



The following information comprises the minutes for a special meeting of the City Council, a joint meeting of the Banning City Council and Banning Utility Authority and a joint meeting of the Banning City Council and the Banning City Council sitting in its capacity as the Successor Agency Board.

**MINUTES
CITY COUNCIL**

**5/24/2022
SPECIAL MEETING**

COUNCIL MEMBERS PRESENT: Council Member Mary Hamlin
Council Member David Happe
Council Member Alberto Sanchez
Mayor Pro Tem Colleen Wallace
Mayor Kyle Pingree*

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Doug Schulze, City Manager*
Serita Young, Assistant City Attorney
Marie Calderon, City Clerk
Caroline Patton, Deputy City Clerk
Suzanne Cook, Finance Director**
Ralph Wright, Parks and Recreation Director
Adam Rush, Community Development Director**
Art Vela, Director of Public Works**
A'ja Wallace, Budget and Financial Analyst
Laurie Sampson, Executive Assistant
John Garside, Multimedia Specialist

*Participated remotely from the Business Center of South Point Hotel, Casino & Spa located at 9777 Las Vegas Boulevard South, Las Vegas, Nevada 89183.

**Participated via Zoom or Teleconference.

1. CALL TO ORDER

Mayor Pingree called the special meeting to order at 4:20 p.m.

1.1 Roll Call

COUNCIL MEMBER	PRESENT	ABSENT
Hamlin, Mary	X	
Happe, David	X	
Pingree, Kyle	X	
Sanchez, Alberto	X	
Wallace, Colleen	X	

2. PUBLIC COMMENT – *Agenda Items*

None

3. DISCUSSION ITEMS

3.1. Budget Workshop - Review Draft Biennial Budget for Fiscal Years 2022-23 & 2023-24

Finance Director Suzanne Cook presented the staff report.

4. ADJOURNMENT

The Special City Council meeting adjourned at 5:08 p.m.

Minutes Prepared by:



Caroline Patton, Deputy City Clerk

This entire meeting may be viewed here:

<https://banninglive.viebit.com/index.php?folder=City+Council+Meetings>

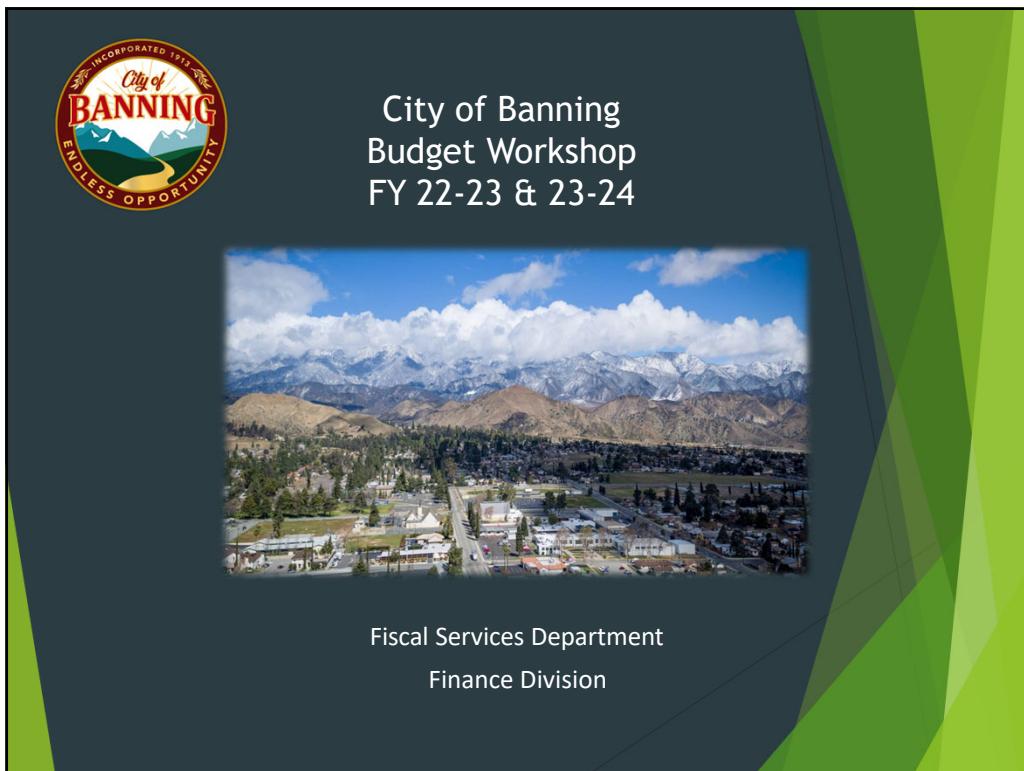
All documents related to this meeting are available here:

<http://banning.ca.us/ArchiveCenter/ViewFile/Item/2647>

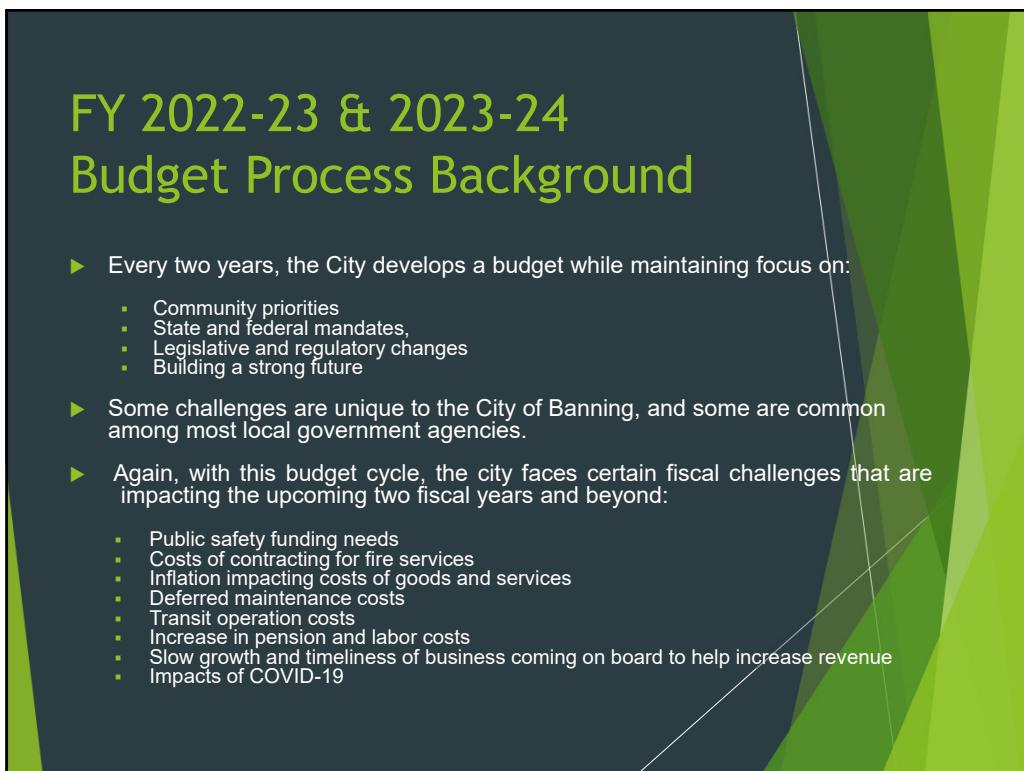
ATTACHMENTS:

Exhibit A – Budget Workshop Presentation

Exhibit A - Agenda Item 3.1 Presentation



The slide features the City of Banning logo on the left, which includes a circular emblem with the text "INCORPORATED 1913" and "City of BANNING ENDLESS OPPORTUNITY" around a central mountain and river illustration. To the right of the logo, the text "City of Banning Budget Workshop FY 22-23 & 23-24" is displayed in white. Below this is a photograph of a town nestled in a valley with mountains in the background. At the bottom, the text "Fiscal Services Department" and "Finance Division" is centered.



The slide has a dark blue background with a green geometric pattern on the right side. The title "FY 2022-23 & 2023-24 Budget Process Background" is centered in white. Below the title is a bulleted list of challenges:

- ▶ Every two years, the City develops a budget while maintaining focus on:
 - Community priorities
 - State and federal mandates,
 - Legislative and regulatory changes
 - Building a strong future
- ▶ Some challenges are unique to the City of Banning, and some are common among most local government agencies.
- ▶ Again, with this budget cycle, the city faces certain fiscal challenges that are impacting the upcoming two fiscal years and beyond:
 - Public safety funding needs
 - Costs of contracting for fire services
 - Inflation impacting costs of goods and services
 - Deferred maintenance costs
 - Transit operation costs
 - Increase in pension and labor costs
 - Slow growth and timeliness of business coming on board to help increase revenue
 - Impacts of COVID-19

FY 2022-23 & 2023-24 Budget Process Background

- ▶ For budget development, the City continued the use of OpenGov as a platform to provide for greater Citywide participation with departments
- ▶ The draft operating budget was presented to the Budget and Finance Committee meeting on May 17, 2022.
- ▶ Recommendations from the Committee:
 - ▶ Review revenue projections and make necessary adjustments
 - ▶ Staff performed this review and are confident, at this time, with the revenues presented in the draft budget
- ▶ Today, presenting draft operating budget to Council during a budget workshop for any additional direction and comments to help finalize the budget for Council adoption on June 14th, 2022.

FY 2022-23 & 2023-24 Fiscal Impact

Where we have come in the budgeting process:

- ▶ Initially after all departments entered their requests into OpenGov, the projected deficit for the General Fund was \$7 million
- ▶ After Finance met with departments, reviewing revenues and expenditures, the deficit was reduced to \$2.5 million, which was presented initially on the Budget and Finance Committee documents.
- ▶ After subsequent meetings with the City Manager, Public Works, Parks and Recreation and the Police Department, we were able to reduce the deficit to \$1.39 million as presented tonight.

FY 2022-23 & 2023-24 Fiscal Impact

Key revenue projections for the next two fiscal years are as follows:

- ❖ Increase in tax revenue by 10.85% from FY21-22 budgeted \$13,771,816 to \$15,266,621 budgeted in FY 22-23, with a 2% increase for FY23-24.
 - Property taxes show the significant increase due to home sales with a 13.70% increase from budgeted FY21-22 to FY22-23
 - Sales taxes show an increase of 8.43%.
 - Added an additional \$35,000 for Sales tax revenue for new businesses coming on board in June that were not a part of the original Sales tax estimate.
 - Estimates for Property and Sales tax are provided by our consultant HdL who analyzes the market for these figures.
 - Increase in TOT from hotels due to increases in hotel stays with developments, lifts of restrictions and music festivals

FY 2022-23 & 2023-24 Fiscal Impact

Key revenue projections continued:

- ❖ Continued to reflect the decrease in administration revenue from enterprise funds with new cost allocation plan and elimination of general fund transfer, which has attributed to continued general fund deficit over the last few years.
- ❖ Cannabis tax revenue of \$950,000 maintained for both fiscal years of the budget after conversations with current businesses and until more analysis can be done on actuals. This should be an area of increased revenue over the next year(s).
- ❖ Decrease in first responder medical billing revenue in first year to \$250,000 and increased back to \$400,000 second year.
- ❖ Increased police revenue for reimbursable services to a total of \$632,400 for RAID, PACT and School Resources Officer (SRO)

FY 2022-23 & 2023-24 Fiscal Impact

Proposed Reductions to Expenditures

- ❖ Reduction made to salaries of police department of \$1 million to reflect the continued nature of salary savings with vacancies and officers' injuries, this was offset to the increased overtime budget of \$1 million for officers picking up additional shifts to accommodate the vacancies.
- ❖ Fire contract was presented with a total \$3.7 million estimate, but due to actuals being much lower than the estimate, the budget is based on estimated actuals and reduction of \$400,000.
- ❖ Reduction of Engineering Services of On-Call Plan Reviewers/Inspections by \$1,000,000, from initial request of \$1.3 million to 300,000, reducing requested amount for all Engineering Services to a total of \$612,000.

CLASS AND COMP PLAN UPDATES SALARIES & BENEFITS

There were several requests for additional positions, however, due to the large general fund deficit, no additional position requests were allowed unless there is an offsetting reduction or reclassification. The following are changes requested to the class and compensation plan:

- ▶ The addition of an Assistant City Manager position reclassifying and un-funding the Executive Assistant position – difference of \$67,937
- ▶ The re-funding of the Deputy Finance Director position with offsetting proposed promotions and un-funding of another finance department position – difference of \$54,630.
- ▶ The re-funding and authorization of an Associate Planner and un-funding of the Building Inspector position, which is currently handled by contracted services – difference of (\$61).

The total impact of the budget for the above is \$122,506

Exhibit A - Agenda Item 3.1 Presentation

General Fund and All Funds: Revenues, Expenditures and Use of Fund Balance

Fiscal Year 2022-23:

Fund	Proposed Revenues	Proposed Expenditures	Proposed Surplus/(Deficit)
General Fund	24,071,859	25,465,803	(1,393,944)
Airport Fund	478,327	306,608	171,719
Transit Fund	2,000,530	2,356,399	(355,869)
Refuse Fund	985,601	1,041,957	(56,356)
BUA Water Funds	16,044,908	13,321,139	2,723,769
BUA Wastewater Funds	6,144,201	4,065,846	2,078,355
Electric Funds	35,574,252	38,680,847	(3,106,595)
Internal Service Funds	6,928,913	9,812,434	(2,883,521)
Special Revenue & Capital Funds	4,857,638	2,540,279	2,317,359
Agency/Fiduciary Funds	5,096,437	5,099,659	(3,222)
Total City Wide	102,182,666	102,690,971	(508,305)

The above chart reflects the proposed revenues and expenditures with the projected surplus or deficit. Those with a projected deficit will need to use reserves to balance the budget.

General Fund and All Funds: Revenues, Expenditures and Use of Fund Balance

Fiscal Year 2023-24:

Fund	Proposed Revenues	Proposed Expenditures	Proposed Surplus/(Deficit)
General Fund	23,956,864	26,226,757	(2,269,893)
Airport Fund	221,132	308,954	(87,822)
Transit Fund	1,755,063	2,310,891	(555,828)
Refuse Fund	957,649	1,065,977	(108,328)
BUA Water Funds	16,301,166	13,596,940	2,704,226
BUA Wastewater Funds	5,345,105	4,793,814	551,291
Electric Funds	36,637,501	38,695,946	(2,058,445)
Internal Service Funds	7,048,719	9,630,663	(2,581,944)
Special Revenue & Capital Funds	5,011,473	2,624,968	2,386,505
Agency/Fiduciary Funds	5,093,240	5,096,462	(3,222)
Total City Wide	102,327,912	104,351,372	(2,023,460)

The above chart reflects the proposed revenues and expenditures with the projected surplus or deficit. Those with a projected deficit will need to use reserves to balance the budget.

Exhibit A - Agenda Item 3.1 Presentation

	FYE June 2022 Projected	Fiscal Year 2022-23 Operating Budget					
		Projected Fund Equity Balance	Projected Revenues	Projected Expenditures	Projected Surplus/(Deficit)	Projected Ending Equity Fund Balance	Total Non- Spendable, Restricted, Committed & Assigned
Governmental Funds							
General Fund (001)	7,546,666	24,071,859	25,465,803	(1,393,944)	6,152,722	5,725,065	427,657
Other Governmental Funds:							
002 – Developer Deposit Fund	(33,600)	101,633	101,633	-	(33,600)	-	(33,600)
005 – Successor Agency Admin Fund	1,523,445	250,000	9,323	240,677	1,764,122	-	1,764,122
100 – Gas Tax Street Fund	(16,597)	2,339,988	1,984,541	255,447	238,850	-	238,850
101 – Measure A Street Fund	1,165,460	858,200	41,924	816,276	1,981,736	-	1,981,736
102 – RMRA (S81) Gas Tax Fund	816,792	734,740	17,482	717,258	1,534,050	-	1,534,050
110 – CDBG Fund	(47,558)	45,031	6,917	38,114	(9,444)	-	(9,444)
111 – Landscape Maintenance	232,737	220,304	219,376	928	233,665	-	233,665
132 – Air Quality Improvement Fund	294,958	44,617	3,201	41,416	336,374	-	336,374
140 – Asset Forfeiture/Police Fund	7,847	565	-	565	8,412	-	8,412
148 – Supplemental Law Enforcement	88,623	100,000	100,000	-	88,623	-	88,623
150 – State Park Bond Fund	196,926	-	-	-	196,926	-	196,926
200 – Spent Donation Fund	38,739	12,988	10,582	2,401	41,140	24,213	16,927
201 – Sr. Center Activities Fund	49,098	11,684	9,118	2,566	51,664	-	51,664
202 – Animal Control Reserve Fund	-	-	-	-	-	-	-
203 – Police Volunteer Fund	3,270	1,502	1,078	424	3,694	-	3,694
221 – CSCDA-CFD 2020-02 ATWELL	29,981	-	-	-	29,981	29,981	0
222 – ARPA Funds:							
300 – City Administration COP Debt Service	205	-	-	-	205	-	205
400 – Police Facilities Development	223,300	2,516	150	2,366	225,666	-	225,666
410 – Fire Facilities Development	1,302,041	5,999	150	5,849	1,307,890	-	1,307,890
420 – Traffic Control Facility Fund	2,248,409	133,298	8,104	125,194	2,373,603	-	2,373,603
430 – General Facilities Fund	525,675	31,744	184	31,560	557,235	-	557,235
444 – Wilson Median Fund	400,746	775	127	648	401,394	-	401,394
451 – Park Development Fund	170,143	61,551	25,881	35,670	205,813	-	205,813
470 – Capital Improvement Fund	690,470	508	508	-	690,470	690,470	0
475 – Fair Oaks #2004-01 Assessment District	-	-	-	-	-	-	-
Total Other Governmental Funds	9,911,109	4,857,638	2,540,279	2,317,359	12,228,468	744,664	11,483,804
Total Governmental Funds	17,457,775	28,929,497	28,006,082	923,415	18,381,190	6,469,729	11,911,461

	FYE June 2022 Projected	Fiscal Year 2022-23 Operating Budget					
		Projected Fund Equity Balance	Projected Revenues	Projected Expenditures	Projected Surplus/(Deficit)	Projected Ending Equity Fund Balance	Total Non- Spendable, Restricted, Committed & Assigned
Governmental Funds							
Proprietary Funds							
600 – Airport Fund	2,297,041	478,327	306,608	171,719	2,468,760	2,180,807	287,953
610 – Transit Fund	(538,178)	2,000,530	2,356,399	(355,869)	(894,047)	347,328	(1,241,375)
690 – Refuse Fund	4,871,352	985,601	1,041,957	(56,356)	4,814,996	18,927	4,796,069
Total Other Enterprise Funds	6,630,215	3,464,458	3,704,964	(240,506)	6,389,709	2,547,062	3,842,647
670 – Electric Fund	71,821,002	32,340,312	35,074,966	(2,724,654)	69,086,348	60,769,434	8,316,914
672 – Rate Stability/Debt Service Reserve Fund	6,630,590	12,779	-	12,779	6,632,369	2,428,369	4,195,000
673 – Electric Improvement Fund	1,002,582	6,780	190,000	(183,220)	819,362	156,703	682,659
674 – Electric Revenue Bond Project Fund	382,288	-	-	-	382,288	382,288	-
675 – Public Benefit Fund	975,585	786,012	887,512	(201,500)	772,085	-	772,085
678 – Electric Revenue Bond Debt Service Fund	(25,451,404)	2,428,369	2,428,369	-	(25,451,404)	-	-
Total Electric Funds	55,338,642	35,574,252	38,680,847	(3,106,595)	52,232,047	38,265,389	13,966,657
660 – Water Fund	67,602,393	13,035,667	11,327,001	1,708,666	69,311,059	53,753,371	15,557,688
661 – Water Capital Facilities	5,908,085	996,464	-	996,464	6,904,549	-	6,904,549
662 – Irrigation Water Fund	1,355,956	2,700	-	2,700	1,358,656	-	1,358,656
663 – BUA Water Capital Project Fund	1,616,917	15,939	-	15,939	1,632,856	120,346	1,512,510
669 – BUA Water Debt Service Fund	(21,607,525)	1,994,138	1,994,138	-	(21,607,525)	(21,607,525)	(0)
Total Water Funds	54,875,826	16,044,908	13,321,139	2,723,769	57,599,595	32,266,192	25,333,403
680 – Wastewater Fund	13,447,823	5,225,046	3,775,831	1,449,215	14,897,038	14,142,006	755,032
681 – Wastewater Capital Facility Fund	11,074,030	257,222	-	257,222	11,331,252	-	11,331,252
682 – Wastewater Tertiary	7,110,947	360,637	-	360,637	7,471,584	-	7,471,584
683 – BUA Wastewater Capital Project Fund	2,240,904	9,666	-	9,666	2,250,570	2,178,114	72,456
685 – State Revolving Loan Fund	-	1,615	-	1,615	1,615	-	1,615
689 – BUA Wastewater Debt Service Fund	(3,788,409)	290,015	290,015	-	(3,788,409)	(3,788,409)	-
Total Wastewater Funds	30,085,296	6,144,205	4,065,846	2,078,355	32,163,651	12,531,711	19,631,940
700 – Risk Management Fund	(2,115,552)	2,377,267	4,528,683	(2,151,416)	(4,266,968)	4,011	(4,270,979)
702 – Fleet Maintenance	357,487	1,694,511	1,868,200	(173,689)	183,798	374,337	(190,538)
703 – Information Systems Services	(1,185,882)	486,425	1,068,824	(582,399)	(1,768,281)	16,314	(1,784,594)
761 – Utility Billing Administration	(2,866,576)	2,370,710	2,346,727	23,983	(2,842,593)	70,949	(2,913,542)
Total Internal Service Funds	(5,810,522)	6,928,913	9,812,434	(2,883,521)	(8,694,043)	465,610	(9,159,653)
Total Proprietary Funds	141,119,456	68,156,732	69,585,230	(1,428,498)	139,690,958	86,075,965	53,614,993

Exhibit A - Agenda Item 3.1 Presentation

Fund Balance Summary Fiscal Year 2022-23

	FYE June 2022 Projected		Fiscal Year 2022-23 Operating Budget					
	Fund Equity Balance	Projected Revenues	Projected Expenditures	Projected Surplus/(Deficit)	Projected Ending Equity Fund Balance	Total Non-Spendable, Restricted, Committed & Assigned	Projected Ending Available Fund Balance	
Governmental Funds								
Fiduciary Funds								
805 - Redevelopment Obligation Retirement Fund	1,815,370	2,546,952	2,546,952	-	1,815,370	-	1,815,370	
810 - Successor Housing Agency	2,679,388	19,765	15,441	4,324	2,683,712	2,493,195	190,517	
830 - Debt Service Fund	(25,671,325)	2,296,900	2,296,900	-	(25,671,325)	(25,671,325)	-	
840 - Bond Expenditure Agreement (BEA) Project Fund	4,631,515	33,286	40,718	(7,432)	4,624,083	2,631,802	1,992,281	
841 - Bond Expenditure Agreement (BEA) Low/Mod Fund	545,943	128	109	19	545,962	545,847	115	
850 - Successor Agency	9,849,989	117	251	(134)	9,849,855	8,987,313	862,542	
Total Successor Agency Funds	(6,149,121)	4,897,148	4,900,371	(3,223)	(6,152,344)	(11,013,169)	4,860,825	
360 - Sun Lakes CFD #86-1	37,134	-	-	-	37,134	37,134	(0)	
365 - Wilson Street #91-1 Assessment Debt	56,824	-	-	-	56,824	56,825	(0)	
370 - Area Police Computer Fund	65,444	-	-	-	65,444	-	65,444	
375 - Fair Oaks #2004-01 Assessment Debt	375,397	199,288	199,289	(1)	375,396	375,172	224	
376 - Cameo Homes	8,544	-	-	-	8,544	8,544	(0)	
Total Agency Funds	543,344	199,288	199,289	(1)	543,343	477,675	65,668	
Total Fiduciary Funds	(5,605,778)	5,096,436	5,099,660	(3,224)	(5,609,002)	(10,535,494)	4,926,492	
Total City Wide	152,971,453	102,182,665	102,690,972	(508,307)	152,463,146	82,010,199	70,452,947	

Fund Balance Summary Fiscal Year 2023-24

	FYE June 2023 Projected		Fiscal Year 2023-24 Operating Budget					
	Fund Equity Balance	Projected Revenues	Projected Expenditures	Projected Surplus/(Deficit)	Projected Ending Equity Fund Balance	Total Non-Spendable, Restricted, Committed & Assigned	Projected Ending Available Fund Balance	
Governmental Funds								
General Fund (001)	6,152,722	23,956,864	26,226,757	(2,269,893)	3,882,829	5,725,065	(1,842,236)	
Other Governmental Funds:								
002 - Developer Deposit Fund	(33,600)	101,633	101,633	-	(33,600)	-	(33,600)	
005 - Successor Agency Admin Fund	1,764,122	250,000	9,323	240,677	2,004,799	-	2,004,799	
100 - Gas Tax Street Fund	238,850	2,270,540	2,057,181	213,359	452,209	-	452,209	
101 - Measure A Street Fund	1,981,736	874,800	41,924	832,876	2,814,612	-	2,814,612	
102 - RMRA (S81) Gas Tax Fund	1,534,050	844,000	17,482	826,518	2,360,568	-	2,360,568	
110 - CDB6 Fund	(9,444)	45,031	6,917	38,114	28,670	-	28,670	
111 - Landscape Maintenance	233,665	234,266	232,990	1,276	234,941	-	234,941	
132 - Air Quality Improvement Fund	336,374	46,728	3,201	43,527	379,901	-	379,901	
140 - Asset Forfeiture/Police Fund	8,412	565	-	565	8,977	-	8,977	
148 - Supplemental Law Enforcement	88,623	100,000	100,000	-	88,623	-	88,623	
150 - State Park Bond Fund	196,926	-	-	-	196,926	-	196,926	
200 - Special Donation Fund	41,140	9,983	9,092	891	42,031	24,213	17,818	
201 - Sr. Center Activities Fund	51,664	8,534	9,043	(509)	51,155	-	51,155	
202 - Animal Control Reserve Fund	-	-	-	-	-	-	-	
203 - Police Volunteer Fund	3,694	1,502	1,078	424	4,118	-	4,118	
221 - CSCDA-CFD 2020-02 ATWELL	29,981	-	-	-	29,981	29,981	0	
222 - ARPA Funds	-	-	-	-	-	-	-	
300 - City Administration COP Debt Service	205	-	-	-	205	-	205	
400 - Police Facilities Development	225,666	2,516	150	2,366	228,032	-	228,032	
410 - Fire Facilities Development	1,307,890	5,999	150	5,849	1,313,739	-	1,313,739	
420 - Traffic Control Facility Fund	2,373,603	133,298	8,104	125,194	2,498,797	-	2,498,797	
430 - General Facilities Fund	557,235	54,244	184	54,060	611,295	-	611,295	
444 - Wilson Median Fund	401,394	775	127	648	402,042	-	402,042	
451 - Park Development Fund	205,813	26,551	25,881	670	206,483	-	206,483	
470 - Capital Improvement Fund	690,470	508	508	-	690,470	690,470	0	
475 - Fair Oaks #2004-01 Assessment District	-	-	-	-	-	-	-	
Total Other Governmental Funds	12,228,468	5,011,473	2,624,968	2,386,505	14,614,973	744,664	13,870,309	
Total Governmental Funds	18,381,190	28,968,337	28,851,725	116,612	18,497,802	6,469,729	12,028,073	

Exhibit A - Agenda Item 3.1 Presentation

Fund Balance Summary Fiscal Year 2023-24

		FYE June 2023 Projected		Fiscal Year 2023-24 Operating Budget				
		Fund Equity Balance	Projected Revenues	Projected Expenditures	Projected Surplus/(Deficit)	Projected Ending Equity Fund Balance	Total Non-Spendable, Restricted, Committed & Assigned	Projected Ending Available Fund Balance
Governmental Funds								
Proprietary Funds								
600 – Airport Fund		2,468,760	221,132	308,954	(87,822)	2,380,938	2,180,807	200,131
610 – Transit Fund		(894,047)	1,755,063	2,310,891	(555,828)	(1,449,875)	347,328	(1,797,203)
690 – Refuse Fund		4,814,996	957,649	1,065,977	(108,328)	4,706,668	18,927	4,687,741
Total Other Enterprise Funds		6,389,709	2,933,844	3,685,822	(751,978)	5,637,731	2,547,062	3,090,669
670 – Electric Fund		69,086,348	33,405,312	35,201,815	(1,796,503)	67,289,845	60,769,434	6,520,411
672 – Rate Stability/Debt Service Reserve Fund		6,623,369	12,779		12,779	6,636,148	2,428,369	4,207,779
673 – Electric Improvement Fund		819,362	6,780	190,000	(183,220)	636,142	136,703	499,439
674 – Electric Revenue Bond Project Fund		382,288	-		-	382,288	382,288	-
675 – Public Benefit Fund		772,085	786,012	877,512	(91,500)	680,585	-	680,585
678 – Electric Revenue Bond Debt Service Fund		(25,451,404)	2,426,619	2,426,619	-	(25,451,404)	(25,451,404)	-
Total Electric Funds		52,232,047	36,637,502	38,695,946	(2,058,444)	50,173,603	38,265,389	11,908,213
660 – Water Fund		69,311,059	13,794,800	11,605,677	2,189,123	71,500,182	53,753,371	17,746,811
661 – Water Capital Facilities		6,904,549	496,464		496,464	7,401,013	-	7,401,013
662 – Irrigation Water Fund		1,358,656	2,700		2,700	1,361,356	-	1,361,356
663 – BUA Water Capital Project Fund		1,632,856	15,939		15,939	1,648,795	120,346	1,528,449
669 – BUA Water Debt Service Fund		(21,607,525)	1,991,263	1,991,263	-	(21,607,525)	(21,607,525)	(0)
Total Water Funds		57,599,595	16,301,166	13,596,940	2,704,226	60,303,821	32,266,192	28,037,629
680 – Wastewater Fund		14,897,038	4,425,046	4,502,894	(77,848)	14,819,190	14,142,006	677,184
681 – Wastewater Capital Facility Fund		11,331,252	257,222		257,222	11,588,474	-	11,588,474
682 – Wastewater Tertiary		7,471,584	360,637		360,637	7,832,221	-	7,832,221
683 – BUA Wastewater Capital Project Fund		2,250,570	9,666		9,666	2,260,236	2,178,114	82,122
685 – State Revolving Loan Fund		1,615	1,615		1,615	3,230	-	3,230
689 – BUA Wastewater Debt Service Fund		(3,788,409)	290,920	290,920	-	(3,788,409)	(3,788,409)	-
Total Wastewater Funds		32,163,651	5,345,106	4,793,814	551,292	32,714,943	12,531,711	20,183,232
700 – Risk Management Fund		(4,266,968)	2,377,267	4,468,072	(2,090,805)	(6,357,773)	4,011	(6,361,784)
702 – Fleet Maintenance		183,798	1,654,608	1,824,076	(169,468)	14,330	374,337	(360,006)
703 – Information Systems Services		(1,768,281)	486,425	831,549	(346,124)	(2,114,405)	16,314	(2,130,718)
761 – Utility Billing Administration		(2,842,593)	2,530,419	2,505,966	24,453	(2,818,140)	70,949	(2,889,089)
Total Internal Service Funds		(8,694,043)	7,048,719	9,630,663	(2,581,944)	(11,275,987)	465,610	(11,741,597)
Total Proprietary Funds		139,690,958	68,266,337	70,403,185	(2,136,848)	137,554,110	86,075,965	51,478,145

Fund Balance Summary Fiscal Year 2023-24

		FYE June 2023 Projected		Fiscal Year 2023-24 Operating Budget				
		Fund Equity Balance	Projected Revenues	Projected Expenditures	Projected Surplus/(Deficit)	Projected Ending Equity Fund Balance	Total Non-Spendable, Restricted, Committed & Assigned	Projected Ending Available Fund Balance
Governmental Funds								
Fiduciary Funds								
805 – Redevelopment Obligation Retirement Fund		1,815,370	2,545,291	2,545,291	-	1,815,370	-	1,815,370
810 – Successor Housing Agency		2,683,712	19,765	15,441	4,324	2,688,036	2,493,195	194,841
830 – Debt Service Fund		(25,671,325)	2,295,239	2,295,239	-	(25,671,325)	(25,671,325)	-
840 – Bond Expenditure Agreement (BEA) Project Fund		4,624,083	33,286	40,718	(7,432)	4,616,651	2,631,802	1,984,849
841 – Bond Expenditure Agreement (BEA) Low/Mod Fund		545,962	128	109	19	545,981	545,847	134
850 – Successor Agency		9,849,855	117	251	(134)	9,849,721	8,987,313	862,408
Total Successor Agency Funds		(6,152,344)	4,893,826	4,897,049	(3,223)	(6,155,567)	(11,013,169)	4,857,602
360 – Sun Lakes CFD #86-1		37,134	-	-	-	37,134	37,134	(0)
365 – Wilson Street #01-1 Assessment Debt		56,824	-	-	-	56,824	56,825	(0)
370 – Area Police Computer Fund		65,444	-	-	-	65,444	-	65,444
375 – Fair Oaks #2004-01 Assessment Debt		375,396	199,414	199,413	1	375,397	375,172	225
376 – Cameo Homes		8,544	-	-	-	8,544	8,544	(0)
Total Agency Funds		543,343	199,414	199,413	1	543,344	477,675	65,669
Total Fiduciary Funds		(5,609,002)	5,093,240	5,096,462	(3,222)	(5,612,224)	(10,555,994)	4,925,270
Total City Wide		152,463,146	102,327,914	104,351,372	(2,023,458)	150,439,688	82,010,199	68,429,489

Proposed solutions to help with deficit:

- ▶ Reintroduce Measure P (or an alternative) on the ballot for an Enterprise fund transfer to the General Fund.
- ▶ Re-evaluate fees on Master Fee Schedule to incorporate CPI increases and cost recovery.

Recommended Action and Next Steps:

- ▶ Provide direction to staff to help finalize the budget
- ▶ Staff will bring operating and capital budget to Council for adoption on June 14th, 2022

Exhibit A - Agenda Item 3.1 Presentation

