

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

07/09/2019
SPECIAL MEETING- WORKSHOP

COUNCIL/BOARD MEMBERS PRESENT: Councilmember Happe
Councilmember Wallace
Mayor Pro Tem Andrade (via
teleconference)
Mayor Welch

COUNCIL MEMBERS ABSENT: Councilmember Peterson

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Dr. John McQuown, City Treasurer
Daryl Betancur, Deputy City Clerk
Tom Miller, Electric Utility Director
Carla Young, Management Analyst
Scott Foster, Interim Parks & Recreation Director
Art Vela, Director of Public Works/City Engineer
Adam Rush, Community Development Director
Suzanne Cook, Interim Administrative Services Director
Ted Shove, Economic Development Manager
Laurie Sampson, Executive Secretary
Leila Lopez, Office Specialist

I. **CALL TO ORDER**

A special meeting of the Banning City Council was called to order by Mayor Welch on July 9, 2019 at 4:03 p.m. at the Banning Civic Council Chambers, 99 E. Ramsey Street, Banning, California.

II. **WORKSHOP**

1. Electric Workshop Part 2.

Jim Steffens, Power Resources and Revenue Administrator with the Banning Electric Utility presented on the Legislative and Regulatory Framework in which the Banning Electric Utility Operates. He stated that electric was one of the most regulated industries around; that ever since we got rid of the San Juan Coal Plant, the Utility's portfolio is virtually emissions free; that actually our regulatory compliance has gotten a little bit easier because we no longer have to count the Brown Electrons that we imported to the State of California; that we actually had to count the dirty Brown electrons that we brought into the California; that we do have to comply with the RPF's.

Mr. Steffens further explained that in 2018, the legislature updated the RPF requirements, which are to be 33% renewable by 2020, 50% renewable by 2026; that in accordance with SB 100 renewable portfolio standards increased to 60% by 2030, and that in 2018 the Utility was 61% renewable, which means we are ahead of the game with respect to compliance.

He stated that the other part of the bill requires the Utility to be 100% emissions free by 2045, and again the Utility is virtually emissions free; that we are already there. Mr. Steffens then commented on the public benefits, energy efficiency and weatherization, and low income discounts.

Carla Young, Management Analyst presented on the financial aspects of the Utility stating that the Utility Bond Rating was A-stable standard per Standard & Poor's ratings; that the better rate they have, the better interest they get out in the market; stated that their financial portfolio includes about \$31,500,000 million in revenue bonds, which are payable and become due in 2037, and that with this level of revenue comes the promise to maintain rates adequate enough to produce a bottom line of \$2,900,000 million annually.

Ms. Young stated that the operating budget was about \$33.5 million and provided a breakdown of the budget for power, public benefit, Operations & Maintenance, Wages & Benefits, Margin, and Capital Budget.

There were several questions from the Council relative to public utility accounting and whether or not this was something, the City would like to transition into. Ms. Young responded that this is something staff is looking into with the possibility of potentially hiring a consultant that will help the Utility make that transition.

(For further detail, refer to attached PowerPoint presentation).

2. Mid-Cycle Budget Workshop.

Suzanne Cook, Interim Administrative Services Director presented the staff report and explained in detail the two-year budget. She explained the 2018-2019 budget versus actuals as of June 28, which were not the actual numbers because there are adjustments yet to be made but that these give a snapshot of where we are today; spoke on the general fund revenue and expenditures; commented on the special revenue funds, capital improvement and Banning Utility Authority funds; that any deficits shown were due to additional transfers in accounts that have yet to be made. Ms. Cook further explained the budget adjustments requests and the sources of funding.

Following her presentation, Interim Administrative Services Director Suzanne Cook entertained questions from the City Council providing further detail on each of the funds, and answering questions relative to revenue projections.

(For further detail, refer to attached PowerPoint presentation).

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

Public Comment.

There were no public comments.

ACTION:

None

IV. ADJOURNMENT

By consensus, the meeting adjourned at 5:02 p.m.

Minutes Prepared by:



Daryl Betancur, Deputy City Clerk

The entire discussion of this meeting and related documents can be found by visiting the following website: <http://www.banning.ca.us/ArchiveCenter/ViewFile/Item/2135> or by requesting a CD or DVD at Banning City Hall located at 99 E. Ramsey Street.

ATTACHMENT 1

(Electric Utility Presentation)



BANNING ELECTRIC UTILITY

PROVIDING POWER TO THE COMMUNITY OF BANNING SINCE 1922

CITY COUNCIL WORKSHOP
BANNING ELECTRIC UTILITY STAFF
JUNE 11, 2019



BANNING ELECTRIC UTILITY

PROVIDING POWER TO THE COMMUNITY OF BANNING SINCE 1922



The City of Banning is a full-service community serving a population of 30,000 people located in the beautiful San Geronio Pass, 90 miles east of Los Angeles. Banning Electric Utility is a **publicly-owned, locally controlled, not-for-profit**, retail electrical energy distribution utility with 6 distribution substations and 134 miles of power lines serving nearly 13,500 citizens and business patrons. The Banning Electric Utility is member of the Southern California Public Power Authority (SCPPA) enjoying the benefits of joint action through cost effective planning, construction, management, and operations of electrical energy resources.

Purpose of the Workshop



- Communicate the strategic priorities of the electric utility
- Demonstrate the planning processes for the electric utility
- Provide a snap-shot of today
- Re-familiarize city council with the management team and key players for the electric utility
- Tie it altogether
 - Electric Operating Budget
 - Electric Capital Budget
 - Overall City Budget

Banning Electric Strategic Priorities



Energy Procurement (1a)

- To **aggregate** our customers' energy needs in order to take advantage of our load diversification in the market place
- To meet the State's renewable, **sustainable**, and carbon-free goals
- To reduce our diversified electrical energy **peak** demand
- To increase our diversified **system load factor**
- To encourage the **electrification of transportation**

Retail Distribution (1b)

- To keep our community **safe** and employees **safe** (with respect to electricity)
- To keep our rates competitive and **affordable** by using sound business practices
- To keep our electrical distribution system **redundant, reliable** and enhance system **resiliency** through distribution automation
- To **enhance** our customers' standard of living through the use of electro-technologies
- To promote the **wise use** of electrical energy
- To encourage **all-electric** construction techniques for residential and commercial construction

Banning Electric Utility - Planning



➤ City of Banning's General Plan

- Build-out
- Zoning
- Ignores **practical** load growth

➤ 10-year Load Forecast (2019) – 56 MWs

➤ 10-year System Plan (2007)

- Estimates Capital Improvement Plan
- Long-range of 75 MWs
- 3-5 year Construction Work Plan

➤ Integrated Resource Plan (IRP) (2019)

- Power Supply Plan
- Renewable Portfolio Standard (RPS)
- Green House Gasses (GHG) Mitigation
 - Cap and Trade
 - SF6 removal

➤ Long-range Financial Forecast (?)

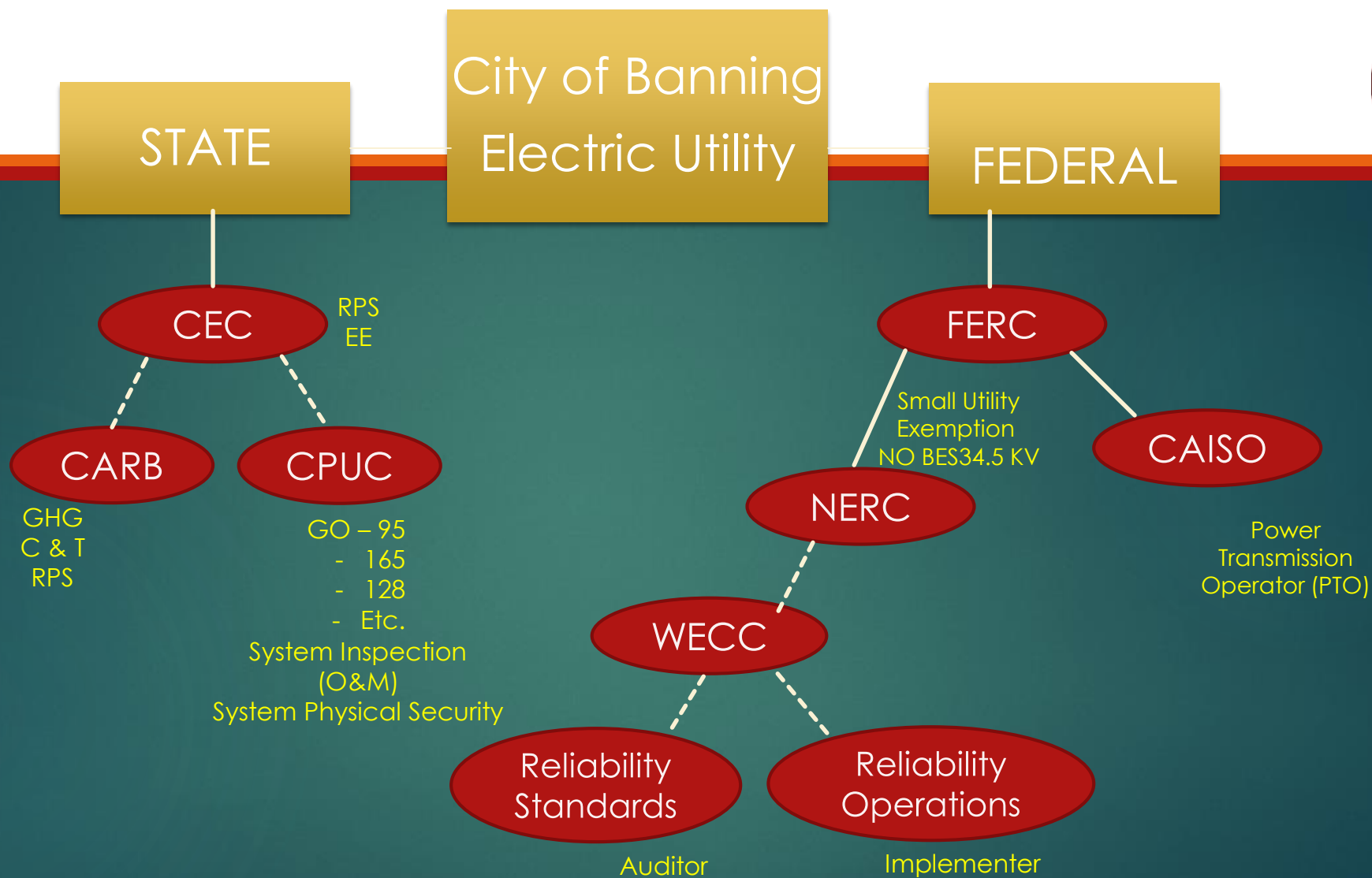
- Projects Debt needs
- Dovetails to 10-year Load Forecast and 10-year System Plan
- Immediate capital needs from Construction Work Plan
- Projects rate adjustments

➤ Cost of Service Analysis

- Financial Drivers
- Based on current rates and revenues
- Last rate adjustment (May 2013)

➤ Bi-annual Budget

- Current Rates
- Mid-year updates
- Mid-cycle updates





Balancing Authority

Federal Energy Regulator Commission (FERC)

California Independent System Operator (CAISO)

Energy and Delivery

Southern California Public Power Authority (SCPPA)

Thompson-Coburn

Six Cities (Anaheim, Azusa, Banning, Colton, Pasadena, & Riverside)

Scheduling and Settlement

Riverside Public Utilities

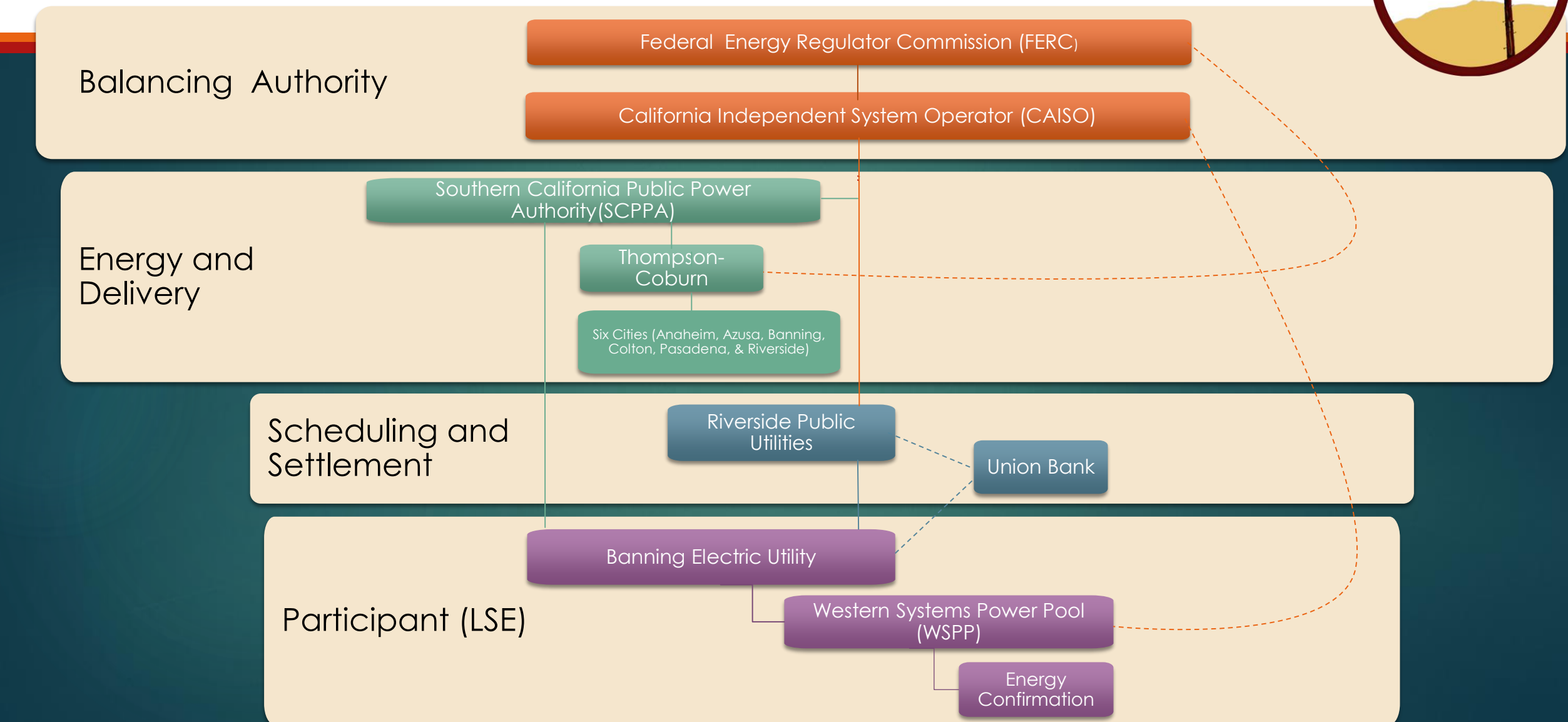
Union Bank

Participant (LSE)

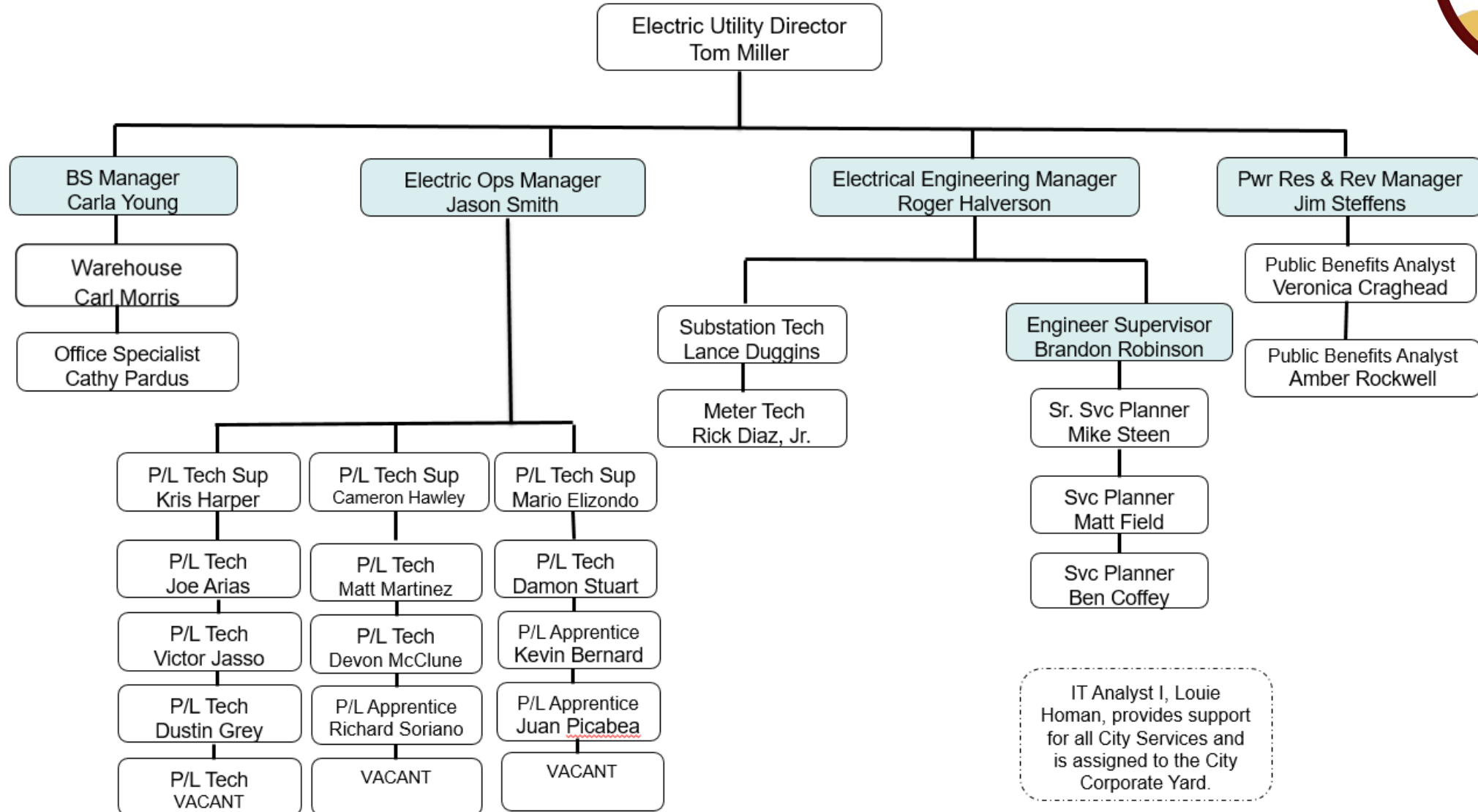
Banning Electric Utility

Western Systems Power Pool (WSPP)

Energy Confirmation

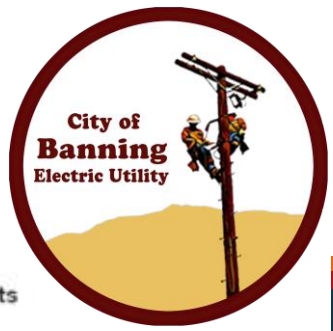


City of Banning – Electric Utility



Redundancy & Reliability (1b)

Banning Substations



- Banning Substations
 - Midway
 - Alola
 - Airport
 - San Geronio
 - 22nd St
 - Sunset
- Relocation of Airport & Alola Substations
- Rebuild Two Substations
- Sunset has 40MW available with only 4MW used. Transfer of load from Midway to provide relief



Transformers



- Move 20 MVA transformer from Sunset to new Ivy substation (relocated Airport)
- Three 10 MVA transformers available
 - One at new Stagecoach substation (relocated Alola)
 - Two at San Gorgonio substation to replace one aged transformer
- Remove all SF6 gas breakers and replace with environmentally safer vacuum breaker at all substations
 - SF6 gas breakers must be replaced by 2025

Upgrades



- Substations will be made SCADA ready (supervisory control and data acquisition)
 - Will allow for Engineering and Operations personnel to monitor and control remotely
 - While some modifications are necessary most equipment is already owned and ready for install
- Midway substation needs several upgrades including a new 20 MVA LTC transformer, new vacuum 34.5 breaker and removal of 12 single phase 12.4 voltage regulators



Future



- All substations will have provisions put in place to add an additional transformer and 34.5 KV breaker for future needs
- Once all six substations are working properly we will be able to begin sectionalizing the distribution lines for better reliability

CIP Goals

Utility Optimization



➤ System Planning

- Advance the Initiatives of the Electric Utility
- Prioritize/Adjust as you go
- Support the City of Banning's Strategic Plan

➤ Standardization

- Integrate the Utility with intelligent/modern materials and technology
- “Out with the old, in with the new”

➤ System Integrity

- Support ongoing improvement to energy resiliency by deploying in-field distribution assets that help tell our story
- Reduce operation and maintenance costs

DISTRIBUTED ENERGY RESOURCES

Kelly calls for public power to address three critical issues

In her keynote at the Association's 2019 National Conference, Association President and CEO Sue Kelly urged public power utility executives to focus on what she called the industry's **three greatest challenges: customers' increasing use of technology, cyber and physical security, and greenhouse gas emissions.**

Engineering and Project Management



- Develop long term relationship with design engineering consultant
 - Substation relocations
 - Utility (primary) line extension projects
 - Assist with management of development projects
- Secure contract with construction firm
 - Three-year term
 - Equipment and labor for underground utility construction

2019 Projects Continuing in 2020



➤ Design

- Ivy and Stagecoach Substations
- Includes expansion of substation distribution equipment

➤ Construction

- 4kV to 12kV Distribution Upgrades
- Commercial Smart Meter Installation

Distribution Equipment Upgrades



- Complete 4kV – 12kV distribution conversion
- Replace older distribution cable reaching the end of its life cycle
- Standardize overhead and underground distribution
- Distribution Automation Equipment
 - Integrating systems' software for optimization
 - Sectionalizing/Auto-reclosing Circuit Breakers and Fault Indicators
 - Communications Network (Fiber Optic)

Utility Data Management Systems



- AMI Communications Systems (Itron)
 - Meter Communications Network (Radio Frequency Mesh)
 - Meter Data Management System (SATEC)
- Milsoft Utility Solutions (WindMil)
 - Improved system mapping with mobile solutions
 - Incorporate electric plant inventory into circuit map
 - System distribution coordination
 - Energy load management
 - Integrate with Cooperative Response Center's outage management system

SCADA Systems Improvements



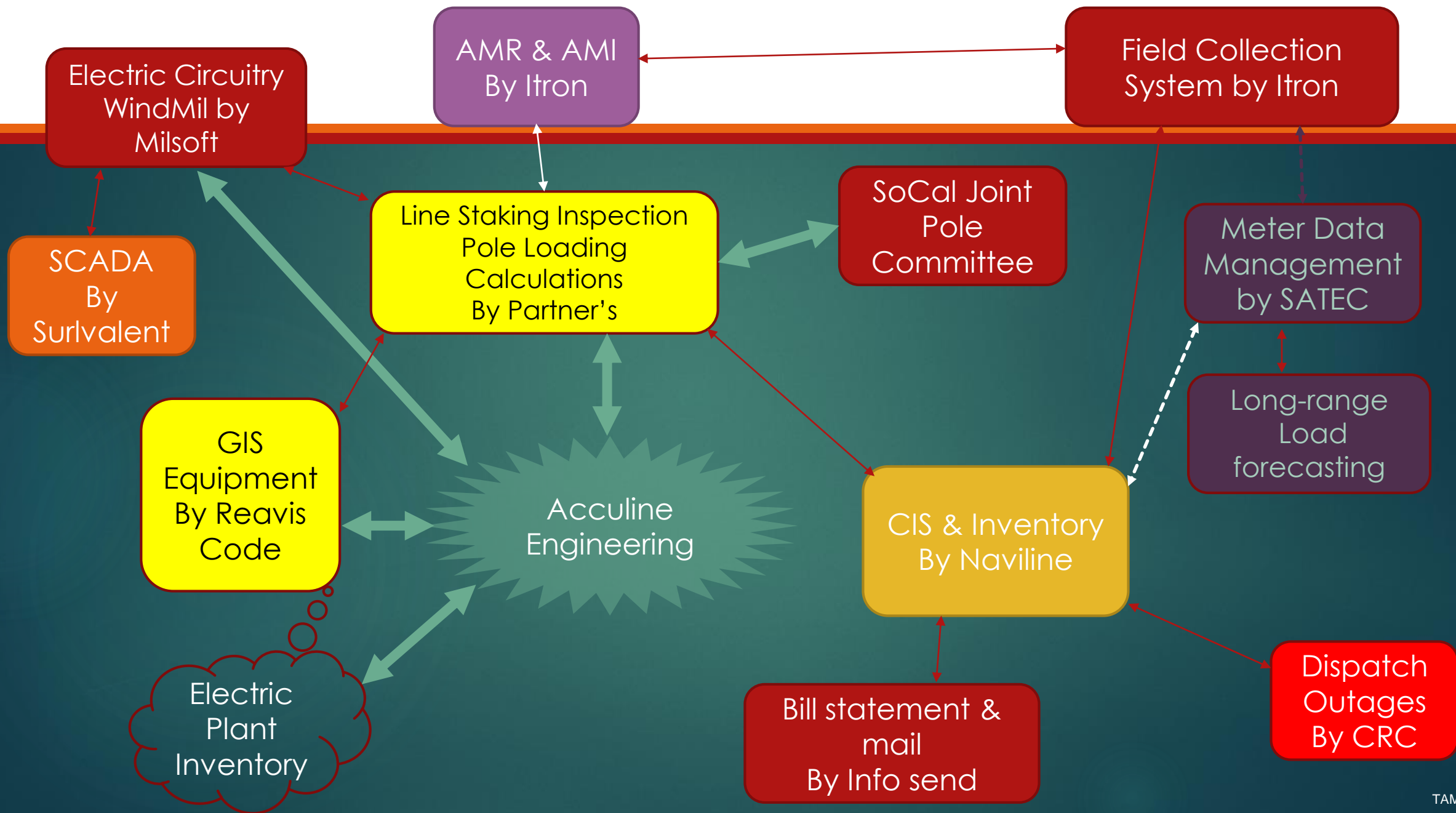
➤ Availability

- One Substation has full SCADA capability
 - Sunset
- Two other substations have fiber optic connectivity available
 - 22nd Street and Midway Substations
- Remaining three substations will require fiber optic connection
 - San Gorgonio, Ivy, and Stagecoach

➤ Data integration thru SCADA provider at each substation

- Surlvalent

➤ Substation Security – Adapting to escalating threats



Electric Vehicle Charging



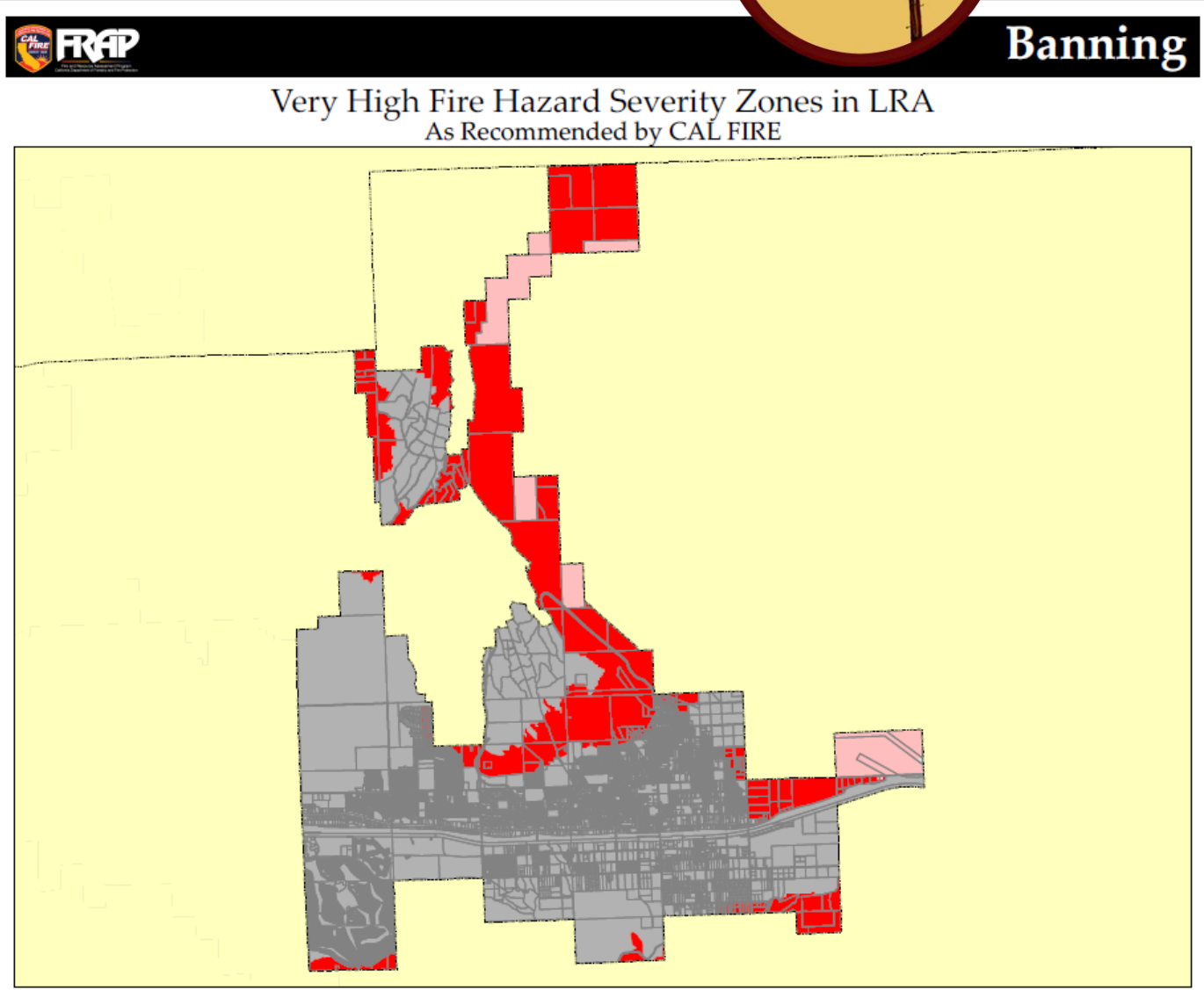
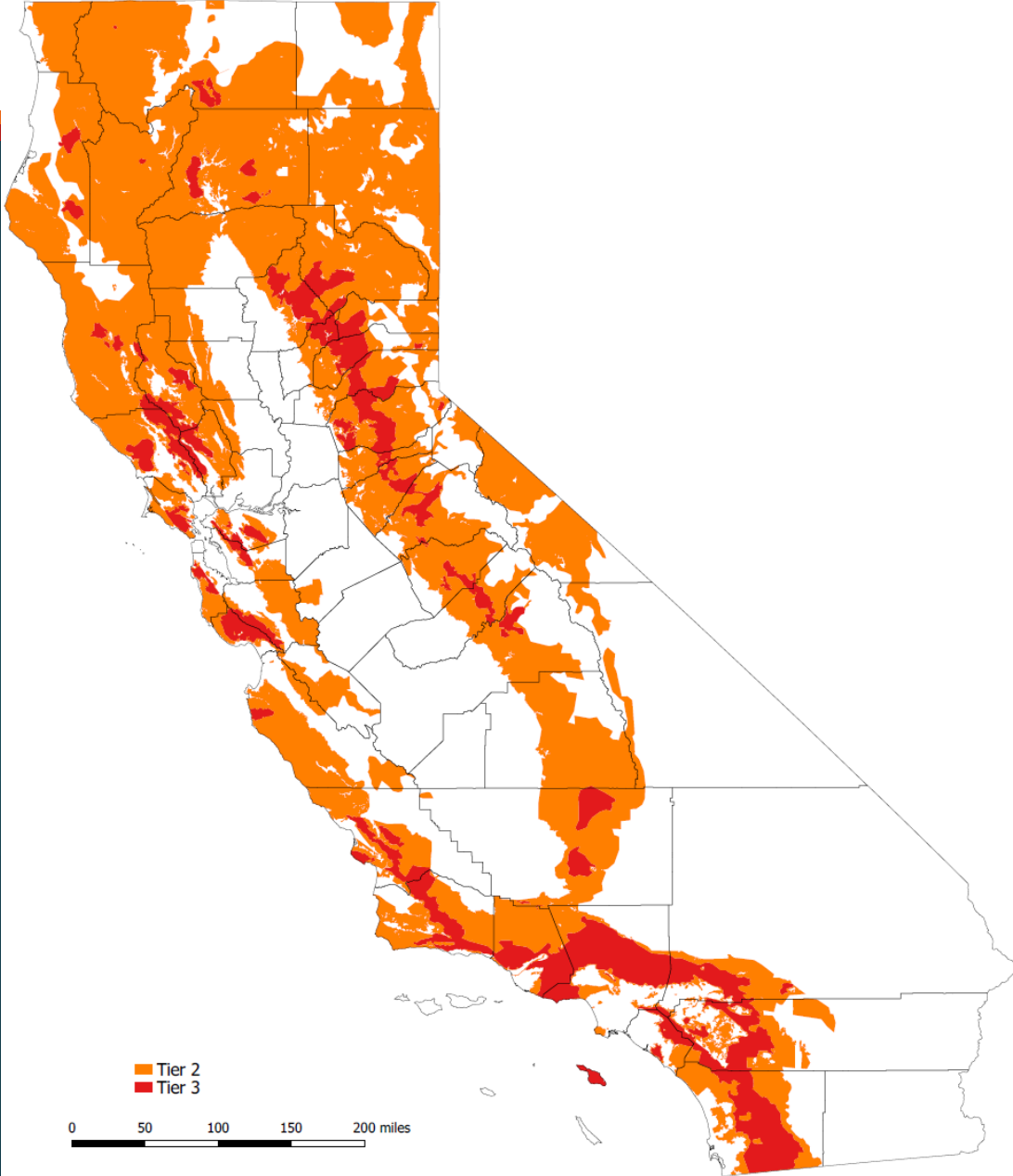
- Install new electric vehicle charging stations in areas for public access
- Participate in upcoming projects funded through state and federal programs
- Identify solutions for utility fleet
- All-electric plan for City transit fleet

Wildfire Mitigation Improvements



- Wildfire Mitigation Plan to be submitted to City Council by January 1, 2020
 - Independent consultant to assist Utility with its plan
- Additional public outreach will be required
- Required Utility Action
 - Mitigate identified hazards
 - Upgrade utility distribution equipment to mitigate risks
 - Must be able to de-energize utility in high fire risk zones

California Approved Shape B Map



Development Project Support



- Pardee/Atwell and Rancho San Gorgonio Developments
 - Design support
 - Construction Support – Install distribution equipment to serve projects
- Public Works
 - Design and construction support for various projects that require utility relocation
 - Review City policy of changes in electric facilities funding
 - Electric or City

Operations & Maintenance



- Operations
- Safety
- Material
- Equipment
- Training

Thank you for changing the Purchasing Policy to include exception items for normal routine business operations!



U.G./O.H. Inspections

1. Designate areas of urgency
2. Service contract
3. Prioritize needs
4. Establish/Update construction standards
5. Implement restoration

Vegetation Management

1. Specify locations
2. State compliance - maintenance
3. Contract crews
4. Create emergency shut down procedures
5. Avian protection

Maintenance Operations

Capital Projects

1. Substations
2. UG cable replacement
3. 4-12 Conversion
4. Atwell, Diversified

Emergent Work

1. Outages
2. J.P.A
3. Trees
4. Vehicle accidents

Safety



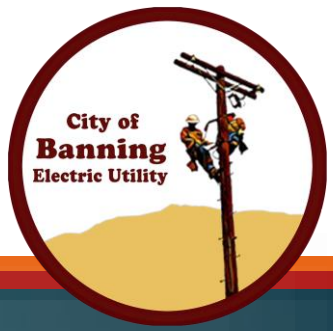
- **Priority #1** (constant focus, proactive approach)
 - \$50,000 FY 2019-2020 budget
- **Promote Culture** (strong foundation, create affirmative climate)
 - Incentive Program
 - Non-punitive environment
 - Teamwork oriented atmosphere
- **Refocused Safety**
 - Engaged monthly meetings
 - Tailboards
 - Post job debriefs
 - Inter-departmental training
 - Developing EOC

PRESS RELEASE

PG&E Announces New Chief Executive Officer and Appointment of a Refreshed Board of Directors; New Leadership Focused on Enhancing Safety Culture and Operational Excellence

Published: Apr 3, 2019 7:35 p.m. ET

Material



- OVERHEAD
 - CONNECTORS, BOLTS, POLES, TRANSFORMERS
- UNDERGROUND
 - TERMINATIONS, CABLE,
 - STRUCTURES



Equipment



- Vehicles
- Industry Tools
- Capital Investment



Professional Development



- Minimum of six months as ground help
- 3yr Apprenticeship (NJATC)
- Ongoing certifications (CPR, FORKLIFT, RUBBER GLOVE, Class A Driver's License)
- State mandated (OSHA, SWPPES,)
- Industry related (HURT MAN RESCUE, VAULT RESCUE, RODEOS/CONVS, SOFTWARE/MAPPING)
- Safety (MONTHLY, TAILBOARD, DEBRIEFS)



Power Resources



Annual Peak Demand

<u>Year</u>	<u>MW</u>	<u>% Change</u>
2014	42.4	-
2015	42.7	0.6%
2016	46.7	9.5%
2017	46.3	-0.9%
2018	49.1	6.0%

System Peak of Record!

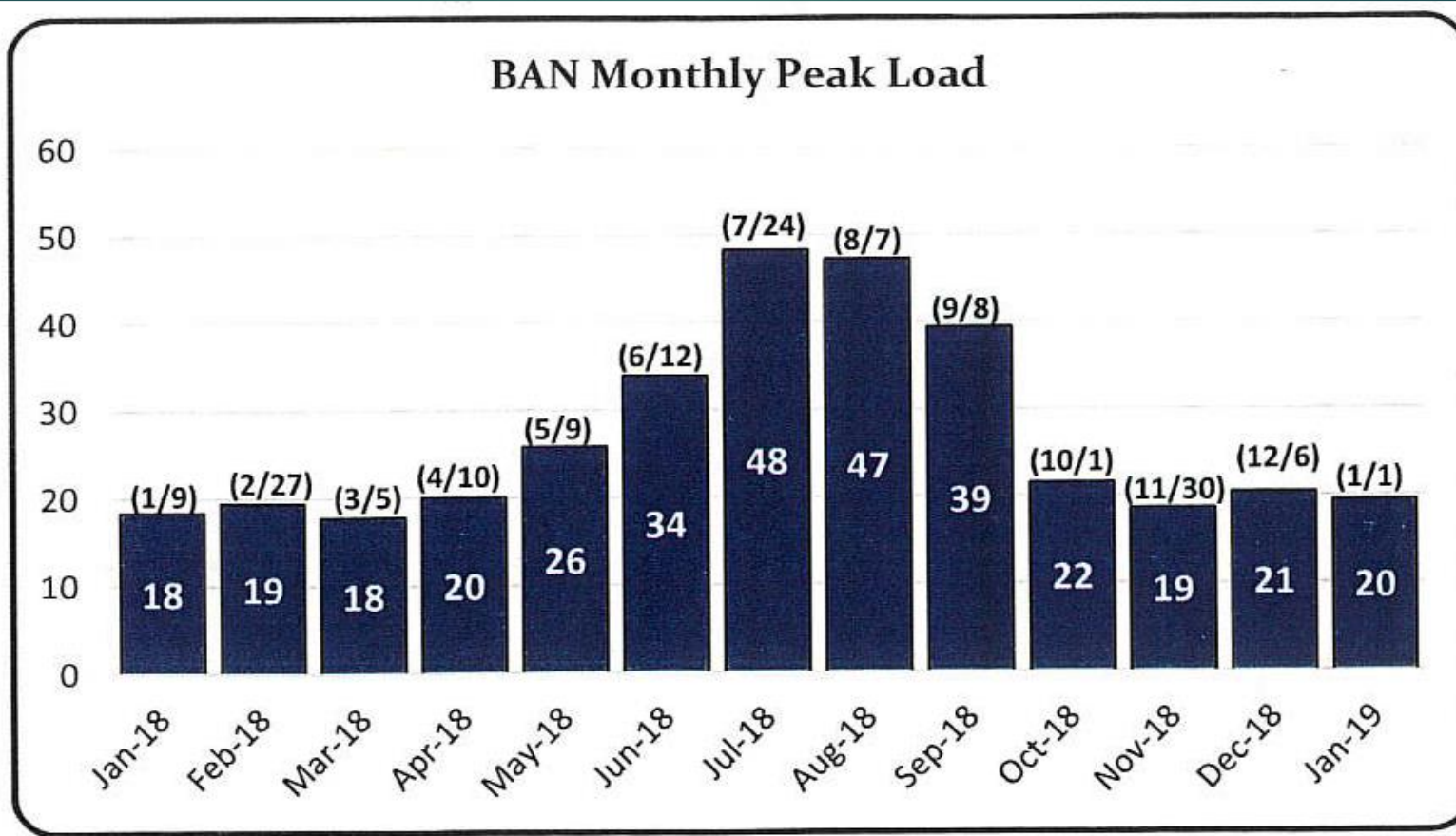


Annual Load Summary

2015 - 2019

<u>Year</u>	<u>MWh</u>	<u>% Change</u>
2015	146,771	-
2016	148,467	1.16%
2017	148,541	0.05%
2018	150,041	1.01%
2019 - Projected	150,500	0.31%

2018 Monthly Peak Demand



Current Power Resources



- Puente Hills Landfill – Currently 6 MW
- ORMAT Geothermal – 2 MW Capacity
- Astoria 2 Solar – 8 MW Capacity
- Palo Verde Nuclear – 2 MW Capacity
- Hoover Dam – 2 MW Capacity
- TOTAL of 20 MW Capacity Under Contract

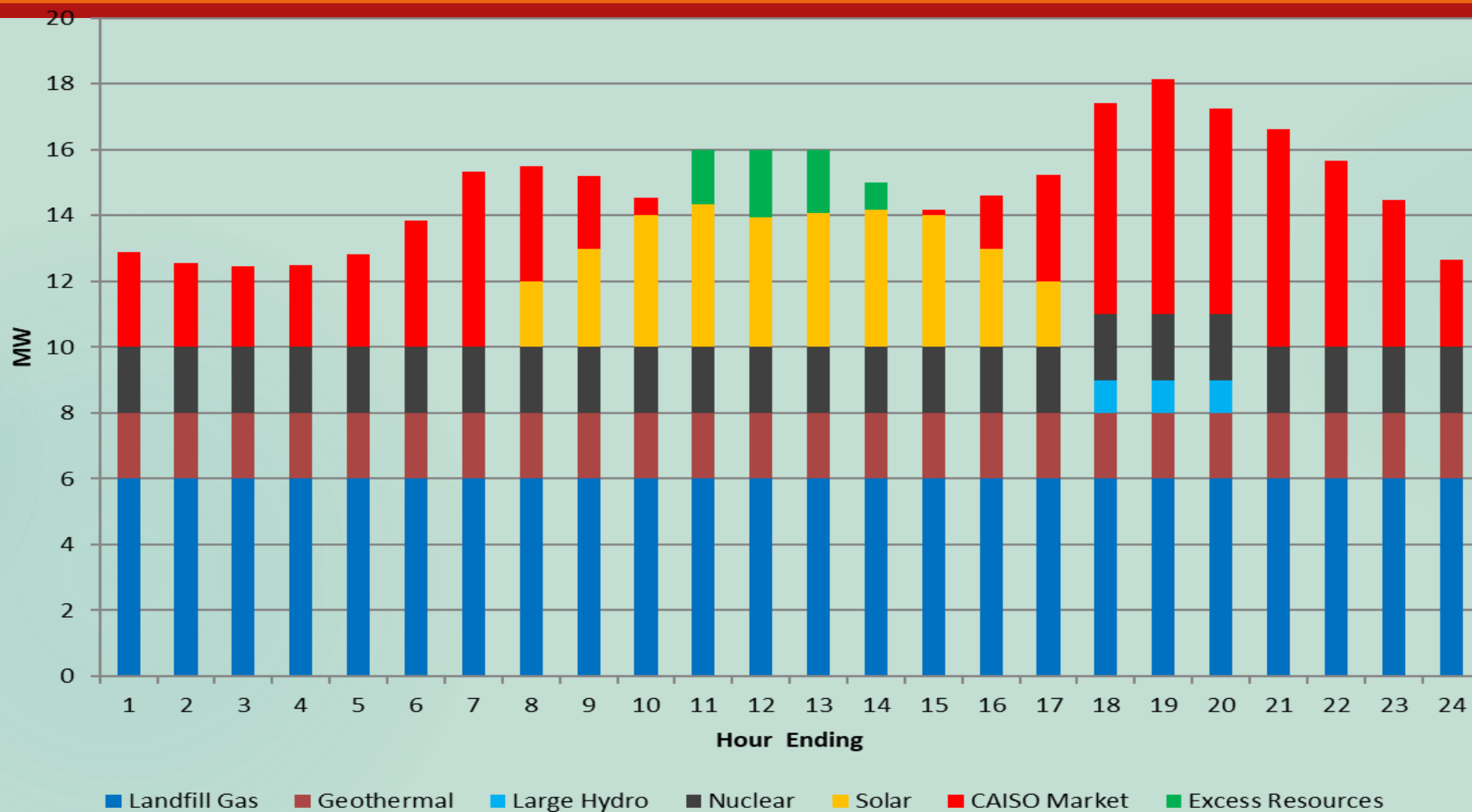
Future Power Resources



- In negotiations through SCPPA for Casa Diablo 4 (CD4) Geothermal Project, scheduled to begin operation in 2021. Banning's share will be 5 MW capacity
- CD4 will replace the renewable baseload energy that is being lost due to the declining output of the Puente Hills Landfill project

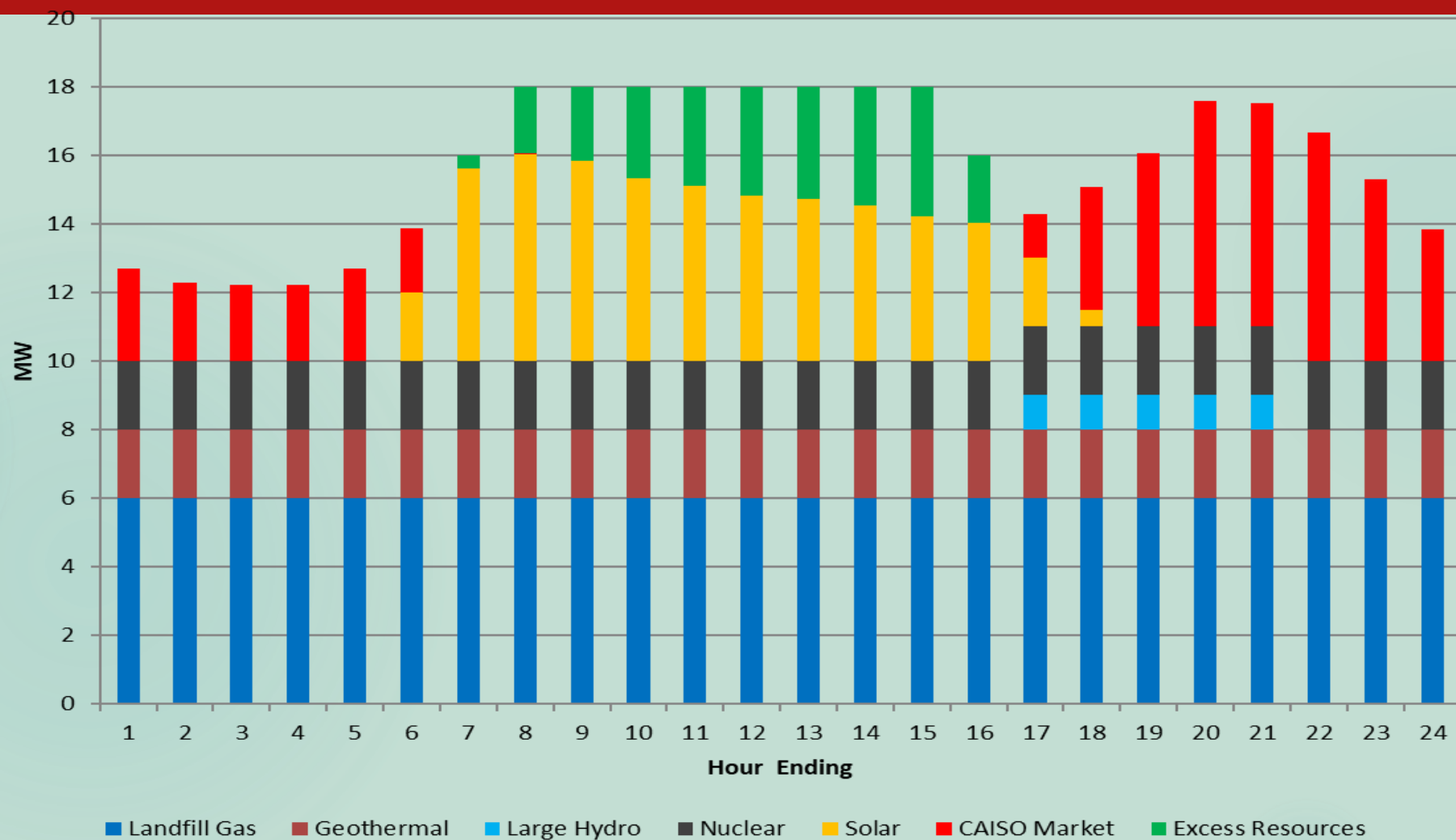


Typical Winter Day Resource Stack (January Weekday)



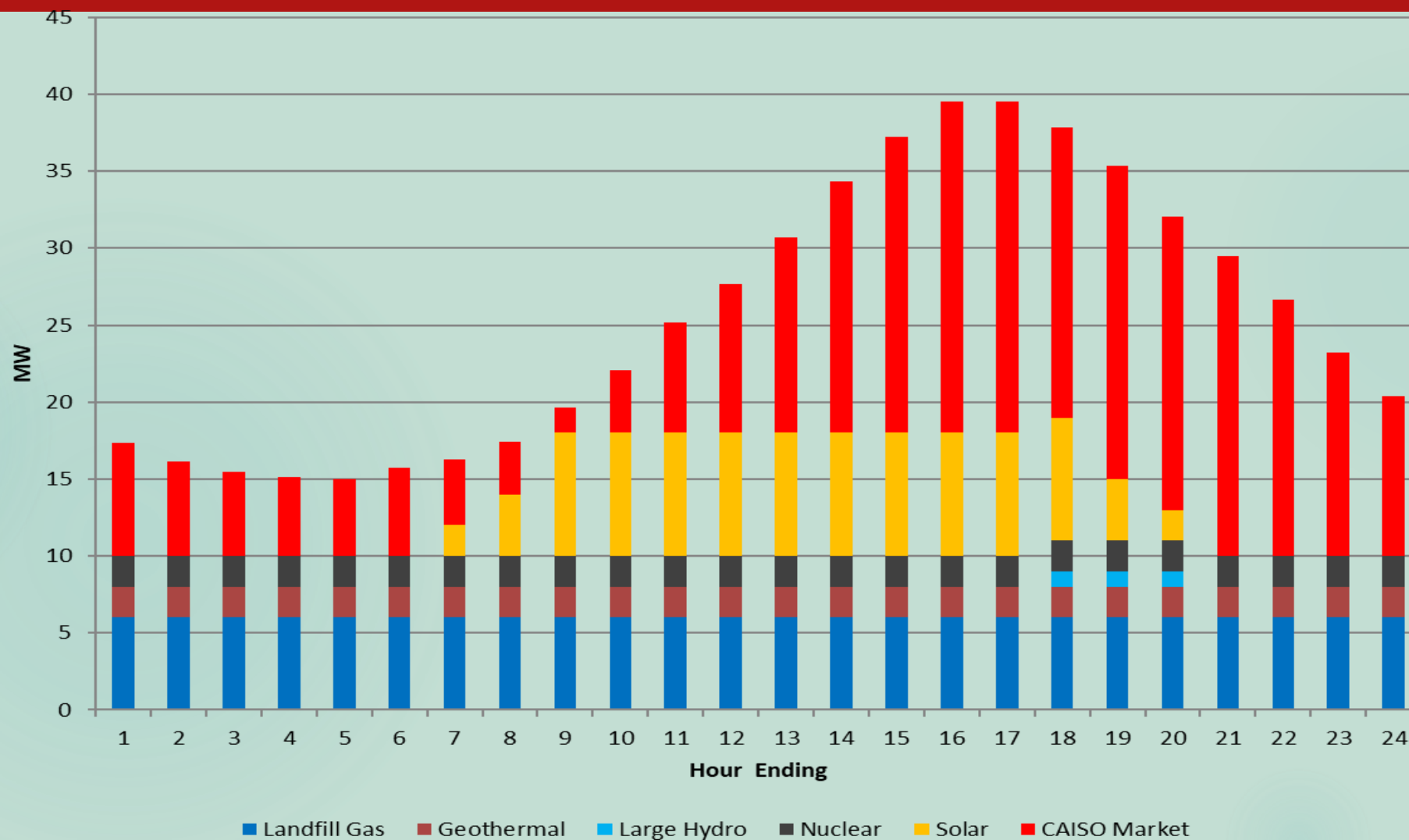


Typical Spring Day Resource Stack (March Weekday)





Typical Summer Day Resource Stack (August Weekday)



Power Resource Summary Banning Electric Utility



Legislative & Regulatory



- Renewable Portfolio Standard increased to 60% by 2030 per SB 100
 - Utility was 61% renewable in 2018

- Electric Utilities must be 100% emissions free by 2045 per SB 100
 - With divestiture of San Juan Coal Plant, the Utility's energy portfolio is virtually emissions free

Public Benefits



- Funding through mandated 2.85% surcharge on sales
- Revenues as of 5/31/19: \$667,084
- Expenses: \$582,193
- Responsibilities
 - Manage divisional budget (~\$800,000/year)
 - Offer Energy Efficiency & Weatherization Rebates
 - Offer Low Income subsidies
 - Promote wise use of energy
 - Promote Research & Development of Renewable Technology
 - Keep customers continuously educated and informed
 - Enhance standard of living for Banning customers

Energy Efficiency & Weatherization



- FY17-18 rebates totaled \$210,283
- Energy savings of 416,454 kWh
- B.E.E.F (Banning Energy Efficiency Funds) Program
 - Assisted 44 local businesses
 - Implemented energy efficiency measures totaling \$150,000
 - Projected savings of 130,000 kWh

Low Income Discount



- 1,300 City-billed customers
- 180 master-metered customers
- FY 17-18 combined discounts of \$335,514
- Monthly discount of \$30
- Income guidelines per household size
 - 200% of 2015 Federal Poverty Guidelines
- Bi-annual reapplication process

Key Accounts



- Staff certified through APPA
- Program focus on commercial customers with highest electrical consumption
- Regularly scheduled meetings and on-site visits to discuss energy efficiency and potential conservation measures
- Increase customer engagement
- Create a consistent City-based point of contact

Banning Electric Utility

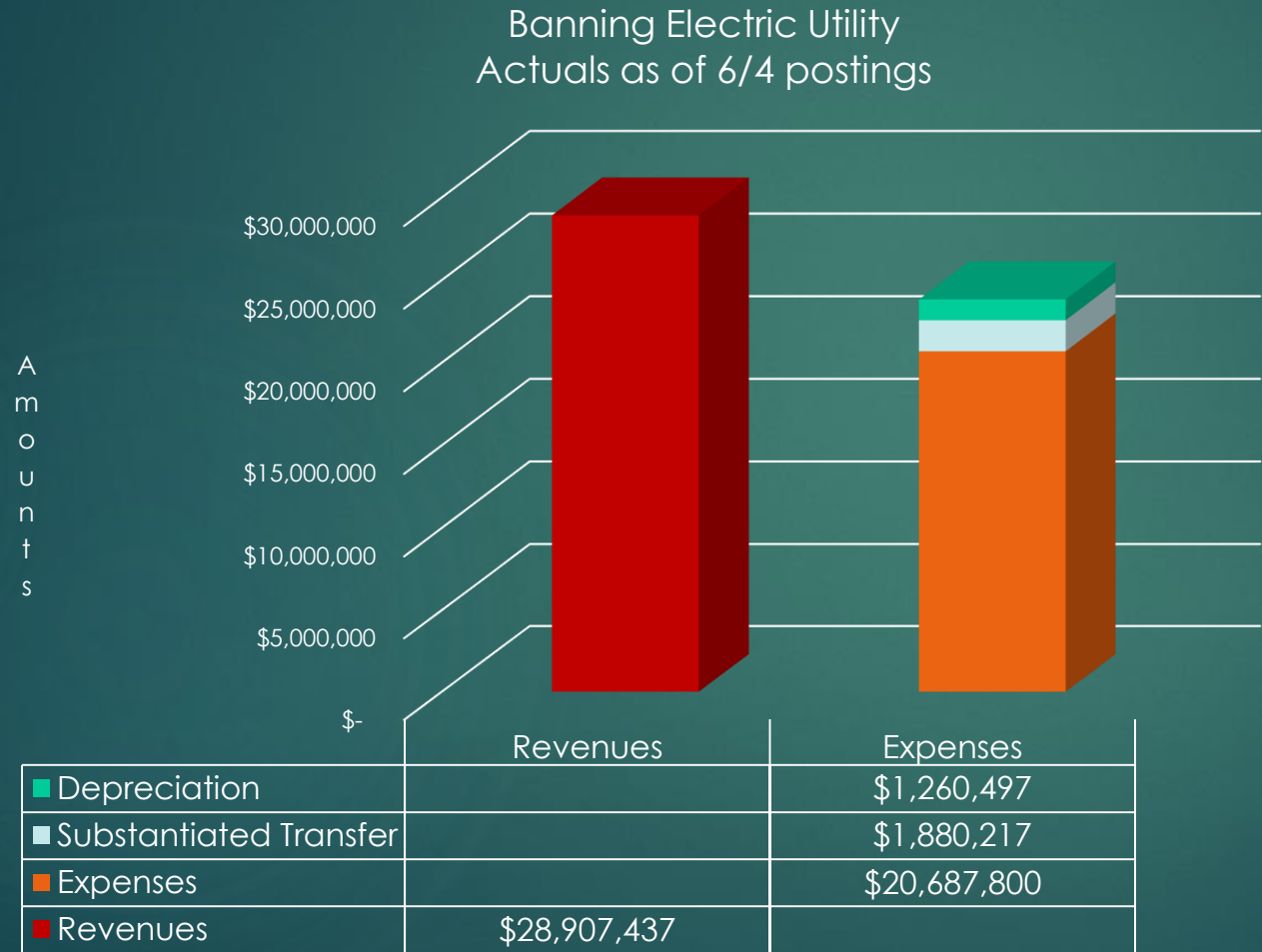


A

An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong.

- A-, Stable Standard and Poor's Credit Rating
 - Better the rating better the interest on the bonds (less interest expense)
 - \$31.5 Million in Revenue Bonds payable to 2037
 - Promise to maintain rates adequate enough to produce a bottom line of \$2.9 million annually
- Approximately \$33.5 million Operating Budget
 - Power - \$17,675,061
 - Public Benefit – 882,852
 - O&M - \$9,103,610
 - City Services - \$1,880,217
 - GFT - \$3,191,766
 - Wages & Benefits - \$4,882,140
 - Margin \$983,837
- Approved \$11,408,054 Capital (Budget) Projects

Profit or Loss? (Estimates)



Revenue \$28,907,437
Expenses \$23,828,514

Revenues v. Expenses

* As of 6/4/2019

2019 Capital Expenditures (Actuals to date)



What are they?

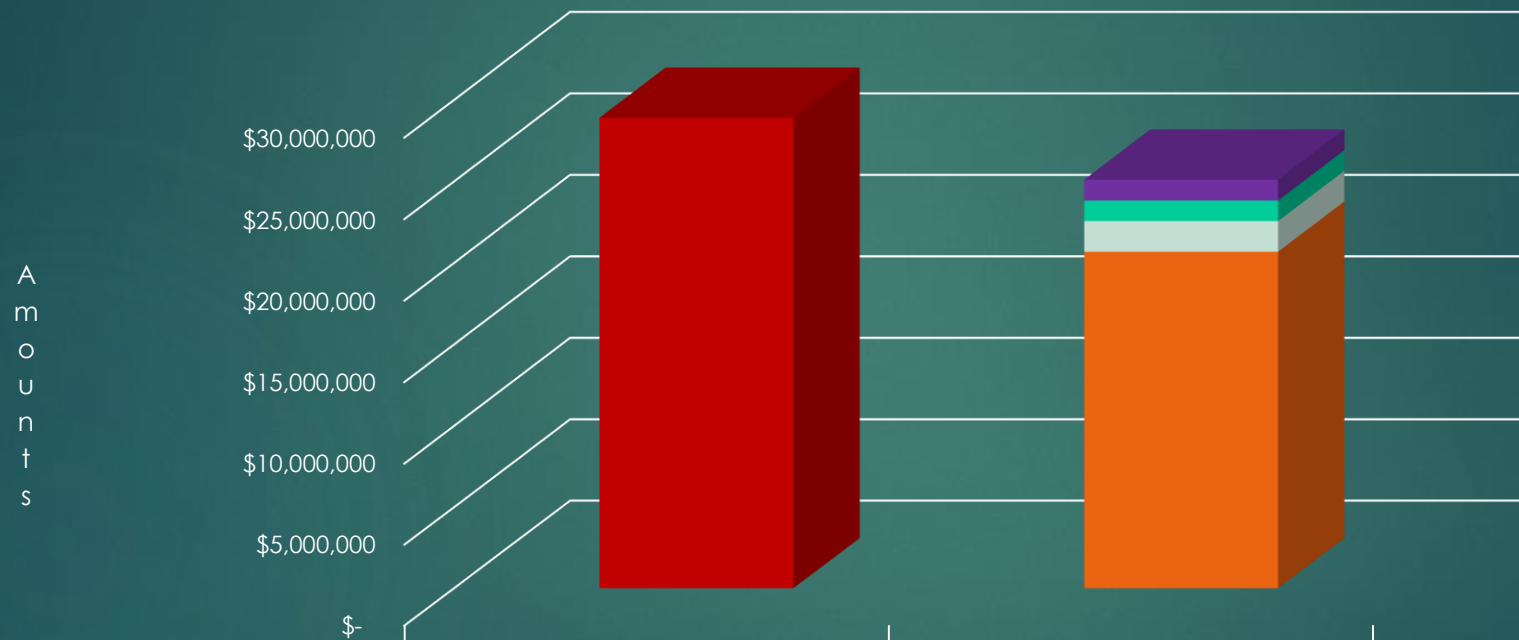
➤ CIP projects	\$707,281
• Encumbered	\$104,729
➤ Bond projects	\$14,153
➤ Debt payments	\$556,197
➤ Reserve transfers	<u>\$0</u>
Total	\$1,277,631

- AMR
 - Encumbered cost of meters
- Pole Replacement Program
- Vehicle Replacement Program
- Building improvements
- Alola Substation
- Airport Substation
- Payment made semi-annual – one payment remaining
- No transfers to reserves this year

What does 2019 look like? (estimated)



Banning Electric Utility
Actuals as of 6/4 postings



	Revenues	Expenses
Capital Projects		\$1,277,631
Depreciation		\$1,260,497
Substantiated Transfer		\$1,880,217
Expenses		\$20,687,800
Revenues	\$28,907,437	

\$25,116,145
"Appropriated"

Revenues v. Expenses

*As of 6/4/2019

Fund Accounting vs. Public Utility Accounting (FERC)

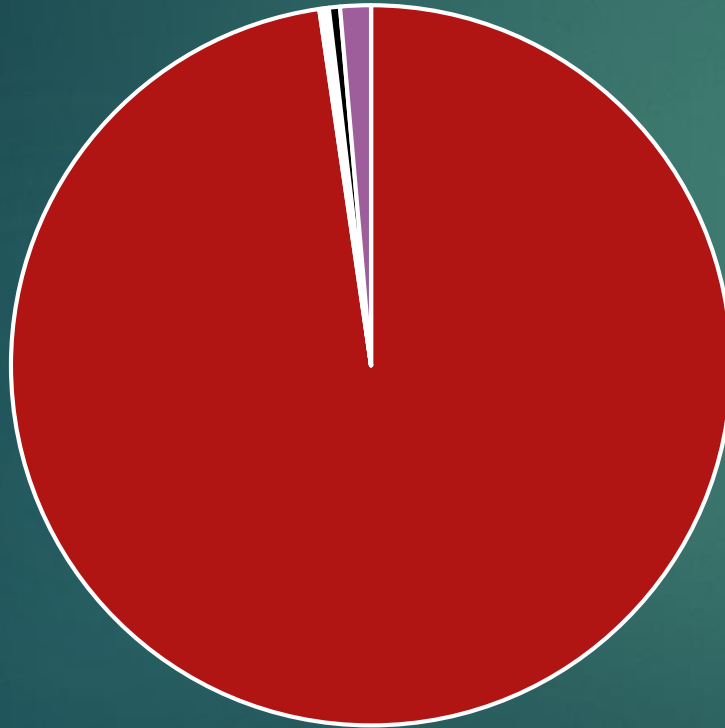


- Fund accounting is utilized by Governmental Entities
 - Based on organization, responsibility and resource-oriented structures (Appropriations) – not activities
- Public Utility Accounting or Federal Energy Regulatory Commission (FERC) accounting
 - Captures functional cost information or uses of resources such as transmission, distribution, O&M, capital, customer & administrative costs
 - Uses a Uniform System of Accounts (USoA) for consistency with private sector and other municipalities = rate comparison
 - Facilitates capital vs. expense rate recovery
 - Utilities are a capital intensive organization – impacts rates (expenses are current but capital is over time thru depreciation)

Sources of Cash (Actuals to date)



Sources of Cash



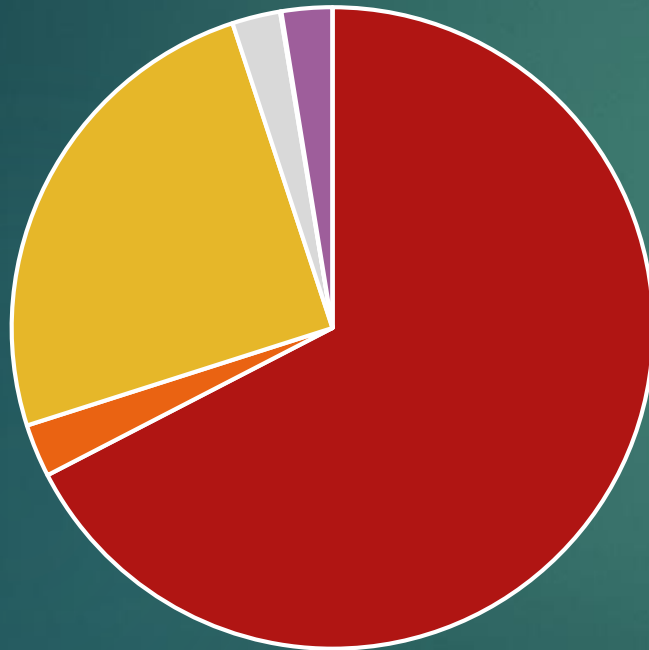
- Rates – \$27,978,801
 - Public Benefits - \$667,084
 - Cap & Trade - \$1,479,897
- CIP - \$31,726
- Bonds - \$39,898
- Reserves – \$50,137
- Other Revenue - \$143,035
- Loan to City – (\$394,118)
- Line of Credit – not established

■ Rates ■ CIP ■ Bonds ■ Reserve ■ Other ■ Loan to City ■ Line of Credit

Uses of Cash (Actuals to date)



Uses of Cash



■ Power ■ Public Benefits ■ Operations ■ CIP
■ Bond ■ Debt Pay ■ Reserve

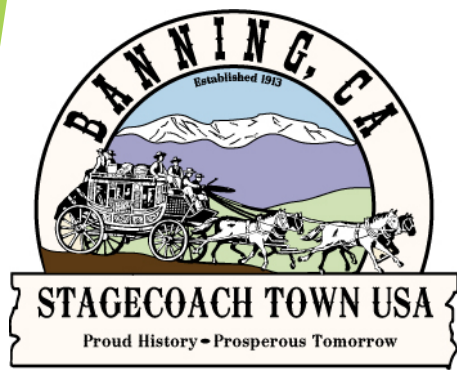
➤ Power	\$14,693,859
➤ Public Benefits	\$582,193
➤ Operations	\$5,421,748
➤ CIP	\$707,281
➤ Bond	\$14,153
➤ Debt Pay	\$556,197
➤ Reserve	\$0



Questions?

ATTACHMENT 2

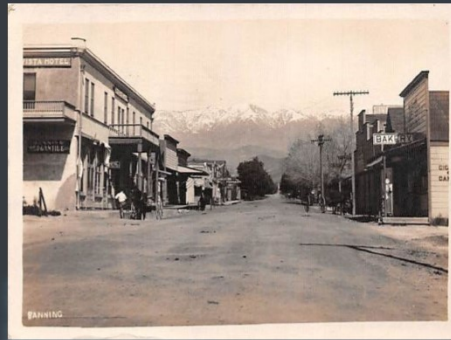
(Mid-Cycle Budget Presentation)



FY19-20 Mid-Cycle BUDGET WORKSHOP

July 9, 2019

City of Banning FISCAL YEAR 2018-2019 & 2019-2020 TWO YEAR BUDGET



The background features abstract, overlapping green geometric shapes, primarily triangles and polygons, in various shades of green, creating a modern, layered effect on the right side of the slide.

FY 2018-19 BUDGET VS ACTUALS

GENERAL FUND

		FY 2018-2019 Adopted and Adjusted Budget			FY 2018-2019 Actuals As of 6/28/19			Variances		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Actuals	Operating Expenditures Actuals	Net Actuals Surplus (Deficit)	Operating Revenue Variance	Operating Expenditures Variance	Net Variance Surplus (Deficit)
Governmental Funds										
001	General									
0001	General	16,159,132	-		13,944,995	-		2,214,137	-	
1000	City Council	-	111,705		-	99,361		-	12,344	
1200	City Manager	-	228,927		-	224,767		-	4,160	
1210	Economic Development	-	235,973		-	187,898		-	48,076	
1300	Human Resources	-	153,736		-	153,820		-	(84)	
1400	City Clerk	-	160,403		-	141,223		-	19,180	
1500	Elections	-	87,000		-	29,045		-	57,955	
1800	City Attorney	-	243,247		-	260,714		-	(17,467)	
1900	Fiscal Services	-	439,397		-	392,863		-	46,534	
1910	Purchasing	-	126,844		-	175,859		-	(49,015)	
2060	TV Government Access	61,000	111,424		49,988	76,678		11,012	34,746	
2200	Police	586,632	7,399,719		299,041	6,486,938		287,591	912,781	
2210	Dispatch	-	1,029,935		-	903,604		-	126,331	
2279	TASIN - SB621 (Police)	-	-		-	-		-	-	
2300	Animal Control	-	204,372		-	146,113		-	58,259	
2400	Fire	237,704	3,340,654		188,765	3,226,506		48,939	114,148	
2479	TASIN - SB621 (Fire)	-	-		-	-		-	-	
2700	Building & Safety	426,413	496,649		288,104	367,768		138,309	128,881	
2740	Code Enforcement	146,701	336,577		159,911	274,242		(13,210)	62,335	
2800	Planning	197,638	1,026,101		259,911	576,038		(62,273)	450,063	
3000	Engineering	246,750	571,279		284,424	280,008		(37,674)	291,271	
3200	Building Maintenance	-	216,707		-	149,382		-	67,325	
3600	Parks	-	496,238		-	393,845		-	102,393	
4000	Recreation	60,000	420,420		42,225	478,915		17,775	(58,495)	
4010	Aquatics	54,300	172,683		55,835	144,281		(1,535)	28,402	
4020	Day Care	16,000	800		14,910	607		1,090	193	
4050	Senior Center	5,400	118,863		1,350	89,504		4,050	29,359	
4500	Central Services	-	1,028,758		-	718,507		-	310,251	
4800	Debt Service	-	-		-	-		-	-	
5400	Community Enhancement	1,200	80,598		2,129	67,917		(929)	12,681	
GENERAL FUND TOTAL		18,198,870	18,839,009	(640,139)	15,591,587	16,046,403	(454,816)	2,607,283	2,792,606	(185,323)

SPECIAL REVENUE FUNDS

		FY 2018-2019 Adopted and Adjusted Budget			FY 2018-2019 Actuals As of 6/28/19			Variances		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Actuals	Operating Expenditures Actuals	Net Actuals Surplus (Deficit)	Operating Revenue Variance	Operating Expenditures Variance	Net Variance Surplus (Deficit)
Special Revenue Funds										
002	Developer Deposit Fund	81,120	144,593	(63,473)	56,689	56,689	-	24,431	87,904	(63,473)
003	Riverside County MOU	-	-	-	-	-	-	-	-	-
005	SA Administration Fund	250,000	16,593	233,407	250,000	6,685	243,315	-	9,908	(9,908)
100	Gas Tax Street	3,290,369	1,306,303	1,984,066	876,644	1,218,687	(342,043)	2,413,725	87,616	2,326,109
101	Measure A Street	604,000	-	604,000	522,078	-	522,078	81,922	-	81,922
102	RMRA (SB1) Gas Tax	515,917	-	515,917	463,277	-	463,277	52,640	-	52,640
103	SB300 Street Improvement	-	-	-	969	-	969	(969)	-	(969)
104	Article 3 - Sidewalk Construction	-	-	-	-	-	-	-	-	-
110	C.D.B.G.	335,455	-	335,455	193,472	-	193,472	141,983	-	141,983
111	Landscape Maintenance Assmt. Dist.#1	142,143	159,350	(17,207)	140,172	154,225	(14,053)	1,971	5,125	(3,155)
132	Air Quality Improvement	39,950	3,000	36,950	31,679	3,000	28,679	8,271	-	8,271
140	Asset Forfeiture	-	-	-	6,562	-	6,562	(6,562)	-	(6,562)
148	Supplemental Law Enforcement	100,000	61,140	38,860	4,009	13,248	(9,239)	95,991	47,892	48,099
150	State Park Bond Act	-	-	-	-	-	-	-	-	-
190	Housing Authority Fund	-	-	-	-	-	-	-	-	-
200	Special Donations	8,000	8,000	-	7,856	4,223	3,632	144	3,777	(3,632)
201	Senior Center Activities									
4050	Senior Center	600	1,200	(600)	512	642	(130)	88	558	(470)
4060	Senior Center Advisory Board	7,700	7,100	600	7,208	4,634	2,574	492	2,466	(1,974)
	<i>Senior Center Activities Subtotal</i>	8,300	8,300	-	7,720	5,276	2,444	580	3,024	(2,444)
202	Animal Control Reserve	-	-	-	67	-	67	(67)	-	(67)
203	Police Volunteer	1,500	2,142	(642)	1	678	(677)	1,499	1,464	35
300	City Hall COP Debt Service*	437,000	437,000	-	437,053	435,654	1,399	(53)	1,346	(1,399)
360	Sun Lakes CFD #86-1	125	-	125	477	-	477	(352)	-	(352)
365	Wilson Street #91-1 Assessment Debt	255	-	255	986	-	986	(731)	-	(731)
370	Area Police Computer	51,812	51,812	-	25,858	33,531	(7,673)	25,954	18,281	7,673
375	Fair Oaks #2004-1 Debt Service	197,683	197,683	-	195,804	187,943	7,861	1,879	9,740	(7,861)
376	Cameo Homes	170	-	170	624	-	624	(454)	-	(454)
SPECIAL REVENUE FUNDS TOTAL		6,063,799	2,395,916	3,667,883	3,221,996	2,119,839	1,102,157	2,841,803	276,077	2,565,726

CAPITAL IMPROVEMENT & BUA FUNDS

		FY 2018-2019 Adopted and Adjusted Budget			FY 2018-2019 Actuals As of 6/28/19			Variances		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Actuals	Operating Expenditures Actuals	Net Actuals Surplus (Deficit)	Operating Revenue Variance	Operating Expenditures Variance	Net Variance Surplus (Deficit)
Capital Improvement Funds										
400	Police Facilities Development	-	-	-	2,754	-	2,754	(2,754)	-	(2,754)
410	Fire Facility Development	3,000	-	3,000	17,191	-	17,191	(14,191)	-	(14,191)
420	Traffic Control Facility	4,150	-	4,150	6,920	-	6,920	(2,770)	-	(2,770)
421	Ramsey/Highland Home Traffic Signal	651	-	651	1,099	-	1,099	(448)	-	(448)
430	General Facilities	1,400	201,183	(199,783)	7,099	-	7,099	(5,699)	201,183	(206,882)
441	Sunset Grade Separation Fund	-	-	-	-	-	-	-	-	-
444	Wilson Median	3,043	-	3,043	5,142	-	5,142	(2,099)	-	(2,099)
451	Park Development	-	-	-	16,641	-	16,641	(16,641)	-	(16,641)
470	Capital Improvement Fund	-	-	-	-	-	-	-	-	-
CAPITAL IMPROVEMENT FUNDS TOTAL		12,244	201,183	(188,939)	56,846	-	56,846	(44,602)	201,183	(245,785)
Banning Utility Authority Funds										
660	Water Operations	10,368,951	9,770,475	598,476	9,718,474	6,712,508	3,005,967	650,477	3,057,967	(2,407,491)
661	Water Capital Facility Fee	96,500	-	96,500	98,553	-	98,553	(2,053)	-	(2,053)
663	BUA Water Capital Project Fund	12,520	-	12,520	33,612	-	33,612	(21,092)	-	(21,092)
669	BUA Water Debt Service Fund	1,891,513	1,890,913	600	1,268,055	1,604,216	(336,161)	623,458	286,697	336,761
Water Subtotal		12,369,484	11,661,388	708,096	11,118,694	8,316,724	2,801,970	1,250,790	3,344,664	(2,093,874)
680	Wastewater Operations	3,395,900	3,477,515	(81,615)	3,288,344	2,378,518	909,826	107,556	1,098,997	(991,441)
681	Wastewater Capital Facility Fees	132,500	-	132,500	148,960	-	148,960	(16,460)	-	(16,460)
683	BUA WWtr Capital Project Fund	4,000	-	4,000	8,832	-	8,832	(4,832)	-	(4,832)
685	State Revolving Loan	306,489	304,289	2,200	7,678	281,737	(274,059)	298,811	22,552	276,259
689	BUA Wastewater Debt Service Fund	396,494	396,494	-	288,190	849,732	(561,541)	108,304	(453,238)	561,541
Wastewater Subtotal		4,235,383	4,178,298	57,085	3,742,004	3,509,987	232,017	493,379	668,311	(174,932)
662	Irrigation Water	171,600	200,000	(28,400)	15,775	-	15,775	155,825	200,000	(44,175)
682	Wastewater Tertiary	251,474	-	251,474	397,512	-	397,512	(146,038)	-	(146,038)
Reclaimed Water Subtotal		423,074	200,000	223,074	413,287	-	413,287	9,787	200,000	(190,213)
Subtotal		17,027,941	16,039,686	988,255	15,273,985	11,826,711	3,447,274	1,753,956	4,212,975	(2,459,019)

ENTERPRISE FUNDS

		FY 2018-2019 Adopted and Adjusted Budget			FY 2018-2019 Actuals As of 6/28/19			Variances		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Actuals	Operating Expenditures Actuals	Net Actuals Surplus (Deficit)	Operating Revenue Variance	Operating Expenditures Variance	Net Variance Surplus (Deficit)
Enterprise Funds										
600	Airport	214,854	196,588	18,266	184,308	140,474	43,834	30,546	56,114	(25,568)
610	Transit Operations									
5800		1,924,246	1,827,900	96,346	1,218,271	1,483,108	(264,836)	705,975	344,792	361,182
5850		254,000	208,620	45,380	202,940	168,314	34,626	51,060	40,306	10,754
	610 - Total	2,178,246	2,036,520	141,726	1,421,211	1,651,422	(230,211)	757,035	385,098	371,937
690	Refuse	3,627,114	3,510,455	116,659	4,474,675	3,995,889	478,787	(847,561)	(485,434)	(362,128)
	Airport, Transit & Refuse Subtotal	6,020,214	5,743,563	276,651	6,080,194	5,787,784	292,410	(59,980)	(44,221)	(15,759)
670	Electric Operations			-			-			-
7000	Electric	30,600,098	13,538,900	17,061,198	28,077,605	9,212,311	18,865,294	2,522,493	4,326,589	(1,804,096)
7010	Generation & Transmission	2,200,002	17,827,056	(15,627,055)	2,341,490	15,833,117	(13,491,626)	(141,489)	1,993,939	(2,135,428)
	670 - Total	32,800,100	31,365,956	1,434,144	30,419,095	25,045,427	5,373,668	2,381,004	6,320,529	(3,939,524)
672	Rate Stability	21,000	2,100,000	(2,079,000)	84,744	-	84,744	(63,744)	2,100,000	(2,163,744)
673	Electric Improvement	21,000	26,866	(5,866)	52,252	-	52,252	(31,252)	26,866	(58,118)
674	2007/2015 Elec Rev Bond Project Fund	5,000	6,290	(1,290)	48,691	32,694	15,997	(43,691)	(26,404)	(17,287)
675	Public Benefit Fund	727,400	807,852	(80,452)	725,013	651,384	73,629	2,387	156,469	(154,081)
678	2007 Elec Rev Bond Debt Service	2,426,969	2,426,969	-	663,755	2,314,344	(1,650,589)	1,763,214	112,625	1,650,589
	Electric Subtotal	36,001,469	36,733,933	(732,465)	31,993,550	28,043,849	3,949,701	4,007,918	8,690,084	(4,682,166)
	ENTERPRISE FUNDS TOTAL	42,021,683	42,477,496	(455,814)	38,073,744	33,831,633	4,242,111	3,947,938	8,645,863	(4,697,925)

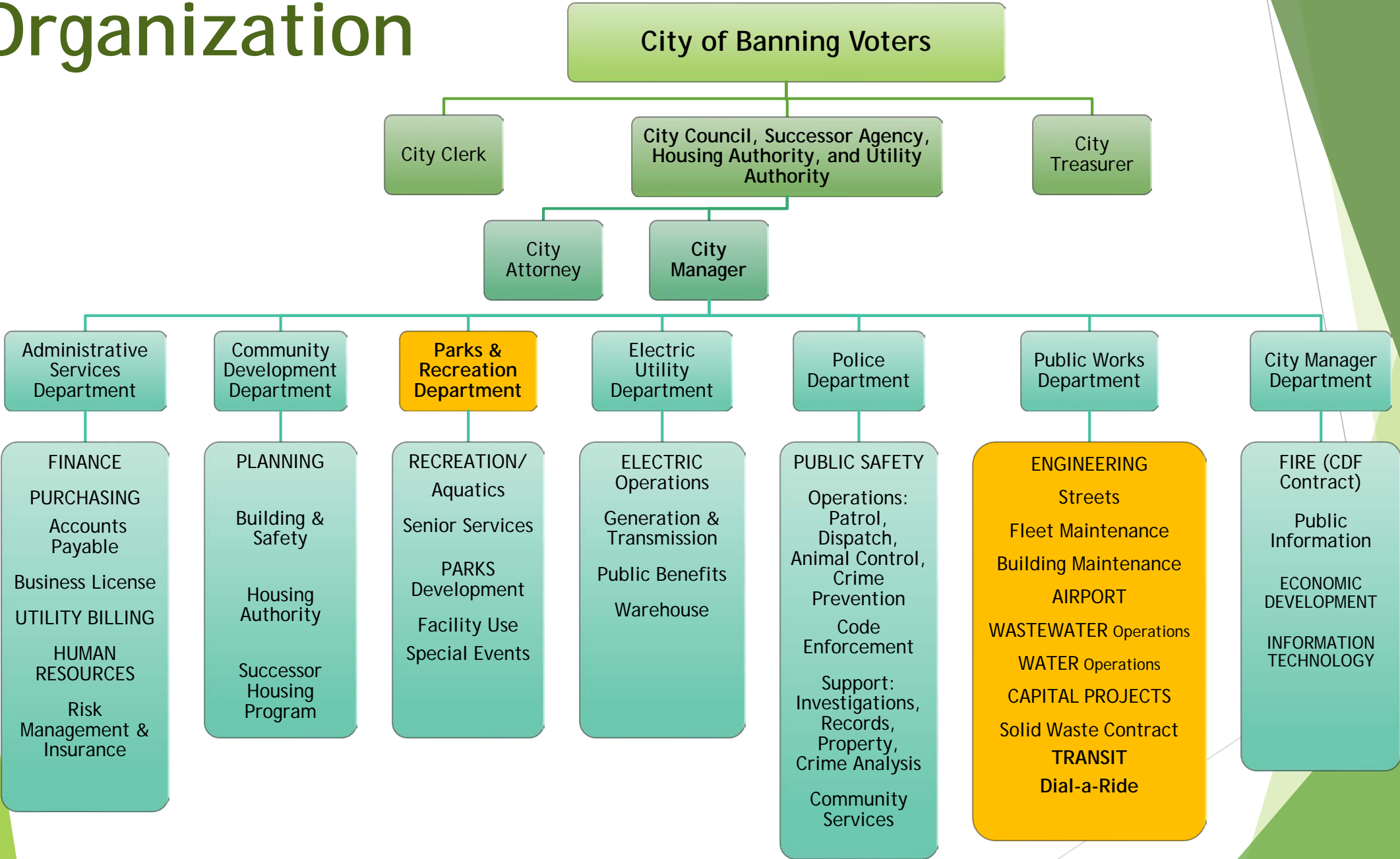
INTERNAL SERVICE FUNDS & SA FUNDS

		FY 2018-2019 Adopted and Adjusted Budget			FY 2018-2019 Actuals As of 6/28/19			Variances		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Actuals	Operating Expenditures Actuals	Net Actuals Surplus (Deficit)	Operating Revenue Variance	Operating Expenditures Variance	Net Variance Surplus (Deficit)
Internal Service Funds										
700	Risk Management Fund									
5020	Workers Compensation	756,023	716,150	39,873	806,423	1,313,566	(507,144)	(50,400)	(597,416)	547,017
5030	Unemployment Insurance	76,010	46,481	29,529	68,396	47,353	21,043	7,614	(872)	8,486
5040	Liability Insurance	925,673	928,817	(3,144)	1,107,451	1,103,782	3,669	(181,778)	(174,965)	(6,813)
5300	City Attorney	500,000	500,000	-	567,222	692,224	(125,002)	(67,222)	(192,224)	125,002
	700 - Total	2,257,706	2,191,448	66,258	2,549,492	3,156,925	(607,433)	(291,786)	(965,477)	673,691
702	Fleet Maintenance	2,528,905	1,380,608	1,148,297	952,759	1,312,497	(359,737)	1,576,146	68,111	1,508,034
703	Information Systems Services	461,651	485,116	(23,465)	323,328	467,856	(144,528)	138,323	17,260	121,063
761	Utility Billing Administration									
3100	Account & Collection Service	1,584,312	1,721,081	(136,769)	1,193,539	1,439,683	(246,144)	390,773	281,398	109,375
3110	Meter Reading & Service	599,199	608,991	(9,792)	336,075	513,870	(177,795)	263,124	95,121	168,003
	761 - Total	2,183,511	2,330,072	(146,561)	1,529,614	1,953,553	(423,939)	653,897	376,519	277,378
	INTERNAL SERVICE FUNDS TOTAL	7,431,773	6,387,244	1,044,529	5,355,194	6,890,831	(1,535,637)	2,076,579	(503,587)	2,580,166
Successor Agency Funds										
805	Redevelopment Obligation Retirement F	2,975,619	2,449,248	526,371	2,506,684	2,975,619	(468,935)	468,935	(526,371)	995,306
810	Successor Housing Agency	-	385,115	(385,115)	21,423	13,943	7,480	(21,423)	371,172	(392,595)
830	Debt Service Fund	2,203,073	2,199,248	3,825	2,725,619	1,373,925	1,351,694	(522,546)	825,323	(1,347,869)
850	Successor Agency	-	-	-	632	-	632	(632)	-	(632)
840	BEA Capital Project Fund	9,000	-	9,000	21,812	-	21,812	(12,812)	-	(12,812)
841	BEA L/M Capital project Fund	2,000	-	2,000	4,273	-	4,273	(2,273)	-	(2,273)
855	2007 TAPBS Bond Proceeds	-	-	-	143	634,350	(634,207)	(143)	(634,350)	634,207
856	2003 TABS Bond Proceeds	-	-	-	299,705	-	299,705	(299,705)	-	(299,705)
857	2003 TABS Bond Proceeds Low/Mod	-	-	-	1,212	-	1,212	(1,212)	-	(1,212)
	SUCCESSOR AGENCY FUNDS TOTAL	5,189,692	5,033,611	156,081	5,581,503	4,997,837	583,666	(391,811)	35,774	(427,585)
	OTHER FUNDS GRAND TOTAL	77,747,132	72,535,136	5,211,995	67,563,269	59,666,851	7,896,418	10,183,862	12,868,285	(2,684,423)
	CITY WIDE GRAND TOTAL	95,946,002	91,374,145	4,571,856	83,154,856	75,713,254	7,441,602	12,791,145	15,660,891	(2,869,746)

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BUDGET REQUESTS & CONSIDERATIONS

Organization



Budget Adjustment Requests – General Fund Summary

➤ Revenues:

- Increase Sales Tax Revenue \$82,977 base on projection from Sales Tax Company (HdL)
- Decrease of GFT from Electric Utility to 4.5% of Gross Revenues (\$1,793,677) from 10%
- Projected revenue from Cannabis \$779,200 (Measure O – Retail) \$1,289,600 (Measure N – Cultivation)
- Increase in PW permit fees for improvements related to Pardee \$18,000 and Plan Check fees for RSG \$79,000

Budget Adjustment Requests – General Fund Summary cont'd

➤ Expenditures:

- Police Department Salaries & Benefits include the 8.5% increase and 4% EPMC PERS contributions approved 9/24/18. Plus recently negotiated increase pending Council Approval \$697,620
- General Unit Employees MOU increase from 1% to 3%
- Executive Employees CPI-W increase of 2.8%
- Utility Unit & Management Employees salaries already included respective increases per MOUs (3%)



Budget Adjustment Requests – General Fund Summary cont'd

➤ Expenditures:

- Salaries of Parks & Recreation Director (50%) \$98,150 and Recreation Manager (Community Services Manager) (80%) \$91,760 reallocated to General Fund from Transit Fund
- Added two Code Enforcement Officers previously not in FY 19-20 budget \$171,410
- Includes reclassified position of Accounting Specialist to Budget & Financial Analyst requested at FY18-19 Mid-Year with a 70% GF impact and New requested position Associate Engineer (CIP) with a 10% GF impact.

Budget Adjustment Requests – General Fund Summary cont'd

➤ Expenditures:

- Increasing City Attorney costs based on actuals for FY 18-19 \$118,830 for General Fund, will re-evaluate at Mid-Year
- Central Services increased by \$135,484 to account for the General Fund's portion of OpenGov, Executime (Electronic timekeeping system), Cost Allocation Plan, Pension & Labor Costing Modules and increase additional IT requirements.
- Total Mid-Cycle Budget Adjustment Requests for General Fund: \$620,733

Budget Adjustment Requests – General Fund Summary cont'd

➤ Reserve Requirement:

FY 19-20 Adopted Budget (Deficit)	(573,999)
Reduction of GFT from Electric	(1,793,677)
Increase in Revenues	2,238,777
Requested Expenditure Adjustments	(1,824,367)
FY19-20 Projected Deficit	(1,953,266)
Reserve Requirement to Balance Budget	2,000,000

GENERAL FUND

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 7/1/2019		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)
Governmental Funds										
001	General									
0001	General	16,417,819	-		289,300	-		16,707,119	-	
1000	City Council	-	107,630		-	-		-	107,630	
1200	City Manager	-	211,803		-	16,196		-	227,999	
1210	Economic Development	-	252,531		-	(11)		-	252,520	
1300	Human Resources	-	151,002		-	10,671		-	161,673	
1400	City Clerk	-	167,950		-	13,687		-	181,637	
1500	Elections	-	-		-	-		-	-	
1800	City Attorney	-	243,247		-	118,830		-	362,077	
1900	Fiscal Services	-	372,771		-	1,737		-	374,508	
1910	Purchasing	-	133,960		-	21,819		-	155,779	
2060	TV Government Access	61,000	116,749		-	(761)		61,000	115,988	
2200	Police	517,119	7,759,177		-	843,415		517,119	8,602,592	
2210	Dispatch	-	1,077,278		-	(24,858)		-	1,052,420	
2279	TASIN - SB621 (Police)	-	-		-	-		-	-	
2300	Animal Control	-	210,503		-	-		-	210,503	
2400	Fire	244,058	3,520,455		-	29,410		244,058	3,549,865	
2479	TASIN - SB621 (Fire)	-	-		-	-		-	-	
2700	Building & Safety	537,666	560,685		-	12,360		537,666	573,045	
2740	Code Enforcement	96,574	346,814		-	215,615		96,574	562,429	
2800	Planning	285,447	1,231,659		2,068,800	2,017		2,354,247	1,233,676	
3000	Engineering	269,678	278,370		87,000	82,064		356,678	360,434	
3200	Building Maintenance	-	177,326		-	26,610		-	203,936	
3600	Parks	-	435,712		-	121,797		-	557,509	
4000	Recreation	60,000	393,688		-	162,343		60,000	556,031	
4010	Aquatics	54,300	179,004		-	42,226		54,300	221,230	
4020	Day Care	16,000	20,265		-	(19,465)		16,000	800	
4050	Senior Center	5,400	117,990		-	1,831		5,400	119,821	
4500	Central Services	-	997,191		-	135,484		-	1,132,675	
4800	Debt Service	-	-		-	-		-	-	
5400	Community Enhancement	1,200	76,500		-	11,350		1,200	87,850	
GENERAL FUND TOTAL		18,566,261	19,140,260	(573,999)	2,445,100	1,824,367	620,733	21,011,361	20,964,627	46,734

Budget Adjustment Requests - Special Revenue Funds Summary

➤ Fund 100 - Gas Tax -

- Expenditure increases related to Salaries & Benefits based on MOU increases \$129,856
- Increase in Tree Trimming \$20,000 for removal/trimming of trees
- Increase in Contract Striping \$25,000 for striping throughout the City
- Increase in Sidewalks \$23,000 to fix broken sidewalks throughout the City

Budget Adjustment Requests - Special Revenue Funds Summary

➤ Fund 100 - Gas Tax:

- Increase in Professional Services \$37,500 for Grant Writers, Arborist and Public Outreach
- Increase in General Plan Traffic Circulation \$80,000 to revise circulation for the realignment of Sun Lakes Blvd.
- Increase in Street & Traffic Signs \$15,000 for sign replacement
- Total Budget Adjustment Requests \$434,220

Budget Adjustment Requests - Special Revenue Funds Summary

➤ Fund 111 - Landscape Maintenance:

- Increase in Utilities \$28,000 for water fees due to change in rate from municipal to retail
- Increase in Maintenance Grounds/Field \$16,221 per approved Council Action on 6/11/19.
- Increase in Professional Services \$74,789 per Resolution 2019-42
- Total Budget Adjustment Requests \$122,916

SPECIAL REVENUE FUNDS

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 7/1/2019		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)
Special Revenue Funds										
002	Developer Deposit Fund	-	-	-	-	-	-	-	-	-
003	Riverside County MOU	-	-	-	-	-	-	-	-	-
005	SA Administration Fund	250,000	16,190	233,810	-	-	-	250,000	16,190	233,810
100	Gas Tax Street	1,870,567	1,315,306	555,261	-	389,220	(389,220)	1,870,567	1,704,526	166,041
101	Measure A Street	604,750	-	604,750	-	-	-	604,750	-	604,750
102	RMRA (SB1) Gas Tax	521,076	-	521,076	-	-	-	521,076	-	521,076
103	SB300 Street Improvement	-	-	-	-	-	-	-	-	-
104	Article 3 - Sidewalk Construction	-	-	-	-	-	-	-	-	-
110	C.D.B.G.	-	-	-	-	-	-	-	-	-
111	Landscape Maintenance Assmt. Dist.#1	141,882	131,550	10,332	-	122,916	(122,916)	141,882	254,466	(112,584)
132	Air Quality Improvement	39,800	3,000	36,800	-	-	-	39,800	3,000	36,800
140	Asset Forfeiture	-	-	-	-	-	-	-	-	-
148	Supplemental Law Enforcement	100,000	100,000	-	-	-	-	100,000	100,000	-
150	State Park Bond Act	-	-	-	-	-	-	-	-	-
190	Housing Authority Fund	-	-	-	-	-	-	-	-	-
200	Special Donations	8,000	8,000	-	-	-	-	8,000	8,000	-
201	Senior Center Activities									
4050	Senior Center	600	1,280	(680)	-	-	-	600	1,280	(680)
4060	Senior Center Advisory Board	7,700	7,020	680	-	-	-	7,700	7,020	680
	Senior Center Activities Subtotal	8,300	8,300	-	-	-	-	8,300	8,300	-
202	Animal Control Reserve	-	-	-	-	-	-	-	-	-
203	Police Volunteer	1,500	1,500	-	-	-	-	1,500	1,500	-
300	City Hall COP Debt Service*	437,000	437,000	-	-	-	-	437,000	437,000	-
360	Sun Lakes CFD #86-1	125	-	125	-	-	-	125	-	125
365	Wilson Street #91-1 Assessment Debt	255	-	255	-	-	-	255	-	255
370	Area Police Computer	51,812	51,812	-	-	-	-	51,812	51,812	-
375	Fair Oaks #2004-1 Debt Service	199,000	199,000	-	-	-	-	199,000	199,000	-
376	Cameo Homes	170	-	170	-	-	-	170	-	170
SPECIAL REVENUE FUNDS TOTAL		4,234,237	2,271,658	1,962,579	-	512,136	(512,136)	4,234,237	2,783,794	1,450,443

Budget Adjustment Requests - Banning Utility Authority Funds

➤ Fund 660 - Water:

- Decrease in Operating Expenditures transferring \$550,000 from Operating to Capital Expenditures for AMI/AMR system.
- Reduction in Water Order \$50,000
- Offset by Increases in Salaries & Benefits \$38,841, Water Related Legal Expenses \$100,000, and Wells/Pump Equipment repairs \$25,000

Budget Adjustment Requests - Banning Utility Authority Funds

➤ Fund 680 - Wastewater:

- Increases in Salaries & Benefits \$33,960
- Contracted WWTP Services \$55,000 for prevailing wage compliance increased costs
- NPDES Storm Water Expense Increase \$10,000 industrial waste inspections, plan reviews and NPDES inspections
- Increase for roof repairs \$10,000
- Increases in Professional Services \$23,105 and Engineering Services \$20,000

CAPITAL IMPROVEMENT & BUA FUNDS

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 7/1/2019		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)
Capital Improvement Funds										
400	Police Facilities Development	-	-	-	-	-	-	-	-	-
410	Fire Facility Development	3,000	-	3,000	-	-	-	3,000	-	3,000
420	Traffic Control Facility	1,750	-	1,750	-	-	-	1,750	-	1,750
421	Ramsey/Highland Home Traffic Signal	310	-	310	-	-	-	310	-	310
430	General Facilities	1,400	-	1,400	-	-	-	1,400	-	1,400
441	Sunset Grade Separation Fund	-	-	-	-	-	-	-	-	-
444	Wilson Median	1,450	-	1,450	-	-	-	1,450	-	1,450
451	Park Development	-	-	-	-	-	-	-	-	-
470	Capital Improvement Fund	-	-	-	-	-	-	-	-	-
CAPITAL IMPROVEMENT FUNDS TOTAL		7,910	-	7,910	-	-	0	7,910	-	7,910
Banning Utility Authority Funds										
660	Water Operations	10,570,147	9,887,285	682,862	-	(322,791)	322,791	10,570,147	9,564,494	1,005,653
661	Water Capital Facility Fee	45,000	-	45,000	-	-	-	45,000	-	45,000
663	BUA Water Capital Project Fund	3,750	-	3,750	-	-	-	3,750	-	3,750
669	BUA Water Debt Service Fund	1,989,318	1,989,318	-	-	-	-	1,989,318	1,989,318	-
Water Subtotal		12,608,215	11,876,603	731,612	-	(322,791)	322,791	12,608,215	11,553,812	1,054,403
680	Wastewater Operations	3,567,979	3,444,015	123,964	-	178,009	(178,009)	3,567,979	3,622,024	(54,045)
681	Wastewater Capital Facility Fees	86,860	-	86,860	-	-	-	86,860	-	86,860
683	BUA WWtr Capital Project Fund	4,000	-	4,000	-	-	-	4,000	-	4,000
685	State Revolving Loan	304,289	304,289	-	-	-	-	304,289	304,289	-
689	BUA Wastewater Debt Service Fund	393,966	393,966	-	-	-	-	393,966	393,966	-
Wastewater Subtotal		4,357,094	4,142,270	214,824	-	178,009	(178,009)	4,357,094	4,320,279	36,815
662	Irrigation Water	5,100	-	5,100	196,950	-	196,950	202,050	-	202,050
682	Wastewater Tertiary	234,496	-	234,496	-	-	-	234,496	-	234,496
Reclaimed Water Subtotal		239,596	-	239,596	196,950	-	196,950	436,546	-	436,546
Subtotal		17,204,905	16,018,873	1,186,032	196,950	(144,782)	341,732	17,401,855	15,874,091	1,527,764

Budget Adjustment Requests - Enterprise Funds

➤ Fund 600 - Airport:

- Increase in Revenue for Hangar Rents \$8,000 and Aviation Fuel Sales \$5,000
- Expenditures:
- Increases in Salaries & Benefits \$6,829
- Increase in Repair and Maintenance Accounts \$7,000
- Interfund service allocations increase \$7,086

Budget Adjustment Requests - Enterprise Funds

➤ Fund 610 - Transit & Dial-A-Ride:

- Transit:
- Increase in Revenue for Grant funds \$325,000 from STA and State of Good Repair \$37,740 offset by reductions in ridership levels for Article 4 (\$200,960) and Transit Fares (\$13,302) - Total increase in Revenue \$148,478
- Expenditures:
- Increases in Salaries & Benefits \$336,863 (\$500,000 error on FY19-20 adopted budget reduced by Salary savings of Parks and Recreation Director and Manager reallocation to General Fund.)

Budget Adjustment Requests - Enterprise Funds

➤ Fund 610 – Transit & Dial-A-Ride:

- Increase in Bus Shelter Expense for Advertisement fixtures \$5,000
- Increase Professional Services for Transit Rebranding \$15,000 and OpenGov, Executime, Pension/Labor costing \$10,980.
- Increase in bus cleaning expenses \$5,000
- Increase in interfund service allocations \$69,950

Budget Adjustment Requests - Enterprise Funds

➤ Fund 610 – Transit & Dial-A-Ride:

- Dial-A-Ride:
- Decrease in Revenue (\$34,879) due to reduction in ridership levels
- Expenditures:
- Increase in Salaries & Benefits \$14,270
- Increase in interfund service allocations \$65,513

Budget Adjustment Requests - Enterprise Funds

➤ Fund 670 - Electric:

- Decrease in Revenue (\$300,000) due to reduction of CAISO revenue rate
- Expenditures:
- Increase in Salaries & Benefits \$660,241 (Reclassifications of 5 positions as follows: Engineering Supervisor, Electric Business Support Manager, Public Benefits Analyst, Public Benefits Coordinator & Utility Services Assistant Plus Powerline Technician (1) & Powerline Apprentice (2) Positions added to budget at Mid Year 18-19)

Budget Adjustment Requests - Enterprise Funds

➤ Fund 670 - Electric:

- Increase in staff training/conferences \$47,000
- Increase in tree trimming services \$119,300
- Increased costs of JPA Expenses \$30,000
- Increase in maintenance costs \$75,000
- Increase in Software \$125,000 and Professional services \$26,973
- New account for Safety and EOC operations \$50,000

Budget Adjustment Requests - Enterprise Funds

➤ Fund 670 - Electric:

- Increase in Special Utility Costs for Poles, Towers, Fixtures, Electric Distribution Lines, Substation expenses, meters expenses and tools/supplies \$164,000
- Decrease in interfund service allocations (\$1,504,308) - Offsetting GFT transfer (\$1,793.677) with increases of \$289,369, including share of planned equipment replacement
- Total Electric Budget Adjustments - decrease (\$695,004)

Budget Adjustment Requests - Enterprise Funds

➤ Fund 690 - Refuse:

- Increase in Salaries & Benefits \$4,601
- Increase in Advertising/Publishing budget for Recycling Outreach \$7,500
- Increase Professional Services for compliance with Solid Waste regulations \$71,612
- Increase in interfund service allocations \$5,784
- Total Budget Adjustment Requests \$92,610

ENTERPRISE FUNDS

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 7/1/2019		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)
Enterprise Funds										
600	Airport	181,650	184,602	(2,952)	13,000	21,236	(8,236)	194,650	205,838	(11,188)
610	Transit Operations									
5800		1,746,557	1,289,230	457,327	148,478	442,793	(294,315)	1,895,035	1,732,023	163,012
5850		267,500	221,637	45,863	(34,879)	65,513	(100,392)	232,621	287,150	(54,529)
	610 - Total	2,014,057	1,510,867	503,190	113,599	508,306	(394,707)	2,127,656	2,019,173	108,483
690	Refuse	3,711,539	3,566,197	145,342	-	92,610	(92,610)	3,711,539	3,658,807	52,732
	Airport, Transit & Refuse Subtotal	5,907,246	5,261,666	645,580	126,599	622,152	(495,553)	6,033,845	5,883,818	150,027
670	Electric Operations			-			-			-
7000	Electric	30,036,500	13,500,537	16,535,963	(300,000)	(171,562)	(128,438)	29,736,500	13,328,975	16,407,525
7010	Generation & Transmission	1,535,261	18,061,039	(16,525,778)	-	(523,442)	523,442	1,535,261	17,537,597	(16,002,336)
	670 - Total	31,571,761	31,561,576	10,185	(300,000)	(695,004)	395,004	31,271,761	30,866,572	405,189
672	Rate Stability	21,000	-	21,000	-	-	-	21,000	-	21,000
673	Electric Improvement	21,000	25,000	(4,000)	-	-	-	21,000	25,000	(4,000)
674	2007/2015 Elec Rev Bond Project Fund	5,000	-	5,000	-	-	-	5,000	-	5,000
675	Public Benefit Fund	795,088	519,873	275,215	-	50,000	(50,000)	795,088	569,873	225,215
678	2007 Elec Rev Bond Debt Service	2,427,219	2,427,219	-	-	-	-	2,427,219	2,427,219	-
	Electric Subtotal	34,841,068	34,533,668	307,400	(300,000)	(645,004)	345,004	34,541,068	33,888,664	652,404
	ENTERPRISE FUNDS TOTAL	40,748,314	39,795,334	952,980	(173,401)	(22,852)	(150,549)	40,574,913	39,772,482	802,431

Budget Adjustment Requests - Internal Service Funds

➤ Fund 700 – Risk Management:

- Increase in Attorney Fees \$250,000 - allocated across funds

➤ Fund 702 – Fleet Maintenance

- Decrease in Salaries & Benefits (\$11,528)
- Increase in Repair and Maintenance Accounts \$97,000 for in-ground lifts, generator repairs, aging fleet, and CNG compressor rebuild.

Budget Adjustment Requests - Internal Service Funds

➤ Fund 702 - Fleet Maintenance

- Increase in lease payments \$16,128
- Increase in Professional Services \$15,000 design services for upgrade to shop
- Increase in Gasoline/Diesel Fuel \$57,100
- Total Budget Adjustment Requests \$204,521

Budget Adjustment Requests - Internal Service Funds

➤ Fund 703 - Information Systems

- Increase Salaries & Benefits \$3,467
- Increase in Software Maintenance \$37,101 Endpoint protection
- Increase Hardware costs \$11,848
- Increase in interfund service cost allocations \$15,441
- Total Budget Adjustment Requests \$70,597

Budget Adjustment Requests - Internal Service Funds

➤ Fund 761 - Utility Billing

- Decrease Salaries & Benefits (\$5,034)
- Increase in Printing and Mailing costs \$10,500
- Increase Computer Hardware - IVR check scanner & software \$18,000
- Increase in interfund service cost allocations \$19,847
- Total Budget Adjustment Requests \$58,588

Budget Adjustment Requests - Internal Service Funds

➤ Fund 761 - Meter Reading

- Decrease Salaries & Benefits (\$2,880)
- Increase Uniform maintenance \$3,500
- Increase Computer Hardware/Software - Itron Meter reading equipment/software \$5,400 plus \$5,000 USB wifi/equipment and software upgrade
- Increase in interfund service cost allocations \$15,402
- Total Budget Adjustment Requests \$34,272

INTERNAL SERVICE FUNDS & SA FUNDS

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 7/1/2019		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)
Internal Service Funds										
700	Risk Management Fund									
5020	Workers Compensation	792,144	739,100	53,044	-	29	(29)	792,144	739,129	53,015
5030	Unemployment Insurance	79,952	47,065	32,887	-	493	(493)	79,952	47,558	32,394
5040	Liability Insurance	951,052	954,273	(3,221)	3,274	(947)	4,221	954,326	953,326	1,000
5300	City Attorney	500,000	500,000	-	250,000	250,000	-	750,000	750,000	-
	700 - Total	2,323,148	2,240,438	82,710	253,274	249,575	3,699	2,576,422	2,490,013	86,409
702	Fleet Maintenance	1,366,665	1,343,234	23,431	203,268	204,521	(1,253)	1,569,933	1,547,755	22,178
703	Information Systems Services	454,924	454,575	349	270,598	70,597	200,001	725,522	525,172	200,350
761	Utility Billing Administration									
3100	Account & Collection Service	1,655,376	1,655,376	-	58,588	58,588	-	1,713,964	1,713,964	-
3110	Meter Reading & Service	621,771	621,771	-	34,272	34,272	-	656,043	656,043	-
	761 - Total	2,277,147	2,277,147	-	92,860	92,860	-	2,370,007	2,370,007	-
	INTERNAL SERVICE FUNDS TOTAL	6,421,884	6,315,394	106,490	820,000	617,553	202,447	7,241,884	6,932,947	308,937
Successor Agency Funds										
805	Redevelopment Obligation Retirement F	2,975,619	2,445,629	529,990	-	-	-	2,975,619	2,445,629	529,990
810	Successor Housing Agency	3,939	3,939	-	-	-	-	3,939	3,939	-
830	Debt Service Fund	2,195,629	2,195,629	-	-	-	-	2,195,629	2,195,629	-
850	Successor Agency	-	-	-	-	-	-	-	-	-
840	BEA Capital Project Fund	9,000	-	9,000	-	-	-	9,000	-	9,000
841	BEA L/M Capital project Fund	2,000	-	2,000	-	-	-	2,000	-	2,000
855	2007 TAPBS Bond Proceeds	-	-	-	-	-	-	-	-	-
856	2003 TABS Bond Proceeds	-	-	-	-	-	-	-	-	-
857	2003 TABS Bond Proceeds Low/Mod	-	-	-	-	-	-	-	-	-
	SUCCESSOR AGENCY FUNDS TOTAL	5,186,187	4,645,197	540,990	-	-	-	5,186,187	4,645,197	540,990
	OTHER FUNDS GRAND TOTAL	73,803,437	69,046,456	4,756,981	843,549	962,055	(118,506)	74,646,986	70,008,511	4,638,475
	CITY WIDE GRAND TOTAL	92,369,698	88,186,716	4,182,982	3,288,649	2,786,422	502,227	95,658,347	90,973,138	4,685,209

POSITION REQUESTS

Budget Adjustment Request Detail:

- **ELECTRIC**– Reclassifications of 5 positions as follows: Engineering Supervisor, Electric Business Support Manager, Public Benefits Analyst, Public Benefits Coordinator & Utility Services Assistant
- **PUBLIC WORKS** – New Position of Associate Engineer (CIP) – to focus on Capital Improvement Projects

RECLASSIFICATIONS

► The Annual Fiscal Impact to reclass 5 Positions \$88,732

Fiscal Year 2019-20
ELECTRIC DEPARTMENT RECLASSIFICATIONS
Salary and Benefits Calculation

	FY20
Avg Hourly	29.39
Annual \$	61,136.85
Benefit Allowance (Included in Budget already)	
Maximum Cash Out:	
Sick Payoff	1,175.60
Comp Payoff	1,175.60
Vacation Payoff	1,175.60
Total Salary Cost	<u>64,663.65</u>
Life Insurance	432.00
PERS Employer Cost	15,284.21
Medicare	937.62
Social Security	4,009.15
SUI	684.73
WC	<u>2,720.16</u>
Total Benefit Cost	24,067.88
Total Additional Salary & Benefits	\$ 88,731.53

Current Position	New Position	Current Class	New Class	Current Rate	New Rate W/ COLA	Difference (yearly)
Office Specialist	Utility Services Assitant	G44 - 6	U48 - 5	\$ 38,394.38	\$ 44,530.42	\$ 6,136.04
Utility Service Assistant	Public Benefits Coordinator	U48-13	U55-11	\$ 51,552.35	\$ 61,568.63	\$ 10,016.28
Public Benefits Coordinator	Public Benefits Analyst	U55 - 13	U68 - 3	\$ 61,280.35	\$ 69,383.36	\$ 8,103.01
Management Analyst	Business Support Manager (Electric)	T68 - 7	T83 - 1	\$ 72,626.43	\$ 95,551.64	\$ 22,925.21
Associate Engineer	Engineering Supervisor	T76 - 13	T83 - 9	\$ 102,924.63	\$ 116,880.94	\$ 13,956.31
						<u>\$ 61,136.85</u>
Average						29.39

ASSOCIATE ENGINEER (CIP)

- ▶ The Annual Fiscal Impact for an Associate Engineer (CIP) \$232,000
- ▶ Allocated as follows:
- ▶ 10% GF, 35% Streets, 25% Water, 25% Wastewater & 5% Airport

Fiscal Year 2019-20		
Associate Engineer (CIP)		
Salary and Benefits Calculation		
Associate Engineer (CIP)		FY20
SALARY RANGE - T75		
(\$76,449.15 - 103,426.33)	Hourly	43.31
	Annual	\$ 90,090.83
Vehicle Allowance		3,000.00
Benefit Allowance		16,800.00
Maximum Cash Out:		
Sick Payoff		1,732.52
Comp Payoff		1,732.52
Vacation Payoff		1,732.52
Total Salary Cost		115,088.38
Life Insurance		432.00
PERSEmployer Cost		22,522.71
Medicare		1,668.78
Social Security		7,135.48
SUI		1,009.02
WC		7,206.37
Total Benefit Cost		39,974.35
Total Salary & Benefits		\$ 155,062.73
Allocation:		
General Fund	10%	\$ 15,506.27
Streets	35%	54,271.96
Water	25%	38,765.68
Wastewater	25%	38,765.68
Airport	5%	7,753.14
	100%	155,062.73

Budget Adjustment Requests

- Budget Request details are listed in the FY 2019-20 Mid-Year Operating and Capital Budget Request Reports, made available on the back counter and distributed.

Discussion & Questions??