

City of Banning

FY 2010-11 and 2011-12

Budget Presentation

Special Meeting Purpose

- Update on General Fund deficit reduction plan presented May 11, 2010
- Discussion of all other funds for City, Utility Authority and Community Redevelopment Agency
- Budgets are presented as 2 year plans
- Recommended actions to adopt budgets

General Fund

- Plan presented May 11, 2010 to address projected deficit of approximately \$1.8 million
- Included expenditure reductions involving elimination of 20 full-time positions and part-time hours equivalent to 5.59 full-time positions
- Revenue from increasing the voter approved Transient Occupancy Tax rate from 10% to 12%
- Deficit was reported as higher due to late breaking additional revenue losses of approximately \$130,000 per year
- Staff was directed to work on alternatives

General Fund

Recommended Actions

- 7 vacant positions – eliminate
- 4 Police Officer positions – wait until September 30th to see if grant funding can be obtained, if not eliminate positions
- 1 Property/Evidence Specialist – eliminate
- 5 positions represented by IBEW
 - Ongoing negotiations to attempt concessions that would save positions – vote due this week

General Fund

- Community Services
 - Revenue increases (\$30,585), expenditure reductions (\$190,200), net cost remaining appropriated \$210,900
- Building and Safety Division
 - Contract out services
 - 3 positions eliminated
- Combine Finance and Human Resources into Administrative Services

General Fund

- FY 2010-11 deficit projected to be \$674,810
 - \$225,000 one time costs
 - \$449,810 ongoing/structural
- FY 2011-12 deficit grows to \$1,342,872
 - Fire Contract \$743,000
 - Community Services 213,560
 - Retirement and wages 256,312
 - Additional revenue loss 130,000

General Fund

- Need continued action to address the structural nature of:
 - increasing employee costs
 - Community Services
 - timing of any revenue growth

Special Revenue Funds

- Grant or other restricted revenues
- Gas Tax Fund only problem
 - \$250K from General Fund to supplement ongoing tax revenues
 - General Fund contribution not covering expenditures
 - Additional General Fund monies or expenditure reductions needed in FY2011-12

Enterprise Funds

- Water and Wastewater discussed May 11th
 - Rate study presented to provide revenue to close deficits of \$1,172,343 and \$616,172
- Transit Fund shows a deficit of \$128,059
 - Reduced funding from RCTC
 - Staff plan to reduce services and/or reduce expenditures
- Electric and Refuse Funds balanced

Internal Service Funds

■ Insurance Fund

- Currently keeping allocations to all funds at a minimum
- Maintaining fund balance at an amount greater than \$500,000 policy
- Future allocations will need to be monitored closely

FY10 RDA Budget Funding

Gross tax increment	\$5,249,278
(Less 80% of County admin fees)	(40,378)
Interest Income (all funds)	<u>48,850</u>
	\$5,257,750

20% Low/Mod Set Aside	\$1,049,856
Pass Thru Payments	1,171,441
Debt Service Requirements	2,638,090
Reimb for Low/Mod portion of Debt Service	(192,888)
Services & Supplies	<u>3,600</u>
	\$4,670,099

Available for Admin/Projects

\$ 587,651

FY10 RDA Budget Funding

Administration

Employee Services	\$ 449,527
Services & Supplies	185,026
Internal Service Transfers	<u>132,178</u>
	\$ 766,731

Available for Projects

\$(179,080)

Programs & Projects

Gang Task Force	\$ 132,034
Code Enforcement (payroll, svcs & supplies)	251,030
Cultural Alliance	131,500
Chamber of Commerce	40,000
Professional and contractual services	<u>203,147</u>
	\$ 757,711

Total Amount required from fund balance

\$(936,791)

FY11 RDA Budget Funding

Gross tax increment	\$4,832,980
(Less 80% of County admin fees)	(40,378)
Interest Income (all funds)	<u>78,750</u>
	\$4,871,352

20% Low/Mod Set Aside	\$ 966,596
Pass Thru Payments	1,124,716
Debt Service Requirements	2,751,367
Reimb for Low/Mod portion of Debt Service	(192,304)
Services & Supplies	<u>3,700</u>
	\$4,654,075

Available for Admin/Projects

\$ 217,277

FY11 RDA Budget Funding

Administration

Employee Services	\$ 482,080
Services & Supplies	156,780
Internal Service Transfers	<u>125,217</u>
	\$ 764,077

Available for Projects

\$(546,800)

Programs & Projects

Gang Task Force	\$ 133,086
Code Enforcement (payroll, svcs & supplies)	187,372
Cultural Alliance	111,500
Chamber of Commerce	30,000
2011 SERAF take	392,038
1 st Annual payment of 2010 SERAF take	381,204
Professional and contractual services	<u>158,000</u>
	\$ 1,393,200

Total Amount required from fund balance

\$(1,940,000)

FY12 RDA Budget Funding

Gross tax increment	\$4,832,980
(Less 80% of County admin fees)	(40,378)
Interest Income (all funds)	<u>78,750</u>
	\$4,871,352

20% Low/Mod Set Aside	\$ 966,596
Pass Thru Payments	1,124,716
Debt Service Requirements	2,875,387
Reimb for Low/Mod portion of Debt Service	(192,380)
Services & Supplies	<u>6,200</u>
	\$4,780,519

Available for Admin/Projects	\$ 90,833
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FY12 RDA Budget Funding

Administration

Employee Services	\$ 496,959
Services & Supplies	160,280
Internal Service Transfers	<u>126,013</u>
	\$ 783,252

Available for Projects

\$(692,419)

Programs & Projects

Gang Task Force	\$ 134,971
Code Enforcement (payroll, svcs & supplies)	191,210
Cultural Alliance	70,000
Chamber of Commerce	30,000
1 st Annual payment of 2010 SERAF take	381,204
Professional and contractual services	<u>156,500</u>
	\$ 963,885

Total Amount required from fund balance

\$(1,656,304)

Conclusion

■ Questions