

**AGENDA
SPECIAL CITY COUNCIL MEETING
CITY OF BANNING
BANNING, CALIFORNIA**

March 26, 2019
4:00 p.m.

Banning Civic Center
Council Chamber
99 E. Ramsey Street

I. CALL TO ORDER

Roll Call – Council Members Happe, Peterson, Wallace, Mayor Pro Tem Andrade and Mayor Welch

II. WORKSHOP

Mid-Cycle Budget Review **3**

III. PUBLIC COMMENTS – *Opportunity for the public to address items on the Agenda*

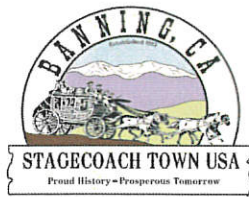
IV. ADJOURNMENT

The City of Banning promotes and supports a high quality of life that ensures a safe and friendly environment, fosters new opportunities and provides responsive, fair treatment to all and is the pride of its citizens.

NOTICE: Pursuant to Government Code § 54954.3(a), the only public comment that will be permitted during this Special Meeting is that pertaining to items appearing on this special meeting agenda. Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to "share" his/her five minutes with any other member of the public.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office (951) 922-3102. **Notification 48 hours prior to the meeting** will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II]

Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m.



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Doug Schulze, City Manager

PREPARED BY: Rochelle Clayton, Deputy City Manager

MEETING DATE: March 26, 2019

SUBJECT: Discuss Fiscal Year 2019-20 Budget Adjustments

BUDGET & FINANCE COMMITTEE RECOMMENDATION:

The committee unanimously recommend to adjust the FY20 budget to increase general fund revenues by the full cannabis revenue projections by Richards, Watson & Gershon, and to process a *one-time* transfer from reserves of \$750k based on the improving economy of Banning.

BACKGROUND:

During this fiscal year, some changes have a significant impact to the City's budget. Primary changes stem from the November 2018 Ballot Measure outcomes, which result in a reduction to the General Fund transfer from Electric and the passing of Cannabis Retail and Commercial Taxes. Another increase to General Fund expenditure budget is related to Police Salaries and Benefits.

Below is a chart of the major adjustments needed for the FY20 General Fund Budget:

| FY 2019-20 ADOPTED BUDGET | | | |
|---|-----------|------------------|--------------------------------|
| REVENUE | \$ | 18,566,261 | |
| EXPENDITURES | \$ | 19,140,260 | |
| FY19-20 Adopted Budget (Deficit) | \$ | (573,999) | |
| ADJUSTMENTS TO FY 2019-20 BUDGET | | | |
| Reduction of Electric Fund Transfer | \$ | (1,780,177) | 4.5% of Gross Rev = 1,456,508 |
| Increase in Police Salaries Expense | \$ | (370,000) | 8.5% Increase + 4% EPMC |
| Increase in General Fund Salaries | \$ | (40,000) | COLA per MOU/Resolutions |
| Measure N Projected Revenue | \$ | 1,289,600 | Cultivation Revenue Projection |
| Measure O Projected Revenue | \$ | 779,200 | Retail Revenue Projection |
| FY19-20 PROJECTED Deficit | \$ | (695,376) | |

OPTIONS TO CONSIDER IN BALANCING THE BUDGET

GENERAL FUND TRANSFER FROM ELECTRIC:

Proposals were received by the City on March 20, 2019 for an Enterprise Cost Allocation Study which will update the methodology used in calculating the inter-fund transfers from enterprise departments.

Staff's analysis to determine the inter-fund transfer amount of 4.5% was based on tangible services provided to the enterprise departments by the City's Central Services, such as number of documents processed by accounts payable, number of employees in relation to payroll processing, human resource services, etc.

The Enterprise fund Cost Allocation Study shall include items such as public safety, Right-of-Way maintenance and facilities capital. This will most-likely increase the inter-fund transfer percentage from 4.5%. The increase based on public safety, maintenance and facilities should more than offset the \$700k General Fund deficit.

Another consideration to increase the General Fund transfer from Electric is that revenues received by sources other than rate payers can be transferred to the General Fund without limitation. The City can budget a one-time transfer of non-rate revenue from the Electric Fund to offset the \$700k deficit.

Banning has one of the lowest general fund transfers (GFT) in the area. Prior to the voter approval to Colton, see the list of GFTs below:

| AGENCY | GFT | UUT |
|---------------|------------|------------|
| LADWP | 8% | 10% |
| Azusa | 12.5% | 4% |
| Colton | 12.39% | 0% |
| Riverside | 11.5% | 6.5% |
| Banning | 10% | 0% |

CANNABIS REVENUE:

Methodology provided by the City Attorney is included as an attachment; note that the proposed revenue increase for Retail Cannabis Tax has been reduced by 50% from the maximum amount calculated, due to a limit of 3 retailers and the calculation was based on approximately 7 retailers.

Additional Information:

Staff analyzed the increase to revenue in Desert Hot Springs ("DHS") for cultivation and retail. Proposition 64 ("Prop 64") was passed in November 2016, while the voters of Desert Hot Springs passed a "marijuana tax" in 2014 for the purposes of medical marijuana sales with a provision that ["In the event the casual/recreational use of marijuana is legalized or decriminalized in California, any person or entity legally selling or providing](#)

marijuana for casual/recreational use within the City shall pay to the City a monthly tax of 10% of its proceeds from such sales or provision.”

Midway through FY16-17 is when Prop 64 passed, and DHS budgeted that year for \$345,350 (an increase from \$200k from the prior year) for Special Revenue Tax and then increased that budget to \$490,700 for FY17-18, which was effectively the first full year recreational marijuana became legal in California. Within one year's time, DHS increased their budget from \$490,700 for Special Revenue Tax to \$650,000 for Special Revenue-Dispensaries and \$2,225,289 for Special Revenue-Cultivators in FY18-19, and increase year over year of nearly \$2.4M, of which \$2.2M was budgeted for cultivation.

The DHS financial statements for FY17-18 indicate that “Property value in the City’s industrial area has rapidly increased due to the demand generated from cultivators of marijuana;” and “Marijuana related taxes increased by \$696,224 in FY 2016-2017 up to \$1,723,752 in FY 2017-2018 which is an increase over the prior year of 147%;”. Again, DHS had already enacted their approval of marijuana cultivation for medical, and Prop 64 did not pass until mid-year in FY16-17.

DHS does have a different rate structure for cultivation tax, however it is very similar in relation to the net-revenue produced; in-fact, for a 10,000 square foot facility, Banning’s tax structure will produce more revenue than DHS. Below is a comparison table of DHS to Banning’s cultivation tax structure:

| <u>City & Tax Structure - Cultivation</u> | <u>10,000 S.F. Facility</u> |
|---|-----------------------------|
| Banning - \$15/S.F. (minimum 10k S.F.): | \$ 150,000 |
| DHS - \$25.50/S.F. for first 3k, then \$10.20/S.F.: | \$ 147,900 |

The above analysis coupled with the interest Banning has already received in opening cultivation businesses within the industrial area of the City, supports the staff recommendation to budget the total maximum projected cannabis revenues for FY2019-20.

OPTIONS RECOMMENDED BY BUDGET & FINANCE COMMITTEE:

1. Increase Revenue by the full amount projected by Richards Watson & Gershon
2. Budget for a one-time transfer from General Fund Reserves of \$750k

ADDITIONAL OPTIONS:

1. Increase the General Fund transfer from Electric by 2.25% (to 6.75%) based on the anticipated outcome of the Enterprise Cost Allocation Study

2. Budget for a one-time transfer from the Electric fund of \$750k for non-rate payer revenue
3. Provided alternate direction

ATTACHMENTS:

1. Presentation by HF&H Consultants to the City of La Verne on a Cost Allocation Study specific to Enterprise Funds
2. Staff report from the June 26, 2018 City Council Meeting – Commercial Cannabis Ordinances and Proposed Ballot Measures to Impose Taxes on Commercial Businesses
3. Revenue Budget page from Desert Hot Springs FY17-18 and FY18-19 adopted budgets (also found at <https://cdn2.hubspot.net/hubfs/4435988/Forms,%20Flyers,%20Documents/fi%20Adopted%20Two%20Year%20Budget%2016-17%20and%2017-18.pdf> and <https://cdn2.hubspot.net/hubfs/4435988/Forms,%20Flyers,%20Documents/fi%20Adopted%20Two%20Year%20Budget%2018-19%20and%2019-20.pdf>)
4. Revenues page from FY17-18 audited financial statements of Desert Hot Springs (also found at <https://cdn2.hubspot.net/hubfs/4435988/2017-2018%20Financial%20Statements.pdf>)
5. City of Banning FY2019-2020 Adopted Budget

Approved by:

 *for* D. SCHULZE

Douglas Schulze, City Manager

ATTACHMENT 1

Presentation by HF&H Consultants
on Enterprise Fund Allocation Study



City of La Verne Cost Allocation Study

Council Presentation

July 16, 2018



HF&H Consultants



Presentation Outline

- Study Purpose
- Current Overhead Cost Allocations
 - Administrative
 - Operational
- Potential Enterprise Reimbursements
 - Public Safety
 - Governmental Facilities Capital
 - Right-of-Way Maintenance





Study Purpose

- Review City's existing overhead cost allocations
 - Compliance with industry standards
 - Potential refinements
- Identify potential additional reimbursements from enterprises to General Fund for other services
 - Public Safety
 - Governmental Facilities Capital
 - Right-of-Way Maintenance
- Document current and proposed cost allocations
 - Methodology
 - Legal compliance



Current Overhead Cost Allocations

Summary of Overhead Allocations

| | Overhead Allocation Allowable | Overhead Allocation Charged | Overhead Allocation Uncharged |
|---|-------------------------------------|-----------------------------------|-------------------------------------|
| Total | \$6,090,231 | \$5,294,489 | \$795,742 |
| To Enterprises & Other Revenue Funds | \$1,950,842 | \$1,155,100 | \$795,742 |





Current Overhead Cost Allocations

- Potential refinements
 - Identify any direct charges and exclude them from allocations based on budgets
 - Adjust for budget items that have relatively low associated overhead before making allocations based on budgets
 - Cost of purchased water





Potential Enterprise Reimbursements

Summary of Enterprise Allocations

| Allocation Type | Water | Sewer | Subtotal |
|---------------------------------|------------------|------------------|--------------------|
| Public Safety | \$138,237 | \$139,878 | \$278,115 |
| Governmental Facilities Capital | \$108,805 | \$36,934 | \$145,739 |
| Right-of-Way Maintenance | \$702,010 | \$587,793 | \$1,289,802 |
| Total | \$949,052 | \$764,605 | \$1,713,657 |





Potential Enterprise Reimbursements

- Legal requirements
 - Reimbursements are subject to Article XIID of the California Constitution governing property related fees and charges (1996 - Proposition 218)
 - Water and sewer rates must be *proportional* cost of providing service
 - The *Roseville* decision (2002) validates reimbursements from enterprises to the General Fund for services received
 - Reimbursement must be based on cost





Potential Enterprise Reimbursements

- Three reimbursements
 - Public safety
 - The enterprises' shares of the cost of protecting utility infrastructure
 - Allocations based on property value
 - Governmental facilities
 - The use by the enterprises of governmental facilities paid for by the General Fund
 - Allocations based on employee headcount
 - Right-of-way maintenance
 - Costs of maintaining rights-of-way overlying and protecting buried infrastructure
 - Allocations based on subsurface volume





Public Safety Reimbursement

- Police and Fire services protect property
- Police and Fire budgets are allocated in proportion to the value of property
- Public property valuation
 - Based on “replacement cost new less depreciation”
 - Common method for establishing fair market value of utilities
- Private property value
 - Based on assessed value adjusted for market value
 - Includes vehicles





Public Safety Allocation

| | Property Value | Allocation Factor | Allocation of Public Safety Budget |
|------------------------|-----------------|-------------------|------------------------------------|
| Public | | | |
| Water Enterprise | \$31,960,348 | 0.685% | \$138,237 |
| Sewer Enterprise | \$32,339,635 | 0.694% | \$139,878 |
| Enterprise Total | \$64,299,983 | 1.379% | \$278,115 |
| Other Municipal | \$154,655,386 | 3.317% | \$668,928 |
| Total Public | \$218,955,369 | 4.695% | \$947,043 |
| Private | \$4,444,168,636 | 95.305% | \$19,222,270 |
| Total | \$4,663,124,005 | 100.000% | \$20,169,313 |





Governmental Facilities Reimbursement

- The General Fund paid for governmental facilities that are used by the City's services, including its enterprises
 - City Hall and City Yard
- The capital cost of these facilities should be reimbursed
 - Operations and maintenance costs are already reimbursed through overhead cost allocation
- Reimbursement is based on employee head count
 - City Hall: Water 11.11%, Sewer 2.78%
 - City Yard: Water 44.12%, Sewer 17.65%





Governmental Facilities Allocation

- Annual Cost Recovery is based on a proportionate share of the capital cost
- Interest Cost is based on the outstanding principal balance on the capital cost

| Government Facility | Water Share | Sewer Share | Total |
|----------------------|------------------|-----------------|------------------|
| Annual Cost Recovery | \$75,508 | \$25,498 | \$101,006 |
| Interest Cost | \$33,297 | \$11,437 | \$44,734 |
| | \$108,805 | \$36,934 | \$145,739 |





Right-of-Way Maintenance Reimbursement

- The General Fund maintains the rights-of-way for surface and subsurface uses
- ROW maintenance expenses
 - Pavement and sidewalk repair, traffic signals, storm drainage, signage and markings, mapping, and record keeping
 - Does not include the cost of pavement repair paid for when pipes are installed or repaired
- Studies indicate that one-third of costs benefit buried infrastructure (water, sewer, stormwater, gas, electric)
 - Allocation among infrastructures is based on volumes of disturbed soil
 - Soil disturbance is directly related to premature wear of rights-of-ways and the need for repair





Right-of-Way Maintenance Reimbursement

- \$1.29 million of the total \$6.92 million of ROW costs (19%) is allocated to water and sewer

| Right-of-Way | | Allocation | |
|--------------------------------|-------------|------------|--------------------|
| | Budget | Factors | Allocations |
| Surface only | \$2,427,583 | 0% | \$0 |
| Surface and Subsurface | \$4,138,546 | 33% | \$1,365,720 |
| Subsurface only | \$350,000 | 100% | \$350,000 |
| ROW total | \$6,916,129 | | \$1,715,720 |
| Allocation of Subsurface Costs | | | |
| Water | \$1,715,720 | 40.9% | \$702,010 |
| Sewer | \$1,715,720 | 34.3% | \$587,793 |
| | | | \$1,289,802 |





End of Presentation



ATTACHMENT 2

June 26, 2018 City Council Meeting –
Commercial Cannabis Ordinances
with Revenue Methodology



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Rochelle Clayton, Interim City Manager

PREPARED BY: Patty Nevins, Community Development Director

MEETING DATE: June 26, 2018

SUBJECT: Commercial Cannabis Ordinances and Proposed Ballot Measures to Impose Taxes on Commercial Cannabis Businesses

A. Proposed Ballot Measure to Impose a Municipal Tax for General Municipal Purposes on Commercial Cannabis Cultivation, Manufacturing Level 1, and Testing Laboratories; and

B. Proposed Ballot Measure to Impose a Municipal Tax for General Municipal Purposes on Cannabis Retailers

C. Public Hearing to Consider the Adoption of Zoning Code Amendments to Allow, Regulate and Zone for Certain Commercial Cannabis Uses: Indoor Commercial Cultivation, Manufacturing Level 1, and Testing Laboratories, contingent upon the adoption of a tax measure on such uses;

D. Municipal Code Amendments to Establish Procedures for the Issuance of Cannabis Regulatory Permits For These Commercial Cannabis Uses;

RECOMMENDED ACTION:

Staff recommends that the City Council:

1. Adopt Resolution No. 2018-82 calling for the placement of the following two tax measures on the November 6, 2018 ballot: (1) a measure to impose an annual general tax initially set at \$15 per square foot of canopy space for commercial cannabis cultivation (with the potential to increase to \$25 per square foot of canopy space), and

up to 10% tax on the gross receipts of cannabis manufacturing and testing laboratory facilities, and (2) a measure to impose an annual general tax of 10% of the gross receipts of cannabis retailers with the potential to increase to 15% of gross receipts of those businesses.

2. Make a determination under CEQA Guidelines Section 15060(c)(3) that the Zoning and Municipal Code Amendments are not subject to CEQA and further that under CEQA Guidelines Section 15061(b)(1) the project is exempt from CEQA as it is exempt by statute (Business and Professions Code section 26055(h)).
3. Hold a public hearing to consider the adoption of Ordinance No. 1523 approving Zoning Text Amendment 18-97501 to amend Title 17 of the Banning Municipal Code to add Chapter 17.53 "Cannabis Conditional Use Permits" to allow Indoor Commercial Cannabis Cultivation, Manufacturing Level 1, and Testing Laboratory facilities in the Industrial Zoning District with approval of a Cannabis Conditional Use Permit and making other amendments related to cannabis businesses, which Chapter would only become effective if the voters approve a companion tax measure.
4. Adopt Ordinance No. 1524 approving Municipal Code Amendment 18-9501 to amend Title 5 of the Banning Municipal Code to add Chapter 5.35 "Cannabis Regulatory Permits" establishing procedures for the issuance of a cannabis regulatory permits, which Chapter would only be effective if the voters approve a companion tax measure.

PROJECT/APPLICANT INFORMATION:

Project Applicant: City of Banning
99 E. Ramsey Street
Banning, CA 92220

SUMMARY

This agenda item is for the City Council to consider a series of documents that would allow the voters of the City of Banning to decide if they want to allow and tax certain limited types of commercial cannabis businesses to operate in the City, and if they do, to have the City Council put in place certain zoning and regulatory permit restrictions on those businesses. More specifically, the City Council is being asked to review and adopt certain proposed zoning and regulatory restrictions that would be put in place to regulate commercial cannabis cultivation, manufacturing level 1 and laboratory testing of cannabis provided that the voters of the City approve the imposition of municipal taxes on those uses. This agenda item will also allow the City Council to provide the voters the option of also allowing cannabis retailers, subject to the development of zoning and regulatory permit restrictions on those uses that would come back to the City Council at a future meeting.

BACKGROUND:

A. Cannabis Cultivation, Manufacturing, and Testing Laboratory Facilities

At its June 27, 2017 meeting, the City Council appointed a Cannabis Ad Hoc Committee to consider potential changes to the City's current ordinances related to cannabis. At the December 12, 2017 City Council meeting, the Cannabis Ad Hoc Committee provided an oral report recommending that commercial cannabis cultivation activities be considered as allowable uses within the City. Subsequent to that, the Cannabis Ad Hoc Committee met several times to develop recommended regulatory and land use regulations and the City Council discussed the topic of cannabis at the January 9, 2018 City Council meeting, a workshop on April 10, 2018, and the City Council meeting of May 8, 2018. At the May 8, 2018 meeting, the City Council directed staff to prepare an ordinance to allow the operation of certain commercial cannabis uses – indoor commercial cultivation, manufacturing level 1, and testing laboratories - in the Industrial Zoning District in the City, and to prepare a ballot measure to tax these uses.

At its June 6, 2018 meeting, the Planning Commission considered proposed Zoning Code amendments to allow the operation of indoor commercial cultivation, manufacturing level 1, and testing laboratories in the Industrial Zoning District, and establishing a cannabis conditional use permit to process these applications. The Planning Commission voted unanimously (4-0) to recommend approval of the draft ordinance presented, subject to certain modifications including a 600-foot separation between the proposed commercial cannabis uses and any residential zoning district.

B. Retail Cannabis Businesses

In response to a private citizen filing a notice of intent to circulate a ballot measure to allow for the operation of commercial cannabis uses, including cannabis retailers, the Cannabis Ad Hoc Committee recommended that the City Council should consider allowing cannabis retailers to operate in the City.

Although it is unclear whether the private citizen is collecting or will be able to collect sufficient signatures to qualify for placement of the cannabis initiative on the November 6, 2018 ballot, adopting a City ordinance, to become effective only upon approval of a corresponding tax measure by the voters, provides the benefit of allowing the City control over the regulations and ensuring consistency with related Municipal Code sections. Further, there is a belief that creating regulations to allow for the operation of cannabis retailers will provide an avenue for the City to appropriately regulate, and thus stem illegal cannabis sales in the City. Further, the City could receive financial benefit from these type of uses through the tax measure.

At the June 12, 2018 City Council meeting, the City Council directed staff to research and prepare regulatory and land use ordinances to allow for cannabis retailers to operate in certain commercial districts in the City. Staff, in consultation with the Cannabis Ad Hoc Committee, and with the assistance of the City Attorney's office, will be drafting these ordinances and presenting them to the City Council for consideration at a later date. The overall approach for the regulation of cannabis retailers has not been adopted, but is anticipated to be similar to the approach for commercial indoor cultivation, manufacturing level one, and laboratory testing uses.

At the June 12, 2018 meeting, a public comment was made that the concept of allowing and taxing retail cannabis businesses was being rushed given the limited time available between now and the election. Staff feels that this viewpoint should be considered, noting that development of the regulations for indoor cultivation, manufacturing, and testing laboratories have taken place over a six month period with multiple discussions with the Cannabis Ad Hoc Committee and at City Council meetings providing opportunity for public input.

The City Council directed staff to draft a ballot measure to tax cannabis retailers. Pursuant to State law, August 10, 2018 is the last day that a measure can be placed on the ballot for the November 6, 2018 election. Due to these time constraints, the ballot measure taxing cannabis retailers is part of this agenda despite the fact that the regulatory and land use ordinances for cannabis retailers have not yet been drafted. Should the City Council decide to place the retail cannabis business tax on the November 6, 2018 ballot, the regulatory and land use ordinances will be processed before January 1, 2019, the date the tax will take effect if it is approved by the voters.

C. Conflict Between State and Federal Law

The Federal Controlled Substances Act, 21 U.S.C. § 801, et seq., classifies cannabis as a Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, that has no currently accepted medical use in treatment in the United States, and that has not been accepted as safe for use under medical supervision. The Federal Controlled Substances Act makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense cannabis, or to possess with intent to manufacture, distribute or dispense cannabis. Because cannabis remains illegal under Federal law this means that any ordinance regulating, rather than prohibiting commercial cannabis activity, while consistent with State law, would conflict with Federal law. It is unclear what, if any, action the federal government will take against cannabis businesses or cities that allow cannabis businesses to operate within their jurisdiction.

ANALYSIS:

A. Overview

Staff has drafted regulations consistent with City Council direction to appropriately regulate certain commercial cannabis uses, dependent upon passage of a tax measure to appear on the November 6, 2018 ballot. The overall approach for commercial cannabis regulation includes:

- Adopting amendments to the City's Municipal Code to create a regulatory permit requirement for the purpose of investigating and regulating the operators of commercial cannabis businesses.
- Adopting amendments to the City's Zoning Code to create a Cannabis Conditional Use Permit to allow and regulate indoor commercial cultivation, limited cannabis manufacturing uses, and cannabis testing laboratories in the Industrial Zoning District, subject to certain limitations and requirements.

- Adopting fees (to be determined at a future date) for the processing of applications and to pay the reasonable cost of the City's regulatory program.
- Adopting a tax on commercial cannabis activities so as to generate revenue for the City's General Fund. Pursuant to Propositions 62, 26 and 218, if the City would like to generate revenue for the City's General Fund that would exceed the City's regulatory program costs, then the Banning voters would need to approve a tax measure imposing a tax on commercial cannabis activity.

B. Land Use Ordinance - Ordinance No. 1523

Draft Ordinance No. 1523 amends Title 17 (Zoning) of the Banning Municipal Code to add a new Chapter 17.53 to establish a cannabis conditional use permit process to allow the operation of certain commercial cannabis uses in the City. A Cannabis Conditional Use Permit could be issued upon the recommendation of the Planning Commission and final approval by the City Council. The proposed allowable uses are described as follows:

1. Indoor Commercial Cultivation. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. The cultivation facility would be required to be a minimum of 10,000 and a maximum of 22,000 square feet in the size.
2. Manufacturing Level 1: Includes sites that manufacture cannabis products using nonvolatile solvents, or no solvents.
 - a. Manufacturing means to compound, blend, extract or otherwise make or prepare cannabis. Manufacture includes the following processes: extraction, infusion, packaging and repackaging and labeling or relabeling.
 - b. "Volatile solvent" means any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Examples of volatile solvents include, but are not limited to, butane, hexane, and propane.
3. "Testing laboratory" means a laboratory, facility, or entity in the City that offers or performs tests of cannabis or cannabis products and that is both of the following:
 - a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
 - b. Licensed by the Bureau of Cannabis Control.

Commercial Cannabis Locations

Commercial cannabis indoor cultivation, limited manufacturing, and testing laboratory uses would only be permitted within the Industrial Zoning District. Commercial cannabis facilities are prohibited in all other land use districts within the City.

The Industrial Zoning District areas within the City are depicted within the dark shaded areas circled within the map below:



Regulations

Proposed regulations applicable to each of the three commercial cannabis uses include, but are not limited to:

- Application requirements. In addition to business descriptions and site and floor plans, applications will be required to include:
 - a business plan
 - water and energy demand information
 - a list of all owners, employees, contractors, and volunteers
 - a security plan and lighting plan
 - a designated community relations representative
- Required personnel identification;
- Security measures;
- Signage requirements;
- Waste management and odor regulations; and
- A minimum landscaped setback of twenty-five feet, solid wall, or other buffer/screen as deemed appropriate, shall be provided for all property lines adjacent to, or across a street or alley from, residential uses or residentially designated properties.

Use-specific regulations include:

- Indoor Cultivation: Indoor cultivation facilities would be required to be between 10,000 square feet and 22,000 square feet in size. Seed to sale tracking through the State's Track and Trace Program, and other requirements would be imposed.

- Manufacturing Level 1: Edible cannabis products are required to be manufactured and packaged in compliance with State regulations, products must be child-resistant and tamper-evident, and persons involved must be state certified food handlers. The use of volatile solvents in the manufacturing process is prohibited.
- Cannabis Testing Laboratory: Testing laboratories must maintain ISO/EIC accreditation, adopt and adhere to standard operating procedures, and use statistically valid methodology.

Modifications to Draft Ordinance No. 1523

Since the most recent City Council discussions, staff conferred with the Cannabis Ad Hoc Committee and subsequently made two modifications to the proposed regulations. These modifications include: (1) requiring ventilation systems for each of the applicable commercial cannabis uses (rather than just for cultivation); and (2) making any required buffers between cannabis uses and residential uses discretionary to the decision makers. These modifications were incorporated into the draft ordinance that was considered by the Planning Commission.

The Planning Commission made further modifications to the draft ordinance as follows:

- (1) Adding a 600-foot separation requirement between commercial cannabis uses and residential zoning districts (if approved, this would supersede the proposed regulation related to a buffer between commercial cannabis uses and residential land use districts);
- (2) Requiring that security cameras record areas with trash containers;
- (3) Requiring that the storage device on which surveillance recordings are stored shall be secured to protect the recording from fire; and
- (4) Requiring battery backup for required video surveillance.

With respect to the Planning Commission's recommendation to include a 600 foot separation between commercial cannabis uses and residential zoning districts, such a restriction would severely limit the number of parcels within the Industrial Zoning District that would be permitted to operate commercial cannabis uses. Staff estimates that there are approximately 173 parcels located within the Industrial Zoning District that are located at least 600 feet from a school, day care center, or youth center. If the City requires a 600 foot separation between commercial cannabis uses located in the Industrial Zoning District and residentially zoned property, 65 parcels would be eligible to have commercial cannabis uses. If the City requires a 200 foot separation between commercial cannabis uses located in the Industrial Zoning District and residentially zoned property, staff estimates that 46 parcels would be eligible to have commercial cannabis uses.

Furthermore, staff has made some additional clean up revisions to the draft ordinance to make it clear that no cannabis business shall be located within 600 feet of any day care center, youth center, public or private school providing instruction in kindergarten or any grades 1 through 12 that was in existence at the time a cannabis conditional use permit

was issued, which was the intention of the City Council, and is consistent with State law. The draft ordinance was also revised to clarify that the 600-foot distancing requirement does not include any public or private school in which education is primarily conducted in a private home.

The State recently readopted and amended the temporary regulations that govern commercial cannabis uses. Additionally, there are a number of pending State bills pertaining to cannabis. Staff anticipates that based on the recently amended State regulations and the potential amendments to State law, staff will need to further revise both the land use and regulatory ordinances and bring them back to the City Council for its consideration before the end of the year.

C. Regulatory Permit Ordinance - Draft Ordinance No. 1527

Draft Ordinance No. 1527 amends Title 5 (Business Licenses and Regulation) of the Banning Municipal Code to add a new Chapter 5.35 to establish a process for issuing cannabis regulatory permits. Chapter 5.35 sets forth the application requirements including, but not limited to, the following:

- Payment of a non-refundable fee;
- Fingerprinting and background check for all owners of the business;
- Written consent from the property owner if the business does not own the property where the business will be operated;
- Agreement to release and indemnify the City from all liability associated with approving the application
- Information regarding the type of business that will be operated on the property; and
- Description of the statutory entity or business form that will serve as the legal structure for the applicant, including providing a copy of the its formation and organizing documents such as articles of incorporation.

The draft ordinance provides that the City Manager, in consultation with the Chief of Police will determine whether to issue the regulatory permit. The regulatory permit may be denied for a number of reasons including, but not limited to, the following:

- The applicant, owner, or any person with a financial interest in the cannabis business has unpaid or overdue administrative penalties or a civil judgment owed to the City;
- The applicant, owner, or any person with a financial interest in the cannabis business has, within the last five years, been convicted of engaging in unlawful commercial cannabis activity, been issued an uncontested administrative citation by the city or county for engaging in unlawful commercial cannabis activity, or been the subject of a lawsuit for engaging in unlawful commercial cannabis activity where the applicant or owner was not the prevailing party; and
- The applicant, owner, or any person with a financial interest in the cannabis business has been convicted of certain crimes.

The draft ordinance requires the annual renewal of the regulatory permit, a process for suspending, modifying or revoking the permit, and a process for appeals. The costs associated with processing and regulating allowed uses would be covered by imposition and collection of application and regulatory permit fees that do not exceed the reasonable cost of the City's permitting and regulatory program.

D. Proposed Ballot Measures to Impose Commercial Cannabis Taxes

Staff has drafted two separate ballot measures taxing commercial cannabis activity. Potential positive fiscal impact could be derived from taxing allowed uses depending on the number of cannabis businesses that will operate in the City, and the tax rate imposed.

Commercial Cultivation, Manufacturing and Testing Laboratory Facilities

The first ballot measure adds a new Chapter 3.17 to tax commercial cannabis cultivation, manufacturing, and testing laboratory facilities. If approved by the voters, this ballot measure would impose an annual tax on commercial cultivation facilities in the amount of \$15 per square foot of canopy space. The City Council would have the ability to increase this tax amount up to \$25 per square foot of canopy space without needing further voter approval. The first ballot measure also imposes an annual tax on manufacturing and testing laboratory facilities in an amount equal to ten percent (10%) of the facility's gross receipts. The City Council would have the ability to increase the cultivation tax or decrease each of these tax rates so long as the tax rate does not exceed the amounts set forth above.

Elections Code Section 13119 requires that when a ballot measure is submitted to the voters to impose or increase a tax "the ballot shall include in the statement of the measure to be voted on the amount of money to be raised annually and the rate and duration of the tax to be levied." Therefore, the City is required to address the issue of the expected amount of the tax to be collected annually.

It is extremely difficult to adequately estimate the amount of tax revenue from commercial cannabis activity expected to be collected annually if the proposed ballot measures are approved by the voters, as the City has limited information on the demand for commercial cannabis and the expected size of such businesses. Despite these considerable uncertainties, staff does anticipate that much of the area in which various commercial cannabis activities would be permitted is unlikely to be available for such activities. First, most of the non-vacant lots in these applicable zones are already utilized for other purposes by the property owner or tenant, and most owners and tenants will likely continue to use such lots for non-cannabis activities even if the proposed ballot measures are approved by the voters. Second, the lease agreements for many of these lots are likely to prohibit any illegal activity on the premises, and this restriction would proscribe commercial cannabis activity (which remains illegal under federal law) regardless of whether the ballot measures are approved by the voters.

Staff estimates that the local tax of \$15 per square foot of canopy space devoted to commercial cannabis cultivation would generate roughly \$450,000 to 900,000 per year in tax revenue. This amount is based on the following assumptions and

calculations. The amount of canopy space devoted to commercial cannabis cultivation can vary widely, but staff estimates that the average canopy space will be roughly 15,000 square feet. Given the limited parcels available for commercial cannabis activity and the number of similar businesses operating in nearby Riverside County cities such as Palm Spring, Desert Hot Springs, and Cathedral City, staff estimates that approximately two (2) to four (4) cannabis cultivation facilities will open if the voters approve the proposed taxes on cannabis activities and the City Council adopts the proposed regulations of such entities. Two to four cannabis cultivation facilities multiplied by 15,000 square feet equals 30,000 to 60,000 square feet of such facilities. Thirty thousand (30,000) to sixty (60,000) square feet multiplied by \$15 equals \$450,000 to \$900,000 in annual tax revenue.

Staff estimates that the local tax of 10 percent of gross receipts from cannabis manufacturing and testing laboratory facilities would generate roughly \$194,800 to \$389,600 per year in tax revenue. This amount is based on the following assumptions and calculations. The 2016 Marijuana Business Factbook found that medical and recreational cannabis dispensaries produce an average annual revenue of \$974 per square foot; the City anticipates that revenue from cannabis manufacturing and testing laboratory facilities would yield roughly half of this amount, or \$487 per square foot. The size of cannabis manufacturing and testing laboratory facilities can vary widely, but staff estimates that the average manufacturing and testing laboratory facilities will be roughly 2,000 square feet. Finally, given the limited parcels available for these activities and the number of similar businesses operating in nearby Riverside County cities such as Palm Spring, Desert Hot Springs, and Cathedral City, staff anticipates that approximately two (2) to four (4) cannabis manufacturing and testing laboratory facilities may open if the voters approve the proposed taxes on cannabis activities and the City Council adopts the proposed regulations of such entities. Two (2) to four (4) cannabis manufacturing and testing laboratory facilities multiplied by 2,000 square feet equals 4,000 to 8,000 square feet of cannabis manufacturing and testing laboratory facilities. Four thousand (4,000) to eight thousand (8,000) square feet multiplied by \$487 equals \$1,948,000 to \$3,896,000 per year in gross receipts. A local tax of ten (10%) percent on these receipts would yield \$194,800 to \$389,600 in annual tax revenue.

Retail Cannabis Businesses

The second ballot measure adds a new Chapter 3.15 to tax retail cannabis businesses. If approved by the voters, this ballot measure would impose an annual tax on retail cannabis businesses in an amount equal to ten percent (10%) of the businesses' gross receipts. The City Council would have the ability to increase this tax up to fifteen percent (15%) of the businesses' gross receipts. The City Council would have the ability to increase or decrease this tax rate so long as the tax rate does not exceed fifteen percent (15%).

Staff estimates that the local tax of 10 percent of gross receipts from retail cannabis sales would generate roughly \$1,168,800 to \$1,558,400 per year in tax revenue. This amount is based on the following assumptions and calculations. The 2016 Marijuana Business Factbook found that medical and recreational cannabis dispensaries produce an average annual revenue of \$974 per square foot. The size of cannabis dispensaries can vary

widely, but staff estimates that the average dispensary will be roughly 2,000 square feet. Finally, given the limited parcels available for retail cannabis sales and the number of similar businesses operating in nearby Riverside County cities such as Palm Spring, Desert Hot Springs, and Cathedral City, staff anticipates that approximately 6 to 8 dispensaries may open if the voters approve the proposed taxes on cannabis retailers and the City Council adopts the proposed regulations of such retailers. Six to eight retailers multiplied by 2,000 square feet equals 12,000 to 16,000 square feet of retail cannabis facilities. Twelve thousand to sixteen thousand square feet multiplied by \$974 equals \$11,688,000 to \$15,584,000 per year in gross receipts. A local tax of ten percent on these receipts would yield \$1,168,800 to \$1,558,400 in annual tax revenue. Should separation standards be instituted, the estimated number of eligible properties and the estimated tax would be expected to be reduced.

Altogether, the City might receive \$1,813,600 to \$2,848,000 in the new local taxes authorized by the two proposed cannabis tax measures subject to the substantial unknowns and contingencies described in this section. These local taxes are in addition to taxes collected by the State.

ENVIRONMENTAL DETERMINATION:

California Environmental Quality Act

Staff finds that the Zoning Code and Municipal Code Ordinances are not subject to the California Environmental Quality Act ("CEQA") pursuant to the State CEQA Guidelines Section 15060(c)(3), because the actions are not a project as defined by the CEQA Guidelines Section 15378. Adoption of the Ordinances does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Further projects subject to the ordinances will require a discretionary permit and CEQA review, and will be analyzed at the appropriate time in accordance with CEQA.

Staff further finds and determines that these Ordinances are exempt from review under the CEQA and the State CEQA Guidelines Section 15061(b)(1) which exempts a project from CEQA if the project is exempt by statute. Business and Professions Code section 26055(h) provides that Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity. Pursuant to that exemption, the City is providing that discretionary review for applications for cannabis conditional use permits will be required to include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.

Multiple Species Habitat Conservation Plan (MSHCP)

The Zoning Ordinance and Municipal Code amendments do not relate to any one physical project and are not subject to the MSHCP. Further, projects that may be subject to these ordinances will trigger individual project analysis and documentation related to the

requirements of MSHCP including mitigation through payment of the MSHCP Mitigation Fee.

REQUIRED FINDINGS FOR ZONING TEXT AMENDMENT:

Finding No. 1: Proposed Zone Text Amendment No. 18-97501 is consistent with the goals and policies of the General Plan.

Findings of Fact: Proposed Zone Text Amendment No. 18-97501 is consistent with the goals and policies of the General Plan. Unregulated commercial cannabis activities can adversely affect the health, safety and well-being of City residents. The unregulated cultivation and processing of cannabis can damage buildings through improper and dangerous electrical alterations and use, and inadequate ventilation leading to mold and mildew. Additionally, unregulated cultivation and processing of cannabis can also lead to an increase in the frequency of robberies and similar crimes. Cannabis cultivation or other concentration of cannabis in any location or premises without adequate regulations increases the risk that surrounding homes or businesses may be negatively impacted. The Banning Municipal Code currently bans all commercial cannabis uses within the City. It is in the public interest to regulate cannabis, to allow for responsible and lawful commercial cannabis cultivation, manufacturing, and testing laboratories in the City. With adequate regulation and oversight, these limited categories of commercial cannabis activity are consistent with the following General Plan goals and policies:

Land Use Element:

Industrial Goal

A balanced mix of non-polluting industrial land uses which provide local jobs for the City's residents.

Economic Development Element:

Goal

A balanced, broadly-based economy that provides a full range of economic and employment opportunities, while maintaining high standards of development and environmental protection.

Policy 1

General Plan land use designations and allocations will facilitate a broad range of residential, commercial, industrial and institutional development opportunities.

Policy 2

The City shall take a proactive role in the retention of existing businesses and the recruitment of new businesses, particularly those that generate and broaden employment opportunities, increase discretionary incomes, and contribute to City General Fund revenues.

Finding No. 2: Proposed Zone Text Amendment No. 18-97501 is internally consistent with the Zoning Ordinance.

Findings of Fact: Proposed Zone Text Amendment No. 18-97501 is consistent with the purpose and objective of the Zoning Ordinance to ensure orderly development of uses and lands within the City to protect the public health, safety, and welfare. The proposed amendments will protect the public health, safety, and welfare of the residents of the City by reasonably regulating commercial cannabis cultivation, manufacturing, and testing laboratory facilities so as to avoid the risks of criminal activity, malodorous smells, degradation of the natural environment, and indoor electrical fire hazards.

Finding No. 3: The City Council has independently reviewed and considered the requirements of the California Environmental Quality Act.

Findings of Fact: In accordance with the requirements of the California Environmental Quality Act ("CEQA"), the City Council finds and determines that this Ordinance is not subject to CEQA pursuant to the State CEQA Guidelines Section 15060(c)(3), because it is not a project as defined by the CEQA Guidelines Section 15378. Adoption of the Ordinance does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Further projects subject to this Ordinance will require a discretionary permit and CEQA review, and will be analyzed at the appropriate time in accordance with CEQA.

The City Council has analyzed proposed Zone Text Amendment No. 18-97501 and has determined that, pursuant to California Business and Professions Code section 26055(h), CEQA "does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity", provided that said law, ordinance, rule, or regulations shall include any applicable environmental review pursuant to Division 13 of the Public Resources Code. As this Ordinance includes required CEQA compliance for individual conditional use permit applications for commercial cannabis businesses, the CEQA exemption applies to the adoption of this Ordinance.

ATTACHMENTS:

1. Ordinance 1523, Zoning Text Amendment (Cannabis Conditional Use Permit)
2. Ordinance 1524, Municipal Code Amendment (Regulatory Permit)
3. Resolution 2018-82 Calling for Placement of Two Tax Measures on the Ballot
 - 3a. Ordinance 1527, Municipal Code Amendment (General Purpose Tax on Commercial Cannabis Cultivation, Manufacturing, and Testing Laboratory Facilities)
 - 3b. Ordinance 1528, Municipal Code Amendment (General Purpose Tax on Cannabis Retailers)
4. Resolution 2018-09, Planning Commission
5. Correspondence Received
6. Public Hearing Notice

APPROVED BY:



Rochelle Clayton
City Manager

ATTACHMENT 3

Revenue Budget page from Desert
Hot Springs FY17-18 and FY18-19
adopted budgets



City of Desert Hot Springs

ADOPTED BUDGET

www.cityofdhs.org

FY 2016-2017 & 2017-2018

Scott Matas
Mayor

Russell Betts
Mayor Pro Tem

Joe McKee
Council Member

Yvonne Parks
Council Member

Anayeli Zavala
Council Member

Charles Maynard
Interim City Manager

Joseph M. Tanner
Administrative Services Director

Linda Kelly
Program & Financial Specialist

Glenn White
Management Analyst

John Mayer
Accountant

Arnold Herrera
Accounts Payable

Carla Maranan
Administrative Assistant

All Funds

**ADMINISTRATIVE SERVICES
DEPARTMENT**

65950 Pierson Blvd
Desert Hot Springs, CA 92240
(760) 329-6411

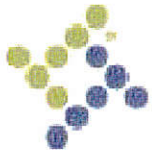
Desert Hot Springs



ADOPTED BUDGET FY 2016-2017 & 2017-2018

Budget Year 2017

| Account | Account Description | 2017 City Council Adoption | 2018 City Council Adoption | |
|-----------------------|---|----------------------------|----------------------------|--------------|
| Fund | 001 - GENERAL FUND | | | |
| Department | 00 - REVENUES | | | |
| Division | 00 - REVENUES | | | |
| 3101 | PROPERTY TAX - SECURED | 738,203.00 | 764,023.00 | |
| 3102 | PROPERTY TAX - UNSECURED | 35,000.00 | 40,000.00 | |
| 3104 | PROPERTY TAX - SUPPLEMENTAL | 20,000.00 | 20,000.00 | |
| 3105 | PROPERTY TRANSFER TAX | 75,000.00 | 75,000.00 | |
| 3106 | PASS THROUGH INCREMENT REVENUE | 85,000.00 | 85,000.00 | |
| 3111 | TRANSIENT OCCUPANCY TAXES | 1,420,000.00 | 1,550,000.00 | |
| 3112 | SPECIAL REVENUE | 345,350.00 | 490,700.00 | |
| 3113 | PARCEL TAX FOR PUBLIC SAFETY | 20,508.00 | 21,000.00 | |
| 3115 | SALES & USE TAX | 1,467,936.00 | 1,551,860.00 | |
| 3118 | RECYCLING FRANCHISE FEES | 120,000.00 | 124,000.00 | |
| 3119 | FRANCHISE FEES | 1,160,000.00 | 1,170,000.00 | |
| 3123 | TRIPLE FLIP VLF | 1,790,000.00 | 1,800,000.00 | |
| 3125 | TOWING FRANCHISE FEES | 70,000.00 | 72,100.00 | |
| 3201 | BUSINESS LICENSES | 195,000.00 | 198,000.00 | |
| 3205 | UTILITY USERS TAX | 18,449.00 | 18,776.00 | |
| 3211 | BUILDING PERMIT | 600,000.00 | 635,000.00 | |
| 3212 | PLANNING FEES | 125,000.00 | 175,000.00 | |
| 3217 | IMPACT FEE CALCULATION | 2,000.00 | 2,000.00 | |
| 3221 | ENCROACHMENT PERMIT | 5,000.00 | 5,000.00 | |
| 3222 | GRADING PERMIT | 5,000.00 | 15,000.00 | |
| 3223 | ENGINEERING FEES | 100,000.00 | 110,000.00 | |
| 3225 | GENERAL PLAN MAINT SURCHARGE | 10,000.00 | 10,000.00 | |
| 3308 | ADMINISTRATIVE CITATIONS | 175,000.00 | 225,000.00 | |
| 3309 | ABANDONED RESIDENTIAL PROPERTY | 5,000.00 | 5,000.00 | |
| 3317 | MESSAGE PERMIT | 2,000.00 | 2,000.00 | |
| 3350 | MAPS/PUBLICATIONS/COPIES | 200.00 | 200.00 | |
| 3401 | INVESTMENT EARNINGS | 100,000.00 | 100,000.00 | |
| 3420 | RENTAL INCOME FEES | 15,000.00 | 15,000.00 | |
| 3520 | MOTOR VEHICLE IN LIEU | 12,000.00 | 12,000.00 | |
| 3723 | ADMINISTRATIVE COSTS REIMBURSEMENTS | 340,522.00 | 261,147.00 | |
| Budget Transactions | | | | |
| Level | Transaction | Number of Units | Cost Per Unit | Total Amount |
| City Council Adoption | 8TH STREET STORM DRAINAGE PROJECT FUND 141 | 1.00 | 35,000.00 | 35,000.00 |
| City Council Adoption | CITYWIDE RESURFACING / CURB / GUTTER / SIDEWALKS FUND 127 | 1.00 | 16,000.00 | 16,000.00 |
| City Council Adoption | DAD ADMIN REIMBURSEMENT | 1.00 | 38,199.00 | 38,199.00 |
| City Council Adoption | LAND PURCHASE/DESIGN FIRE STATION HOUSE #3 FUND 101 | 1.00 | 16,000.00 | 16,000.00 |
| City Council Adoption | LMD ADMIN REIMBURSEMENT | 1.00 | 38,199.00 | 38,199.00 |



CITY OF DESERT HOT SPRINGS ADOPTED BUDGET 2018-2019 & 2019-2020

Budget Year 2019

| G/L Account | Account Description | 2019 City Council Adoption | 2020 City Council Adoption |
|--------------------------|--|-------------------------------|-------------------------------|
| Fund 001 - GENERAL FUND | | | |
| Department 00 - REVENUES | | | |
| Division 00 - REVENUES | | | |
| 001-00-00-3101 | PROPERTY TAX - SECURED | 815,850.00 | 853,379.00 |
| 001-00-00-3102 | PROPERTY TAX - UNSECURED | 53,530.00 | 54,065.00 |
| 001-00-00-3104 | PROPERTY TAX - SUPPLEMENTAL | 17,000.00 | 15,000.00 |
| 001-00-00-3105 | PROPERTY TRANSFER TAX | 76,500.00 | 78,030.00 |
| 001-00-00-3106 | PASS THROUGH INCREMENT REVENUE | 120,000.00 | 120,000.00 |
| 001-00-00-3111 | TRANSIENT OCCUPANCY TAXES | 1,934,141.00 | 1,972,824.00 |
| 001-00-00-3112 | SPECIAL REVENUE - DISPENSARIES | 650,000.00 | 663,000.00 |
| 001-00-00-3113 | PARCEL TAX FOR PUBLIC SAFETY | 21,000.00 | 21,000.00 |
| 001-00-00-3115 | SALES & USE TAX | 1,605,730.00 | 1,629,816.00 |
| 001-00-00-3117 | SPECIAL REVENUE - CULTIVATORS | 2,225,289.00 | 2,269,795.00 |
| 001-00-00-3118 | RECYCLING FRANCHISE FEES | 151,980.00 | 155,020.00 |
| 001-00-00-3119 | FRANCHISE FEES | 1,193,400.00 | 1,217,268.00 |
| 001-00-00-3123 | TRIPLE FLIP VLF | 2,101,033.00 | 2,202,302.00 |
| 001-00-00-3125 | TOWING FRANCHISE FEES | 73,542.00 | 75,013.00 |
| 001-00-00-3201 | BUSINESS LICENSES | 212,160.00 | 214,282.00 |
| 001-00-00-3205 | UTILITY USERS TAX | 19,152.00 | 19,535.00 |
| 001-00-00-3211 | BUILDING PERMIT | 900,000.00 | 800,000.00 |
| 001-00-00-3212 | PLANNING FEES | 700,000.00 | 600,000.00 |
| 001-00-00-3221 | ENCROACHMENT PERMIT | 1,000.00 | 1,000.00 |
| 001-00-00-3222 | GRADING PERMIT | 130,000.00 | 130,000.00 |
| 001-00-00-3223 | ENGINEERING FEES | 580,000.00 | 400,000.00 |
| 001-00-00-3225 | GENERAL PLAN MAINT SURCHARGE | 10,000.00 | 10,000.00 |
| 001-00-00-3308 | ADMINISTRATIVE CITATIONS | 290,000.00 | 290,000.00 |
| 001-00-00-3309 | ABANDONED RESIDENTIAL PROPERTY | 5,000.00 | 5,000.00 |
| 001-00-00-3317 | MESSAGE PERMIT | 2,000.00 | 2,000.00 |
| 001-00-00-3350 | MAPS/PUBLICATIONS/COPIES | 200.00 | 200.00 |
| 001-00-00-3401 | INVESTMENT EARNINGS | 15,000.00 | 15,000.00 |
| 001-00-00-3420 | RENTAL INCOME FEES | 25,000.00 | 25,000.00 |
| 001-00-00-3520 | MOTOR VEHICLE IN LIEU | 13,130.00 | 13,261.00 |
| 001-00-00-3723 | ADMINISTRATIVE COSTS REIMBURSEMENTS | 263,396.00 | 263,396.00 |
| 001-00-00-3729 | ADMINISTRATIVE FEES | 58,000.00 | 58,000.00 |

ATTACHMENT 4

Revenues page from FY17-18 audited
financial statements of Desert Hot
Springs

City of Desert Hot Springs
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2018

| | Budget Amounts | | Actual | Variance with |
|---|---------------------|---------------------|---------------------|-----------------------|
| | Original | Final | Amounts | Final Budget |
| REVENUES: | | | | |
| Taxes | \$ 7,794,459 | \$ 8,560,268 | \$ 10,311,588 | \$ 1,751,320 |
| Permits and fees | 1,220,700 | 2,426,700 | 2,593,090 | 166,390 |
| Intergovernmental | - | 10,000 | 1,797 | (8,203) |
| Licenses | 198,000 | 208,000 | 209,167 | 1,167 |
| Interest | 100,110 | 25,110 | 31,452 | 6,342 |
| Miscellaneous | 683,813 | 633,813 | 853,101 | 219,288 |
| Total revenues | <u>9,997,082</u> | <u>11,863,891</u> | <u>14,000,195</u> | <u>2,136,304</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | 2,936,622 | 4,529,240 | 3,965,735 | 563,505 |
| Public safety | 51,080 | 79,816 | 65,364 | 14,452 |
| Public works | 346,615 | 997,969 | 891,638 | 106,331 |
| Economic development | 1,164,904 | 2,056,294 | 1,957,324 | 98,970 |
| Culture and leisure | 594,664 | 487,134 | 599,797 | (112,663) |
| Capital outlay | 121,950 | 1,672,978 | 1,322,761 | 350,217 |
| Total expenditures | <u>5,215,835</u> | <u>9,823,431</u> | <u>8,802,619</u> | <u>1,020,812</u> |
| REVENUES OVER (UNDER) EXPENDITURES | <u>4,781,247</u> | <u>2,040,460</u> | <u>5,197,576</u> | <u>3,157,116</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 519,264 | 840,961 | 260,032 | (580,929) |
| Transfers out | (506,764) | (1,174,494) | (5,000,249) | (3,825,755) |
| Total other financing sources (uses) | <u>12,500</u> | <u>(333,533)</u> | <u>(4,740,217)</u> | <u>(4,406,684)</u> |
| Net change in fund balance | <u>\$ 4,793,747</u> | <u>\$ 1,706,927</u> | <u>457,359</u> | <u>\$ (1,249,568)</u> |
| FUND BALANCE: | | | | |
| Beginning of year | | | <u>8,510,694</u> | |
| End of year | | | <u>\$ 8,968,053</u> | |

ATTACHMENT 5

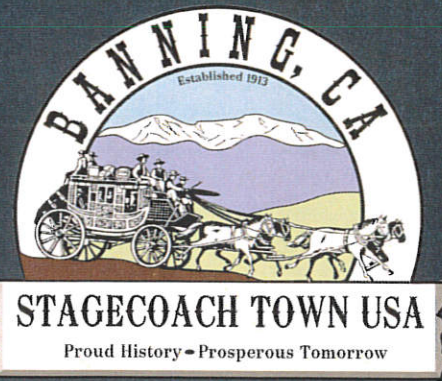
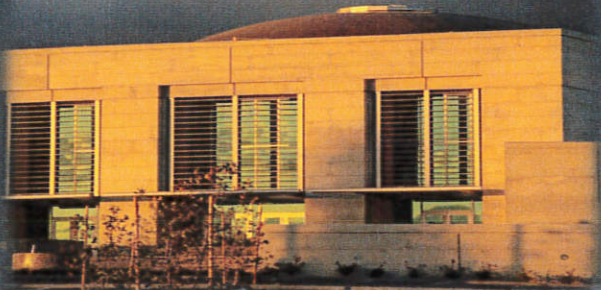
City of Banning FY2019-2020

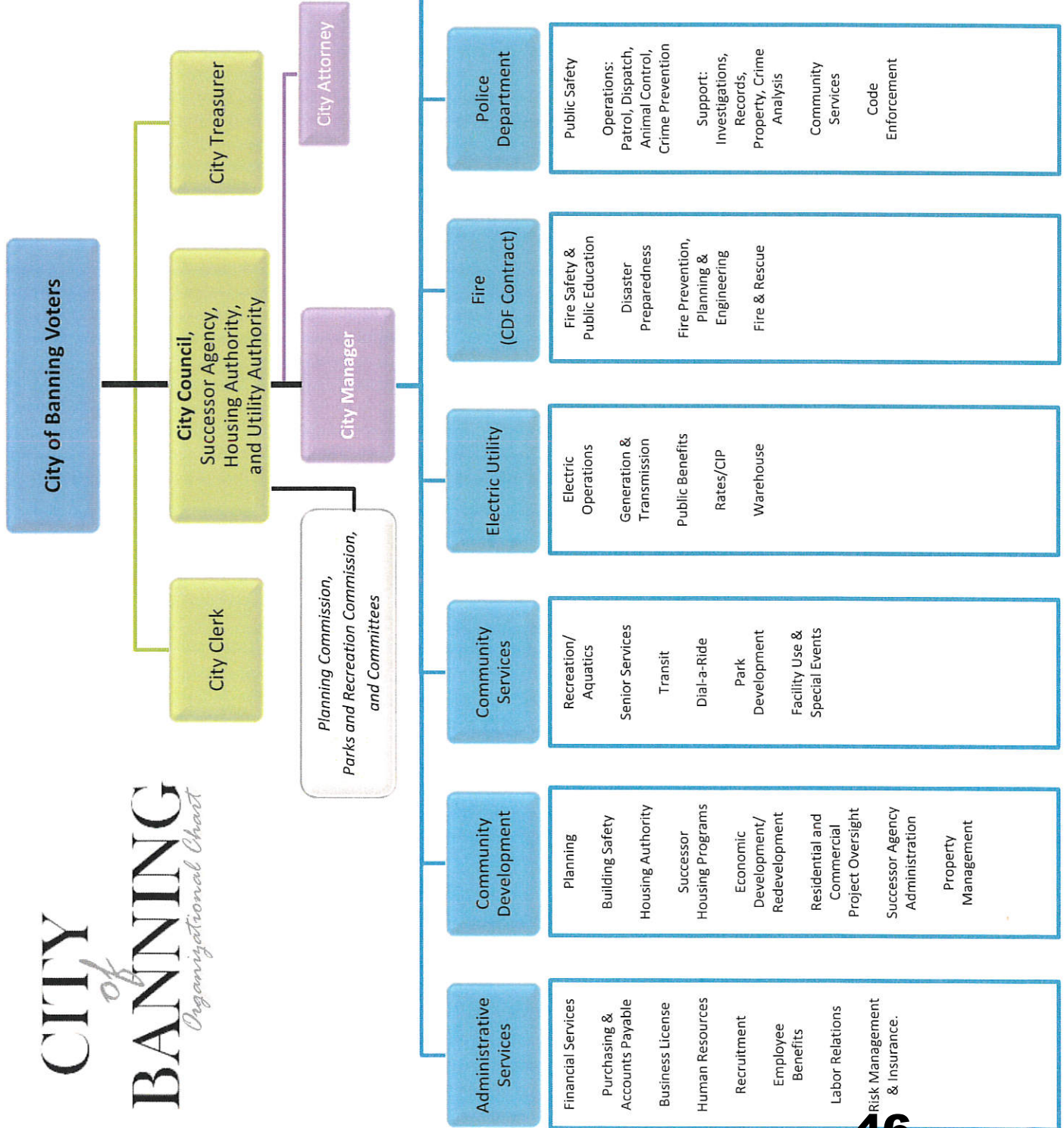
Adopted Budget

City of Banning

FISCAL YEAR 2018-2019 & 2019-2020

TWO YEAR BUDGET





CITY OF BANNING
Fund Summary Status
Fiscal Year 2019-2020 Projections

| | (1) July 1, 2019 | (2) FY 2019-20 | (3) FY 2019-20 | (4) FY 2019-20 | (5) July 1, 2020 |
|--|------------------------|---------------------|--------------------------|---|-----------------------------------|
| Fund | Available Resources | Adjusted Revenue | Adjusted Expenditures | Projected YTD Gain (Loss) (Column 2-3) | Projected Balance (Column 1+4) |
| Governmental Funds | | | | | |
| 001 General | 11,741,423 | 18,566,261 | 19,140,260 | (573,999) | 11,167,424 |
| Governmental Funds Sub-total | 11,741,423 | 18,566,261 | 19,140,260 | (573,999) | 11,167,424 |
| Special Revenue Funds | | | | | |
| 002 Developer Deposit | 68,162 | 0 | 0 | 0 | 68,162 |
| 003 Riverside County MOU | 0 | 0 | 0 | 0 | 0 |
| 005 Successor Agency Administration | 793,773 | 250,000 | 16,190 | 233,810 | 1,027,583 |
| 100 Gas Tax Street | 1,861,392 | 1,870,567 | 1,315,306 | 555,261 | 2,416,653 |
| 101 Measure A Street | 2,652,142 | 604,750 | 0 | 604,750 | 3,256,892 |
| 102 RMRA (SB1) Gas Tax | 636,976 | 521,076 | 0 | 521,076 | 1,158,052 |
| 103 SB300 Street Improvement | 72,606 | 0 | 0 | 0 | 72,606 |
| 104 Article 3 - Sidewalk Construction | 0 | 0 | 0 | 0 | 0 |
| 110 Community Development Block Grant (CDBG) | (13,609) | 0 | 0 | 0 | (13,609) |
| 111 Landscape Maintenance Assessment Dist #1 | 412,271 | 141,882 | 131,550 | 10,332 | 422,603 |
| 132 Air Quality Improvement | 145,032 | 39,800 | 3,000 | 36,800 | 181,832 |
| 140 Asset Fortitude | (22,348) | 0 | 0 | 0 | (22,348) |
| 148 Supplemental Law Enforcement | 221,770 | 100,000 | 100,000 | 0 | 221,770 |
| 150 State Park Bond Act | 954 | 0 | 0 | 0 | 954 |
| 190 Housing Authority | 0 | 0 | 0 | 0 | 0 |
| 200 Special Donations | 25,568 | 8,000 | 8,000 | 0 | 25,568 |
| 201 Senior Center Activities | 38,019 | 8,300 | 8,300 | 0 | 38,019 |
| 202 Animal Control Reserve | 5,007 | 0 | 0 | 0 | 5,007 |
| 203 Police Volunteer | 354 | 1,500 | 1,500 | 0 | 354 |
| 300 City Hal COP Debt Service | 5,866 | 437,000 | 437,000 | 0 | 5,866 |
| 360 Sun Lakes CFD 86-1 | 35,866 | 125 | 0 | 125 | 35,991 |
| 365 Wilson Street Assessment 91-1 Debt | 54,191 | 255 | 0 | 255 | 54,446 |
| 370 Area Police Computer | 60,490 | 51,812 | 51,812 | 0 | 60,490 |
| 375 Fair Oaks 2004-1 Debt Service | 365,606 | 199,000 | 199,000 | 0 | 365,606 |
| 376 Cameo Homes | 6,893 | 170 | 0 | 170 | 7,063 |
| Special Revenue Funds Sub-total | 7,426,981 | 4,234,237 | 2,271,658 | 1,962,579 | 9,389,560 |

CITY OF BANNING
Fund Summary Status
Fiscal Year 2019-2020 Projections

| | (1) | (2) | (3) | (4) | (5) |
|--|--|-----------------------------------|--|---|---|
| Fund | July 1, 2019 Available Resources | FY 2019-20 Adjusted Revenue | FY 2019-20 Adjusted Expenditures | FY 2019-20 Projected YTD Gain (Loss) (Column 2-3) | July 1, 2020 Projected Balance (Column 1+4) |
| Capital Improvement Funds | | | | | |
| 400 Police Facilities Development | 20,625 | 0 | 0 | 0 | 20,625 |
| 410 Fire Facility Development | 989,977 | 3,000 | 0 | 3,000 | 992,977 |
| 420 Traffic Control Facility | 464,122 | 1,750 | 0 | 1,750 | 465,872 |
| 421 Ramsey/Highland Home Traffic Signal | 82,650 | 310 | 0 | 310 | 82,960 |
| 430 General Facilities | 226,609 | 1,400 | 0 | 1,400 | 228,009 |
| 441 Sunset Grade Separation | (771,497) | 0 | 0 | 0 | (771,497) |
| 444 Wilson Median | 385,761 | 1,450 | 0 | 1,450 | 387,211 |
| 451 Park Development | 130,767 | 0 | 0 | 0 | 130,767 |
| 470 Capital Improvement | 642,171 | | | 0 | 642,171 |
| Capital Improvement Funds Sub-total | 2,171,185 | 7,910 | 0 | 7,910 | 2,179,095 |
| Banning Utility Authority Funds | | | | | |
| 660 Water Operations | 15,412,620 | 10,570,147 | 9,887,285 | 682,862 | 16,095,482 |
| 661 Water Capital Facility Fee | 3,963,314 | 45,000 | 0 | 45,000 | 4,008,314 |
| 663 BUA Water Capital Project | 701,172 | 3,750 | 0 | 3,750 | 704,922 |
| 669 BUA Water Debt Service | 0 | 1,989,318 | 1,989,318 | 0 | 0 |
| Water Sub-total | 20,077,107 | 12,608,215 | 11,876,603 | 731,612 | 20,808,719 |
| 680 Waterwater Operations | 1,958,647 | 3,567,979 | 3,444,015 | 123,964 | 2,082,611 |
| 681 Wastewater Capital Facility Fee | 10,704,081 | 86,860 | 0 | 86,860 | 10,790,941 |
| 683 BUA Wastewater Capital Project | 3,265,501 | 4,000 | 0 | 4,000 | 3,269,501 |
| 685 State Revolving Loan | 774,718 | 304,289 | 304,289 | 0 | 774,718 |
| 689 BUA Wastewater Debt Service | 0 | 393,966 | 393,966 | 0 | 0 |
| Wastewater Sub-total | 16,702,947 | 4,357,094 | 4,142,270 | 214,824 | 16,917,771 |
| 662 Irrigation Water | 1,178,916 | 5,100 | 0 | 5,100 | 1,184,016 |
| 682 Wastewater Tertiary | 5,704,147 | 234,496 | 0 | 234,496 | 5,938,643 |
| Reclaimed Water Sub-total | 6,883,063 | 239,596 | 0 | 239,596 | 7,122,659 |
| Banning Utility Authority Sub-total | 43,663,117 | 17,204,905 | 16,018,873 | 1,186,032 | 44,849,149 |

CITY OF BANNING
Fund Summary Status
Fiscal Year 2019-2020 Projections

| | (1) | (2) | (3) | (4) | (5) |
|--|--|-----------------------------------|--|---|---|
| Fund | July 1, 2019 Available Resources | FY 2019-20 Adjusted Revenue | FY 2019-20 Adjusted Expenditures | FY 2019-20 Projected YTD Gain (Loss) (Column 2-3) | July 1, 2020 Projected Balance (Column 1+4) |
| Enterprise Funds | | | | | |
| 600 Airport | 192,829 | 181,650 | 184,602 | (2,952) | 189,877 |
| 610 Transit Operations | 575,123 | 2,014,057 | 1,510,867 | 503,190 | 1,078,313 |
| 690 Refuse | 1,620,118 | 3,711,539 | 3,566,197 | 145,342 | 1,765,460 |
| <i>Airport, Transit & Refuse Sub-total</i> | <i>2,388,070</i> | <i>5,907,246</i> | <i>5,261,666</i> | <i>645,580</i> | <i>3,033,650</i> |
| 670 Electric Operations | 16,215,023 | 31,571,761 | 31,561,576 | 10,185 | 16,225,208 |
| 672 Rate Stability | 4,271,276 | 21,000 | 0 | 21,000 | 4,292,276 |
| 673 Electric Improvement | 4,147,426 | 21,000 | 25,000 | (4,000) | 4,143,426 |
| 674 Electric Revenue Bond Project | 2,746,043 | 5,000 | 0 | 5,000 | 2,751,043 |
| 675 Public Benefit Fund | 1,081,927 | 795,088 | 519,873 | 275,215 | 1,357,142 |
| 678 Electric Revenue Bond Debt Service | 0 | 2,427,219 | 2,427,219 | 0 | 0 |
| <i>Electric Sub-total</i> | <i>28,461,695</i> | <i>34,841,068</i> | <i>34,533,668</i> | <i>307,400</i> | <i>28,769,095</i> |
| Enterprise Funds Sub-total | 30,849,765 | 40,748,314 | 39,795,334 | 952,980 | 31,802,745 |
| Internal Service Funds | | | | | |
| 700 Risk Management Fund | 788,804 | 2,321,971 | 2,240,438 | 81,533 | 870,337 |
| 702 Fleet Maintenance | 1,573,094 | 1,366,665 | 1,343,234 | 23,431 | 1,596,525 |
| 703 Information Systems Services | 208,692 | 454,924 | 454,575 | 349 | 209,041 |
| 761 Utility Billing Administration | 659,780 | 2,277,147 | 2,277,147 | 0 | 659,780 |
| Internal Service Funds Sub-total | 3,230,371 | 6,420,707 | 6,315,394 | 105,313 | 3,335,684 |
| Successor Agency Funds | | | | | |
| 805 Redevelopment Obligation Retirement Fund | 527,196 | 2,975,619 | 2,445,629 | 529,990 | 1,057,186 |
| 810 Successor Housing Agency | 1,359,937 | 3,939 | 3,939 | 0 | 1,359,937 |
| 830 Debt Service Fund | 1,062,266 | 2,195,629 | 2,195,629 | 0 | 1,062,266 |
| 850 Successor Agency | 57,984 | 0 | 0 | 0 | 57,984 |
| 840 BEA Capital Project Fund | 7,763,666 | 9,000 | 0 | 9,000 | 7,772,666 |
| 841 BEA L/M Capital project Fund | 543,594 | 2,000 | 0 | 2,000 | 545,594 |
| 855 2007 TABS Bond Proceeds | (2,397,177) | 0 | 0 | 0 | (2,397,177) |
| 856 2003 TABS Bond Proceeds | 169,601 | 0 | 0 | 0 | 169,601 |
| 857 2003 TABS Bond Proceeds Low/Mod | 102,997 | 0 | 0 | 0 | 102,997 |
| Successor Agency Funds Sub-total | 9,190,065 | 5,186,187 | 4,645,197 | 540,990 | 9,731,055 |
| GRAND TOTAL ALL FUNDS | 108,272,906 | 92,368,521 | 88,186,716 | 4,181,805 | 112,454,711 |

CITY OF BANNING
Budget by Category
FY 2019-2020

| Fund | | Department Name | Available Resources | Operating Budget | | | | | Total Operating Budget Expenditures | Total Capital Budget | Total Expenditure Budget | Budget Balance (Available Resources + Revenue - Expenditures) |
|--------------------|-----------------------------|-----------------|---------------------|--------------------------------|--------------------------|------------|-------------|-------------|-------------------------------------|----------------------|--------------------------|---|
| | | | | Total Operating Revenue Budget | Expenditure Category | | | | | | | |
| | | | | Personnel | Maintenance & Operations | Contra | Allocations | Transfers | | | | |
| Governmental Funds | | | | | | | | | | | | |
| 001 | General | | | 16,417,819 | - | - | - | - | - | | - | |
| | 0001 General | | | | 53,232 | 54,398 | - | - | - | | 107,630 | |
| | 1000 City Council | | | | 165,153 | 46,650 | - | - | - | | 211,803 | |
| | 1200 City Manager | | | | 196,858 | 55,673 | - | - | - | | 252,531 | |
| | 1210 Economic Development | | | | | | (184,992) | | | | 151,002 | |
| | 1300 Human Resources | | | | 219,544 | 116,450 | | | | | 151,002 | |
| | 1400 City Clerk | | | | 158,400 | 9,550 | | | | | 167,950 | |
| | 1500 Elections | | | | | - | | | | | - | |
| | 1800 City Attorney | | | - | | | 243,247 | | | | 243,247 | |
| | 1900 Fiscal Services | | | - | 712,190 | 161,084 | (500,503) | | | | 372,771 | |
| | 1910 Purchasing | | | | 356,276 | 57,660 | (279,976) | | | | 133,960 | |
| | 2060 TV Government Access | | | 61,000 | 96,649 | 20,100 | | | | | 116,749 | |
| | 2200 Police | | | 517,119 | 6,867,978 | 636,993 | - | 252,706 | 1,500 | | 7,759,177 | |
| | 2210 Dispatch | | | - | 1,065,470 | 11,808 | | - | | | 1,077,278 | |
| | 2279 TASIN - SB621 (Police) | | | | | | | | | | - | |
| | 2300 Animal Control | | | - | 210,503 | | | 1,958 | | | 210,503 | |
| | 2400 Fire | | | 244,058 | - | 3,518,497 | | | | | 3,520,455 | |
| | 2479 TASIN - SB621 (Fire) | | | | | | | | | | - | |
| | 2700 Building & Safety | | | 537,666 | 195,496 | 365,189 | | - | | | 560,685 | |
| | 2740 Code Enforcement | | | 96,574 | 273,685 | 64,962 | | 8,167 | | | 346,814 | |
| | 2800 Planning | | | 285,447 | 377,864 | 853,795 | | - | | | 1,231,659 | |
| | 3000 Engineering | | | 269,678 | 133,221 | 134,709 | | 10,440 | | | 278,370 | |
| | 3200 Building Maintenance | | | - | 189,172 | 160,759 | (186,002) | 13,397 | | | 177,326 | |
| | 3600 Parks | | | - | 237,184 | 195,518 | | 3,010 | | | 435,712 | |
| | 4000 Recreation | | | 60,000 | 321,663 | 72,025 | - | | | | 393,688 | |
| | 4010 Aquatics | | | 54,300 | 124,954 | 54,050 | | - | | | 179,004 | |
| | 4020 Day Care | | | 16,000 | 19,065 | 1,200 | | | | | 20,265 | |
| | 4050 Senior Center | | | 5,400 | 97,815 | 20,175 | | | | | 117,990 | |
| | 4500 Central Services | | | - | | 421,805 | | 411,061 | 164,325 | | 997,191 | |
| | 4800 Debt Service | | | | | | | | | | - | |
| | 5400 Community Enhancement | | | 1,200 | | 76,500 | | | | | 76,500 | |
| GENERAL FUND TOTAL | | | | 11,741,423 | 18,566,261 | 12,072,372 | 7,109,550 | (1,151,473) | 943,986 | 165,825 | 19,140,260 | 11,167,424 |

CITY OF BANNING
Budget by Category
FY 2019-2020

| Fund | | Department Name | Available Resources | Operating Budget Expenditure Category | | | | | Total Operating Budget Expenditures | Total Capital Budget | Total Expenditure Budget | Budget Balance (Available Resources + Revenue - Expenditures) |
|-----------------------------------|-------------------------------------|-----------------|---------------------|---------------------------------------|-----------|--------------------------|--------|-------------|-------------------------------------|----------------------|--------------------------|---|
| | | | | Total Operating Revenue Budget | Personnel | Maintenance & Operations | Contra | Allocations | Transfers | | | |
| Special Revenue Funds | | | | | | | | | | | | |
| 002 | Developer Deposit Fund | | 68,162 | - | - | - | - | - | - | - | - | 68,162 |
| 003 | Riverside County MOU | | 0 | - | - | - | - | - | - | - | - | - |
| 005 | SA Administration Fund | | 793,773 | 250,000 | - | 16,190 | - | - | 16,190 | 941,534 | 16,190 | 1,027,583 |
| 100 | Gas Tax Street | | (279,074) | 1,870,567 | 725,451 | 183,204 | - | 406,651 | - | 591,000 | 2,256,840 | (665,347) |
| 101 | Measure A Street | | (240,858) | 604,750 | - | - | - | - | - | 591,000 | 591,000 | (227,108) |
| 102 | RMRA (581) Gas Tax | | 121,059 | 521,076 | - | - | - | - | - | 521,076 | 521,076 | 121,059 |
| 103 | SB300 Street Improvement | | 72,606 | - | - | - | - | - | - | - | - | 72,606 |
| 104 | Article 3 - Sidewalk Construction | | 0 | - | - | - | - | - | - | - | - | 0 |
| 110 | C.D.B.G. | | (13,609) | - | - | - | - | - | - | - | - | (13,609) |
| 111 | Landscape Maintenance Asmt. Dist.#1 | | 430,491 | 141,882 | - | 112,829 | - | - | - | 459,544 | 112,829 | 459,544 |
| 132 | Air Quality Improvement | | 145,032 | 39,800 | - | 3,000 | - | - | - | 3,000 | 3,000 | 181,832 |
| 140 | Asset Forfeiture | | (22,348) | - | - | - | - | - | - | - | - | (22,348) |
| 148 | Supplemental Law Enforcement | | 221,770 | 100,000 | - | 100,000 | - | - | - | 100,000 | 100,000 | 221,770 |
| 150 | State Park Bond Act | | 954 | - | - | - | - | - | - | - | - | 954 |
| 190 | Housing Authority Fund | | 0 | - | - | - | - | - | - | - | - | - |
| 200 | Special Donations | | 25,568 | 8,000 | - | 8,000 | - | - | - | 8,000 | 8,000 | 25,568 |
| 201 | Senior Center Activities | | 38,019 | - | - | - | - | - | - | 38,019 | - | 38,019 |
| 4050 | Senior Center | | (600) | 600 | - | 1,280 | - | - | - | (1,280) | 1,280 | (1,280) |
| 4060 | Senior Center Advisory Board | | 600 | 7,700 | - | 7,020 | - | - | - | 7,020 | 7,020 | 1,280 |
| Senior Center Activities Subtotal | | | 0 | 8,300 | - | 8,300 | - | - | - | - | 8,300 | - |
| 202 | Animal Control Reserve | | 5,007 | - | - | - | - | - | - | - | - | 5,007 |
| 203 | Police Volunteer | | 354 | 1,500 | - | 1,500 | - | - | - | 1,500 | 1,500 | 354 |
| 300 | City Hall COP Debt Service* | | 5,866 | 437,000 | - | 437,000 | - | - | - | 437,000 | 437,000 | 5,866 |
| 360 | Sun Lakes CFD #86-1 | | 35,866 | 125 | - | - | - | - | - | - | - | 35,991 |
| 365 | Wilson Street #91-1 Assessment Debt | | 54,191 | 255 | - | - | - | - | - | - | - | 54,446 |
| 370 | Area Police Computer | | 60,490 | 51,812 | - | 49,812 | - | 2,000 | - | 51,812 | 51,812 | 60,490 |
| 375 | Fair Oaks #2004-1 Debt Service | | 365,606 | 199,000 | - | 190,700 | - | 8,300 | - | 199,000 | 199,000 | 365,606 |
| 376 | Cameo Homes | | 6,893 | 170 | - | - | - | - | - | - | - | 7,063 |
| SPECIAL REVENUE FUNDS TOTAL | | | 1,895,818 | 4,234,237 | 725,451 | 1,110,535 | - | 416,951 | - | 2,252,937 | 4,306,547 | 1,823,508 |

CITY OF BANNING
Budget by Category
FY 2019-2020

| Fund | Department Name | Available Resources | Total Operating Revenue Budget | Operating Budget Expenditure Category | | | | | Total Operating Budget Expenditures | Total Capital Budget | Total Expenditure Budget | Budget Balance (Available Resources + Revenue - Expenditures) |
|---------------------------------|-------------------------------------|---------------------|--------------------------------|---------------------------------------|--------------------------|--------|-------------|-----------|-------------------------------------|----------------------|--------------------------|---|
| | | | | Personnel | Maintenance & Operations | Contra | Allocations | Transfers | | | | |
| Capital Improvement Funds | | | | | | | | | | | | |
| 400 | Police Facilities Development | 20,625 | | | | | | | - | | - | 20,625 |
| 410 | Fire Facility Development | 989,977 | 3,000 | | | | | | - | | - | 992,977 |
| 420 | Traffic Control Facility | 464,122 | 1,750 | | | | | | - | | - | 465,872 |
| 421 | Ramsey/Highland Home Traffic Signal | 82,650 | 310 | | | | | | - | | - | 82,960 |
| 430 | General Facilities | 26,609 | 1,400 | | | | | | - | | - | 28,009 |
| 441 | Sunset Grade Separation Fund | (771,497) | | | | | | | - | | - | (771,497) |
| 444 | Wilson Median | 385,761 | 1,450 | | | | | | - | | - | 387,211 |
| 451 | Park Development | 130,767 | | | | | | | - | 355,000 | 355,000 | (224,233) |
| 470 | Capital Improvement Fund | 642,171 | | | | | | | - | | - | 642,171 |
| CAPITAL IMPROVEMENT FUNDS TOTAL | | 1,971,185 | 7,910 | - | - | - | - | - | - | 355,000 | 355,000 | 1,624,095 |

CITY OF BANNING
Budget by Category
FY 2019-2020

| Fund | | Department Name | Available Resources | Operating Budget | | | | | | Total Capital Budget | Total Expenditure Budget | Budget Balance (Available Resources + Revenue - Expenditures) | |
|---------------------------------|--------------------------------------|-----------------|---------------------|--------------------------------|----------------------|--------------------------|--------|-------------|-------------------------------------|----------------------|--------------------------|---|--------------|
| | | | | Total Operating Revenue Budget | Expenditure Category | | | | Total Operating Budget Expenditures | | | | |
| | | | | | Personnel | Maintenance & Operations | Contra | Allocations | Transfers | | | | |
| Banning Utility Authority Funds | | | | | | | | | | | | | |
| 660 | Water Operations | | 13,550,120 | 10,570,147 | 2,181,475 | 3,438,778 | | 1,611,704 | 2,655,328 | 9,887,285 | 1,386,500 | 11,273,785 | 12,846,482 |
| 661 | Water Capital Facility Fee | | 1,400,814 | 45,000 | | | | | | - | 1,439,313 | 1,439,313 | 6,501 |
| 663 | BUA Water Capital Project Fund | | 701,172 | 3,750 | | | | | | - | | | 704,922 |
| 669 | BUA Water Debt Service Fund | | 0 | 1,989,318 | | 1,989,318 | | | | 1,989,318 | | 1,989,318 | - |
| | Water Subtotal | | 15,652,107 | 12,608,215 | 2,181,475 | 5,428,096 | - | 1,611,704 | 2,655,328 | 11,876,603 | 2,825,813 | 14,702,416 | - |
| 680 | Wastewater Operations | | 1,232,284 | 3,567,979 | 871,276 | 1,160,071 | | 536,441 | 876,227 | 3,444,015 | 164,189 | 3,608,204 | 1,192,059 |
| 681 | Wastewater Capital Facility Fees | | 10,579,081 | 86,860 | | | | | | 10,540,941 | 125,000 | 125,000 | 10,540,941 |
| 683 | BUA WWTr Capital Project Fund | | 3,265,501 | 4,000 | | | | | | - | | | 3,269,501 |
| 685 | State Revolving Loan | | 774,718 | 304,289 | | 304,289 | | | | 304,289 | 304,289 | 304,289 | 774,718 |
| 689 | BUA Wastewater Debt Service Fund | | 0 | 393,966 | | 393,966 | | | | 393,966 | | 393,966 | - |
| | Wastewater Subtotal | | 15,851,584 | 4,357,094 | 871,276 | 1,858,326 | - | 536,441 | 876,227 | 4,142,270 | 289,189 | 4,431,459 | 15,777,219 |
| 662 | Irrigation Water | | 1,178,916 | 5,100 | | - | | | | - | | | 1,184,016 |
| 682 | Wastewater Tertiary | | 5,704,147 | 234,496 | | | | | | - | | | 5,938,643 |
| | Reclaimed Water Subtotal | | 6,883,063 | 239,596 | - | - | - | - | - | - | - | | 7,122,659 |
| | Subtotal | | 38,386,754 | 17,204,905 | 3,052,751 | 7,286,422 | - | 2,148,145 | 3,531,555 | 16,018,873 | 3,115,002 | 19,133,875 | 36,457,784 |
| Enterprise Funds | | | | | | | | | | | | | |
| 600 | Airport | | 192,829 | 181,650 | 48,074 | 100,430 | | 36,098 | | 184,602 | | 184,602 | 189,877 |
| 610 | Transit Operations | | 426,508 | | | | | | | - | | | 426,508 |
| 5800 | | | 103,042 | 1,746,557 | 771,534 | 33,675 | | 484,021 | - | 1,289,230 | | 1,289,230 | |
| 5850 | | | 45,573 | 267,500 | 73,130 | 4,875 | | 143,632 | | 221,637 | | 221,637 | |
| | 610 - Total | | 575,123 | 2,014,057 | 844,664 | 38,550 | - | 627,653 | - | 1,510,867 | - | 1,510,867 | 1,078,313 |
| 690 | Refuse | | 1,620,118 | 3,711,539 | 166,443 | 3,003,991 | - | 395,763 | - | 3,566,197 | | 3,566,197 | 1,765,460 |
| | Airport, Transit & Refuse Subtotal | | 2,388,070 | 5,907,246 | 1,059,181 | 3,142,971 | - | 1,059,514 | - | 5,261,666 | | 5,261,666 | 3,033,650 |
| 670 | Electric Operations | | 15,866,395 | 30,036,500 | 4,932,040 | 1,106,027 | - | 5,037,001 | 2,425,469 | 13,500,537 | 25,000 | 13,525,537 | 15,866,395 |
| 7000 | Electric | | 16,631,840 | 1,535,261 | 219,195 | 17,685,000 | | 156,844 | | 18,061,039 | | 18,061,039 | 33,142,803 |
| 7010 | Generation & Transmission | | (16,308,212) | | | | | | | | | | (32,833,990) |
| | 670 - Total | | 16,190,023 | 31,571,761 | 5,151,235 | 18,791,027 | - | 5,193,845 | 2,425,469 | 31,561,576 | 25,000 | 31,586,576 | 16,175,208 |
| 672 | Rate Stability | | 6,371,276 | 21,000 | | | | | | - | | | 6,392,276 |
| 673 | Electric Improvement | | (4,638,729) | 21,000 | | 25,000 | | | | 25,000 | 2,970,000 | 2,995,000 | (7,612,729) |
| 674 | 2007/2015 Elec Rev Bond Project Fund | | 1,114,043 | 5,000 | | | | | | - | 640,000 | 640,000 | 479,043 |
| 675 | Public Benefit Fund | | 1,006,927 | 795,088 | - | 519,873 | | - | | 519,873 | | 519,873 | 1,282,142 |
| 678 | 2007 Elec Rev Bond Debt Service | | 0 | 2,427,219 | | 2,427,219 | | | | 2,427,219 | | 2,427,219 | - |
| | Electric Subtotal | | 20,043,540 | 34,841,068 | 5,151,235 | 21,763,119 | - | 5,193,845 | 2,425,469 | 34,533,668 | 3,635,000 | 38,168,668 | 16,715,940 |
| | ENTERPRISE FUNDS TOATL | | 22,431,610 | 40,748,314 | 6,210,416 | 24,906,090 | - | 6,253,359 | 2,425,469 | 39,795,334 | 3,635,000 | 43,430,334 | 19,749,590 |

CITY OF BANNING
Budget by Category
FY 2019-2020

| Fund | | Department Name | Available Resources | Operating Budget Expenditure Category | | | | | Total Operating Revenue Budget | Total Operating Budget Expenditures | | | Total Capital Budget | Total Expenditure Budget | Budget Balance (Available Resources + Revenue - Expenditures) |
|------------------------------|--|------------------------|---------------------|---------------------------------------|--------------------------|--------|-------------|-----------|--------------------------------|-------------------------------------|---|-----------|----------------------|--------------------------|---|
| | | | | Personnel | Maintenance & Operations | Contra | Allocations | Transfers | | | | | | | |
| Internal Service Funds | | | | | | | | | | | | | | | |
| 700 | Risk Management Fund | | 722,416 | | | | | | | | | | | | 722,416 |
| | 5020 | Workers Compensation | 39,924 | 78,558 | 649,875 | | 10,667 | | 791,208 | 739,100 | | | | 739,100 | 92,032 |
| | 5030 | Unemployment Insurance | 29,541 | 15,052 | 30,200 | | 1,813 | | 79,711 | 47,065 | | | | 47,065 | 62,187 |
| | 5040 | Liability Insurance | (3,077) | 108,034 | 832,054 | | 14,185 | | 951,052 | 954,273 | | | | 954,273 | (6,298) |
| | 5300 | City Attorney | 0 | - | 500,000 | | | | 500,000 | 500,000 | | | | 500,000 | - |
| | 700 - Total | | 788,804 | 201,644 | 2,012,129 | - | 26,665 | | 2,321,971 | 2,240,438 | | | | 2,240,438 | 870,337 |
| 702 | Fleet Maintenance | | 373,094 | 558,574 | 701,310 | | 83,350 | | 1,366,665 | 1,343,234 | | | | 1,343,234 | 396,525 |
| 703 | Information Systems Services | | 208,692 | 307,646 | 120,833 | | 26,096 | | 454,924 | 454,575 | | | | 454,575 | 209,041 |
| 761 | Utility Billing Administration | | 659,780 | | | | | | | | | | | | 659,780 |
| 3100 | Account & Collection Service | | 0 | 1,149,268 | 373,558 | | 132,550 | | 1,655,376 | 1,655,376 | | | | 1,655,376 | - |
| 3110 | Meter Reading & Service | | 0 | 522,218 | 10,300 | | 89,253 | | 621,771 | 621,771 | | | | 621,771 | - |
| | 761 - Total | | 659,780 | 1,671,486 | 383,858 | - | 221,803 | | 2,277,147 | 2,277,147 | | | | 2,277,147 | 659,780 |
| INTERNAL SERVICE FUNDS TOTAL | | | 2,030,371 | 2,739,350 | 3,218,130 | - | 357,914 | | 6,420,707 | 6,315,394 | | | | 6,315,394 | 2,135,684 |
| Successor Agency Funds | | | | | | | | | | | | | | | |
| 805 | Redevelopment Obligation Retirement Fund | | 527,196 | | 2,445,629 | | | | 2,975,619 | 2,445,629 | | | | 2,445,629 | 1,057,186 |
| 810 | Successor Housing Agency | | 1,359,937 | - | 3,939 | | - | | 3,939 | 3,939 | | | | 3,939 | 1,359,937 |
| 830 | Debt Service Fund | | 1,062,266 | | 2,195,629 | | | | 2,195,629 | 2,195,629 | | | | 2,195,629 | 1,062,266 |
| 850 | Successor Agency | | 57,984 | | | | | | | - | | | | - | 57,984 |
| 840 | BEA Capital Project Fund | | 7,763,666 | | | | | | 9,000 | - | | | | - | 7,772,666 |
| 841 | BEA L/M Capital project Fund | | 543,594 | | | | | | 2,000 | - | | | | - | 545,594 |
| 855 | 2007 TABPS Bond Proceeds | | (8,264,177) | | | | | | | - | | | | - | (8,264,177) |
| 856 | 2003 TABS Bond Proceeds | | 169,601 | | | | | | | - | | | | - | 169,601 |
| 857 | 2003 TABS Bond Proceeds Low/Mod | | 102,997 | | | | | | | - | | | | - | 102,997 |
| SUCCESSOR AGENCY FUNDS TOTAL | | | 3,323,065 | - | 4,645,197 | - | - | - | 5,186,187 | 4,645,197 | | | | 4,645,197 | 3,864,055 |
| OTHER FUNDS GRAND TOTAL | | | 70,038,802 | 12,727,968 | 41,166,374 | + | - | + | 9,176,369 | 5,957,024 | + | 9,158,612 | = | 78,186,347 | 65,654,715 |
| CITY WIDE GRAND TOTAL | | | | | | | | | | | | | | | |
| | | | 81,780,225 | 24,800,340 | 48,275,924 | + | (1,151,473) | + | 10,120,355 | 6,122,849 | + | 9,158,612 | = | 97,326,607 | 76,822,139 |

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | | Footnote Ref | Transfers In | | | Transfers Out | |
|--------------------|-----------------|------------------------|--------------|----------------------------|-----------|----------------------|----------------------------|------------|
| | | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| Governmental Funds | | | | | | | | |
| 001 | General | | | | | | | |
| | 0001 | General | A | 4,012,055.00 | | | | |
| | | | B | 2,000.00 | | | | |
| | | | C | 651,000.00 | | | | |
| | 1000 | City Council | Z | | | | 259.00 | |
| | 1200 | City Manager | Z | | | | 7,255.00 | |
| | | | AA | | | | 620.00 | |
| | 1210 | Economic Development | Z | | | | 10,287.00 | |
| | | | AA | | | | 784.00 | |
| | 1300 | Human Resources | D | | | 184,992.00 | | |
| | | | Z | | | | 7,807.00 | |
| | | | AA | | | | 777.00 | |
| | 1400 | City Clerk | Z | | | | 3,505.00 | |
| | | | AA | | | | 500.00 | |
| | 1500 | Elections | | | | | | |
| | 1800 | City Attorney | H | | | | 243,247.00 | |
| | 1900 | Fiscal Services | E | | | 500,503.00 | | |
| | | | Z | | | | 17,585.00 | |
| | | | AA | | | | 2,458.00 | |
| | | | BB | | | | | |
| | 1910 | Purchasing | F | | | 8,300.00 | | |
| | | | Z | | | 279,976.00 | | |
| | | | AA | | | | 13,073.00 | |
| | | | AA | | | | 1,292.00 | |
| | 2060 | TV Government Access | Z | | | | 4,529.00 | |
| | | | AA | | | | 345.00 | |
| | 2200 | Police | I | | | | 252,706.00 | |
| | | | L | | | | | 1,500.00 |
| | | | O | | | | | 26,308.00 |
| | | | Z | | | | 290,832.00 | |
| | | | AA | | | | 18,889.00 | |
| | 2210 | Dispatch | Z | | | | 22,085.00 | |
| | | | AA | | | | 3,016.00 | |
| | 2279 | TASIN - SB621 (Police) | | | | | | |
| | 2300 | Animal Control | | | | | | |
| | 2400 | Fire | I | | | | 1,958.00 | |
| | 2479 | TASIN - SB621 (Fire) | | | | | | |
| | 2700 | Building & Safety | Z | | | | 3,508.00 | |
| | | | AA | | | | 762.00 | |
| | 2740 | Code Enforcement | I | | | | 8,167.00 | |
| | | | Z | | | | 7,376.00 | |
| | | | AA | | | | 861.00 | |
| | 2800 | Planning | Z | | | | 14,479.00 | |
| | | | AA | | | | 1,352.00 | |
| | 3000 | Engineering | I | | | | 10,440.00 | |
| | | | Z | | | | 2,645.00 | |
| | | | AA | | | | 478.00 | |
| | 3200 | Building Maintenance | G | | | 186,004.00 | | |
| | | | I | | | | 13,397.00 | |
| | | | Z | | | | 7,365.00 | |
| | | | AA | | | | 655.00 | |
| | 3600 | Parks | I | | | | 3,010.00 | |
| | | | Z | | | | 8,933.00 | |
| | | | AA | | | | 714.00 | |
| | 4000 | Recreation | Z | | | | 6,377.00 | |
| | | | AA | | | | 1,105.00 | |
| | 4010 | Aquatics | Z | | | | 7,716.00 | |
| | | | AA | | | | 601.00 | |
| | 4020 | Day Care | Z | | | | 347.00 | |
| | | | AA | | | | 105.00 | |
| | 4050 | Senior Center | Z | | | | 1,740.00 | |
| | | | AA | | | | 358.00 | |
| | 4500 | Central Services | J | | | | 195,495.00 | |
| | | | K | | | | 215,566.00 | |
| | | | M | | | | | 164,325.00 |
| | | | P | | | | | |
| | 4800 | Debt Service | | | - | | | |
| | 5400 | Community Enhancement | | | | | | |
| GENERAL FUND TOTAL | | | | 4,665,055.00 | - | 1,159,775.00 | 1,417,361.00 | 192,133.00 |

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | Footnote Ref | Transfers In | | | Transfers Out | |
|---------------------------------|--------------------------------------|-----------------|-------------------------------|------------|-------------------------|-------------------------------|-----------|
| | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| Special Revenue Funds | | | | | | | |
| 002 | Developer Deposit Fund | | | | | | |
| 003 | Riverside County MOU | | | | | | |
| 005 | SA Adminstration Fund | N | | 250,000.00 | | | |
| 100 | Gas Tax Street | D | | | | 11,279.00 | |
| | | E | | | | 21,905.00 | |
| | | F | | | | 11,767.00 | |
| | | G | | | | 11,159.00 | |
| | | H | | | | 27,031.00 | |
| | | I | | | | 105,248.00 | |
| | | J | | | | 204,139.00 | |
| | | K | | | | 14,123.00 | |
| | | M | | 164,325.00 | | | |
| | | Z | | | | 22,666.00 | |
| | | AA | | | | 2,243.00 | |
| 101 | Measure A Street | | | | | | |
| 102 | RMRA (SB1) Gas Tax | | | | | | |
| 103 | SB300 Street Improvement | | | | | | |
| 104 | Article 3 - Sidewalk Construction | | | | | | |
| 110 | C.D.B.G. | | | | | | |
| 111 | Landscape Maintenance Assmt. Dist.#1 | Z | | | | 936.00 | |
| | | AA | | | | 82.00 | |
| 132 | Air Quality Improvement | | | | | | |
| 140 | Asset Forfeiture | | | | | | |
| 148 | Supplemental Law Enforcement | | | | | | |
| 149 | Public Safety - Sales Tax | | | | | | |
| 150 | State Park Bond Act | | | | | | |
| 190 | Housing Authority Fund | | | | | | |
| 200 | Special Donations | | | | | | |
| 201 | Senior Center Activities | | | | | | |
| | 4050 Senior Center | | | | | | |
| | 4060 Senior Center Advisory Board | | | | | | |
| 202 | Animal Control Reserve | | | | | | |
| 203 | Police Volunteer | L | | 1,500.00 | | | |
| 300 | City Hall COP Debt Service* | | | | | | |
| 360 | Sun Lakes CFD #86-1 | | | | | | |
| 365 | Wilson Street #91-1 Assessment Debt | | | | | | |
| 370 | Area Police Computer | B | | | | 2,000.00 | |
| | | O | | 26,308.00 | | | |
| 375 | Fair Oaks #2004-1 Debt Service | BB | | | | 8,300.00 | |
| 376 | Cameo Homes | | | | | | |
| SPECIAL REVENUE FUNDS TOTAL | | | - | 442,133.00 | - | 442,878.00 | - |
| Capital Improvement Funds | | | | | | | |
| 400 | Police Facilities Development | | | | | | |
| 410 | Fire Facility Development | | | | | | |
| 420 | Traffic Control Facility | | | | | | |
| 421 | Ramsey/Highland Home Traffic Signal | | | | | | |
| 430 | General Facilities | | | | | | |
| 441 | Sunset Grade Separation Fund | | | | | | |
| 444 | Wilson Median | | | | | | |
| 451 | Park Development | | | | | | |
| 470 | Capital Improvement Fund | | | | | | |
| CAPITAL IMPROVEMENT FUNDS TOTAL | | | - | - | - | - | - |

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | Footnote Ref | Transfers In | | | Transfers Out | |
|---------------------------------|----------------------------------|--------------|----------------------------|--------------|----------------------|----------------------------|--------------|
| | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| Banning Utility Authority Funds | | | | | | | |
| 660 | Water Operations | A | | | | 475,657.00 | |
| | | C | | | | | 470,000.00 |
| | | D | | | | 32,380.00 | |
| | | E | | | | 77,130.00 | |
| | | F | | | | 49,488.00 | |
| | | G | | | | 32,037.00 | |
| | | H | | | | 40,737.00 | |
| | | I | | | | 198,947.00 | |
| | | J | | | | 53,644.00 | |
| | | K | | | | 39,921.00 | |
| | | Q | | | | 324,187.00 | |
| | | R | | | | 287,576.00 | |
| | | S | | | | | 196,950.00 |
| | | T | | | | | 1,988,378.00 |
| | | Z | | | | 52,078.00 | |
| | | AA | | | | 7,075.00 | |
| 661 | Water Capital Facility Fee | | | | | | |
| 663 | BUA Water Capital Project Fund | | | | | | |
| 669 | BUA Water Debt Service Fund | T | | 1,988,378.00 | | | |
| | Water Subtotal | | - | 1,988,378.00 | - | 1,670,857.00 | 2,655,328.00 |
| 680 | Wastewater Operations | A | | | | 151,251.00 | |
| | | C | | | | | 181,000.00 |
| | | D | | | | 12,524.00 | |
| | | E | | | | 30,200.00 | |
| | | F | | | | 19,811.00 | |
| | | G | | | | 12,392.00 | |
| | | H | | | | 16,142.00 | |
| | | I | | | | 41,554.00 | |
| | | J | | | | 30,757.00 | |
| | | K | | | | 16,368.00 | |
| | | Q | | | | 205,442.00 | |
| | | V | | | | | 301,511.00 |
| | | W | | | | | 393,716.00 |
| | | Z | | | | 19,627.00 | |
| | | AA | | | | 2,963.00 | |
| 681 | Wastewater Capital Facility Fees | | | | | | |
| 683 | BUA WWtr Capital Project Fund | | | | | | |
| 685 | State Revolving Loan | V | | 301,511.00 | | | |
| 689 | BUA Wastewater Debt Service Fund | W | | 393,716.00 | | | |
| | Wastewater Subtotal | | - | 695,227.00 | - | 559,031.00 | 876,227.00 |
| 662 | Irrigation Water | S | | 196,950.00 | | | |
| 682 | Wastewater Tertiary | | | | | | |
| | Reclaimed Water Subtotal | | - | 196,950.00 | - | - | - |
| | BANNING UTILITY AUTHORITY TOTAL | | - | 2,880,555.00 | - | 2,229,888.00 | 3,531,555.00 |

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | Footnote Ref | Transfers In | | | Transfers Out | |
|------------------------------|--------------------------------|--------------|----------------------------|-----------|----------------------|----------------------------|--------------|
| | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| Enterprise Funds | | | | | | | |
| 600 | Airport | D | | | | 1,537.00 | |
| | | E | | | | 3,040.00 | |
| | | F | | | | 4,569.00 | |
| | | G | | | | 1,521.00 | |
| | | H | | | | 3,720.00 | |
| | | J | | | | 20,000.00 | |
| | | K | | | | 1,711.00 | |
| | | Z | | | | 1,408.00 | |
| | | AA | | | | 181.00 | |
| Airport Subtotal | | | - | - | - | 37,687.00 | - |
| 610 | Transit Operations | | | | | | |
| | 5800 Transit Fixed | D | | | | 29,924.00 | |
| | | E | | | | 56,505.00 | |
| | | F | | | | 9,033.00 | |
| | | G | | | | 29,607.00 | |
| | | H | | | | 37,067.00 | |
| | | I | | | | 236,080.00 | |
| | | J | | | | 52,793.00 | |
| | | K | | | | 33,012.00 | |
| | | P | | | | | |
| | | Z | | | | 49,545.00 | |
| | | AA | | | | 4,245.00 | |
| | 5850 Dial-A-Ride | D | | | | 3,638.00 | |
| | | E | | | | 6,861.00 | |
| | | F | | | | 1,461.00 | |
| | | G | | | | 3,600.00 | |
| | | H | | | | 4,507.00 | |
| | | I | | | | 109,125.00 | |
| | | J | | | | 10,056.00 | |
| | | K | | | | 4,384.00 | |
| | | Z | | | | 1,726.00 | |
| | | AA | | | | 212.00 | |
| Transit Subtotal | | | - | - | - | 683,381.00 | - |
| 690 | Refuse | A | | | | 148,462.00 | |
| | | D | | | | 1,492.00 | |
| | | E | | | | 11,333.00 | |
| | | F | | | | 11,302.00 | |
| | | G | | | | 1,476.00 | |
| | | H | | | | 1,848.00 | |
| | | J | | | | 8,143.00 | |
| | | K | | | | 1,462.00 | |
| | | Q | | | | 210,245.00 | |
| | | Z | | | | 5,458.00 | |
| | | AA | | | | 580.00 | |
| Refuse Subtotal | | | - | - | - | 401,801.00 | - |
| 670 | Electric Operations | | | | | | |
| | 7000 Electric | A | | | | 3,236,685.00 | |
| | | D | | | | 51,071.00 | |
| | | E | | | | 119,054.00 | |
| | | F | | | | 56,591.00 | |
| | | G | | | | 50,530.00 | |
| | | H | | | | 71,012.00 | |
| | | I | | | | 141,294.00 | |
| | | J | | | | 255,412.00 | |
| | | K | | | | 72,155.00 | |
| | | Q | | | | 649,002.00 | |
| | | R | | | | 334,195.00 | |
| | | U | | | | | 2,425,469.00 |
| | | Y | | | | | |
| | | Z | | | | 114,091.00 | |
| | | AA | | | | 17,054.00 | |
| | 7010 Generation & Transmission | D | | | | 1,819.00 | |
| | | E | | | | 85,753.00 | |
| | | F | | | | 63,436.00 | |
| | | G | | | | 1,800.00 | |
| | | H | | | | 2,253.00 | |
| | | K | | | | 1,783.00 | |
| | | Z | | | | 5,277.00 | |
| | | AA | | | | 749.00 | |
| Electric Operations Subtotal | | | - | - | - | 5,331,016.00 | 2,425,469.00 |

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | Footnote Ref | Transfers In | | | Transfers Out | |
|------|--------------------------------------|-----------------|-------------------------------|--------------|-------------------------|-------------------------------|--------------|
| | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| 672 | Rate Stability | Y | | | | | - |
| 673 | Electric Improvement | | | | | | |
| 674 | 2007/2015 Elec Rev Bond Project Fund | | | | | | |
| 675 | Public Benefit Fund | | | | | | |
| 678 | 2007 Elec Rev Bond Debt Service | U | | 2,425,469.00 | | | |
| | <i>Electric Subtotal</i> | | - | 2,425,469.00 | - | - | - |
| | ENTERPRISE FUNDS TOATL | | - | 2,425,469.00 | - | 6,453,885.00 | 2,425,469.00 |

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | Footnote Ref | Transfers In | | | Transfers Out | |
|------------------------|---|--------------|----------------------------|-----------|----------------------|----------------------------|-----------|
| | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| Internal Service Funds | | | | | | | |
| 700 | Risk Management Fund | | | | | | |
| | 5020 Workers Compensation | E | | | | 3,959.00 | |
| | | F | | | | 2,914.00 | |
| | | G | | | | 1,170.00 | |
| | | H | | | | 1,465.00 | |
| | | K | | | | 1,159.00 | |
| | | Z | 792,144.00 | | | 1,930.00 | |
| | | AA | | | | 241.00 | |
| | 5030 Unemployment Insurance | E | | | | 578.00 | |
| | | F | | | | 360.00 | |
| | | G | | | | 270.00 | |
| | | H | | | | 338.00 | |
| | | K | | | | 267.00 | |
| | | AA | 79,952.00 | | | 51.00 | |
| | | Z | | | | 362.00 | |
| | 5040 Liability Insurance | E | | | | 5,392.00 | |
| | | F | | | | 3,832.00 | |
| | | G | | | | 1,530.00 | |
| | | H | | | | 1,915.00 | |
| | | J | 830,439.00 | | | | |
| | | K | | | | 1,516.00 | |
| | | Z | | | | 2,816.00 | |
| | | AA | | | | 333.00 | |
| | 5300 City Attorney | H | 500,000.00 | | | | |
| | Risk Mangement Subtotal | | 2,202,535.00 | - | - | 32,398.00 | - |
| 702 | Fleet Maintenance | D | | | | 8,040.00 | |
| | | E | | | | 17,133.00 | |
| | | F | | | | 27,061.00 | |
| | | G | | | | 7,955.00 | |
| | | H | | | | 9,960.00 | |
| | | I | 1,150,865.00 | | | | |
| | | K | | | | 13,201.00 | |
| | | Z | | | | 22,172.00 | |
| | | AA | | | | 1,748.00 | |
| | Fleet Maintenance Subtotal | | 1,150,865.00 | - | - | 107,270.00 | - |
| 703 | Information Systems Services | D | | | | 3,638.00 | |
| | | E | | | | 7,689.00 | |
| | | F | | | | 6,662.00 | |
| | | G | | | | 3,600.00 | |
| | | H | | | | 4,507.00 | |
| | | K | 454,574.00 | | | | |
| | | Z | | | | 7,657.00 | |
| | | AA | | | | 1,013.00 | |
| | Information Systems Subtotal | | 454,574.00 | - | - | 34,766.00 | - |
| 761 | Utility Billing Administration | | | | | | |
| | 3100 Account & Collection Service | D | | | | 18,555.00 | |
| | | E | | | | 36,632.00 | |
| | | F | | | | 8,627.00 | |
| | | G | | | | 18,358.00 | |
| | | H | | | | 22,984.00 | |
| | | K | | | | 27,394.00 | |
| | | Q | 1,388,876.00 | | | | |
| | | Z | | | | 25,154.00 | |
| | | AA | | | | 3,867.00 | |
| | 3110 Meter Reading & Service | D | | | | 9,095.00 | |
| | | E | | | | 17,339.00 | |
| | | F | | | | 3,062.00 | |
| | | G | | | | 8,999.00 | |
| | | H | | | | 11,267.00 | |
| | | I | | | | 28,939.00 | |
| | | K | | | | 10,552.00 | |
| | | R | 621,771.00 | | | | |
| | | Z | | | | 21,538.00 | |
| | | AA | | | | 1,643.00 | |
| | Utility Billing Administration Subtotal | | 2,010,647.00 | - | - | 274,005.00 | - |
| | INTERNAL SERVICE FUNDS TOTAL | | 5,818,621.00 | - | - | 448,439.00 | - |

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | Footnote Ref | Transfers In | | | Transfers Out | |
|------------------------------|--|-----------------|-------------------------------|--------------|-------------------------|-------------------------------|--------------|
| | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| Successor Agency Funds | | | | | | | |
| 805 | Redevelopment Obligation Retirement Func | N | | | | | 250,000.00 |
| | | X | | | | | 2,195,629.00 |
| 810 | Successor Housing Agency | | | | | | |
| 830 | Debt Service Fund | X | | 2,195,629.00 | | | |
| 850 | Successor Agency | | | | | | |
| 480 | BEA Capital Project Fund | | | | | | |
| 481 | BEA L/M Capital project Fund | | | | | | |
| 855 | 2007 TAPBS Bond Proceeds | | | | | | |
| 856 | 2003 TABS Bond Proceeds | | | | | | |
| 857 | 2003 TABS Bond Proceeds Low/Mod | | | | | | |
| SUCCESSOR AGENCY FUNDS TOTAL | | | - | 2,195,629.00 | - | - | 2,445,629.00 |
| GRAND TOTAL ALL FUNDS | | | 10,483,676.00 | 7,943,786.00 | 1,159,775.00 | 10,992,451.00 | 8,594,786.00 |

| Footnote Descriptions | | | | | | | |
|------------------------------|---|--|--------------|--------------|------------|--------------|--------------|
| A | Administration Service Costs from the Water, Wastewater, Electric and Refuse Funds | | 4,012,055.00 | - | - | 4,012,055.00 | - |
| B | Admin Support from Area Police Fund for administering Grant Lease Payment from the Water and Wastewater Funds | | 2,000.00 | - | - | 2,000.00 | - |
| C | | | 651,000.00 | - | - | - | 651,000.00 |
| D | Allocate cost of Human Resources services across funds | | - | - | 184,992.00 | 184,992.00 | - |
| E | Allocate cost of Fiscal Services across funds | | - | - | 500,503.00 | 500,503.00 | - |
| F | Allocate cost of Purchasing services across funds | | - | - | 279,976.00 | 279,976.00 | - |
| G | Allocate cost of Building Maintenance services across funds | | - | - | 186,004.00 | 186,004.00 | - |
| H | Allocate the cost of the City Attorney services across funds | | 500,000.00 | - | - | 500,000.00 | - |
| I | Allocate the cost of Fleet Maintenance services across funds | | 1,150,865.00 | - | - | 1,150,865.00 | - |
| J | Allocate the cost of General Liability Insurance across funds | | 830,439.00 | - | - | 830,439.00 | - |
| K | Allocate the cost of Information System services across funds | | 454,574.00 | - | - | 454,574.00 | - |
| L | Transfer from General Fund to Police Fund/Police Department to Police Volunteer Fund | | - | 1,500.00 | - | - | 1,500.00 |
| M | Transfer from General Fund to Street fund for Maintenance of Effort (MOE) Base | | - | 164,325.00 | - | - | 164,325.00 |
| N | Administration Costs for Successor Agency | | - | 250,000.00 | - | - | 250,000.00 |
| O | Transfer from GF to cover Banning PD Costs of JPA | | - | 26,308.00 | - | - | 26,308.00 |
| P | Transit fund transfer to General Fund to pay off loan from General Fund (FY19 only) | | - | - | - | - | - |
| Q | Allocate Costs of Utility Billing to the Utility Funds being billed | | 1,388,876.00 | - | - | 1,388,876.00 | - |
| R | Allocate costs of Meter Reading to the Utility Funds being read | | 621,771.00 | - | - | 621,771.00 | - |
| S | Transfer from Water Fund to Water Irrigation Fund to cover costs of Salt and Nutrient Management Plan | | - | 196,950.00 | - | - | 196,950.00 |
| T | Transfer from Water Fund to Water Debt Service Fund to cover Bond Payment | | - | 1,988,378.00 | - | - | 1,988,378.00 |

City of Banning
Detail of Interfund Transfers
Fiscal Year 2019-2020

| Fund | Department Name | Footnote Ref | Transfers In | | | Transfers Out | |
|------|--|--------------|----------------------------|--------------|----------------------|----------------------------|---------------|
| | | | Interfund Service Revenues | Transfers | Contra - Expenditure | Interfund Service Payments | Transfers |
| | Transfer from Electric Fund to Electric Debt Service Fund to cover Bond Payment | | - | 2,425,469.00 | - | - | 2,425,469.00 |
| U | Transfer from Wasterwater Fund to Waterwater State Revolving Loan Fund to cover annual payment | | - | 301,511.00 | - | - | 301,511.00 |
| V | Transfer from Wasterwater Fund to Debit Serive fund to cover Bond Payment | | - | 393,716.00 | - | - | 393,716.00 |
| W | Transfer from Successor Agency Fund to RDA Obligation Retire Debit Serive fund to cover Bond Payment | | - | 2,195,629.00 | - | - | 2,195,629.00 |
| X | Transfer from Rate Stabilization Fund to Electric Fund to cover Rate Holiday | | - | - | - | - | - |
| Y | Worker's Compensation cost allocation across funds (based on payroll) | | 792,144.00 | - | - | 792,144.00 | - |
| Z | State Unemployment Insurance cost allocation across funds (based on payroll) | | 79,952.00 | - | - | 79,952.00 | - |
| AA | Fair Oaks Administration Costs | | - | - | 8,300.00 | 8,300.00 | - |
| BB | | | 10,483,676.00 | 7,943,786.00 | 1,159,775.00 | 10,992,451.00 | 8,594,786.00 |
| | | | | | 19,587,237.00 | | 19,587,237.00 |

City of Banning
Budgeted Positions Summary

| Description | Adopted 2016-17 | Adopted 2017-18 | Projected 2018-19 | Projected 2019-20 |
|--|--------------------|--------------------|----------------------|----------------------|
| GENERAL FUND (001) | | | | |
| CITY COUNCIL (1000) | 2.75 | 2.75 | 2.75 | 2.75 |
| CITY MANAGER (1200) | 1.09 | 1.09 | 0.85 | 0.85 |
| ECONOMIC DEVELOPMENT (1210) | 1.24 | 1.24 | 1.00 | 1.00 |
| HUMAN RESOURCES (1300) | 1.07 | 1.07 | 1.20 | 1.20 |
| CITY CLERK (1400) | 1.70 | 1.70 | 2.50 | 2.50 |
| CITY ATTORNEY (1800) | Contract | Contract | Contract | Contract |
| FISCAL SERVICES (1900) | 6.45 | 6.45 | 7.35 | 7.35 |
| PURCHASING (1910) | 2.00 | 3.00 | 3.00 | 3.00 |
| TV (2060) | - | 1.00 | 1.00 | 1.00 |
| POLICE (2200) | 35.90 | 36.90 | 37.90 | 37.90 |
| DISPATCH (2210) | 8.10 | 9.10 | 9.10 | 9.10 |
| BUILDING SAFETY (2700) | 1.60 | 1.60 | 1.60 | 1.60 |
| CODE ENFORCEMENT (2740) | 2.00 | 2.00 | 2.00 | 2.00 |
| PLANNING (2800) | 2.40 | 2.40 | 2.40 | 2.40 |
| ENGINEERING (3000) | 0.77 | 0.77 | 0.79 | 0.79 |
| BUILDING MAINTENANCE (3200) | 1.31 | 1.31 | 1.48 | 1.48 |
| PARKS (3600) | 4.30 | 4.30 | 2.25 | 2.25 |
| RECREATION (4000) | 6.05 | 6.05 | 3.32 | 3.32 |
| AQUATICS (4010) | 2.06 | 2.06 | 3.32 | 3.32 |
| DAY CARE (4010) | - | - | 0.61 | 0.61 |
| SENIOR CENTER (4010) | 0.75 | 0.75 | 1.57 | 1.57 |
| TOTAL GENERAL FUND (001) | 81.53 | 85.53 | 85.99 | 85.99 |
| OTHER FUNDS | | | | |
| STREETS (4900) | 5.10 | 5.10 | 6.13 | 6.13 |
| LMD STREETS (4900) | - | - | 0.13 | 0.13 |
| AIRPORT (4900) | 0.80 | 0.80 | 0.83 | 0.83 |
| TRANSIT FIXED ROUTE (5800) | 13.13 | 13.13 | 13.65 | 13.65 |
| DIAL A RIDE (5850) | 1.39 | 1.39 | 1.00 | 1.00 |
| WATER DEPARTMENT (6300) | 16.34 | 17.34 | 17.57 | 17.57 |
| ELECTRIC DISTRIBUTION (7000) | 26.20 | 26.20 | 29.18 | 29.18 |
| ELECTRIC GENERATION (7010) | 1.00 | 1.00 | 1.00 | 1.00 |
| PUBLIC BENEFITS (675-7020) | 2.00 | 2.00 | - | - |
| WASTEWATER DEPARTMENT (8000) | 6.12 | 6.12 | 6.71 | 6.71 |
| REFUSE DEPARTMENT (9600) | 1.14 | 1.14 | 0.82 | 0.82 |
| RISK MANAGEMENT (5020, 5030, 5040, 5300) | 2.82 | 2.82 | 1.65 | 1.65 |
| FLEET MAINTENANCE DEPT (3800) | 4.05 | 4.05 | 4.42 | 4.42 |
| INFORMATION SYSTEMS SERVICES DEPT (3700) | 3.45 | 3.45 | 2.00 | 2.00 |
| UTILITY BILLING DEPT (3100) | 11.31 | 11.31 | 10.20 | 10.20 |
| METER READING DEPT (3110) | 5.00 | 5.00 | 5.00 | 5.00 |
| TOTAL OTHER FUNDS | 99.85 | 100.85 | 100.28 | 100.28 |
| TOTAL ALL FUNDS | 181.38 | 186.38 | 186.27 | 186.27 |
| TOTAL ALL FUNDS | 181.38 | 186.38 | 186.27 | 186.27 |
| Less Part - Time/Seasonal (Full-time Equivalent) | 11.36 | 8.18 | 11.27 | 11.27 |
| Less Elected | 7.00 | 7.00 | 7.00 | 7.00 |
| <i>Full-Time Regular Employees</i> | 163.02 | 171.20 | 168.00 | 168.00 |