

June 25, 2013

CITY OF BANNING BUDGET WORKSHOP FISCAL YEAR 2013/14

Agenda

- Budget presentation
 - General Fund
 - Other Funds
 - Personnel changes
 - Capital Improvement Program
- Department highlights & services

Fiscal Year 2013/14
2nd Year of Two Year Budget

Budget presentation

Budget Process

- Department submittals
- City Manager review and direction
- Finance review and compilations
- Budget includes...
 - Conservative estimates
 - Revenues – estimates based on trends and/or external information
 - Expenditures – estimates based on trends, savings, or new requests

Budget Document

- Budget Message
- Fund Summaries – All funds
 - Tables & Graphs
- General Fund
 - Overview, Tables and graphs
- Personnel – position control
- Capital Improvement Program
- Supplemental Information
 - Policies, Gann limit, fund descriptions

Budget Content

- Actual activity for FY 11 and FY12
- Revised budget for FY13
 - Includes midyear and other Council actions
- Revised budget for FY14
 - Updated information based on most current information

General Fund

- Collects the general tax receipts and fee revenue not allocated by law.
- Pays for general services (police, fire, public works, administration)
- Responsible for all other funds that operate at a deficit

General Fund – Revised Budget FY14

- Balanced budget

- Revenues \$13,354,930
- Expenditures \$13,354,930

- Balancing included –

- Improved revenues
- Expenditures reduced

GF - Revenue changes

Original FY14 budget - \$12,590,855

Revised FY14 budget - \$13,354,930

○ Net increase (6%) \$827,512

Major Areas of improvement:

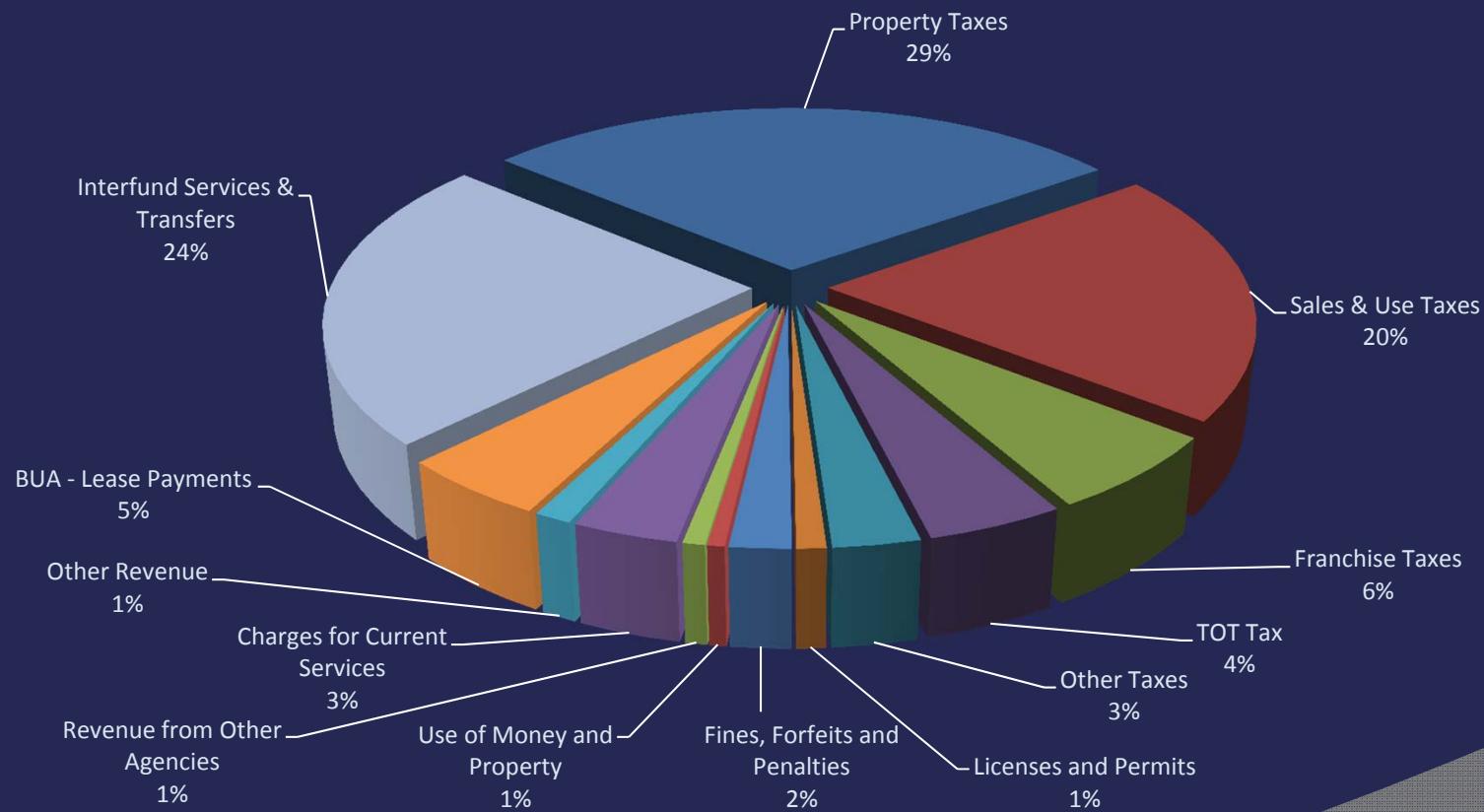
- Property taxes
- Sales taxes
- Electric Admin

GF - Revenues FY14

Description	Actual 2010/2011	Actual 2011/2012	Revised Budget 2012/2013	Adopted 2012/2013	Revised 2013/2014
General Fund Revenues By Category					
Taxes					
Property Taxes	3,852,014	3,681,435	3,788,444	3,788,444	3,873,499
Sales & Use Taxes	2,130,506	2,324,025	2,719,426	2,719,426	2,724,915
Franchise Taxes	800,346	819,203	835,000	835,000	826,000
TOT Tax	506,074	586,083	550,000	550,000	590,000
Other Taxes	407,087	333,202	303,435	303,435	373,485
<i>Subtotal Taxes</i>	<i>7,696,027</i>	<i>7,743,948</i>	<i>8,196,305</i>	<i>8,196,305</i>	<i>8,387,899</i>
Other revenues	6,003,464	5,153,575	6,342,782	6,342,782	4,967,031
Total	13,699,491	12,897,523	14,539,087	14,539,087	13,354,930

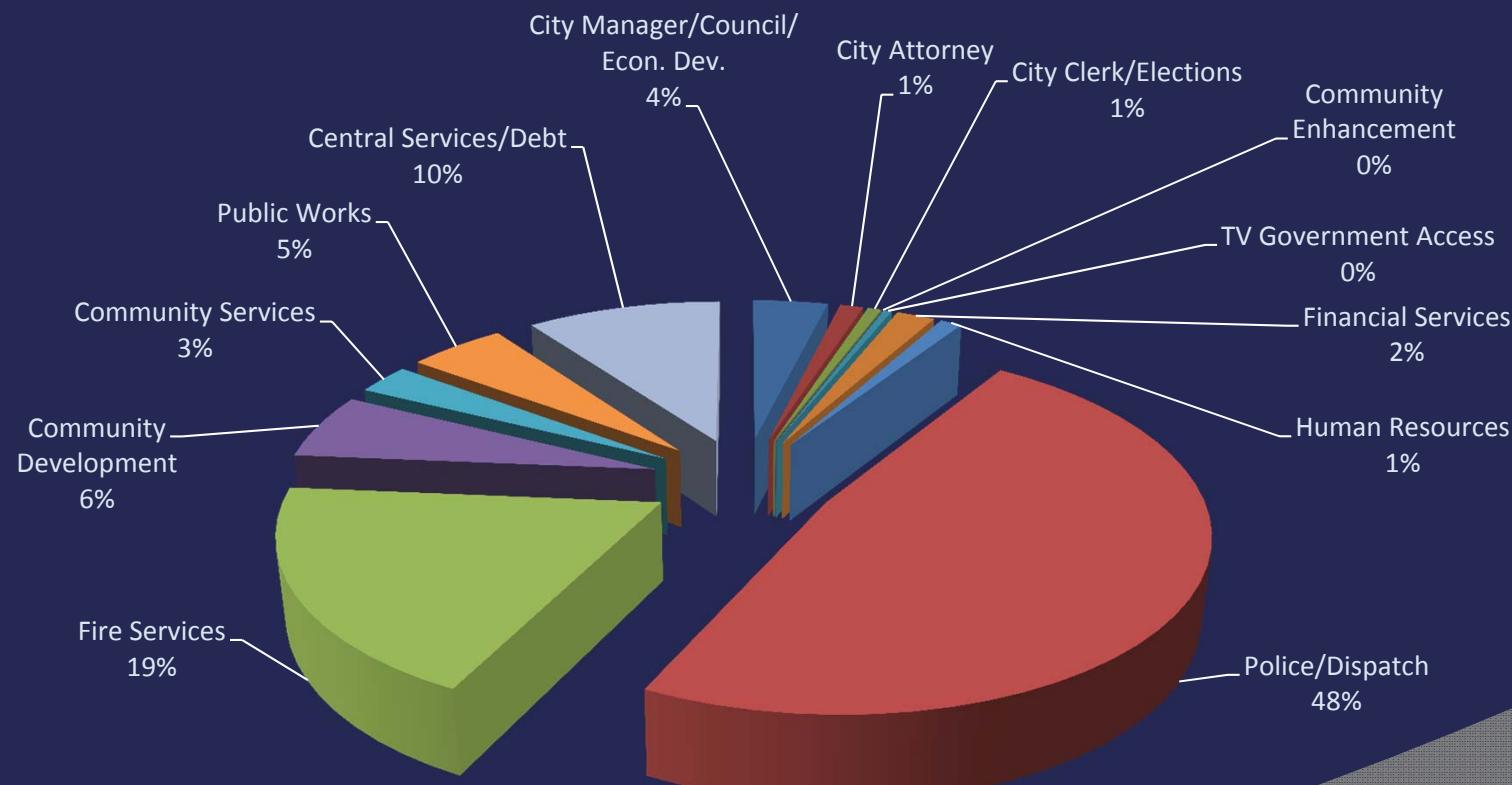
GF – Revenues FY14

\$13,354,930



General Fund Expenditures

\$13,354,930



GF – Expenditures by Category

Category	Actual 2010/2011	Actual 2011/2012	Revised Adopted Budget 2012/2013	Revised 2013/2014	%
Employee Services	7,922,030	7,978,043	8,084,098	8,062,377	60%
Services and Supplies	3,543,088	4,090,884	3,750,821	3,868,558	29%
Capital	390,443	271,465	398,235	56,730	0%
City Hall Lease	317,105	259,437	269,951	269,951	2%
Interfund Support	823,587	2,780,526	1,097,778	1,097,314	8%
Total	12,996,253	15,380,355	13,600,883	13,354,930	

*Note: Contracted Fire Services are approximately \$2.5M per year and are included in Services and Supplies.

General Fund Reserves

Projected FY14 ending balance \$2,962,573

Note:

- Based on FY13 midyear estimates
- Actual reserves will be updated during audit
- Policy goal is 25% of operating budget
- Currently at 22% of goal
- Future goal is to increase reserves %

Other City Funds

Citywide Overview

Funds	Actual 2010/2011	Actual 2011/2012	Revised Adopted Budget 2012/2013	Revised 2013/2014
General Fund	12,996,253	15,380,355	13,600,883	13,354,930
Special Revenue	7,700,717	5,275,924	5,266,122	3,049,742
Capital Improvement	773,951	1,385,309	2,336,189	80,000
Banning Utility Authority	14,240,027	13,696,880	19,129,618	23,268,250
Enterprise	43,352,426	41,053,403	46,646,420	40,040,976
Internal Service	4,667,778	6,804,011	5,497,369	5,590,432
Successor Agency	11,101,889	9,243,125	9,914,777	7,167,029
Total	94,833,041	92,839,007	102,391,378	92,551,359

Special Revenue Funds

- Includes funds that are restricted in use.
Examples include:
 - Riverside /Police MOU
 - Gas Tax
 - Measure A
 - Grants
 - CFDs and LMDs
- Total Adjusted Revenues \$ 2,967,569
- Total Adjusted Expenditures \$ 3,049,742

Capital Improvement Funds

- Includes funds that are restricted in use.
 - i.e. Development impact funds, major capital projects
- Projects will be budgeted when presented to Council

- Total Adjusted Revenues \$ 3,100
- Total Adjusted Expenditures \$ 80,000

Enterprise Funds

- Includes funds that are considered to be like a business. Examples include:
 - Airport
 - Transit
 - Refuse

(Electric will be discussed separately)
- Total Adjusted Revenues \$ 4,610,635
- Total Adjusted Expenditures \$ 4,635,644

Internal Service Funds

- Include funds that provide services to other City operations.
 - Risk Management (worker's compensation, general liability, unemployment, city attorney)
 - Fleet
 - Information services
 - Utility billing services
- Total Adjusted Revenues \$ 5,593,507
- Total Adjusted Expenditures \$ 5,590,432

Water Funds

<u>Water Funds</u>	<u>Available balance @ 6/30/2013</u>	<u>Projected YTD Gain(loss)</u>	<u>Projected balance @ 6/30/2014</u>
660 – Water Operations	4,921,228	659,800	5,581,028
661 – Water Capital Facilities	4,148,303	(2,105,000)	2,043,303
663 – BUA Water Capital Project	1,707,303	(132,850)	1,574,453
669 – BUA - Water Debt Service	86,891	(600)	86,291
Combined Fund Balance >>>	10,863,725	(1,578,650)	9,285,075

Wastewater Funds

<u>Wastewater Funds</u>	<u>Available balance @ 6/30/2013</u>	<u>Projected YTD Gain(loss)</u>	<u>Projected balance @ 6/30/2014</u>
680 – Wastewater	1,002,958	(26,723)	976,235
681 – Wastewater Capital Facility	10,617,313	(700,000)	9,917,313
683 – BUA Wastewater Capital Project	2,727,645	2,000	2,729,645
685 – State Revolving Loan	770,462	3,005	773,467
689 – BUA Wastewater Debt Service	89,273	500	89,773
Combined Fund Balance >>>	15,207,651	4,592,786	14,486,433

Reclaimed Water Funds

<u>Reclaimed Water Funds</u>	<u>Available balance @ 6/30/2013</u>	<u>Projected YTD Gain(loss)</u>	<u>Projected balance @ 6/30/2014</u>
662 - Irrigation Water	1,166,541	(1,166,541)	-
682 - Wastewater Tertiary	3,742,365	(1,548,459)	2,193,906
Combined Fund Balance >>>	4,908,906	(2,715,000)	2,193,906

Electric Funds

<u>Electric Funds</u>	<u>Available balance @ 6/30/2013</u>	<u>Projected YTD Gain(loss)</u>	<u>Projected balance @ 6/30/2014</u>
670 - Operations	6,493,469	403,244	6,896,713
672 - Rate Stability	5,995,907	-	5,995,907
673 - Electric Improvement	6,890,545	(682,000)	6,208,545
674 - Electric Bond Project Fund	8,612,151	(1,430,000)	7,182,151
675 - Public Benefit Fund	175,870	5,457	181,327
678 - Electric Debt Service Fund	387,611	-	387,611
Combined Fund Balance >>>	28,555,553	(1,703,299)	26,852,254

Personnel Changes - Citywide

Authorized positions for FY13	177.18
Less: Contract Fire positions	<u>(17.00)</u>
Authorized City positions	<u>160.18</u>
During FY13: reclassifications (3)	-
FT – Officer positions eliminated	(4.00)
FT – Reclassifications (Community Services/Transit)	2.00
FT – Additions (Transit)	2.00
PT – Reclassifications, additions, reductions	<u>(1.16)</u>
All authorized positions for FY14	159.02

(includes part time and elected positions)

Personnel Changes by Fund

General Fund	Full time	(2.65)
	Part time	0.07
		<hr/>
		(2.58)
Transit	Full time	2.65
	Part time	(1.71)
		<hr/>
		0.94
Electric	Full time	-
Utility Billing	Part time	0.48
	Net Changes in Positions	(1.16)

Capital Improvement Program

- New addition to budget document
- Five year plan FY13/14 to FY17/18
- Program includes:
 - Projects in progress
 - Projects from Plans reported to other agencies.
For Example:
 - Measure A
 - Transit
 - Airport
 - Projects from other planning tools
 - Master Plans
 - Studies

Capital Improvement Program – Funding Summary

Project to date (as of May)	\$ 6,132,803
Budget Carryforward (as of May)	\$ 13,313,472
FY14	\$ 9,378,500
FY15	\$ 12,497,000
FY16	\$ 30,178,000
FY17	\$ 985,500
FY18	\$ 1,042,500
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Total Capital Improvement Program	\$ 73,527,775

Supplemental Information

- Gann Limit
- Budget and Fiscal Policies
- Description of Funds
- Glossary of Terms
- Acronyms

Concluding thoughts

- Departments containing costs
- Employee groups participated in solution
- Budget relies on continuing improvements in economy
- Future Challenges:
 - PERS rates continuing to increase
 - TOT – sunset in November 2014

Department highlights & services

Council/Manager/Clerk

- ◎ Council
 - Policy
 - Committees
 - Lobby for funds
- ◎ Manager
 - Oversight City operations
 - Quarterly newsletter
- ◎ Clerk
 - Elections
 - Keeper of the Records

Administrative Services

- **Fiscal Services**

- Accounting, payroll, accounts receivable, accounts payable, purchasing, business licenses
- Audits, budget, compliance reporting

- **Human Resources**

- Recruitments, benefits, employee relations, negotiations, risk management, wellness program, training, compliance reporting

- **Technology**

- TV, maintenance – workstation, software, and network, projects

- **Utility Billing**

- Billing – Wastewater, Water, Electric, and Refuse, Cashiering for citywide transactions

Community Services

- Recreation
 - Sports leagues and Leisure Classes
 - Aquatics
 - Facility Rentals
 - Special events
- Senior services
 - Classes, Activities & Special Events
 - Referral agency for legal, medical & financial assistance
 - “Fill the Cupboard” food program
- Transit
 - Bus services
 - Dial a ride

Community Development

- General Plan –
 - Blueprint for the development of the City
- Zoning –
 - Regulations of uses of land and building in the City for residential, commercial, and industrial.
 - California Environmental Quality Act (CEQA)
- Building Code –
 - Specific standards regarding building constructions to make sure that it is safe for people to occupy including when earthquake happens.
- Code Enforcement –
 - Enforce Municipal & Zoning Codes

Economic Development

- ***Business Retention & Attraction***

- Working with our Existing Companies
- Recruiting New Companies (Talking with Brokers, Investors, Developers, Tenants, and Business Owners)

- ***Workforce Development***

- Helping Local Businesses with their Workforce Needs
- Helping Local Job Seekers to Find Work

- ***Encouraging Public-Private Partnerships***

- Bridging Conversations Between Local Property Owners & Potential Investors
- Eliminating Under-Developed & Blighted Properties

- ***Marketing & Branding***

- Highlighting Banning as a Place to Do Business
- Increasing the Awareness of our Development Activities & Opportunities

- ***Former RDA Related Responsibilities***

- Overseeing the Banning Oversight Board & Related State Mandates

Electric

- Customer Service
- Capital Projects
 - Past
 - Present
 - Future
- Regulatory Mandates

Police

- Services

- Patrol
- Dispatch
- Investigations
- Records

- Community Outreach

Public Works/ Utilities

- Airport
- Street & Park Maintenance
- Sewer Collections
- Engineering And Capital Improvements
- Water, Recycled, Imported, Waste Water
- Refuse

End of Presentation

- ◉ Request for adoption of budget will be presented during the regular Council meeting