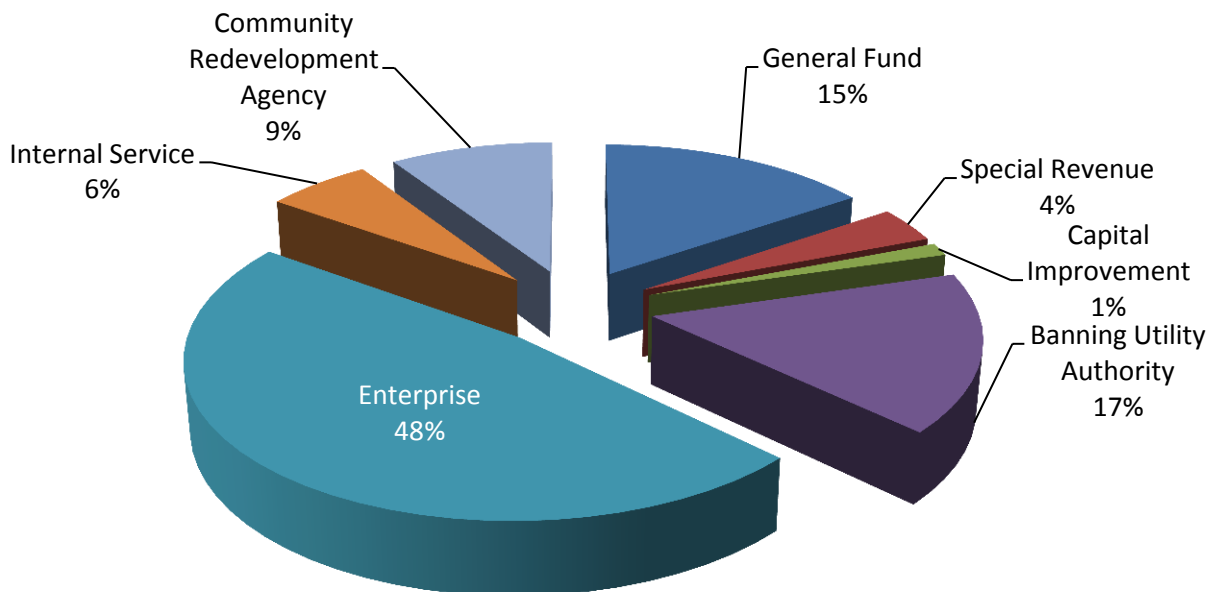
Funds	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
General Fund	17,209,542	13,888,409	13,866,342	13,176,160
Special Revenue	4,531,277	3,808,898	4,827,344	3,147,342
Capital Improvement	7,915,856	8,457,560	3,241,609	1,120,000
Banning Utility Authority	24,162,020	19,765,041	23,061,430	14,033,571
Enterprise	58,328,945	46,047,436	41,662,253	40,556,382
Internal Service	5,393,326	4,522,737	5,412,993	5,080,492
Community Redevelopment Agency	17,886,110	14,072,751	24,254,948	7,901,839
Total	135,427,076	110,562,832	116,326,919	85,015,786

City of Banning
Fiscal year 2011-12
Total Expenditures All Funds = \$85,015,786

Expenditure by Category - All Funds



Expenditures by Fund - All Funds



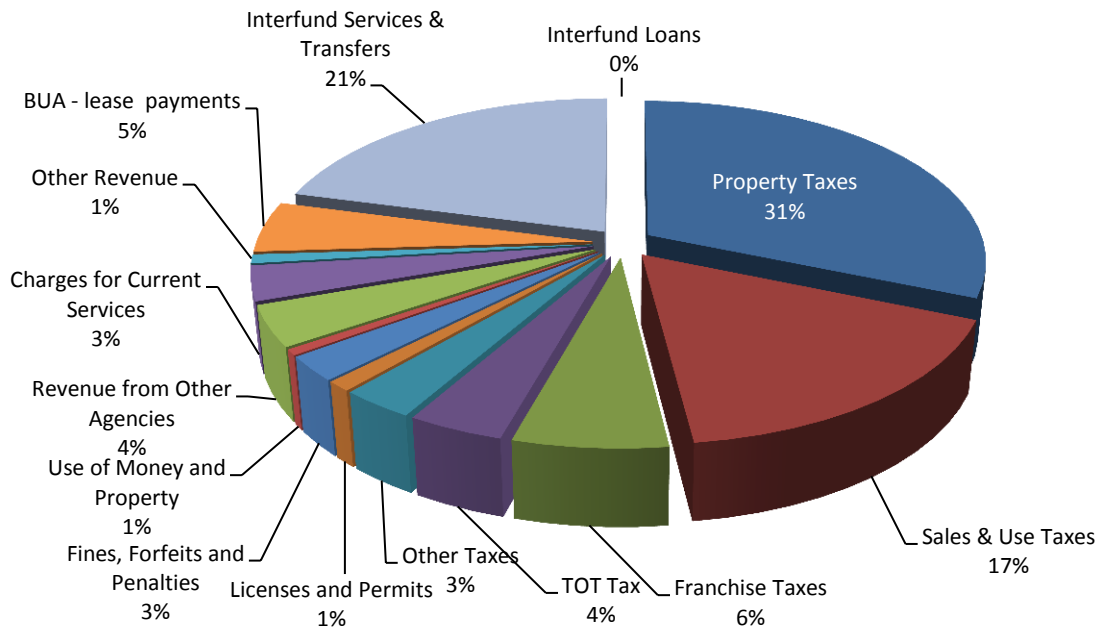
City of Banning
General Fund Financial Overview

Description	Actual <u>2008/2009</u>	Actual <u>2009/2010</u>	Revised Budget <u>2010/2011</u>	Revised Budget <u>2011/2012</u>
General Fund Revenues By Category				
Taxes				
Property Taxes	4,892,376	4,263,611	3,987,831	3,974,980
Sales & Use Taxes	2,136,496	1,993,984	2,170,379	2,131,000
Franchise Taxes	816,604	755,797	794,450	802,450
TOT Tax	223,373	340,047	480,000	502,000
Other Taxes	332,980	280,772	275,701	388,518
Subtotal Taxes	8,401,828	7,634,211	7,708,361	7,798,948
Licenses and Permits	150,478	171,010	128,465	131,675
Fines, Forfeits and Penalties	318,905	314,163	364,450	317,550
Use of Money and Property	235,212	97,050	77,324	76,750
Revenue from Other Agencies	1,836,300	593,125	931,758	522,479
Charges for Current Services	542,221	495,445	486,387	442,017
Other Revenue	328,028	172,153	232,016	114,000
BUA - lease payments	250,000	1,901,000	651,000	651,000
Interfund Services & Transfers	2,647,500	2,635,046	2,581,500	2,654,176
Interfund Loans	59,318	31,131	-	-
Total	14,769,790	14,044,334	13,161,261	12,708,595

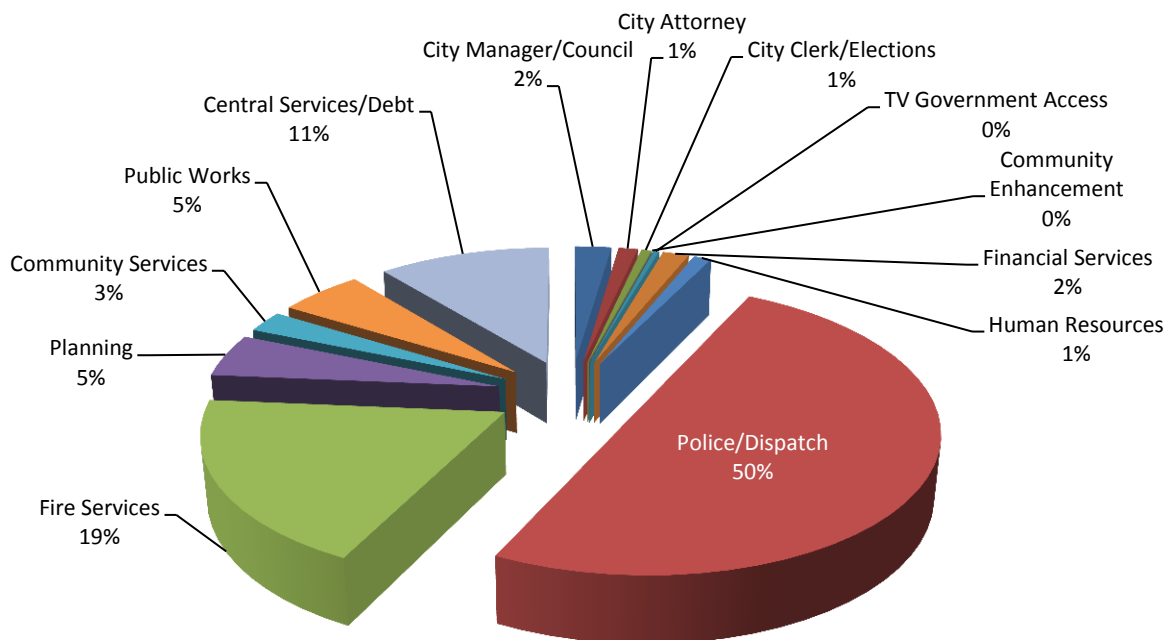
General Fund Expenditures By Department				
City Manager/Council	483,553	397,839	374,176	304,941
City Attorney	733,145	116,258	173,000	161,000
City Clerk/Elections	191,524	85,940	116,786	85,953
Community Enhancement	10,160	5,000	43,000	-
TV Government Access	117,078	103,869	35,452	47,747
Financial Services	289,120	37,592	215,150	219,119
Human Resources	179,975	129,645	183,708	149,779
Police/Dispatch	7,890,334	7,394,392	7,225,772	6,584,353
Fire Services	2,695,729	2,399,384	2,488,751	2,506,503
Planning	997,261	686,095	584,286	649,041
Community Services	785,750	511,676	322,322	324,260
Public Works	1,140,855	782,252	773,611	704,440
Central Services/Debt	1,695,058	1,238,467	1,330,328	1,439,024
Total	17,209,542	13,888,409	13,866,342	13,176,160
Surplus/(Deficit)	(2,439,752)	155,925	(705,081)	(467,565)

City of Banning
Fiscal year 2011-12
General Fund Financial Overview

General Fund Revenues
Total = \$12,708,595



General Fund Expenditures
Total = \$13,176,160

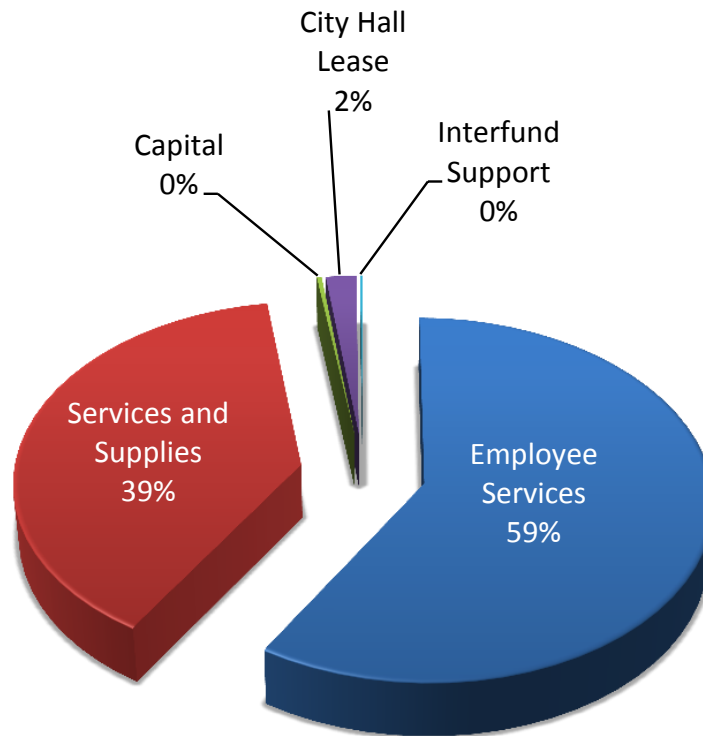


City of Banning
General Fund Expenditures By Category

Category	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
Employee Services	10,272,339	8,645,276	7,894,669	7,754,822
Services and Supplies	6,165,128	4,350,686	5,351,206	5,109,225
Capital	234,685	625,204	352,820	40,000
City Hall Lease	250,000	250,001	250,002	250,003
Interfund Support	287,390	17,242	17,645	22,110
Total	17,209,542	13,888,409	13,866,342	13,176,160

*Note: Contracted Fire Services are approximately \$2,300,000 per year and included in Services and Supplies.

General Fund Expenditures By Category
Total = \$13,176,160



City of Banning
Other Funds Revenue Summary

Fund #	Description	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
<u>SPECIAL REVENUE FUNDS</u>					
002	Developer Deposits - Community Dev.	25,474	16,669	123,131	-
003	County of Riverside - Police MOU	310,112	303,330	302,500	451,000
100	Gas Tax	1,720,837	1,037,391	1,086,169	1,107,860
100	Gas Tax - AB 2928	-	-	-	-
100	Gas Tax - Prop 1B	-	-	-	-
101	Measure A Street	1,175,926	369,040	359,000	387,000
103	SB300 Street Improvement	3,138	1,490	725	725
104	Article 3 - Sidewalk Construction	134,434	174,874	542,860	300
110	C.D.B.G.	126,401	367,533	241,517	-
111	Landscape Maintenance Assmt. Dist.#1	120,307	145,942	134,003	131,510
132	Air Quality	38,682	33,622	35,353	32,000
140	Asset Forfeiture	53	25	10	10
146	San Geronio Gang Task Force	1,061	(7)	-	-
148	Supplemental Law Enforcement	100,841	101,562	100,400	-
149	Public Safety - Sales Tax	210,643	183,004	180,000	202,676
150	State Park Bond Act	20	9	-	-
200	Special Donations	7,400	4,209	6,260	1,500
201	Senior Center Activities	12,879	7,929	6,650	6,700
202	Animal Control Reserve	104	49	30	30
203	Police Volunteer	3,033	3,064	30	30
204	D.A.R.E./Great Grant	142,501	110,753	48	-
300	City Hall COP Debt Service	519,981	516,722	517,130	443,600
360	Sun Lakes CFD #86-1	741	352	250	250
365	Assessment Dist - #91-1 Wilson St. Debt	458,515	300,136	268,845	272,805
370	Area Police Computer	46,212	54,724	48,835	51,244
375	Fair Oaks 2004-1 Debt Service	225,959	232,450	231,393	208,798
376	Cameo Homes	969	460	225	225
<i>Special Revenue Funds Subtotal</i>		<i>5,386,223</i>	<i>3,965,332</i>	<i>4,185,364</i>	<i>3,298,263</i>
<u>CAPITAL IMPROVEMENT FUNDS</u>					
400	Police Facilities Development	8,480	3,132	150	1,650
410	Fire Facility Development	31,949	20,247	4,500	9,500
420	Traffic Control Facility	25,149	11,216	2,000	2,500
421	Ramsey & Highland Home Traffic Signal	1,708	811	400	400
430	General Facilities	14,346	8,629	2,500	4,500
441	Sunset Grade Separation Fund	468,479	132,680	2,796,715	1,100,000
444	Wilson Median	7,992	3,794	1,850	1,850
451	Park Development	15,903	3,465	1,900	1,900
470	Capital Improvement Funds	428,736	31,793	20,000	10,000
<i>Capital Improvement Funds Subtotal</i>		<i>1,002,742</i>	<i>215,767</i>	<i>2,830,015</i>	<i>1,132,300</i>

City of Banning
Other Funds Revenue Summary

Fund #	Description	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
<u>BANNING UTILITY AUTHORITY</u>					
660	Water Operations	7,798,071	7,301,029	7,341,315	8,272,350
661	Water Capital Facility Fee	4,282,756	78,981	79,000	79,000
662	Irrigation Water	63,940	30,342	2,334,302	15,000
663	BUA Water Capital Project Fund	343,362	161,291	25,000	25,000
669	BUA Water Debt Service Fund	2,312,603	2,293,254	2,295,130	2,294,425
	<i>Water Subtotal</i>	<i>14,800,732</i>	<i>9,864,897</i>	<i>12,074,747</i>	<i>10,685,775</i>
680	Wastewater Operations	2,410,756	2,211,325	2,516,000	2,715,000
681	Wastewater Capital Facility Fees	721,423	505,206	1,471,488	514,044
683	BUA Wastewater Capital Project Fund	95,051	8,500	5,000	3,000
685	State Revolving Loan	290,981	296,533	306,000	306,000
689	BUA Wastewater Debt Service Fund	528,187	523,627	532,560	393,685
	<i>Wastewater Subtotal</i>	<i>4,046,398</i>	<i>3,545,191</i>	<i>4,831,048</i>	<i>3,931,729</i>
	<i>Banning Utility Authority Subtotal</i>	<i>18,847,130</i>	<i>13,410,088</i>	<i>16,905,795</i>	<i>14,617,504</i>
<u>ENTERPRISE FUNDS</u>					
600	Airport	315,658	1,309,994	723,650	174,900
610	Transit Operations	1,274,586	1,447,257	2,900,597	1,261,037
690	Refuse	3,134,144	3,014,115	3,033,750	3,164,250
	<i>Subtotal</i>	<i>4,724,388</i>	<i>5,771,366</i>	<i>6,657,997</i>	<i>4,600,187</i>
670	Electric Operations	27,635,369	31,040,923	27,967,150	28,905,650
672	Rate Stability	117,605	1,845,736	40,000	2,240,000
673	Electric Improvement	15,147,491	539,767	143,045	143,045
674	Electric Bond Project Fund	679,315	497,244	76,950	30,000
675	Public Benefit Fund	626,554	620,552	694,000	705,400
678	Electric Debt Service Fund	2,790,056	3,209,141	2,647,650	2,670,046
	<i>Electric Subtotal</i>	<i>46,996,390</i>	<i>37,753,363</i>	<i>31,568,795</i>	<i>34,694,141</i>
	<i>Enterprise Funds Subtotal</i>	<i>51,720,778</i>	<i>43,524,729</i>	<i>38,226,792</i>	<i>39,294,328</i>
<u>INTERNAL SERVICE FUNDS</u>					
700	Insurance	2,032,472	1,843,706	2,061,314	2,046,425
702	Fleet Maintenance	1,516,624	1,083,291	962,481	1,181,097
703	Information Systems Services	611,689	312,207	398,753	387,837
761	Utility Billing Services	1,748,696	1,394,283	941,914	1,474,966
	<i>Internal Service Funds Subtotal</i>	<i>5,909,481</i>	<i>4,633,487</i>	<i>4,364,462</i>	<i>5,090,325</i>
<u>COMMUNITY REDEVELOPMENT FUNDS</u>					
810	Low\Mod Housing	1,306,497	1,046,646	900,852	895,452
830	Debt Service Fund	6,316,790	5,304,652	4,635,910	4,649,007
850	Administration Fund	629,423	748,671	814,600	789,500
854	CRA Low/Mod Bond Fund	8,530	(63)	-	-
855	Tax Allocation Bonds-2007 Tabs	909,519	2,314,158	40,000	50,000
856	Tax Allocation Bonds-2003 Tabs	63,240	57,640	10,000	10,000
857	Low\Mod Tax Alloc Bonds-2003 Tabs	41,542	15,960	10,000	10,000
860	Project Fund	2,966,878	1,046,369	15,000	15,000
	<i>Community Redevelopment Funds Subtotal</i>	<i>12,242,419</i>	<i>10,534,033</i>	<i>6,426,362</i>	<i>6,418,959</i>
Other Funds Grand Total		95,108,773	76,283,436	72,938,790	69,851,679

City of Banning
Other Funds Expenditure Summary

Fund #	Description	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
<u>SPECIAL REVENUE FUNDS</u>					
002	Developer Deposits - Community Dev.	25,474	16,669	123,131	-
003	County of Riverside - Police MOU	207,387	445,916	451,598	536,822
100	Gas Tax	1,443,337	813,345	939,732	901,607
101	Measure A Street	719,270	206,305	984,080	379,000
104	Article 3 - Sidewalk Construction	99,935	264,237	447,925	-
110	C.D.B.G.	140,414	353,521	241,517	-
111	Landscape Maintenance Assmt. Dist.#1	85,807	85,987	133,930	131,510
132	Air Quality	49,501	167,264	3,225	-
146	San Gorgonio Gang Task Force	1,803	2,047	-	-
148	Supplemental Law Enforcement	41,996	96,419	205,864	-
149	Public Safety - Sales Tax	260,000	196,000	170,000	202,676
200	Special Donations	9,717	1,576	1,575	1,500
201	Senior Center Activities	13,520	6,405	16,752	16,700
203	Police Volunteer	324	1,102	2,905	1,080
204	D.A.R.E./Great Grant	151,260	65,511	46,785	-
300	City Hall COP Debt Service	520,130	516,693	517,130	443,600
360	Sun Lakes CFD #86-1	220	-	250	250
365	Assessment Dist - #91-1 Wilson St. Debt	536,616	270,463	268,845	272,805
370	Area Police Computer	20,358	89,088	50,615	50,994
375	Fair Oaks 2004-1 Debt Service	204,208	210,350	221,485	208,798
<i>Special Revenue Funds Subtotal</i>		<i>4,531,277</i>	<i>3,808,898</i>	<i>4,827,344</i>	<i>3,147,342</i>
<u>CAPITAL IMPROVEMENT FUNDS</u>					
420	Traffic Control Facility	8,475	-	225,000	20,000
441	Sunset Grade Separation Fund	320,555	99,212	2,838,154	1,100,000
451	Park Development	199,147	73,557	159,161	-
470	Capital Improvement Funds	7,387,679	8,284,791	19,294	-
<i>Capital Improvement Funds Subtotal</i>		<i>7,915,856</i>	<i>8,457,560</i>	<i>3,241,609</i>	<i>1,120,000</i>
<u>BANNING UTILITY AUTHORITY</u>					
660	Water Operations	11,756,662	7,909,909	7,630,373	8,158,042
661	Water Capital Facility Fee	237,032	188,189	617,330	-
662	Irrigation Water	-	-	3,090,600	-
663	BUA Water Capital Project Fund	6,047,559	5,730,231	2,478,804	-
669	BUA Water Debt Service Fund	2,296,134	2,298,021	2,294,630	2,293,925
<i>Water Subtotal</i>		<i>20,337,387</i>	<i>16,126,350</i>	<i>16,111,737</i>	<i>10,451,967</i>
680	Wastewater Operations	2,921,870	2,766,568	2,791,141	2,884,124
681	Wastewater Capital Facility Fees	-	-	396,380	-
683	BUA Wastewater Capital Project Fund	75,316	48,210	2,925,817	-
685	State Revolving Loan	300,511	300,413	304,295	304,295
689	BUA Wastewater Debt Service Fund	526,936	523,500	532,060	393,185
<i>Wastewater Subtotal</i>		<i>3,824,633</i>	<i>3,638,691</i>	<i>6,949,693</i>	<i>3,581,604</i>
<i>Banning Utility Authority Subtotal</i>		<i>24,162,020</i>	<i>19,765,041</i>	<i>23,061,430</i>	<i>14,033,571</i>

City of Banning
Other Funds Expenditure Summary

Fund #	Description	Actual 2008/2009	Actual 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
<u>ENTERPRISE FUNDS</u>					
600	Airport	323,954	1,304,811	665,530	174,885
610	Transit Operations	1,277,360	1,439,727	2,900,597	1,261,037
690	Refuse	3,123,368	3,045,357	2,998,647	3,200,118
	<i>Subtotal</i>	<i>4,724,682</i>	<i>5,789,895</i>	<i>6,564,774</i>	<i>4,636,040</i>
670	Electric Operations	27,584,311	30,629,014	29,549,680	29,147,834
672	Rate Stability	-	2,828,207	-	1,200,000
673	Electric Improvement	7,419,202	1,988,964	1,429,612	2,200,000
674	Electric Bond Project Fund	14,801,966	344,105	12,400	22,500
675	Public Benefit Fund	839,588	1,507,155	1,458,637	680,462
678	Electric Debt Service Fund	2,959,196	2,960,096	2,647,150	2,669,546
	<i>Electric Subtotal</i>	<i>53,604,263</i>	<i>40,257,541</i>	<i>35,097,479</i>	<i>35,920,342</i>
	<i>Enterprise Funds Subtotal</i>	<i>58,328,945</i>	<i>46,047,436</i>	<i>41,662,253</i>	<i>40,556,382</i>
<u>INTERNAL SERVICE FUNDS</u>					
700	Insurance	1,979,196	1,912,726	2,265,459	2,040,844
702	Fleet Maintenance	1,330,465	944,435	1,195,006	1,179,072
703	Information Systems Services	534,657	362,685	534,431	386,354
761	Utility Billing Services	1,549,008	1,302,891	1,418,097	1,474,222
	<i>Internal Service Funds Subtotal</i>	<i>5,393,326</i>	<i>4,522,737</i>	<i>5,412,993</i>	<i>5,080,492</i>
<u>COMMUNITY REDEVELOPMENT FUNDS</u>					
810	Low/Mod Housing	388,939	494,230	909,848	914,271
830	Debt Service Fund	8,519,902	8,394,799	5,560,730	4,609,644
850	Administration Fund	629,779	748,136	777,300	722,940
854	CRA Low/Mod Bond Fund	53,630	-	-	-
855	Tax Allocation Bonds-2007 Tabs	4,985,947	3,281,179	13,080,045	40,021
856	Tax Allocation Bonds-2003 Tabs	1,940,291	191,296	1,250,626	7,500
857	Low/Mod Tax Alloc Bonds-2003 Tabs	405,960	208,893	1,335,285	189,759
860	Project Fund	961,662	754,218	1,341,114	1,417,704
	<i>Community Redevelopment Funds Subtotal</i>	<i>17,886,110</i>	<i>14,072,751</i>	<i>24,254,948</i>	<i>7,901,839</i>
Other Funds Grand Total		118,217,534	96,674,423	102,460,577	71,839,626

City of Banning
Budgeted Positions Summary

Description	Budget <u>2008/2009</u>	Budget <u>2009/2010</u>	Revised Budget <u>2010/2011</u>	Revised Budget <u>2011/2012</u>
General Fund Personnel By Department (Including Fire)				
City Manager/Council	5.96	5.48	5.68	5.68
City Attorney	0.00	0.00	0.00	0.00
City Clerk	2.75	1.75	1.75	1.75
TV Government Access	1.00	1.00	0.00	0.00
Financial Services	9.70	8.15	5.95	5.95
Human Resources	2.14	2.07	1.02	1.02
Police/Dispatch	59.00	50.00	45.00	43.25
Fire Services	19.00	13.00	18.00	18.00
Planning	9.00	6.10	2.70	4.30
Community Services	10.94	7.39	5.41	5.41
Public Works	9.90	8.60	6.33	6.33
Subtotal General Fund	129.39	103.54	91.84	91.69
Other Funds Personnel By Department				
Streets	7.00	5.40	4.90	4.90
Airport	1.60	1.50	1.55	1.55
Transit	12.98	12.73	13.78	11.87
Water	17.76	14.90	15.07	15.07
Electric	26.26	21.40	21.40	21.40
Wastewater	5.88	5.15	5.32	5.32
Refuse	0.40	0.30	0.69	0.69
Insurance	2.00	2.00	1.55	1.55
Fleet Maintenance	5.20	2.50	2.50	3.50
Information Systems Services	3.25	2.45	2.40	2.40
Utility Billing	8.50	8.90	8.65	8.65
Utility Billing - Meter Reading	5.15	4.20	4.20	4.20
Community Redevelopment	8.20	6.30	4.50	2.90
Subtotal Other Funds	104.18	87.73	86.51	84.00
<i>Total All Funds</i>	<i>233.57</i>	<i>191.27</i>	<i>178.34</i>	<i>175.68</i>
TOTAL ALL FUNDS	233.57	191.27	178.34	175.68
Less Fire Contract	18.00	12.00	17.00	17.00
Less Part Time	16.57	13.27	12.34	11.68
Less Elected	7.00	7.00	7.00	7.00
<i>Full Time Employees</i>	<i>192.00</i>	<i>159.00</i>	<i>142.00</i>	<i>140.00</i>

City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
GENERAL FUND				
CITY COUNCIL				
Mayor	1.00	1.00	1.00	1.00
Mayor Pro Tem	1.00	1.00	1.00	1.00
Council Members	3.00	3.00	3.00	3.00
DIVISION TOTAL FTE	5.00	5.00	5.00	5.00
CITY MANAGER				
City Manager	0.48	0.48	0.48	0.48
Sr. Management Advisor	0.48	0.00	0.00	0.00
Executive Secretary	0.00	0.00	0.20	0.20
DIVISION TOTAL FTE	0.96	0.48	0.68	0.68
HUMAN RESOURCES				
City Manager	0.07	0.07	0.07	0.07
Sr. Management Advisor	0.07	0.00	0.00	0.00
Admin Services Director	0.00	0.00	0.20	0.20
Human Resources Director	0.50	0.50	0.00	0.00
Deputy HR Director	0.00	0.00	0.50	0.50
Sr. Human Resources Analyst	1.00	1.00	0.00	0.00
Human Resources Technician	0.50	0.50	0.25	0.25
DIVISION TOTAL FTE	2.14	2.07	1.02	1.02
CITY CLERK				
City Clerk - Elected	1.00	1.00	1.00	1.00
Executive Assistant	0.75	0.75	0.75	0.75
Office Assistant/Specialist	1.00	0.00	0.00	0.00
DIVISION TOTAL FTE	2.75	1.75	1.75	1.75
CITY ATTORNEY				
City Attorney	Contract	Contract	Contract	Contract
Office Specialist	Contract	Contract	Contract	Contract
DIVISION TOTAL FTE	0.00	0.00	0.00	0.00
FISCAL SERVICES				
City Treasurer - Elected	1.00	1.00	1.00	1.00
Finance Director/Asst City Manager	0.50	0.00	0.00	0.00
Finance Director	0.00	0.50	0.00	0.00
Admin Services Director	0.00	0.00	0.20	0.20
Deputy Finance Director	0.00	0.00	0.50	0.50
Accounting Manager	1.00	1.00	0.00	0.00
Accountant	1.00	1.00	1.00	1.00
Financial Services Specialist	2.50	2.25	2.25	2.25
DIVISION TOTAL FTE	6.00	5.75	4.95	4.95
PURCHASING & ACCOUNTS PAYABLE				
Purchasing Manager	1.00	0.40	0.00	0.00
Buyer	1.00	1.00	0.00	0.00
Financial Services Specialist	1.70	1.00	1.00	1.00
DIVISION TOTAL FTE	3.70	2.40	1.00	1.00
T.V. GOVERNMENT ACCESS				
Cable Services Specialist	1.00	1.00	0.00	0.00
DIVISION TOTAL FTE	1.00	1.00	0.00	0.00

City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
POLICE				
Police Chief	0.90	0.90	0.90	0.90
Police Captain	1.00	1.00	1.00	0.00
Police Lieutenant	2.00	2.00	2.00	2.00
Police Master Sergeant	3.00	1.00	1.00	1.00
Police Staff Sergeant	4.00	4.00	4.00	5.00
Sergeant	3.00	3.00	3.00	0.00
Sergeant - KO Gangs (2279)	1.00	0.00	0.00	0.00
Corporal	0.00	0.00	0.00	3.00
Officer	20.00	15.00	14.00	13.00
Officer-School Resource Officer-BUSD	1.00	1.00	1.00	0.00
Officer-Traffic Grant	1.00	1.00	1.00	1.00
Officer-Gang Officer Funded by CRA	1.00	1.00	1.00	0.00
Officer-GREAT	1.00	1.00	1.00	1.00
Officer-KO Gangs (2279)	1.00	0.00	0.00	0.00
Officer-County MOU (003-2289)	1.00	4.00	4.00	4.00
Executive Secretary	1.00	0.00	0.00	0.25
Evidence Technician	1.00	1.00	0.00	0.00
Police Info Systems Technician	1.00	1.00	1.00	1.00
Office Specialist	1.00	0.00	0.00	0.00
Police Assistant II	0.00	0.00	0.00	1.00
Police Assistant I	0.00	0.00	0.00	2.00
Records Assistant	2.00	2.00	1.00	0.00
Lead Records Specialist	1.00	1.00	1.00	0.00
DIVISION TOTAL FTE	47.90	39.90	36.90	35.15
DISPATCH				
Police Chief	0.10	0.10	0.10	0.10
Lead Public Safety Dispatcher	2.00	2.00	2.00	2.00
Public Safety Dispatcher-Paid By SanJ	1.00	1.00	0.00	0.00
Public Safety Dispatcher	8.00	7.00	6.00	6.00
DIVISION TOTAL FTE	11.10	10.10	8.10	8.10
FIRE				
	<u>Contract</u>	<u>Contract</u>	<u>Contract</u>	<u>Contract</u>
Division Chief/Fire Marshal	1.00	0.00	0.00	0.00
Asst. Fire Marshal	0.00	1.00	1.00	1.00
Fire Captain	2.00	2.00	2.00	2.00
Fire Safety Specialist	1.00	0.00	0.00	0.00
Fire Apparatus Engineer	3.00	3.00	3.00	3.00
Fire Apparatus Engineer/Paramedic	1.00	1.00	1.00	1.00
Firefighter/Paramedic	5.00	5.00	5.00	5.00
Firefighter	5.00	0.00	5.00	5.00
	<u>City</u>	<u>City</u>	<u>City</u>	<u>City</u>
Office Specialist	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	19.00	13.00	18.00	18.00
BUILDING SAFETY				
Community Development Director	0.36	0.36	0.30	0.42
Development Svcs Manager	1.00	1.00	0.00	0.00
Senior Building Inspector	1.00	1.00	0.00	0.00
Building Inspector/Code Enforce	1.00	0.00	0.00	0.00
Senior Code Compliance Officer	0.30	0.00	0.00	0.00
Code Compliance Officer	0.60	0.60	0.30	0.00
Building Permit Specialist	1.00	1.00	0.00	0.00
Office Specialist	0.30	0.30	0.30	0.00
DIVISION TOTAL FTE	5.56	4.26	0.90	0.42

City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
CODE ENFORCEMENT				
Code Compliance Officer	0.00	0.00	0.00	1.00
Office Specialist	0.00	0.00	0.00	1.00
DIVISION TOTAL FTE	0.00	0.00	0.00	2.00
PLANNING				
Community Development Director	0.24	0.24	0.20	0.28
Sr. Planner	0.80	0.00	0.00	0.00
Associate Planner	0.00	0.00	0.00	0.00
Development Project Coordinator	0.80	0.80	0.80	0.80
Assistant Planner	0.80	0.80	0.80	0.80
Office Specialist	0.80	0.00	0.00	0.00
DIVISION TOTAL FTE	3.44	1.84	1.80	1.88
ENGINEERING				
Public Works Director	0.70	0.70	0.09	0.09
City Engineer	0.70	0.70	0.24	0.24
Associate Civil Engineer	0.60	0.00	0.00	0.00
Associate Engineer-Career PT	0.30	0.10	0.10	0.10
Assistant Civil Engineer	0.25	0.25	0.00	0.00
Executive Secretary	0.25	0.25	0.09	0.09
Engineering Services Assistant	0.75	0.25	0.00	0.00
Public Works Inspector	0.25	0.25	0.25	0.25
DIVISION TOTAL FTE	3.80	2.50	0.77	0.77
BUILDING MAINTENANCE				
Public Works Director	0.05	0.05	0.02	0.02
Public Works Superintendent	0.20	0.20	0.12	0.12
Executive Secretary	0.40	0.40	0.14	0.14
Building Maintenance Specialist	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	1.65	1.65	1.28	1.28
PARKS				
Public Works Superintendent	0.45	0.45	0.28	0.28
City Maintenance Worker	4.00	4.00	4.00	4.00
DIVISION TOTAL FTE	4.45	4.45	4.28	4.28
RECREATION				
Community Services Director	0.80	0.80	0.25	0.25
Recreation Manager	1.00	0.00	0.00	0.00
Executive Secretary	1.00	1.00	0.00	0.00
Office Specialist	0.00	0.00	0.50	0.50
Custodian	0.50	0.00	0.00	0.00
Caretaker	0.00	0.00	0.25	0.25
Program Coordinator	0.00	0.00	0.38	0.38
Building Attendants	0.00	0.00	1.25	1.25
Sr. Recreation Leader	1.00	1.00	0.00	0.00
Recreation Leaders	3.19	2.68	0.00	0.00
DIVISION TOTAL FTE	7.49	5.48	2.63	2.63

City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
AQUATICS				
Recreation Supervisor	0.00	0.00	0.00	0.00
Community Center Caretaker	0.00	0.00	0.00	0.00
Pool Manager	0.00	0.00	0.00	0.00
Recreation Coordinator	0.00	0.00	0.00	0.00
Caretaker	0.00	0.00	0.25	0.25
Assistant Pool Manager	0.20	0.20	0.20	0.20
Lifeguards	1.37	1.08	1.08	1.08
Cashiers	0.63	0.63	0.63	0.63
DIVISION TOTAL FTE	2.20	1.91	2.16	2.16
DAY CARE				
Recreation Supervisor	0.00	0.00	0.00	0.00
Day Camp Specialist	0.00	0.00	0.00	0.00
Recreational Specialist	0.00	0.00	0.00	0.00
Recreation Leader(In Recreation Dept)	0.00	0.00	0.00	0.00
Recreation Assistants	0.00	0.00	0.00	0.00
DIVISION TOTAL FTE	0.00	0.00	0.00	0.00
SENIOR CENTER				
Community Services Director	0.00	0.00	0.00	0.00
Senior Center Supervisor	0.00	0.00	0.00	0.00
Senior Center Coordinator-Part Time	0.75	0.00	0.00	0.00
Caretaker	0.00	0.00	0.25	0.25
Program Coordinator	0.00	0.00	0.38	0.38
Custodian	0.50	0.00	0.00	0.00
DIVISION TOTAL FTE	1.25	0.00	0.63	0.63
TOTAL GENERAL FUND (Including Fire Contract)				
	129.39	103.54	91.84	91.69

OTHER FUNDS

STREETS

Public Works Director	0.05	0.05	0.05	0.05
City Engineer	0.20	0.20	0.20	0.20
Public Works Superintendent	0.10	0.10	0.10	0.10
Executive Secretary	0.25	0.25	0.25	0.25
Associate Civil Engineer	0.10	0.00	0.00	0.00
Associate Engineer-Career PT	0.15	0.05	0.05	0.05
Assistant Civil Engineer	0.25	0.25	0.00	0.00
Engineering Services Assistant	0.65	0.25	0.00	0.00
Public Works Inspector	0.25	0.25	0.25	0.25
Motor Sweeper Operator	1.00	1.00	1.00	1.00
Sr City Maintenance Worker	2.00	2.00	2.00	2.00
City Maintenance Worker	1.00	0.00	0.00	0.00
Work Release Crew Leader	1.00	1.00	1.00	1.00

FUND TOTAL FTE	7.00	5.40	4.90	4.90
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AIRPORT

Public Works Director	0.00	0.00	0.05	0.05
Executive Secretary	0.10	0.10	0.10	0.10
Office Specialist	0.10	0.00	0.00	0.00
Airport Attendants	1.40	1.40	1.40	1.40

FUND TOTAL FTE	1.60	1.50	1.55	1.55
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City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
TRANSIT-FIXED ROUTE				
Community Services Director	0.20	0.20	0.75	0.75
Lead Bus Driver	1.00	1.00	1.00	1.00
Bus Drivers	7.65	7.65	7.65	7.08
Lead Mechanic	0.20	0.00	0.00	0.00
Fleet Maintenance Mechanic	1.00	1.00	1.00	0.00
Financial Services Specialist	0.05	0.00	0.00	0.00
Office Specialist	0.50	0.50	1.00	1.00
DIVISION TOTAL FTE	10.60	10.35	11.40	9.83
TRANSIT-DIAL-A-RIDE				
Dial-A-Ride Driver - Part Time	1.88	1.88	1.88	1.54
Office Specialist	0.50	0.50	0.50	0.50
DIVISION TOTAL FTE	2.38	2.38	2.38	2.04
FUND TOTAL FTE	12.98	12.73	13.78	11.87
WATER DEPARTMENT				
City Manager	0.05	0.05	0.05	0.05
Sr. Management Advisor	0.05	0.00	0.00	0.00
Public Works Director	0.00	0.00	0.30	0.30
City Engineer	0.00	0.00	0.23	0.23
Public Utilities Director	0.06	0.00	0.00	0.00
Assistant Director Water/Wastewater	0.65	0.00	0.00	0.00
Water/Wastewater Superintendent	0.70	0.70	0.70	0.70
Assistant Water Superintendent	1.00	0.00	0.00	0.00
Executive Assistant	0.05	0.05	0.05	0.05
Associate Civil Engineer	0.10	0.00	0.00	0.00
Senior Civil Engineer	0.70	0.70	0.70	0.70
Assistant Civil Engineer	0.25	0.25	0.00	0.00
Executive Secretary	0.70	0.70	0.84	0.84
Engineering Services Assistant	0.25	0.25	0.00	0.00
Public Works Inspector	0.25	0.25	0.25	0.25
Office Assistant/Specialist	0.70	0.70	0.70	0.70
Warehouse Services Specialist	0.25	0.25	0.25	0.25
Meter Crew Lead	1.00	1.00	1.00	1.00
Valve Flushing Crew Lead	1.00	1.00	1.00	1.00
Construction Crew Lead	1.00	1.00	1.00	1.00
Water Crew Supervisor	2.00	2.00	2.00	2.00
Water Services Worker I/II	7.00	6.00	6.00	6.00
FUND TOTAL FTE	17.76	14.90	15.07	15.07
ELECTRIC DEPARTMENT-DISTRIBUTION				
City Manager	0.05	0.05	0.05	0.05
Sr. Management Advisor	0.05	0.00	0.00	0.00
Electric Utility Director	0.00	0.95	0.95	0.95
Public Utility Director	0.91	0.00	0.00	0.00
Executive Assistant	0.05	0.05	0.05	0.05
Executive Secretary	1.00	1.00	1.00	1.00
Office Assistant/Specialist	1.00	0.00	0.00	0.00
Associate Civil Engineer	0.10	0.00	0.00	0.00
Electrical Engineer	1.00	0.00	0.00	0.00
Associate Electrical Engineer	0.00	1.00	1.00	1.00
Autocad GIS Technician	1.00	0.00	0.00	0.00
Warehouse Services Specialist	0.50	0.50	0.50	0.50
Electric Operations Manager	1.00	1.00	1.00	1.00
Powerline Crew Supervisor	3.00	3.00	3.00	3.00
Powerline Technician	5.00	5.00	5.00	5.00
Sr. Electric Service Planner	1.00	0.00	0.00	0.00
Electric Service Planner	1.00	1.00	1.00	1.00
Meter Test Technician	1.00	1.00	1.00	1.00
Apprentice Meter Test Technician	1.00	1.00	1.00	1.00
Electric Service Worker	1.00	0.00	0.00	0.00
Powerline Apprentices	3.00	3.00	3.00	3.00
DIVISION TOTAL FTE	22.66	18.55	18.55	18.55

City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
ELECTRIC DEPARTMENT-GENERATION				
Power Contract & Rev Adm	0.85	0.85	0.00	0.00
Utility Financial Analyst	0.00	0.00	0.85	0.85
DIVISION TOTAL FTE	0.85	0.85	0.85	0.85
ELECTRIC DEPARTMENT-PUBLIC BENEFIT PROGRAM				
Public Benefit Coordinator	1.00	1.00	1.00	1.00
Utility Services Assistant	1.75	1.00	1.00	1.00
DIVISION TOTAL FTE	2.75	2.00	2.00	2.00
FUND TOTAL FTE	26.26	21.40	21.40	21.40
WASTEWATER				
City Manager	0.05	0.05	0.05	0.05
Sr. Management Advisor	0.05	0.00	0.00	0.00
Public Utilities Director	0.03	0.00	0.00	0.00
Public Works Director	0.00	0.00	0.30	0.30
Assistant Public Utilities Director	0.35	0.00	0.00	0.00
City Engineer	0.00	0.00	0.23	0.23
Public Utilities Superintendent	0.30	0.00	0.00	0.00
Water/Wastewater Superintendent	0.00	0.30	0.30	0.30
Executive Secretary	0.30	0.30	0.44	0.44
Executive Assistant	0.05	0.05	0.05	0.05
Associate Civil Engineer	0.10	0.00	0.00	0.00
Associate Engineer-Career PT	0.30	0.10	0.10	0.10
Senior Civil Engineer	0.30	0.30	0.30	0.30
Assistant Civil Engineer	0.25	0.25	0.00	0.00
Engineering Services Assistant	0.25	0.25	0.00	0.00
Public Works Inspector	0.25	0.25	0.25	0.25
Office Assistant/Specialist	0.30	0.30	0.30	0.30
WasteWater Coll Crew Suprv.	1.00	1.00	1.00	1.00
WasteWater Collections	2.00	2.00	2.00	2.00
FUND TOTAL FTE	5.88	5.15	5.32	5.32
REFUSE				
Public Works Director	0.20	0.20	0.20	0.20
City Engineer	0.10	0.10	0.10	0.10
Public Works Superintendent	0.00	0.00	0.25	0.25
Executive Secretary	0.00	0.00	0.14	0.14
Engineering Svcs Assistant	0.10	0.00	0.00	0.00
FUND TOTAL FTE	0.40	0.30	0.69	0.69
INSURANCE-WORK COMP.				
Human Resources Director	0.20	0.20	0.00	0.00
Admin Services Director	0.00	0.00	0.15	0.15
Deputy HR Director	0.00	0.00	0.20	0.20
Risk Management Analyst	0.40	0.40	0.00	0.00
Human Resources Technician	0.25	0.25	0.30	0.30
DIVISION TOTAL FTE	0.85	0.85	0.65	0.65
INSURANCE-SUI				
Human Resources Technician	0.00	0.00	0.08	0.08
Risk Management Analyst	0.10	0.10	0.00	0.00
DIVISION TOTAL FTE	0.10	0.10	0.08	0.08

City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
INSURANCE-GENERAL LIABILITY				
City Attorney	Contract	Contract	Contract	Contract
Human Resources Director	0.30	0.30	0.00	0.00
Admin Services Director	0.00	0.00	0.15	0.15
Deputy HR Director	0.00	0.00	0.30	0.30
Risk Management Analyst	0.50	0.50	0.00	0.00
Human Resources Technician	0.25	0.25	0.38	0.38
DIVISION TOTAL FTE	1.05	1.05	0.83	0.83
FUND TOTAL FTE	2.00	2.00	1.55	1.55
FLEET MAINTENANCE				
Fleet Maintenance Manager	1.00	0.00	0.00	0.00
Public Works Superintendent	0.25	0.25	0.25	0.25
Lead Mechanic	0.80	0.00	0.00	0.00
Fleet Maintenance Mechanic	2.00	2.00	2.00	3.00
Warehouse Services Specialist	0.25	0.25	0.25	0.25
Office Assistant/Specialist	0.90	0.00	0.00	0.00
FUND TOTAL FTE	5.20	2.50	2.50	3.50
INFORMATION SYSTEMS SERVICES				
Finance Director/Asst City Manager	0.25	0.00	0.00	0.00
Finance Director	0.00	0.25	0.00	0.00
Admin Services Director	0.00	0.00	0.15	0.15
Deputy Finance Director	0.00	0.00	0.25	0.25
IT Manager	1.00	0.00	0.00	0.00
Purchasing Manager	0.00	0.20	0.00	0.00
Information Technology Coordinator	1.00	1.00	1.00	1.00
Information Technology Media Technician	1.00	1.00	1.00	1.00
FUND TOTAL FTE	3.25	2.45	2.40	2.40
UTILITY BILLING				
Finance Director/Asst City Manager	0.25	0.00	0.00	0.00
Finance Director	0.00	0.25	0.00	0.00
Admin Services Director	0.00	0.00	0.15	0.15
Deputy Finance Director	0.00	0.00	0.25	0.25
Customer Services Manager	1.00	1.00	1.00	1.00
Purchasing Manager	0.00	0.40	0.00	0.00
Senior U/Billing Representative	2.00	2.00	2.00	2.00
Receptionist	1.00	1.00	1.00	1.00
Utility Billing Representative	4.00	4.00	4.00	4.00
Financial Services Specialist	0.25	0.25	0.25	0.25
DIVISION TOTAL FTE	8.50	8.90	8.65	8.65
UTILITY BILLING-METER READING				
Electric Utility Director	0.00	0.05	0.05	0.05
Power Contract & Rev Adm	0.15	0.15	0.00	0.00
Utility Financial Analyst	0.00	0.00	0.15	0.15
Lead Field Service Rep	0.00	1.00	1.00	1.00
Field Service Reps	5.00	3.00	3.00	3.00
DIVISION TOTAL FTE	5.15	4.20	4.20	4.20
FUND TOTAL FTE	13.65	13.10	12.85	12.85

City of Banning
Citywide Personnel Summary by Fund/Division

Description	Budget 2008/2009	Budget 2009/2010	Revised Budget 2010/2011	Revised Budget 2011/2012
COMMUNITY REDEVELOPMENT-LOW/MOD				
City Manager	0.07	0.07	0.07	0.07
Community Development Director	0.00	0.00	0.00	0.30
Sr. Management Advisor	0.07	0.00	0.00	0.00
Redevelopment Manager	0.20	0.20	0.00	0.00
Executive Secretary	0.20	0.20	0.16	0.16
RDA Project Coordinator	0.20	0.20	0.00	0.00
Economic Development Assistant-PT	0.10	0.00	0.00	0.00
FUND TOTAL FTE	0.84	0.67	0.23	0.53
COMMUNITY REDEVELOPMENT-ADMINISTRATION				
City Manager	0.23	0.23	0.23	0.23
Redevelopment Director	0.00	0.00	1.00	1.00
Sr. Management Advisor	0.23	0.00	0.00	0.00
Community Development Director	0.40	0.40	0.50	0.00
Redevelopment Manager	0.80	0.80	0.00	0.00
Executive Secretary	0.80	0.80	0.64	0.64
Senior Planner	0.20	0.00	0.00	0.00
Executive Assistant	0.10	0.10	0.10	0.10
Office Specialist	0.20	0.00	0.00	0.00
Development Project Coordinator	0.20	0.20	0.20	0.20
RDA Project Coordinator	0.80	0.80	0.00	0.00
Associate Planner	0.00	0.00	0.00	0.20
Assistant Planner	0.20	0.20	0.20	0.00
Economic Development Assistant-PT	0.40	0.00	0.00	0.00
FUND TOTAL FTE	4.56	3.53	2.87	2.37
COMMUNITY REDEVELOPMENT-CODE ENFORCEMENT				
Senior Code Compliance Officer	0.70	0.00	0.00	0.00
Code Compliance Officer	1.40	1.40	0.70	0.00
Office Specialist	0.70	0.70	0.70	0.00
FUND TOTAL FTE	2.80	2.10	1.40	0.00
TOTAL CRA FUNDS	8.20	6.30	4.50	2.90
TOTAL OTHER FUNDS	104.18	87.73	86.51	84.00
TOTAL ALL FUNDS	233.57	191.27	178.34	175.68
TOTAL ALL FUNDS	233.57	191.27	178.34	175.68
Less Fire Contract	18.00	12.00	17.00	17.00
Less Part Time	16.57	13.27	12.34	11.68
Less Elected	7.00	7.00	7.00	7.00
<i>Full Time Employees</i>	<i>192.00</i>	<i>159.00</i>	<i>142.00</i>	<i>140.00</i>

City of Banning
Citywide Personnel Summary Reconciliation

Reconciliation of Positions from Final FY2010/11 Budget to Revised FY2011/12 Budget

Total FY2010/11 Budgeted Positions			178.34
<u>Full Time Position Changes</u>			
001-2200	Lead Records Specialist	Reclassified to Police Assist II	(1.00)
001-2200	Police Records Assistant	Reclassified to Police Assist I	(1.00)
001-2200	Police Assistant II	Reclassified from Lead Records Spec	1.00
001-2200	Police Assistant I's	Reclassified from Police Records Assist	2.00
001-2200	Police Captain	Position eliminated	(1.00)
001-2200	Police Corporals	New position	3.00
001-2200	Police Sergeants	Position eliminated	(3.00)
001-2200	Police Staff Sergeant	New position	1.00
001-2200	Police Officers	Position eliminated	(3.00)
Total Police Reorganization			(2.00)
001-2700	Community Development Director	Changed funding source	1.00
001-2740	Code Compliance Officer	Changed funding source	1.00
001-2740	Office Specialist - Code Enforcement	Changed funding source	1.00
702-3800	Fleet Maintenance Mechanic	Changed funding source	1.00
610-5800	Fleet Maintenance Mechanic	Changed funding source	(1.00)
850-9200	Community Development Director	Changed funding source	(1.00)
860-9270	Code Compliance Officer	Changed funding source	(1.00)
860-9270	Office Specialist - Code Enforcement	Changed funding source	(1.00)
<u>Part Time Position Changes</u>			
001-2200	PT Executive Secretary	New position	0.25
610-5800	PT Bus Drivers	Reduced Budgeted Hours	(0.57)
610-5850	PT DAR Drivers	Reduced Budgeted Hours	(0.34)
Total All Other Adjustments			(0.66)
Total Changes to Budgeted Positions			(2.66)
Total FY2011/12 Budgeted Positions			175.68

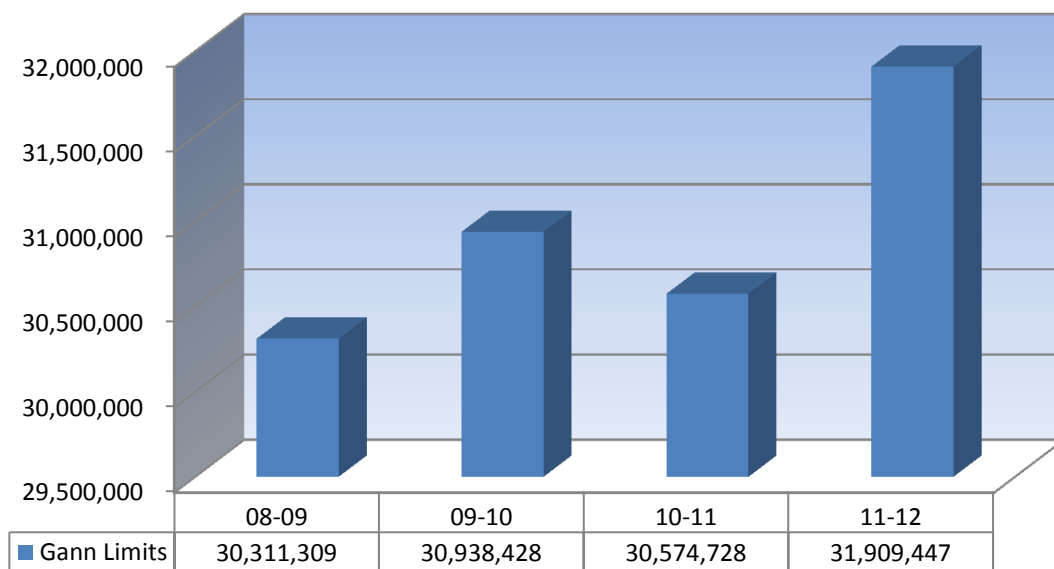
CITY of BANNING

Proposition 4 - Government Spending Limits

In November 1979 voters passed Proposition 4, also known as the Gann Initiative. Proposition 4 Article XIII (B) of the California Constitution provides that the City's annual appropriations be subject to certain State limitations. This appropriation limit is referred to as the Gann Spending Limitation. The calculation limits the increase in annual appropriations to a factor which is based on a combination of population growth, State per capita income change, and the change in assessment value for non-residential property. Appropriations for proprietary related activities such as water, wastewater, airport, etc., and Redevelopment functions are not subject to the limit. When the limit is exceeded, Proposition 4 requires the surplus to be returned to the taxpayers within two years. Appropriations in the two year period can be averaged before becoming subject to the excess revenue provisions of the Gann limit.

The City of Banning calculated the Gann Limit of \$31,909,447 for Fiscal Year 2011-12 using the prior year's limitation of \$30,574,728 multiplied by the 2.51% (1.0251) increase in per capita income multiplied by the 1.81% (1.0181) increased population growth in Riverside County. This calculation maintains a safe cushion for the City's financial health.

Gann Limits



GANN LIMIT CALCULATION

Article XIII B of the California State Constitution was adopted by California voters in November 1979, and is more commonly referred to as the Gann Limit. The Article places limits on the amount of revenue which can be appropriated (spent) each fiscal year. Only revenues which are considered proceeds of taxes are subject to the limit. The limit is different for each agency and changes each year, modified for changes in inflation and population.

Fiscal Year	(1) Prior Year Gann Limit	(2) Previous Year's Population	(3) Current Year's Population	(4) * City Population Change %	(5) * County Population Change %	(6) % Change In Per Capita Income	(7) Current Year Gann Limit
01-02	16,752,075	23,813	2000 Census 23,867	1.88%	3.33%	7.82%	18,663,555
02-03	18,663,555	23,867	24,655	3.24%	3.88%	-1.27%	19,141,477
03-04	19,141,477	24,655	25,581	3.44%	3.69%	2.31%	20,319,990
04-05	20,319,990	25,581	27,192	6.30%	3.37%	3.28%	22,308,634
05-06	22,308,634	27,192	27,954	1.02%	3.87%	5.26%	24,390,824
06-07	24,390,824	27,954	28,128	-0.01%	3.45%	3.96%	26,231,507
07-08	26,231,507	28,128	28,272	-0.17%	3.31%	4.42%	28,297,580
08-09	28,297,580	28,272	28,348	19.00%	2.71%	4.29%	30,311,309
09-10	30,311,309	28,348	28,457	1.10%	1.44%	0.62%	30,938,428
10-11	30,938,428	28,457	28,751	0.70%	1.40%	-2.54%	30,574,728
11-12	30,574,728	28,751	29,844	1.14%	1.81%	2.51%	31,909,447

The Gann Limit is adjusted annually by multiplying the "Prior Year Gann Limit" (column 1) by the greater of the "City or County % Change in Population" (column 4 or 5) and then by the "% Change in Per Capita Income" (column 6). This annual Gann adjustment figure is then added to the Prior Year's limit amount to obtain the Current Year Gann Limit amount in column 7. The shaded boxes indicate the calculation factors that were used in determining the adjustment to the Gann Limit.

*When multiplying "Change %" columns add 100% before multiplying. For example in FY 11-12, Column (5) the multiplier would be 101.81% or 1.0181 as a cumulative change to the previous year.

*City and County population change % figures are provided by the Department of Finance Demographic Research Unit.

CITY of BANNING

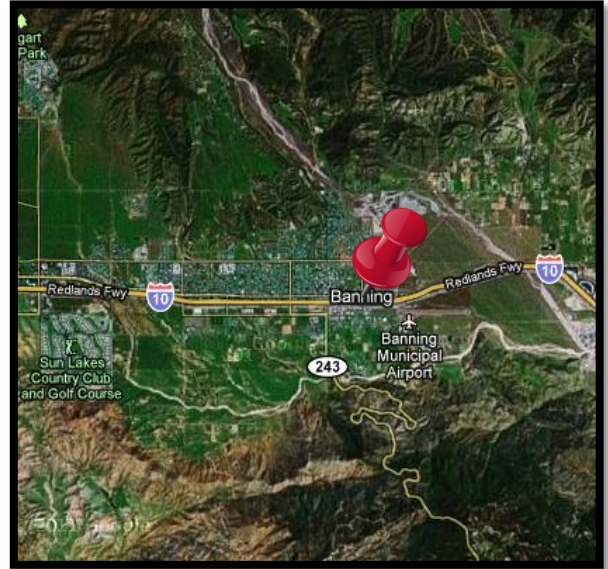
Historical Information

The City of Banning is strategically located in Riverside county along the route of U.S. Interstate 10 approximately 25 miles northwest of Palm Springs and 82 miles east of Los Angeles. Beautifully located in the San Geronio Pass between the two highest mountain peaks in Southern California, Banning is only minutes away from many desert and mountain resorts. One of Banning's unique characteristics is that it provides the serenity of a rural setting yet has easy access to major metropolitan areas. Its unique location is at a relatively high altitude (2,350 feet) in the pass which provides a favorable year-round climate and air quality. Its municipal boundaries encompass 22.117 square miles.

Banning has a rich and colorful history. Its first permanent landmark, an adobe house, was built on a tract of land now known as the Gilman place, in 1854. The house was used as a stagecoach station and meal stop for many years. The Colorado Stage and Express Line included Banning on its route from Los Angeles to the Colorado River in 1862, where gold had been discovered. The railroad replaced the stagecoach in 1876. Banning, however, is still called "Stagecoach Town, U.S.A."

Incorporated in 1913, Banning is a general law city with a council/manager type administration. The City has five elected council members, one of which is chosen mayor by the Council. The City Manager is the Chief Administrative Officer and is appointed by the City Council.

The City of Banning is a full service municipal government, which owns and operates its own electric and water utilities. It also offers its residents an airport, local police protection, municipal bus service, seven parks, a swimming complex, a seasonally operated play house bowl, as well as youth and leisure programs. Recreation opportunities are also abundant in nearby areas, which offer golfing, fishing, hiking, and equestrian trails.



CITY of BANNING

Budgetary and Fiscal Policies

I. PHILOSOPHY

To maintain a financially viable City that can provide an adequate level of municipal services and to ensure a stable and diverse financial condition of the City through budgeting and fiscal policies.

II. METHODS

Operational Policies

Operational Policies

1. The City will maintain a budgetary control system to ensure compliance with the budget. The City will prepare monthly status reports comparing actual revenues and expenditures to budgeted amounts. Where practical, the City will develop performance measures to be included in the operating budget.
2. The City will provide for adequate maintenance of capital plant and equipment and for the orderly replacement thereof.
3. The City will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. For this projection, a maintenance and replacement schedule will be developed and followed.
4. During the budget process, the City will reassess services and service levels. Staff may seek citizen input by surveys, citizen's forums and similar methods to accomplish this evaluation.
5. The City will strive to maintain all of its assets at an adequate level in order to protect the City's capital investment and to minimize future maintenance and replacement costs.

Capital Improvement Policies

Capital Improvement Policies

1. Capital improvements are to be funded primarily by user fees, service charges, assessments, special taxes or developer agreements when benefits can be attributed to users of the facility.
2. The City will require that project costs and related funding be submitted with requested capital projects. "Full life" costs including operating, maintenance and demolition, if any, should be identified.
3. Although the City will strive to finance projects on a pay-as-you-go basis, the City Council may conclude, based on a study of the economy and other matters, that the most equitable way of financing a project that benefits the entire community would be debt financing (pay-as-you-use) in order to provide the services in a timely manner. The City will use the following criteria to evaluate the use of long-term financing and pay-as-you-go funding for capital projects:

Factors favoring pay-as-you-go

- current revenues and excess reserves are available or project phasing can be accomplished.
- debt levels adversely affect credit rating.
- market conditions are unstable or marketing difficulties exist.

Factors favoring long-term financing

- revenues available for debt service are determined to be sufficient and reliable to provide funding for long-term financing which can be marketed with investment grade credit ratings.
- the facility securing the financing is of the type that will support an investment grade credit rating.
- market conditions present favorable interest rates and demand for City financing.
- a project is mandated by state and/or federal requirements and current revenues or fund surplus balances are insufficient.
- the facility is immediately required to meet or relieve capacity needs.
- the life of the asset financed is ten years or longer.

Revenue Policies

Revenue Policies

1. The City will strive to maintain a diversified revenue system to protect it from short-run fluctuations in any one revenue source.
2. State and Federal funds may be utilized, but only when the City can be assured that the total costs and requirements of accepting funds are known and judged not to adversely impact the City's General Fund.
3. The City, where allowed by law, will review all fees for licenses, permits, fines, utility user fees and other miscellaneous charges on a periodic basis. They will be adjusted as necessary after considering inflation, processing time, expenses to the City and any other factors pertinent to the specific item. A regular review and implementation of index escalators will be applied wherever authorized by resolution or ordinance.
4. An administrative fee will be charged where allowed by law for administrative services, provided the fee is based on the reasonable estimated costs incurred.
5. All proposed projects will have a detailed capital budget specifying total costs and total revenues, and shall identify the source of proposed revenues.

Debt Management Policies

Debt Management Policies

1. The City will not use long-term debt to finance current operations. Long-term borrowing will be confined to capital improvements or similar projects with an extended life which cannot be financed from current revenues.
2. Debt payments shall not extend beyond the estimated useful life of the project being financed. The City will try to keep the average maturity of bonded debt at or below 20 years.
3. The City will maintain good communications with bond rating agencies concerning its financial condition.
4. The City may utilize lease purchasing with specific approval of the City Manager. The useful life of the item must be equal to or greater than the length of the lease. A lease purchase will require City Council approval beyond a five-year lease term or principal amount over the City Manager's authorized contract level.
5. The City will not obligate the General Fund to secure financing unless the marketability of the issue will be significantly enhanced.
6. A feasibility analysis shall be prepared for each request for long-term financing which analyzes the impact on current and future fiscal year budgets for debt service and operations. The analysis shall also address the reliability of revenues supporting annual debt service.
7. The City shall conduct financing on a competitive basis unless, for reasons of market volatility, the use of an unusual financing structure or a complex security structure indicates the negotiated financing is preferred.
8. The City will monitor all forms of debt on an annual basis and report concerns or suggested restructuring, if any, to the City Council as part of the budget hearing process.
9. Enterprise and Property owner based financing will only be issued under the assumption that the issue is self-supporting from user fees and charges, assessments and special taxes without impacting the General Fund.
10. The City's minimum acceptable rating objective on any direct debt is "Baa/BBB". Appropriate credit enhancements, such as insurance or letters of credit shall be considered for marketing purposes, availability and cost effectiveness.
11. The City shall diligently monitor its compliance with bond covenants and ensure its compliance with federal arbitrage regulations.
12. The City may issue interfund loans rather than outside debt instruments. Interfund loans will be permitted only if an analysis of the lending fund indicates excess funds are available, and the use of these funds will not impact the fund's current operations. The average annual interest rate, as established by the Local Agency Investment Fund (LAIF), will be paid to the lending fund.

General Fund Balance Reserve Policy

General Fund Balance Reserve Policy

This Fund Balance Policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements. Certain commitments and assignments of fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

PROCEDURES

Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purpose for which amounts can be spent.

- Nonspendable fund balance (*inherently nonspendable*)
- Restricted fund balance (*externally enforceable limitations on use*)
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual net resources*)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above. These three components are further defined below.

Committed Fund Balance

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period; however the amount can be determined subsequently.

- General Fund Emergency Contingency
The City's General Fund balance committed for emergency contingencies is established at \$1,350,000. The Emergency Contingency is reserved for economic uncertainties, local disasters, recession or other financial hardships; to subsidize unforeseen operating or capital needs; and for Cash flow requirements. The City Council may, by the affirming vote of three members, change the amount of this commitment and/or the specific uses of these monies.

Assigned Fund Balance

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the Administrative Services Director for the purpose of reporting these amounts in the annual financial statements. A few examples of assigned fund balance follow.

- Continuing Appropriations
Fund balance levels must be sufficient to meet funding requirements for projects approved in prior years and which must be carried forward into the new fiscal year.
- Debt Service
Established to provide for future debt service obligations.

Unassigned Fund Balance

These are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories.

Fund Balance Classification

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

This policy is in place to provide a measure of protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54. No other policy or procedure supersedes the authority and provisions of this policy.

Available Fund Balance Reserve Policies

Available Fund Balance Reserve Policies

1. Each fund shall maintain, if necessary, an appropriate Available Fund Balance reserve to fund prior year's incomplete capital projects, continuing appropriations, cash flow needs and any other financial need not included in the current fiscal year budget.
2. The Water and Wastewater enterprise operational funds shall maintain a minimum Available Fund Balance reserve of 10% of the upcoming fiscal year's total operating appropriations and debt service payments.
3. The Electric enterprise operational fund shall maintain a minimum Available Fund Balance reserve of 10% of the upcoming fiscal year's total operating appropriations and debt service payments. The Available Fund Balance for the Electric Rate Stability Fund shall be maintained at a minimum of 20% of the upcoming fiscal year's total operating appropriations and debt service payments.
4. The Self-Insurance Fund shall maintain a \$500,000 minimum Available Fund Balance reserve which is in excess of the estimated loss reserve as reported at the end of the fiscal year by the City's claims administrator.

Electric Administrative Transfer Policy

Electric Administrative Transfer Policy

1. The Electric Operation's fund administrative transfer to the General Fund for FY 2010-11 and FY 2011-12 is authorized at 10% of metered sales. The rate will be reviewed by the City Council during the budget process.

Budget and Budgetary Accounting Policies

Budget and Budgetary Accounting Policies

The City uses the following procedures in establishing the budget:

1. Before the beginning of the budget cycle, the City Manager submits to the City Council a proposed budget commencing July 1.
2. A budget workshop(s) is conducted every two years or as needed to obtain citizen comments.
3. The budget is subsequently adopted through passage of a resolution.

For a given fiscal year, all appropriations are as originally adopted or as amended by the City Council. At year end, all unencumbered budgeted amounts lapse at year-end subject to requests for continuing appropriations. Outstanding encumbrances will be carried forward into the new fiscal year with City Manager approval.

4. Continuing Appropriations requests and Authorized Capital Projects are approved by the City Manager after the adoption of the original budget. The original budget is then adjusted accordingly.
5. The legal level of budgetary control is at the fund level. A Department Head may transfer budget appropriations within a major category in a department or fund under his authority. The City Manager's approval must be obtained when a budget appropriation transfer request moves from one major appropriation category to another within a department.
6. The City Council may, at any time, amend the budget or delete appropriations, transfer between appropriations within a fund or change appropriation transfers between funds.

Accounting, Auditing & Financial Reporting Policies

Accounting, Auditing & Financial Reporting Policies

1. The City's accounting and financial reporting system will be maintained in conformance with generally accepted accounting principles and standards of the Government Accounting Standards Board.
2. Accounts payables warrant registers and payroll totals will be submitted to the City Council monthly for review and ratification.
3. Quarterly financial reports will be submitted to the City Council for review.
4. An annual audit will be performed by an independent public accounting firm with the subsequent issue of general-purpose financial statements.
5. The Administrative Services Director will annually submit an investment policy to the City Council for review and approval.

CITY of BANNING

Description of Funds

(001) General Fund

The General Fund is the general operating fund of the city. All general tax receipts and fee revenue not allocated by law, council policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities that are not required to be accounted for or paid by another fund.

Special Revenue Funds

Special Revenue Funds account for revenues derived from specific sources that are required by law or administrative regulation to be accounted for in a separate fund. Funds included are (Ordered by fund number):

(002) Developer Deposits – Community Development: This fund accounts for deposits required of developers that are used by the City for studies and reports required due to the development. These funds are combined with the General Fund for financial statement reporting.

(003) County of Riverside – MOU: In February, 2007 an agreement was executed between the County of Riverside and the City of Banning with respect to expansion of the Smith Correctional Facility located in Banning, California. To mitigate the potential impacts of this expansion on the citizens of the City of Banning, the County will, over the course of 10 years, provide the City with 4.5 million dollars and implement a reverse 9-1-1 system; in exchange, over the same period, the City will use these funds to hire four sworn police officers.

(100) Gas Tax: The Street Division is responsible for the maintenance of streets and storm drains or operation of traffic controls and related facilities. The Division uses State and local standards to ensure protection and maintenance of public infrastructure.

(101) Measure A Street: Measure “A” was approved by the voters of Riverside County authorizing an additional half-cent sales tax specifically for transportation improvement purposes. This fund accounts for the receipt and expenditures of the money collected under the Measure “A” program.

(103) SB300 Street Improvement: This Fund pertains to Senate Bill 300 where the State participates in local

transportation projects meeting the eligibility criteria under the State-Local Transportation Partnership Program.

(104) Article 3 – Sidewalk Construction: This program provides grants under Senate Bill 821 for Bicycle and Pedestrian Facilities on a competitive basis. Projects are submitted by the local agencies annually to the Riverside County Transportation Commission.

(110) C.D.B.G.: Accounts for monies received and expended by the City as a participant in the Federal Community Development Block Grant Housing Program.

(111) Landscape Maintenance Assessment District #1: This fund is responsible for the maintenance of landscaping installed in public right-of-ways within Landscape Maintenance District No. 1. The City collects the assessments through the County of Riverside Tax Collector’s office. The Engineer’s Report and all paperwork is prepared in-house by staff on an annual basis and assessments are recorded on individual parcels within the district, subject to the approval of the City Council.

(132) Air Quality: The Air Quality Management District (A.Q.M.D.) Fund proceeds are intended for improving the air quality within Riverside County. Quarterly allocations are received from the District for governmental agencies to improve air quality. Qualifying fund uses include alternative fuel vehicles that are used for City operations and compressed natural gas (CNG) fueling stations.

(140) Asset Forfeiture: The Asset Forfeiture Fund is used as a depository for assets forfeited as a result of Police Department arrests, narcotics-related arrests, etc. The forfeited assets then become available for operating costs or capital equipment needs in the continuation of drug enforcement within the Police Department.

(148) Supplemental Law Enforcement: This program was approved in FY 1996-97. This funding is restricted to front line law enforcement programs. Funding for this program is considered each year by the State and is not guaranteed.

(149) Public Safety – Sales Tax: The adoption of a one-half cent sales tax strictly used for public safety operations was authorized by Proposition 172. The sales tax is recorded in a separate fund and subsequently transferred to the City’s General Fund to subsidize fire and police operations.

(150) State Park Bond Act: This fund was established during Fiscal Year 2003 to account for funds received through the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 and the Clean Water, Clean Air, Safe Neighborhoods Parks, and Coastal Protection Bond Act of 2002. This fund ensures that the monies expended and reimbursed on bond funded projects is tracked separately from other funding sources.

(200) Special Donations: This fund was established during Fiscal Year 1989-90 to account for special donations received by the City. This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(201) Senior Center Activities: This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(202) Animal Control Reserve: This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(203) Police Volunteer: The Volunteer Citizen Patrol Program is designed to relieve regular officers of duties not specifically defined as law enforcement activities. This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(300) City Hall COP Debt Service: This fund was created to record the debt service transactions for the 1997 City Administration Certificates of Participation Refunding Bonds. The bonds were refinanced in FY11. The new debt matures in 2020.

(360) Sun Lakes CFD #86-1: This fund is used to record the financial activities of the Sun Lakes Community Facilities District (C.F.D.) #86-1 Refunding Bond's annual debt service and related administrative costs. The original bond proceeds were used to create an overpass for the railroad. A bridge and thoroughfare district was created to mitigate the cost of the capital improvement from future development in the area.

Each year the City certifies and collects a special tax through the County of Riverside property tax collection program to provide funds for the District's expenditures. The refunding bonds matured in 2005. The fund still exists to track bridge and thoroughfare revenue.

(365) Assessment District - #91-1 Wilson St. Debt: This fund is used to record the principal, interest and related administrative costs for the Wilson Street Assessment District #91-1 Bond debt service activities. The proceeds were used to develop infrastructure in new residential subdivisions. The improvements are an obligation of the

property owners located within the District and no City Funds are used to subsidize any costs associated with the District.

Each year the City certifies an assessed amount for the property owners to the County of Riverside and collects the amounts due through the County's property tax system. The bonds have a final maturity in 2012 and may be prepaid at any time by a property owner. The prepayment proceeds can only be used to call outstanding District bonds.

(370) Area Police Computer: This fund has been created to isolate the costs associated with the Area Police Network. The network increases communication to each agency and provides the capability to obtain information from Sacramento. Three Riverside County cities are currently participating in the program, which is administered by the City. The participating agencies include Banning, Beaumont, and Hemet. The City of Banning's portion of this program is reflected in the Police department's budget located in the General Fund.

(375) Fair Oaks 2004-1 Debt Service: This fund was used to record the deposit and use of funds provided by Century Homes to develop an assessment district relating to the Fair Oaks Ranch Estates Development. In 2004-05 the Fair Oaks Assessment District was formed. In May 2005 bonds in the amount of \$2,898,000 were issued to finance the cost of constructing and acquiring certain public improvements funded by the District. Since FY 2005-06, this fund has been used to track the debt service activity related to the bond issue.

(376) Cameo Homes: This fund was used to record the deposit and use of funds provided to develop an assessment district.

Capital Improvement Funds

(400) Police Facilities Development: This fund was created to mitigate the cost of needed additional police facilities resulting from new development that has increased the City's population. Expenditures from this fund are restricted to the development of new, or expansion of existing, police sites and the acquisition of capital equipment such as vehicles.

(410) Fire Facility Development: This fund has been created to record the financial activities related to the increased fire service level impact resulting from new development. The fee is collected at the time a building permit is requested. The fees are used to mitigate the cost of increased service levels resulting from additional population. The fees can be used to develop additional fire stations or acquire additional capital projects.

(420) Traffic Control Facility: Traffic Control Facilities Fees are the impact fees paid by the new developments for construction of traffic signals at various locations within the City.

(421) Ramsey & Highland Home Traffic Signal: This fund has been created to segregate payments made by developers to subsidize a capital infrastructure project. The project has been isolated to ensure developer payments are being used specifically for the intended improvement.

(430) General Facilities: This fund has been created to reserve funds obtained from new development to update the City's General Plan and to construct City Hall Annex. Fees are collected at the time a building permit is issued and are intended to update the City Hall Facilities.

(441) Sunset Grade Separation Fund: This fund was created to isolate payments made with the intent to fund the capital improvement in the future.

(444) Wilson Median: This fund was created to isolate developer payments made with the intent to fund a capital improvement in the future. Only costs associated with the capital improvement project are to be expensed to this fund.

(451) Park Development: The Park Development Department is responsible for the acquisition and development of parks and recreation facilities. Functions include land acquisition, planning and design, grant funding acquisition, identification and administration of rehabilitation and improvement projects, establishment and collection of developer fees, and development of leases.

(470) Capital Improvement Funds: This fund is used to record the receipt and expenditure of the one-time upfront lease payment received from the Banning Utility Authority. In as much as this lease payment came from bond proceeds, it can only be used to fund capital expenditures. The Council initially earmarked these for a variety of projects.

Banning Utility Authority

The Banning Utility Authority was created in 2005 for the purpose of, among other things, providing financing for capital improvement projects for water and wastewater.

(660) Water Operations: The Water Department is responsible for providing domestic water to residences, businesses and industries within the City. The Division is also responsible for providing adequate flows for the City's fire protection system. The City's main source of water supply is water wells in the City's water canyon along with wells scattered throughout other parts of the City. The Water Division is an enterprise function; i.e. all costs relative to the production and delivery of water

(maintenance, replacement and expansion) are paid with user fees and capital connection fees.

(661) Water Capital Facility Fee: The Water Capital Facility Fees are a one-time charge collected from new developments or existing developments requesting new services from the City's Water Distribution System. The fees collected can be utilized for the Water Department Capital Improvement Programs.

(662) Irrigation Water: The purpose of the Irrigation Water Fund is to set aside funds for an irrigation water/reclaimed water project. Funding for this project is obtained on an incremental basis over a period of years until adequate funds are available to pay for the project.

(663) BUA Water Capital Project Fund: A portion of the water 2005 revenue bonds was set aside to fund specific water utility capital improvement projects.

(669) BUA Water Debt Service Fund: The Banning Utility Authority issued \$35,635,000 in Water Bonds dated November 1, 2005. The proceeds of the Water Bonds were used to (i) pay costs of certain capital improvements to the Water Enterprise; (ii) defease the 1986 Water Certificates; (iii) defease the 1989 Water Certificates; (iv) make an initial up-front lease payment to the City; and pay costs of issuance of the Water Bonds. Debt service costs are funded by net water revenues. The bonds are scheduled to mature in the year 2035.

(680) Wastewater Operations: The Wastewater Department collects the effluent from the city's residential, commercial and industrial facilities and discharges the effluent after required treatment in compliance with the Discharge Permit issued by the State Water Quality Control Board. The Wastewater Treatment Facilities are operated by United Water Environmental Services, on a contract basis.

(681) Wastewater Capital Facility Fees: The Wastewater Capital Facility Fee is a one-time charge collected from new development or existing development requesting new services from the City's wastewater collection system. The fees collected can be utilized for Wastewater Division Capital Improvement Programs.

(683) BUA Wastewater Capital Project Fund: A portion of the wastewater 2005 revenue bonds was set aside to pay for specific wastewater utility capital improvement projects

(685) State Revolving Loan: The City has completed the renovating and expanding of the wastewater treatment plant. To fund the project construction, the City submitted an application for low-interest financing under the State Revolving Loan Program. As part of the requirements of the State Revolving Loan Program, the State requires that the

City dedicate a special fund to ensure the ability of the City to repay the loan. This fund was created in FY 1998-99 to comply with this requirement.

As part of the procedure, the City will transfer approximately \$25,000 per month from the Wastewater Operations Fund for the purpose of repaying the loan. The loan amount is \$4,658,883, borrowed at 2.6% interest, for twenty years. The loan is scheduled to be paid off in November 2020.

(689) BUA Wastewater Debt Service Fund: The Banning Utility Authority issued \$7,100,000 in Wastewater Bonds dated November 1, 2005. The proceeds of the Wastewater Bonds were used to (i) pay costs of certain capital improvements to the Wastewater Enterprise; (ii) defease the 1989 Wastewater Certificates; and pay costs of issuance of the Wastewater Bonds. Debt service costs are funded by net wastewater revenues. The bonds are scheduled to mature in the year 2035.

Enterprise Funds

(600) Airport: The Banning Municipal Airport is an element of the national and local transportation system, which significantly affects the economic development of the City of Banning. The Airport Fund reflects annual revenues, expenditures and proposed capital improvement projects. A sound and realistic planning of Airport operations has the means to increase its contribution to the economy of the community.

(610) Transit Operations: The Fixed Transit Route Division operates fixed-route bus services that serve the City of Banning and provides service between Banning and Cabazon. The Dial-A-Ride Division provides curb-to-curb transit services to elderly and disabled citizens residing within the City of Banning.

(690) Refuse: The City provides solid waste disposal through a franchise agreement with Waste Management. The City tracks collections of revenue and the costs to provide the service in this fund.

(670) Electric Operations: The Electric Department provides economical, reliable, and safe distribution of electricity to residents and businesses in the City of Banning. The Department contracts with both public and private entities for the provision of specialized services.

(672) Rate Stability: Accumulated funds are used to offset operational costs to mitigate the need for rate increases. There is a minimum reserve of 20% required per the Available Fund Balance Reserve policy.

(673) Electric Improvement: The Electric Improvement Fund includes interest and payments received from Southern California Edison (SCE) as per Federal Energy Regulatory Commission decisions. City Council has adopted Resolution 1993-37 setting the guidelines for utilization of these funds. Resolution No. 1993-37 strictly prohibits the use of these funds for salaries or for operations and maintenance of the electric distribution system.

(674) Electric Bond Project Fund: The Banning Financing Authority was created in 2003 for the purpose of, among other things, providing financing for the acquisition or construction of public capital improvements. A portion of the electric revenue bonds proceeds was set aside to fund certain improvements to the Electric System.

(675) Public Benefit Fund: The California electric restructuring legislation, Assembly Bill 1890, requires publicly owned utilities to maintain a usage based Public Benefits Charge to be used for Public Benefit Programs. Among the provisions of this legislation are requirements for utilities to collect and spend monies on any or all of the following four categories:

1) Cost-effective demand-side management programs that promote energy-efficiency and conservation. 2) New investments in renewable energy sources. 3) Research, development and demonstration programs to advance science or technology. 4) Services provided to low-income customers.

(678) Electric Debt Service Fund: The Banning Financing Authority issued \$45,790,000 in Electric Bonds dated July 3, 2007. The proceeds of the Electric Bonds are being used to (i) finance certain improvements to the City's Electric System; and pay costs of issuance of the Bonds. Debt service costs are funded by net electric revenues. The bonds are scheduled to mature in the year 2038.

Internal Service Funds

(700) Insurance: Costs associated with liability exposures and employee related cost for worker's comp and unemployment insurance are accounted for here. The Council has adopted a policy of maintaining a minimum fund balance of \$500,000 in this fund to be available for unknown lawsuits and other insurance costs.

(702) Fleet Maintenance: The Fleet Maintenance Division is responsible for the maintenance and repair of all City owned vehicles and equipment. Costs of maintaining and repairing vehicles and equipment are assessed to each division, including an appropriate share of overhead costs.

(703) Information Systems Services: The Information Technology Services Division is responsible for the effective

utilization of information technology throughout the City and for implementation of information systems planning consistent with the City's business systems plan.

(761) Utility Billing Services: The Utility Billing Operations is responsible for preparing and collecting bills for electric, water, wastewater and refuse (trash), and also serves as the central revenue collection point for the City. The Utility Meter Services Operations is responsible for meter reading.

Community Redevelopment Agency Funds

(810) Low/Mod Housing: The Low/Moderate Income Set Aside Operations Fund is used to provide, facilitate and develop housing programs for the rehabilitation or construction of housing for low/moderate income persons.

(830) Debt Service Fund: The Debt Service Fund is the fund which: 1) makes principal and interest payments on agency debt service, 2) allocates payment for pass thru's and 3) transfers unobligated funds to operations accounts.

(850) Administration Fund: This fund accounts for costs associated with the administration of the Redevelopment Agency.

(855) Tax Allocation Bonds-2007 Tabs: Proceeds from this bond issue may be used for a variety of improvements. The

Agency Board has developed and approved a number of programs intended to upgrade the appearance of the project area, stimulate investment, produce jobs and revitalize the area. As of April 2011, all bond proceeds have been committed to projects and transferred to the City to administer.

(856) Tax Allocation Bonds-2003 Tabs: Proceeds from these bonds may be used for a variety of improvements. The Agency Board has developed and approved a number of programs intended to upgrade the appearance of the project area, stimulate investment, produce jobs and revitalize the area.

(857) Low/Mod Tax Allocation Bonds-2003 Tabs: A portion of the proceeds from the bond sale are to be used exclusively for the rehabilitation and construction of housing for low and moderate-income persons. The essence of the use of these funds is: 1) to result in the fulfillment of the Housing Element and the adopted Redevelopment Implementation Plan Goals and Policies, 2) to improve the visual image of the community and 3) to assist in the removal of blight.

(860) Project Fund: The Redevelopment Projects Fund is the budget available to the Redevelopment Agency for focused activities to accomplish the objectives of the Agency.



CITY of BANNING

Glossary of Terms

Accrual Basis of Accounting: A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Appropriation: Legal authorization by the City Council to make expenditures and to incur obligations for specific purposes.

Assessed Valuation: A dollar value that is established for real estate or other property, by Riverside County, as a basis for levying property taxes.

Assessments: Charges made to parties for actual services or benefits received.

Audit: A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriation.

Bond: A Municipal Bond is a written promise from a government to repay a sum of money on a specific date at a specified interest rate. Bonds are most frequently used to finance large capital projects, such as buildings, streets, and bridges.

Budget: A plan for financial operation listing an estimate of proposed appropriations and the proposed means of financing them for a particular time period. Once the budget has been approved by the City Council it then considered the "adopted" budget.

Budget Adjustment: A procedure to revise a budget appropriation or revenue estimate.

Budget Document: The instrument used to present a comprehensive financial plan of operations to the City Council and the public.

Budget Message: The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget and changes from the previous fiscal year.

Building Permit: Fee required for new construction or any alterations or addition to a residence or commercial building. The fee is based on square footage and valuation.

Business License Tax: A fee collected from those conducting business within the City.

Capital or Community Improvements: Capital or community improvements are major construction, acquisition or maintenance/repair projects. Typical examples of major construction would include new street improvement, park development and public buildings. Acquisitions include land. Major maintenance/repairs may include street resurfacing and modifications to public buildings.

Capital Outlay: Expenditure for non-expendable equipment, which has a usable life greater than one year.

Contingency (Operating): Funds set aside by the City within the budget for emergencies and economic uncertainties.

Contingency (Emergency Reserve): Funds set aside by that City within the fund balance for emergencies and economic uncertainties.

CVC Fines: The City's portion of California Vehicle Code (CVC) fines collected upon conviction of a misdemeanor or infraction committed within City boundaries. The majority of the fines are allocated through the Court system.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

Disbursement: Payment for goods and services in cash or by check.

Employee Services: Salaries and fringe benefits earned by employees of the City for work performed.

Encumbrances: The commitment of appropriated funds to purchase goods which have not yet been received, or services that have yet to be rendered.

Enterprise Funds: Funds established to account for the total costs of those governmental facilities and services that operate in a manner similar to private enterprise. These programs are entirely, or predominately, self-supporting, and render services on a user charge basis to the general public.

Expenditure: The cost of goods received or services rendered.

Fiscal Year: A 12-month period of time to which an annual operating budget applies. The City of Banning has specified July 1 through June 30 as its fiscal year.

Fixed Assets: Assets of long-term character such as land, buildings, machinery, furniture and other equipment.

Fund: A self-balancing set of accounts. Governmental accounting information is organized into funds, each with separate revenues, expenditures and fund balances. There are seven major types of funds: General, Special Revenue, Capital, Debt, Internal Service, Enterprise, and Trust & Agency.

Fund Balance: The difference between a fund's assets and liabilities. Portions of the fund balance may be reserved or designated for various purposes, such as contingencies, encumbrances or specific projects.

Function: A group of related programs crossing organization (departmental) boundaries and aimed at accomplishing a broad goal or a major service.

General Fund: The City's major operating fund. The activities budgeted in the General Fund represent the daily on-going services provided to the citizens of Banning. General government services, e.g. Police, Fire, Planning, Code Enforcement, Parks and Recreation expenditures are accounted for in this fund.

Grant: Contributions of gifts or cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is the Community Development Block Grant allocated by the Federal Government.

Internal Service Fund: This fund type is used to account for the payment of goods and services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis. The City of Banning operates five internal service funds: Insurance; Fleet Maintenance; Information Services, Public Works Administration and Utility Billing Administration.

Investment Income: Revenue received as interest from investment of funds not currently required to maintain current operation.

Line-Item Budget: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category. Line item budgets are produced and used internally for budgetary control purposes only.

Modified Accrual Accounting: A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

Operating Budget: The portion of the budget that pertains to the daily operations of the City which provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, materials and capital assets required to maintain service levels.

Ordinance: A formal legislative enactment by the City Council. An ordinance has the full force and effect of law within the City boundaries, unless it is in conflict with any higher form of law, such as a State statute or constitutional provision. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

Program: Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

Redevelopment Agency: An entity created by a legislative body in accordance with state statutes which has elected to exercise the powers granted to it for planning, development, redesign, clearance, reconstruction, or rehabilitation of an area.

Reserve: Used to earmark a portion of the fund balance as segregated for a specific use.

Retained Earnings: The accumulated earnings of an Enterprise or Internal Service Fund which have been retained in the fund and which are not reserved for any specific purpose.

Revenue: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Resolution: A special order of the City Council, which requires less legal formality than an ordinance in terms of public notice and the number of public readings prior to approval. A resolution has lower legal standing than an ordinance. The Budget is approved by resolution, and requires a majority vote of the Council Members present.

Risk Management: An organized attempt to protect a government's assets against accidental loss in the most economical manner.

Subventions: That portion of revenues collected by other government agencies on behalf of the City.

Tax Increment Financing (TIF): Tax increment financing is an economic tool used by redevelopment agencies to finance economic development and rehabilitation costs within a project area. Additional property taxes generated by new development within a district formed are used to finance these development and infrastructure costs. A tax increment (TI) is that portion of property taxed generated by the development above what the taxes would have been had the development not occurred.

Transient Occupancy Tax (TOT): Bed tax imposed on hotels, motels, inns or other lodging facilities. The rate in Banning is 12%.

Self-Insurance: Assuming risk of loss through the maintenance of reserves or some other plan instead of through the purchase of insurance coverage.

User Fees: The payment of a charge or fee for direct receipt of a service by the party benefiting from the service. For example, fees charged to use a community swimming pool rather than a broad-based tax on the community.



CITY of BANNING

Summary of Acronyms

AB – Assembly Bill
ADA – Americans with Disabilities Act
AED – Automatic External Defibrillator
AQMD – Air Quality Management District
ASP – After School Program
BFA – Banning Financing Authority
BPAL – Banning Police Activities League
BTA – Banning Transit Authority
BUA – Banning Utility Authority
BUSD – Banning Unified School District
CAD – Computer Aided Dispatch
CALBO – California Building Officials
CalHome – General home Buyer Assistance Program
CD – Certificate of Deposit
CDBG – Community Development Block Grant
CERT – Computer Emergency Response Team
CFD – Community Facilities District
CIP – Capital Improvement Program
CMTA – California Municipal Treasurers Association
COPS – Citizens Opt for Public Safety
CPR – Cardio Pulmonary Resuscitation
CRA – California Redevelopment Agency
D.O.D. – Department of Defense (Safe Water)
D.O.J. – Department of Justice
DARE – Drug Abuse Resistance Education
DUI – Driving Under the Influence
EMS – Emergency Medical Services
EOC – Emergency Operations Center
FAA – Federal Aviation Agency
FY – Fiscal Year
GASB – Government Accounting Standards Board
GIS – Geographical Information System
HAZMAT – Hazardous Material
HHW – Household Hazardous Waste
HUD – Housing and Urban Development
HVAC – Heating Ventilating Air Conditioning
ICSC – International Council of Shopping Centers
IT – Information Technology
ITS – Information Technology Services
JPA – Joint Power Authority
LAIF – Local Agency Investment Fund
LF – Landfill

LLC – Limited Liability Company
LMD – Landscape Maintenance District
MIS – Management Information System
MOU – Memorandum of Understanding
NFIRS – National Fire Incident Reporting System
NPDES – National Pollutant Discharge Elimination System
OPEB – Other Post-Employment Benefits
OTS – Office of Traffic Safety
PD – Police Department
PDF – Portable Document Format
PEG – Public Educational & Government
PERS – Public Employees Retirement System
POST – Police Officers Standards and Training
RASP – Risk Assessment of Flood & Coastal Defense for Strategic Planning
RCTC – Corporation for passport services and tourist and business travel visas
RDA – Redevelopment Agency
RMS – Records Management Systems
SCACEO – Southern California Association of Code Enforcement Officers
SCAQMD – South Coast Air Quality Management District
SEMS – Standardized Emergency Management System
TOT – Transient Occupancy Tax
VLF – Vehicle License Lee
WDA – Wastewater District Assessments
WWTP – Wastewater Treatment Plant

