

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

June 26, 2012
5:00 p.m.

Banning Civic Center
Council Chambers

The following information comprises the agenda for a regular meeting of the City Council and a joint meeting of the City Council Sitting in Its Capacity of a Successor Agency and the Banning Housing Authority; and a joint meeting of the City Council, the Successor Agency and the Banning Utility Authority.

Per City Council Resolution No. 2010-38 matters taken up by the Council before 9:00 p.m. may be concluded, but no new matters shall be taken up after 9:00 p.m. except upon a unanimous vote of the council members present and voting, but such extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.

I. CALL TO ORDER

- Invocation – Pastor Steve Bierly, Church of the Nazarene
- Pledge of Allegiance
- Roll Call – Council Members Botts, Franklin, Hanna, Machisic, Mayor Robinson

II. REPORT ON CLOSED SESSION

III. PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS

PUBLIC COMMENTS – *On Items Not on the Agenda*

A three-minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her three minutes with any other member of the public. (Usually, any items received under this heading are referred to staff or future study, research, completion and/or future Council Action.) (See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

CORRESPONDENCE: Items received under the category may be received and filed or referred to staff for future research or a future agenda.

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.

PRESENTATIONS:

1. Proclamation – Youth Arts Council. 1
2. Proclamation Request - Proclaiming July 1, 2012 as “Canada Day”. . . . 2

IV. CONSENT ITEMS

(The following items have been recommended for approval and will be acted upon simultaneously, unless a member of the City Council wishes to remove an item for separate consideration.)

Motion: That the City Council approve Consent Item 1 through 11

Items to be pulled _____, _____, _____, _____ for discussion.

(Resolutions require a recorded majority vote of the total membership of the City Council)

1. Approval of Minutes – Special Meeting – 06/12/12 (Closed Session). 5
2. Approval of Minutes – Regular Meeting – 06/12/12 7
3. Ordinance No. 1453, An Ordinance of the City Council of the City of Banning Adding chapter 3.28 of the Banning Municipal Code Adopting A Comprehensive Set of Economic Development Incentives and Programs to Promote the Development of Banning in the Face of Regional and National Economic Malaise, to Create Jobs From New and Expanding Businesses and to Preserve the Sound Fiscal Basis of the City in Light of the Elimination of Redevelopment in California. . . 20
4. Resolution No.2012-49, Repealing Resolution No. 2006-04, A Recruitment and Incentive Program for Specified Classifications of Employment in the City of Banning 33
5. Resolution No. 2012-57, Adopting a Policy for Notification of Violations for Title 17 Zoning Code 41
6. Banning Centennial Committee Request for the City’s Quarterly Newspaper 45
7. Authorize the Administrative Services Director to amend the budget and make any necessary budget adjustments, appropriations and transfers related to the General Fund and Gas Tax Fund. 53
8. Report of Investments for April 2012 55
9. Report of Investments for May 2012. 65
10. Approval of Accounts Payable and Payroll Warrants for Month of April, 2012. 75
11. Approval of Accounts Payable and Payroll Warrants for Month of May, 2012 78

- **Open for Public Comments**
- **Make Motion**

V. PUBLIC HEARINGS

(The Mayor will ask for the staff report from the appropriate staff member. The City Council will comment, if necessary on the item. The Mayor will open the public hearing for comments from the public. The Mayor will close the public hearing. The matter will then be discussed by members of the City Council prior to taking action on the item.)

1. Resolution No. 2012-53, Approving the Consumer Price Index (CPI) Increase for the Service Charges for the Collection, Transportation and Disposal of Solid Waste for Fiscal Year 2012/13.
Staff Report 81
Recommendation: **That the City Council adopt Resolution No. 2012-53, Approving the Consumer Price Index (CPI) Increase for the Service Charges for the Collection, Transportation and Disposal of Solid Waste for Fiscal Year 2012/13, as set forth in the City of Banning's Franchise Agreement with Waste Management of the Inland Empire.**

RECESS REGULAR CITY COUNCIL MEETING AND CALL TO ORDER A JOINT MEETING OF THE BANNING CITY COUNCIL AND THE BANNING CITY COUNCIL SITTING IN ITS CAPACITY OF A SUCCESSOR AGENCY AND BANNING HOUSING AUTHORITY; AND A JOINT MEETING OF THE BANNING CITY COUNCIL, SUCCESSOR AGENCY AND UTILITY AUTHORITY.

VI. REPORTS OF OFFICERS

1. Amending the Contract Services Agreement with Habitat for Humanity Approving the Reimbursement of Labor and Materials as part of the Affordable Housing Development.
Staff Report 91
Recommendations:
 - a) **That the Successor Agency adopt Resolution No. 2012-11 SA recommending the approval to the Oversight Board of an amendment to the Habitat for Humanity current Agreement (FY 2011-12) to include reimbursement of labor and material expenses related to the construction and rehabilitation of the homes for qualifying low income families in Banning.**
 - b) **That the Housing Authority adopt Resolution No. 2012-02 HA, Amending the Habitat for Humanity current Agreement (FY 2011-12) to include reimbursement of labor and material expenses related to the construction and rehabilitation of the homes for qualifying low income families in Banning.**
2. Adoption of Resolutions Related to the Two Year Budget Plan for Fiscal Year 2012-13 and 2013-14 for the City, Successor Agency and Banning Utility Authority; Adoption of the GANN Limit and Adoption of the Classification and Compensation Plan Amendment.
Staff Report 123
Recommendations:
 - a) **That the City Council adopt Resolution No. 2012-47, Adopting the Annual Budget for the Fiscal Period July 1, 2012 through June 30, 2013 and July 1, 2013 through June 30, 2014 and Making Appropriations to Meet Expenses Approved Therein and Approving Budgetary Policies and Recommendations.**

- b) That the Banning Utility Authority Board adopt Resolution No. 2012-07 UA, Adopting the Annual Budget Plan for the Fiscal Period July 1, 2012 through June 30, 2013 and July 1, 2013 through June 30, 2014 and Making Appropriations to Meet Expenses Approved Therein.
- c) That the Successor Agency Board adopt Resolution No. 2012-08 SA, Adopting the Budget Plan for the Fiscal Period July 1, 2012 through June 30, 2013 and July 1, 2013 through June 30, 2014 and Making Appropriations to Meet Expenses Approved Therein.
- d) That the City Council adopt Resolution No. 2012-48, Establishing an Appropriations Limit for the Fiscal Year 2012-13 and 2013-14, Pursuant To Article XIII B of the California Constitution.
- e) That the City Council adopt Resolution No. 2012-50, Amending the Classification & Compensation Plan for the City of Banning.

Adjourn Joint Meetings and reconvene the regular City Council Meeting.

VIII. ANNOUNCEMENTS/REPORTS *(Upcoming Events/Other Items if any)*

- City Council
- City Committee Reports
- Report by City Attorney
- Report by City Manager

IX. ITEMS FOR FUTURE AGENDAS

New Items –

Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials
2. Policies & Procedures (fingerprinting) for Applicant re. Projects and Applicants for Commissions & Committees *(Commissions & Committees)*

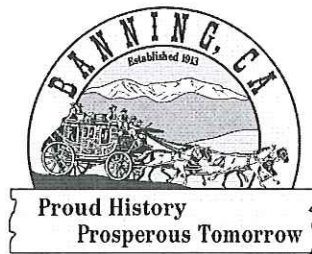
X. ADJOURNMENT

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 Thursday, 8 a.m. to 5 p.m.

NOTICE: 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 and Council. No member of the public shall be permitted to "share" his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda, but is of interest to the general public and is an item upon which the Mayor and Council may act. A three-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor and Council. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to "share" his/her three minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

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].



PROCLAMATION

WHEREAS, The Banning Cultural Alliance wanted to launch youth programs to help develop a sense of self worth, self expression, increase creativity, build transferable career skills, enhance problem solving and awareness of local youth through a variety of activities and events where young teens could participate and develop not only themselves but their involvement in the community, the Youth Arts Council was created; and

WHEREAS, the Youth Arts Council (YAC) held their first meeting in January of 2009, quickly becoming very active members of the Pass area community under the guidance of Program Director Cindy Watson helping them to develop their leadership skills with the ultimate goal of organizing and running their own programs; and

WHEREAS, YAC welcomed youth ages 13 to 19 to come and voice their ideas about what programs and events they would like to see in the Pass Area and as a member of YAC you became one of the leaders that helped make these decisions; and

WHEREAS, in 2009/10 with the loss of their building and first cutbacks, YAC adapted to the changes and never gave up; and

*WHEREAS, YAC organized or participated in YAC Black Heritage Day Celebration(organized and started this event) * Recycling Fair *Relay for Life *Art Hop *Disaster Expo * Cherry Festival * Redy2Ride *Cool Summer Nites * Pass Has Talent * Stagecoach Parade * Stagecoach Days * Beaumont Biz Expo *YAC The Art of Halloween (started and organized)* YAC The Art of a Good Scare (started and organized)* Halloween Fest * Phineas Festival * Winter Magic * YAC Holiday Awards Dinner and contributed numerous community service hours and clean-up at local events and as needed; and*

WHEREAS, some of their own very successful events have been Top Ten venues (where teens practice and perform sharing their talents such as singing, instrumental, comedic and more, throughout the community), Halloween event, other holiday concerts and parties and their own venue at last year's 2011 Art Hop; and

WHEREAS, after four and a half years the Youth Arts Council will end this month due to a lack of funding.

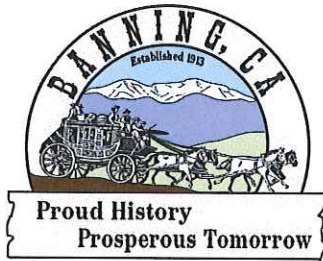
NOW THEREFORE, I, Don Robinson, Mayor of the City of Banning, along with the City Council, are pleased to recognize the "YOUTH ARTS COUNCIL" for their accomplishments and achievements.

IN WITNESS WHEREOF, I have set my hand and caused the seal of the City of Banning, California to be affixed this day of 26th day of June, 2012.

ATTEST:

Marie A. Calderon, City Clerk

Don Robinson, Mayor



City of Banning
Economic Development Department
MEMORANDUM

TO: Mayor and Member of the Banning City Council

FROM: Bill R. Manis, Economic Development Director *BRM*

Date: June 21, 2012

SUBJECT: **PROCLAMATION REQUEST TO ESTABLISH CANADA DAY**

The County of Riverside Board of Supervisors has sent a request to the twenty-eight (28) cities in the County of Riverside to establish July 1st as Canada Day.

The County Board of Supervisors has specifically requested that the City Council of the twenty-eight (28) cities:

- (1) Declare July 1, 2012 and every July 1 hereafter as Canada Day in Banning;
- (2) Issue a Proclamation proclaiming recognizing that every July 1 as Canada Day in Banning and issue the Proclamation to the diplomatic representatives of the Canadian government and executives of the Canada/California Business Council by the Banning City Council and/or their designee; and
- (3) As a courtesy and to honor the Canadian government and her residents, have the Canadian flag flown on Canada Day along with the flag of the United States, in accordance with the flag protocol, at the Banning Civic Center in the City of Banning.

BACKGROUND/ANALYSIS:

The Chairman of the Riverside County Board of Supervisors has asked the Mayors and City Council Members in each of the county's twenty-eight cities to join with the Board of Supervisors in declaring July 1, 2012, and each year thereafter "Canada Day." Chairman John Tavaglione, who represents the 2nd District and Marion Ashley, who represents the 5th District, joined forces to honor Canada and her contributions to jobs and the economy in Riverside County in a formal legislative action. Fellow Supervisors Stone, Benoit, and Buster joined in the unanimous vote to make the good will gesture something that the County will honor indefinitely each July 1.

Since 2009, Riverside County has had a bi-lateral partnership with Canada that encourages trade, exports, and tourism. This relationship has been beneficial to the twenty-eight cities within the County. According to Claremont McKenna College, Canada purchases some 44% of all manufactured products from Riverside County. The

County Agricultural Commissioner states that Canada is amongst the leading destinations for all agricultural products exported from Riverside County.

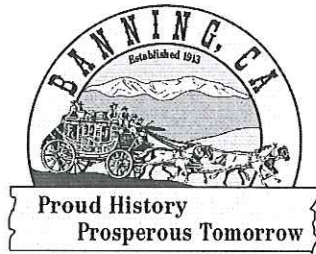
In February 2012, the County of Riverside and the Canada/California Business Council entered into a bi-lateral agreement that compliments the County of Riverside efforts to attract international investment from Canada thereby encouraging job growth in the County. These partnerships have had a great impact on international investment, job creation, and job retention. Today, according to Moody's, Canada ranks second in international investment in the County of Riverside, with 98 Canadian owned businesses employing thousands of county residents.

Canada Day, or Fete du Canada, is the national day of Canada. This federal holiday celebrates the anniversary of July 1, 1867 enactment of the British North American Act known today as the Constitution Act. The Act united three colonies of Nov Scotia, New Brunswick, and the Province of Canada into a single country now known as Canada.

The City of Banning benefits indirectly from the partnership the County has established with Canada and its investors. Staff has met numerous times with Canadian investors to discuss development opportunities in our City. This gesture would salute the numerous contributions Canada has made to our regional economy.

FISCAL DATA:

The projected cost to purchase a Canadian flag that is consistent in size to our existing flags is \$100.



PROCLAMATION

***WHEREAS,** the City of Banning presents to the Consul General of Canada and the entire diplomatic and Foreign Service staff posted at the Canadian Consulate in the City of Los Angeles, California, this Proclamation in recognition of CANADA DAY. This Proclamation celebrates the 145th Anniversary of the celebration of the Constitution Act of 1867, and hereby declares July 1, 2012 as Canada Day; and*

***WHEREAS,** this is a day celebrated by Canadians across Canada and those living abroad in the service of the country or a private citizens who are proud of their native land and proud to be called Canadians; and*

***WHEREAS,** the City of Banning honors all Canadians in Canada and abroad by declaring it Canada Day in the City of Banning, California, United States of America on July 1, 2012, and each and every July 1st from this day forward in the City of Banning; and*

***WHEREAS,** the City of Banning also expresses its sincere thanks and appreciation to the government of Canada, its provinces, and the people of Canada, for the purchase of goods and products manufactured in the twenty-eight (28) cities making up the County of Riverside. It is reported that Canada purchases forty-four percent (44%) of all products manufactured or produced in the County of Riverside and in doing so, creates thousands of jobs for our regional workforce, which includes the Banning workforce, and is the number one export destination for products here; and*

***WHEREAS,** the City of Banning also acknowledges that the County of Riverside is the proud home to nearly 110 Canadian owned businesses. These businesses employ thousands of workers and contribute greatly to the local economies within the County of Riverside, the State of California, and the United States of America.*

***NOW THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** that the 1st day of July 2012 is hereby declared "**CANADA DAY**".*

***BE IT FURTHER ORDERED,** that I, Don Robinson, Mayor of the City of Banning, along with the City Council, do hereby extend sincere appreciation and gratitude to our friends from Canada.*

***IN WITNESS WHEREOF,** I have set my hand and caused the seal of the City of Banning, California to be affixed this day of 26th day of June, 2012.*

ATTEST:

Marie A. Calderon, City Clerk

Don Robinson, Mayor

4

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

06/12/2012
SPECIAL MEETING

A special meeting of the Banning City Council and the City Council Sitting in Its Capacity of a Successor Agency was called to order by Mayor Robinson on June 12, 2012 at 4:02 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Botts
Councilmember Franklin
Councilmember Machisic
Councilmember Robinson
Mayor Hanna

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Andrew Takata, City Manager
June Overholt, Administrative Services Director
David J. Aleshire, City Attorney/Agency Counsel
Duane Burk, Public Works Director
Zai Abu Bakar, Community Development Director
Bill Manis, Economic Development/Redevelopment Director
Marie A. Calderon, City Clerk/Secretary

CLOSED SESSION

City Attorney said that staff would like to add one matter of potential litigation that arose subsequent to the posting of the agenda.

Motion Machisic/Franklin to add one matter of potential litigation to the agenda. Motion carried, all in favor.

City Attorney said that there are two matters of potential litigation pursuant to the provision of Government Code Section 54956.9. There is also a matter of real property negotiations pursuant to the provisions of Government Code Section 54956.8 concerning real property located at 4545 W. Ramsey Street. to give a status report on negotiations. The City Council will also meet pursuant to Government Code Section 54957.6 concerning labor negotiations with the following bargaining units International Brotherhood of Electrical Workers (IBEW) – Utility Unit, International Brotherhood of Electrical Workers (IBEW) – General Unit, Banning Police Officers Association (BPOA), and City of Banning Association of Managers (CBAM) to give a status report.

Mayor Robinson opened the item for public comments. There were none.

Meeting went into closed session at 4:04 p.m. Meeting reconvened at 4:55 p.m.

ADJOURNMENT

By common consent the meeting adjourned at 4:56 p.m.

Marie A. Calderon, City Clerk

THE ACTION MINUTES REFLECT ACTIONS TAKEN BY THE CITY COUNCIL. A COPY OF THE MEETING IS AVAILABLE IN DVD FORMAT AND CAN BE REQUESTED IN WRITING TO THE CITY CLERK'S OFFICE.



MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

05/22/12
REGULAR MEETING

A regular meeting of the Banning City Council and the City Council Sitting in Its Capacity of a Successor Agency and a joint meeting of the City Council and the Banning Financing Authority and the Banning Utility Authority was called to order by Mayor Robinson on June 12, 2012 at 5:04 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Botts
Councilmember Franklin
Councilmember Hanna
Councilmember Machisic
Mayor Robinson

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Andrew J. Takata, City Manager
June Overholt, Administrative Services Director
David J. Aleshire, City Attorney
Zai Abu Bakar, Community Development Director
Duane Burk, Public Works Director
Leonard Purvis, Police Chief
Bill Manis, Economic Development Director
Fred Mason, Electric Utility Director
Heidi Meraz, Community Services Director
Mike West, Police Lieutenant
Marie A. Calderon, City Clerk

The invocation was given Pastor Elder Preston Norman Jr., Praise Tabernacle Community Church. Mayor Pro Tem Franklin invited the audience to join her in the Pledge of Allegiance to the Flag.

REPORT ON CLOSED SESSION

City Attorney reported that the Council meting in closed session. We added one item to the agenda regarding involving potential litigation in one matter. With regards to that and the matter that was listed as potential litigation one matter a status report was given on both of those matters and no reportable action was taken. Concerning real property negotiations at 4545 W. Ramsey Street a status report was given on those negotiations and direction was given for further negotiations. With respect to labor negotiations a status report was given on the negotiations with the various bargaining units and direction was given for further negotiations and reportable action was taken.

PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS/ANNOUNCEMENTS

PUBLIC COMMENTS – *On Items Not on the Agenda*

Bill Dickson stated that he was here on behalf of the Banning Police Volunteers. They are currently trying to increase their numbers and will be taking applications. The academy will be starting next month on July 24th so if anyone is interested they can contact him at 951-663-1170.

Linda Page addressed the Council regarding the Cultural Alliance asking various questions (see Exhibit "A").

Fred Sakurai resident of Sun Lakes said that right after the war Japan started sending over a lot of cars made of used beer cans. The U.S. decided that they didn't like that and they didn't spend their money on it so what happened they had to improve their product and now we are spending our money on it. Likewise not to long ago China was shipping over a lot of improper stuff for our dogs and we didn't like it or spend our money on it and they in turn went back to the factories and revised it and even now we check the labels on many products to makes sure that any consumables are not made in China. Likewise now we have a situation where Highland Springs Resort is suing our City trying to take money from our City or delay a project. Every time you go to that resort to spend money on their high-class restaurant or purchase anything there you are supporting that lawsuit. He would suggest that you stop spending any money to support any lawsuit against the City. Likewise the Cherry Pitts are joining in a lawsuit and right now Costco has beautiful cherries shipped in from Chile but they are not supporting a lawsuit against our City. Be aware of that whenever you spend money over there with the Cherry Pitts or with Highland Springs Resort; you are supporting a lawsuit against our City. Keep in mind also that Highland Springs Resort filed a lawsuit against Sun Cal. They eventually considered that they have won the lawsuit and chased Sun Cal out of here. Keep in mind also that Sun Cal/Black Bench were paying property taxes into the City coffers and now a Korean non-profit owns Black Bench and zero dollars come into the City. Likewise when we had to sell our property to a non-profit we were paying property taxes and now that property brings in zero dollars.

Gary Hironimus said back in January Ordinance 1443 was passed adjusting speed limits at 42 locations in this city. In April Ordinance 1449 was passed adjusting speed limits at three more locations that were pulled out of the initial ordinance for further study. Now according to the Council agendas both items after passing would be signed by the Mayor which he is assuming has happened and published in the local newspaper which he knows has happened and thereafter "the ordinance shall be in force and effect according to law." It has now been four and half month since the first ordinance passed and a month and a half since the second one yet even though the money was available at the time and he is not aware of any of those locations having had their speed limits adjusted; signs or striping and his question is why. He said that a single City worker would be able to change out at least three to four signs in a typical eight hour day so many, if not all, of these changes could have been made by now. So since the way the ordinance was written, passed, signed and publicized they are now legally in effect so is the Banning Police Department enforcing the new un-posted speed limits on those streets or are

they enforcing the old posted speed limits which are technically no longer enforced and might not even hold up in court due to the fact that they don't comply with the legally required speed survey that has already been filed and accepted back in January. He said that the Oversight Board voted to give the Cultural Alliance another nearly quarter of a million dollars for remodeling considering the fact that the Alliance is in default on its rent payments and that their lease specifically calls for the Alliance themselves to make property improvements and not the City. He strongly disagrees with the continued support of the Alliance with our tax money. Also, the only records for that new Board for their agendas and schedules can only be found on the City's website under Archives and he had to dig for them. This Board is starting to look like just a more secretive version of the old Redevelopment Agency.

Chief Purvis called forward Lt. Arturo Proctor who is going to present Officer Brandon Smith with a very prestigious award.

Lt. Proctor from the California Highway Patrol office said he is very excited to be here. He said that when they go through the Academy they have periods of time when the Commissioner of the Highway Patrol comes in and speaks to them about different things like ethics, enforcement and things of that nature and one of the many duties of Commissioner Farrow is to be the person in charge of Vehicle Theft throughout the state of California. As such, he comes in and talks to the cadets during every class and talks about the "10851 Award". This award is highly coveted amongst highway patrolmen because we know that our Commissioner is in charge of the Vehicle Theft Program and we also want to make him proud and we are always trying to get numerous awards. If you recover a lot of vehicle theft items (commercial vehicles and regular cars) and in addition to that you have a lot of arrests made as a result you get the "10851 Award". It is his pleasure to be here to present this "10851 Award" to Officer Brandon Smith and thank him for all of his efforts because his efforts help us all.

CORRESPONDENCE: There was none.

PRESENTATIONS:

1. Proclamation – Hal's Horseradish Shop – 60 Years of Success

Mayor Robinson read the proclamation for the benefit of the audience and he and the City Council Members presented this to the Embshoff family for their 60 years of success in Banning.

Mr. Embshoff said that they had a small business as you all know and just tried to make a living and if you stick to something long enough it pays off. He thanked the Council for this recognition.

APPOINTMENTS

1. Designation of Voting Delegates and Alternates for the League of California Cities Annual Conf. – Sept. 5-7, 2012.

Motion Hanna/Franklin to approve Mayor Robinson as the lead delegate. Motion carried, all in favor.

Motion Botts/Machisic that Mayor Pro Tem Franklin be the alternate. Motion carried, all in favor.

CONSENT ITEMS

Mayor Pro Tem Franklin pulled Consent Items 8 and 9 and will be abstaining on Item No. 8.

1. Approval of Minutes – Special Meeting – 04/24/12 (Workshop)

Recommendation: That the minutes of the Special Meeting of April 24, 2012 be approved.

2. Approval of Minutes – Special Meeting – 05/08/12 (Closed Session)

Recommendation: That the minutes of the Special Meeting of May 8, 2012 be approved.

3. Approval of Minutes – Regular Meeting – 05/08/12

Recommendation: That the minutes of the Regular Meeting of May 8, 2012 be approved.

4. Approving Entering into a Contract between the Banning Unified School District and the City of Banning for Assignment of a School Resource Officer (SRO) at Banning High School for the 2012-13 School Year.

Recommendation: That the City Council approve entering into a contract.

5. Resolution No. 2012-42, Calling a General Municipal Election on November 6, 2012.

Recommendation: That the City Council adopt Resolution No. 2012-42.

6. Resolution No. 2012-43, Adopting Regulations for Candidates for Elective Office, Pertaining to the Electorate and the Costs Thereof for the General Municipal Election to be Held in the City on Tuesday, November 6, 2012.

Recommendation: That the Council adopt Resolution No. 2012-43.

7. Resolution No. 2012-44, Amending the Contract Services Agreement between the City of Banning and Willdan Engineering for Building and Safety Services.

Recommendation: That the City Council 1) adopt Resolution No. 2012-44, amending the Contract Services Agreement with Willdan Engineering for Building and Safety staffing services for an additional three year period; 2) authorize the City Manager to execute the contract documents with Willdan Engineering on form that is approved by the City Attorney; and 3) authorize the Administrative Services Director to make necessary budget adjustments for FY 2012, FY 2014 and FY 2015 to effectuate the contract.

10. Approval of Sixth Amendment to Tow Franchise Agreement

Recommendation: That the City Council receive and place on file this report documenting the status of the existing Tow Franchise Agreements and extensions.

Motion Machisic Franklin to approved Consent Items 1 through 7 and 10. Mayor Robinson opened the item for public comments. There were none. Motion carried, all in favor.

8. Resolution No. 2012-46, Approving an Advance to the San Gorgonio Child Care Consortium in the Amount of \$25,000.

Mayor Robinson commented that this item was pulled for an abstention and also clarified that the term advancement really should be a loan. We have used advance in the past but it truly a loan and gets paid back to the City after they receive their grant funds.

Motion Hanna/Machisic that the City Council approve Consent Item No. 8 adopting Resolution No. 2012-46, Approving a short-term loan to the San Gorgonio Child Care Consortium which would be funded on July 1, 2012 and expire September 30, 2012, in the amount of \$25,000.

Mayor Robinson opened the item for public comments. There were none.

Mayor Pro Tem Franklin said she is abstaining from voting on this item because of her relationship to the Child Care Consortium.

Motion carried, all in favor with Franklin abstaining.

9. Resolution No. 2012-51, Approving a Plan for Use of Proposition 1B Local Streets and Roads Program Funds.

Mayor Pro Tem Franklin said she pulled this because it has to do with a plan to pave Westward from Sunset to Highland Home Road and she thought the public might want to hear a little bit about that because it is something that has been desired for a long time and how that will help our overall city.

Director Burk said what the Council is approving tonight is the use of the funds of 1B money that will be received by the City of Banning. The Council is allocating that money at a designated area to pave a road which is currently owned by the City but it is a dirt road that is a connection between Highland Home Road and Sunset or the extension east off of Sun Lakes Boulevard and west off of Sunset and we will call it Westward for now and at a later date Lincoln Street would come down and tie into Sun Lakes. He said that the Sunset Grade Separation will be moving forward hopefully in 2013 and this would act as a detour road and would actually increase circulation to the east and the west through some current channels that are there so it is not a fully approved designed road with curb, gutter, and sidewalks. It will be

a paved road and you will be able to drive across it. The idea behind getting the money is for the Council to allocate it and identify it for just that use.

There were some further Council and staff discussion about the road in regards to when the work would be done, classification of this road and how you would cross the various gullies or drains.

Motion Machisic/Franklin to approve Consent Item No. 9, approving the adoption of Resolution No. 2012-51, Approving a Plan for Use of Proposition 1B Local Streets and Roads Program Funds. Mayor Robinson opened the item for public comments. There were none. **Motion carried, all in favor.**

PUBLIC HEARINGS

1. Resolution No. 2012-39 – 2012 Edward Byrne Memorial Justice Assistance Grant.
(Staff Report - Leonard Purvis, Police Chief)

Chief Purvis gave the staff report as contained in the agenda packet.

Mayor Robinson opened the public hearing for comments from the public. Seeing no one come forward he closed the public hearing on this item.

Motion Hanna/Machisic that the City Council conduct a Public Hearing and accept grant funds provided by the Office of Justice Programs in the amount of \$12,324 to purchase needed replacement Tasers for Police officers. **Motion carried, all in favor.**

2. Resolution No. 2012-45, Confirming a Diagram and the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District No. 1 for Fiscal Year 2012/2013.
(Staff Report – Duane Burk, Public Works Director)

Director Burk said there are two recommendations that he would be asking for but it is in one resolution and for the record that would be: 1) confirming a diagram and the levy and collection of assessments within the City of Banning's Landscape Maintenance District ("LMD") No. 1 for Fiscal Year 2012/2013, pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code; and 2) authorizing and directing the Clerk to file the diagram and assessment with the Riverside County Assessor/County Clerk-Recorder's Office. He said that this is done annually per the agreement of the Landscape Maintenance District No. 1. At this time Director Burk started his power-point presentation on this item and also per the staff report contained in the agenda packet. He showed some of the landscaped areas and said that these are maintained with in-house crews. The annual assessment charge for the District will range from \$96.75 per year to \$196.07 per year. This is an increase of 1.77% based on the Consumer Price Index (CPI) from the previous fiscal year for the Los Angeles-Riverside County-Orange County area as reported by the U. S. Department of Labor. There is one caveat to this in that we can never exceed a 5% cap so it has to be below that so even in the CPI was greater than 5% the maximum we could do is 5%. He continued his presentation going over

the costs involved and the total proposed revenues. He also went over a slide listing the different tracts in the District and showed the current and proposed assessment costs.

Councilmember Machisic said in viewing the landscaping he was pleased because he thinks the City needs to be a leader in water conservation. We need to show people who live in the city that we are interested in conserving water. It may not be the type of landscape that everyone wants but he thinks as we go to the future with the scarcity of water and the cost of water he thinks that becomes a reality and the City needs to be a leader and lead the way for citizens to look at how we are landscaping. He is pleased that the landscaping districts are taking that particular role; not in every case but in most of them.

Mayor Robinson opened the public hearing for comments from the public. Seeing no one come forward, he closed the public hearing.

Motion Hanna/Machisic that the City Council: 1) Adopt Resolution No. 2012-45, Confirming a Diagram and the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District No. 1 for Fiscal Year 2012/2013, pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code; and 2) Authorizing and Directing the City Clerk to file the diagram and assessment with the Riverside County Assessor/County Clerk-Recorder's Office. Motion carried, all in favor.

3. Tow Fee Study
(Staff Report – Mike West, Lieutenant)

Lt. West stated that this is the same item that the Council had in front of them in January. This is the public hearing that we extended from the original one and additional work was conducted with the tow companies on some of the issues that were brought up. If you have been through the study that is attached it basically indicates two areas where we were not recovering up to 100% of our fees that were based on 2004 numbers. One of the areas is the release fee that we charge at the window. There was a one dollar discrepancy and in the new fee study we are requesting to raise that fee from \$77 to \$78 dollars. The way that Willdan conducted their study they used an average number of tows and calculated that against our amount of staff time and work time and they came up with a ballpark figure of \$138 dollars per tow. They worked with the tow companies and came to some bargaining points with them and were basically ready to move forward with them on an additional agreements, etc. but that is first contingent upon approval of this item.

Mayor Robinson opened the public hearing for comments from the public. Seeing no one come forward, he closed the public hearing.

Motion Franklin/Hanna that the City Council receive and accept the recommendations of the attached "Review of Towing Franchise Fee and Other Associated Fees" completed by Willdan Financial Services (Resolution No. 2012-02, Amending the Towing Franchise Fee and Vehicle Storage Release Fee in Conformance with Chapter 3.36 "Fee and Service Charge Revenue/Cost Comparison" System). Motion carried, all in favor.

JOINT MEETING

Mayor Robinson recessed the Regular City Council Meeting and called to order a Joint Meeting of the Banning City Council and the Banning City Council Sitting in Its Capacity of a Successor Agency and Banning Public Financing Authority and the Banning Utility Authority.

CONSENT ITEMS

1. Reverse the Transfer of City Owned Properties, Identified in the March 8, 2011 Staff Report, to the Successor Agency Pursuant to the Recent Order Issued by the California State Controller.

Recommendation: **That the City Council and the City Council Acting In Its Capacity as the Successor Agency of the City of Banning, California approve the following actions:**

- a) **Authorize the City Manager of the City of Banning to transfer certain properties to the Banning Successor Agency as necessary;**
 - b) **Authorize the Executive Director of the Banning Successor Agency to accept properties transferred, as necessary, by the City of Banning;**
 - c) **Authorize the Administrative Services Director/Deputy City Manager to make the necessary accounting adjustments, appropriations, and transfers relating to the parcel transfers;**
 - d) **Authorize the City Attorney to prepare an Asset Transfer Agreement between the City of Banning and the Banning Successor Agency;**
 - e) **Adopt Resolution No. 2012-10 SA, approving an Asset Transfer Agreement and accepting the transfer of certain properties owned by the City;**
 - f) **Adopt Resolution No. 2012-54, Approving an Asset Transfer Agreement for the transfer of certain properties owned by the City;**
 - g) **Recommend the Banning Oversight Board approve the recommended actions at their next regular Board Meeting.**
2. Adopt Resolution No. 2012-52, Repealing Resolution Nos. 2009-101 and 2009-102, Relating the Use and Allocation of Redevelopment Funds and Other Matters.

Recommendation: **That the City Council adopt Resolution No. 2012-52.**

3. Adopt Resolution No. 2012-01 FA, Repealing Resolution No. 2009-01 FA that Ratified a Promissory Note between the City of Banning and the Community Redevelopment Agency.

Recommendation: **That the Financing Authority adopt Resolution No. 2012-01 FA.**

4. Adopt Resolution No. 2012-08 UA, Repealing Resolution No. 2009-03 UA, that Ratified a Promissory Note between the City of Banning and the Community Redevelopment Agency.

Recommendation: **That the Utility Authority adopt Resolution No. 2012-08 UA.**



5. Adopt Resolution No. 2012-09 SA, Repealing Resolution Nos. CRA 2009-23 and CRA 2009-24, Relating to the Use and Allocation of Redevelopment Funds and Other Related Matters.

Recommendation: **That the Successor Agency adopt Resolution No. 2012-09 SA.**

Motion Hanna/Botts to approve Consent Items 1 through 5. Mayor Robinson opened the item for public comments. There were none. **Motion carried, all in favor.**

Mayor Robinson adjourned the Joint Meeting of the Banning City Council and the Banning City Council Sitting in Its Capacity of a Successor Agency and Banning Public Financing Authority and the Banning Utility Authority and reconvened the regular City Council Meeting.

ORDINANCES - INTRODUCTION

1. Authorization to Establish an Economic Development Assistance Program
(Staff Report - Bill Manis, Economic Development Director)

Director Manis gave the staff report as contained in the agenda packet. He said the proposed incentive program would benefit the City by making funds available to major retailers, point of sale businesses, large employers or businesses that would have substantial impact on our local economy. He went over the goals of the proposed program and conditions that one must meet in order to qualify for this program.

Mayor Pro Tem Franklin asked Director Manis to talk about what we have to offer for smaller businesses or those that are small and may want to expand a little bit but not to the degree of this program and also to give some examples of businesses.

Director Manis said the program before Council tonight is really focused on attracting larger tenant based types of companies. As far as small existing companies and/or smaller companies looking to in fact move here there is a variety of different free services such as SCORE (a counseling service) that offers everything from business plan updating, marketing plan development, lease negotiation assistance; there is the U. S. Small Business Administration; and the Riverside County Community Action Partnership and that group focuses on helping to match local youth with the needs of our business community as far as finding jobs. Some examples of the businesses this brand new incentive program might attract would be car dealers and could be grocery stores. It is all predicated really on what the business brings. It is not so much how big the business is because you technically could have a smaller company that meets one of the criteria base that the ordinance has in it and it would still work. Our goal is to attract those types of companies that offer a lot of jobs, different levels of jobs and to secure those in our city plus to bring a revenue base to our community to help subsidize long term sustainability of our budget.

Mayor Pro Tem Franklin asked how are we going to be able to market this program out to the community so that people know it is out there.

Director Manis said that we would definitely contact businesses and develop a marketing piece that explains it as far as our existing companies just to let them know the program is out there. He will advertise this on the City's website and also speak at Chamber events and go to different service organizations that we have within the City as far as getting that word out there and plus multiple press releases probably once every quarter outlining the program.

Councilmember Hanna said as she mentioned to him she wishes that we had this program years ago and it is really terrific but she did find one small thing and that is in the ordinance itself on page 281 of the agenda packet and this is an issue she would really like the City to consider broadly and not just in this particular case. What Section 3.28.080 Public Hearing talks about is that before the City approves an Economic Development Assistance Program the City shall hold a public hearing and notice of the type and place should be published in the Banning paper and it also states that "mailed notice shall also be send to all property owners as shown on the last equalize assessment roll within 300 feet of the subject property." She knows that is a minimum legal requirement but to her it is not adequate or sufficient and would really wish we could change this and change future policies so that we would have a more or longer distance. She said she was talking to the City Manager about this earlier and it would be great if it were possible to look at the surrounding area of any particular development and say "what it the natural notice". If they all go onto the same road, maybe that is a neighborhood and not have an arbitrary number. Certainly 300 feet is quite the minimum and if we have to say a specific amount, then we may have to say 1000 feet or something. She would really like for the City to go beyond the minimum noticing.

City Attorney said that under the former redevelopment law notice was done through publication and this does require notice by publication so it didn't go to adjacent properties. With respect to zoning types of things under State law the requirement is 300 feet. Some of his communities have set something greater like 500 feet and he does not have any cities at 1000 feet. A 1000 feet could be a significant number of properties and that is why State law says you can do notice through publication. If there is too many people that you have to send a mailed notice to then the theory is that the publication will cover the notice. In this instance this is obviously a program that we are creating and this does not replace whatever the zoning notice would be. We did think that given the implications of this program that there should be a noticed public hearing like existed under the old Redevelopment Law and it was decided that instead of just doing the notice by publication we would add the 300 foot requirement. If the Council wanted to go to something greater such as 500 feet, you could change it and 1000 feet is a pretty wide net. It needs to be a standard that applies to everyone.

Councilmember Hanna said that she happens to have the very specific one of the Pardee Development where they live 302 feet away and they didn't get the notice and they are not even a block away. It is just not adequate the length. She said that 500 feet would be just one block; that is all we are doing.

There was some further Council and staff discussion regarding this program and the noticing requirements and support of 500 feet versus 300 feet notification. City Manager clarified that

he assumes that the Council is talking about this particular plan on this item but staff will also look at it from the City's other notifications requirements and bring that back in the future.

Councilmember Hanna asked if we are doing any noticing on-line at all or does the law require printing in the newspaper. City Attorney said the law doesn't say anything about electronic notice so we don't require that currently.

Mayor Robinson opened the item for public comments.

The following people spoke in favor or against or had some questions or concerns or general comments in regards to this item *(any written comments handed to the City Clerk will be attached as an exhibit to the minutes)*:

Don Smith resident commented on the importance of developing new tools to help businesses and that this program is a great idea.

Mayor Robinson closed the item for further public comments.

Mayor Pro Tem Franklin thanked staff for being pro-active in this area and she knows that we have had a lot of requests for what are we doing and staff's knows that her favorite subject is grocery store but if there is anything else that can be done looking at everything. She thinks that staff has done a great job to get it started in this area.

Councilmember Hanna said so we will add the amendment of 500 feet versus the 300 feet notification. **There was Council consensus to 500 feet.**

Mayor Robinson asked the City Clerk to read the title of Ordinance No. 1453. City Clerk read: "An Ordinance of the City Council of the City of Banning, Adding Chapter 3.28 of the Banning Municipal Code Adopting a Comprehensive Set of Economic Development Incentives and Programs to Promote the Development of Banning in the Face of Regional and National Economic Malaise, To Create Jobs from New Businesses and Expanding and to Preserve the Sound Fiscal Basis of the City in Light of the Elimination of Redevelopment in California with the amendment of 500 feet notification instead of 300 feet notification."

Motion Hanna/Machisic to waive further reading of Ordinance No. 1453. Motion carried, all in favor.

Motion Machisic/Franklin that Ordinance No. 1453 pass its first reading. Motion carried, all in favor.

Mayor Robinson commended Director Manis on this program and said the Council looks forward to seeing these coming before them. Obviously we have new businesses coming to town. We do have a grand opening on July 10th for the Family Dollar Store. He asked if there were any other announcements of any possible new businesses that may have closed escrow in the last 72 hours.

Director Manis said that we did have a furniture store called "Aarons" and they will be opening up at the old Banning police station site. That escrow did finally close and the City has been talking with them for about three or four months now and has been working out deal points in regards to that particular site. They will be bringing jobs, as well as, a point of sale to the City.

ANNOUNCEMENTS/REPORTS (*Upcoming Events/Other Items if any*)

City Council

Councilmember Hanna –

- The first "Ride the Coach" Charity Bike Ride and Health Expo was really a terrific success for a first year event. There were about 100 riders and the riders had to do an evaluation and they were really happy with the event and intend to return and bring their friends so our goal will be to get 300 riders next year. The date has been set for next year's Ride the Coach and it has been set for June 1, 2013 and will benefit both the Playhouse Bowl and the City's Centennial events. She would encourage City departments and staff to consider working up to this and be a team and Ride the Coach. She appreciated everyone's support and Heidi Meraz and her staff did a terrific job.

Mayor Pro Tem Franklin –

- She passed on a "thank you" from a lady that wanted to thank all the staff and the volunteers who worked on the Little League Program. She was very enthusiastic of the improvements that have been made and wanted to let everyone know how much it was greatly appreciated.

Councilmember Machisic –

- In regards to WRCOG (Western Riverside Council of Governments) you all have received the Annual Report and this is by far one of the larger organizations of this kind in America. Also, you will remember that Barbara Hanna talked about the WRCOG HERO Program to save energy and water resources and at the last meeting they have had so many inquiries on this program throughout the state that they are going to offer a Statewide Program and so the Executive Board authorized them at the last meeting a week ago Monday that they are going to have a Statewide Program and they already have the bankers and people who are going to loan the money lined up and WRCOG will be the organization that will run it.
- Every year WRCOG audits all the cities on the TUMF (Transportation Uniform Mitigation Fee) Program and how well they did from the TUMF point of view and he has the audit report for the City of Banning and it is about four pages long and it indicates that they have no suggestions for improvement and that we are doing an outstanding job. He complimented June Overholt and her staff. That comes through a lot of hard work and we are very proud of them.

Mayor Robinson –

- Announced that RTA (Riverside Transit Agency) is going to have a public hearing for Route 210 (Commuter Link between Cabazon and Riverside right now). They are going to remove one early morning route because Sunline Transit is going to begin a route probably in September 2012 all the way from the Coachella Valley to Riverside.

City Committee Reports – None

Report by City Attorney – Nothing to report at this time.

Report by City Manager

City Manager reported -

- You can see all the improvements being made across the street and paving should begin in about two weeks. This is the widening of our street that would have right hand turn into the Village project.
- America's Top Model did film at the Farmhouse restaurant on Saturday from 12 to 1 p.m. so Banning and the Farmhouse will be on television. America's Top Model is a contest like American Idol.
- In regards to public comments: 1) we will make sure that our Oversight Board is more prominent on the web site so that people can find it a little bit easier than in the archives; and 2) all but four signs have been changed in regards to the speed limit changes approved by the Council. These signs are on order and are being included in another project and that is why they haven't been done and those are the ones on Wilson Street.
- You will notice some action at the O'Donnell Project. They are putting there infrastructure utilities in so they should be finishing their utilities in the not to distant future. This is located on Hathaway Street.

Councilmember Machisic said he noticed a large crane over at the courthouse project and could the Council get an update on what is happening.

Director Burk said that crane is to set the forms and the steel for the basement area.

ITEMS FOR FUTURE AGENDAS

New Items – None

Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials
2. Polices & Procedures (fingerprinting) for Applicant re. Projects and Applicants for Commissions & Committees (*Commissions & Committees*)

ADJOURNMENT

By common consent the meeting adjourned at 6:23 p.m.

Marie A. Calderon, City Clerk

THE ACTION MINUTES REFLECT ACTIONS TAKEN BY THE CITY COUNCIL. A COPY OF THE MEETING IS AVAILABLE IN DVD FORMAT AND CAN BE REQUESTED IN WRITING TO THE CITY CLERK'S OFFICE.

2nd Read.

ORDINANCE NO. 1453

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BANNING ADDING CHAPTER 3.28 OF THE BANNING MUNICIPAL CODE ADOPTING A COMPREHENSIVE SET OF ECONOMIC DEVELOPMENT INCENTIVES AND PROGRAMS TO PROMOTE THE DEVELOPMENT OF BANNING IN THE FACE OF REGIONAL AND NATIONAL ECONOMIC MALAISE, TO CREATE JOBS FROM NEW AND EXPANDING BUSINESSES AND TO PRESERVE THE SOUND FISCAL BASIS OF THE CITY IN LIGHT OF THE ELIMINATION OF REDEVELOPMENT IN CALIFORNIA.

WHEREAS, the City was incorporated on February 6, 1913, as a general law city and encompasses an area of approximately 23.10 square miles; and

WHEREAS, the Banning Redevelopment Agency (RDA) and first project area, called the "Downtown Project" were created in June 12, 1978 and consisted of 1,658 acres. In June 1986 the second project area, called the "Midway Project" was created and consisted of 105 acres. When the Downtown Project Area and Midway Project Area merged the RDA added 1,519.67 acres of "Added Territory" bringing the total land coverage of the RDA to 3,282.67 acres or a full two-thirds of the entire City of Banning. The RDA was formed to address adverse issues impacting the community including (i) the decline of its downtown core following the development of the Interstate Highway System (I-10); (ii) a lack of basic infrastructure, including inadequate and aging water, sewer and street improvements; (iii) unsafe/unhealthy buildings; (iv) lack of parking downtown; (v) incompatible land uses; (vi) depreciated and stagnant property values; (vii) high commercial vacancy rates; (viii) lack of commercial facilities; (ix) other development constraints including geologic such as earthquake faulting and substandard lots with fractional interests preventing site assembly; (x) negative general demographic data including: low family income levels, lack of adequate housing options for residents and the local workforce, high unemployment rates, and an unskilled labor force; and (xi) competition from other communities who were able to offer significant redevelopment incentives thereby attracting the significant commercial retailers interested in the Pass area; and

WHEREAS, ABx126 dissolved all redevelopment agencies statewide on February 1, 2012. This action by the State did not magically waive the need for community revitalization, brownfield redevelopment, environmental remediation, infrastructure improvements, job creation and providing revenues for basic municipal services in Banning. The challenge the City now faces is what programs and policies should be in place to continue to move Banning forward and to implement the worthwhile goals of the former Redevelopment Plan and the City's General Plan; and

WHEREAS, Banning is an economically disadvantaged community, both within Riverside County generally and compared to State-wide averages. Banning residents have a lower median income level than the average State and National median income levels and a higher percentage of Banning residents are living below the recognized poverty level than the

overall State averages. The vast majority of businesses in Banning employ workers at minimum wage salaries. The per capita income level in Banning is currently \$20,451 or 32% below the State average at \$29,999. The median household income in Banning is \$40,416 or 58% below the State average at \$64,052; and

WHEREAS, there is currently a 16% vacancy rate in the City's downtown core in addition to having some properties that are unattractive and/or obsolete; sales tax leakage has occurred in the community due to the lack a retail shopping options and other sales tax generating venues. It is estimated that only 45% of residents make the majority of the purchases within Banning; only 34.5% of Banning residents work within Banning; there are only some 50 industrial parcels in Banning generating only \$26,000 in property taxes; Banning has some 1,600 vacant parcels which in aggregate only produced \$113,000 in general fund revenues to the City; and

WHEREAS, the City has significant problems with dilapidated, substandard, unattractive, and obsolete structures with some 400 estimated structures needing repair. The City's Code Enforcement Division handled a significant number of cases that in the last year included 321 new cases, 405 closed cases, and 458 open requests/complaints for a caseload of 1,184. Currently the City has 442 homes in foreclosure; and

WHEREAS, in July 2005 the City created a public Utility Authority and has significant utility and waters rights. The utility operates under increasingly complex regulations to relocate its energy production resources. In addition, the City produces water from five different groundwater basins, and has water rights in the Banning Canyon flume that was established in 1991 and formerly operated by Southern California Edison. The production of adequate water and energy, at economic prices is vital to the future growth of the City. The City needs to be able to offer incentives for business retention /attraction and development. An example of an existing Electric Utility incentive is if new businesses using at least 110KW can qualify for a 20% rate reduction if they stay in Banning for five years, and existing businesses adding 100kw can get a 25% rate reduction; and

WHEREAS, the RDA no longer owns the approximately 40 parcels of property it previously owned due to the dissolution of redevelopment in California. There are numerous properties in Banning that suffer from substandard conditions, including parcels in multiple ownerships, but could not be part of RDA's property acquisition program in prior years due to financial constraints. Any future economic development program will need to contend with a variety of substandard lot subdivision, with multiple ownerships, where ownership interests have been lost over time and where it is virtually impossible to locate the current owners of the interests. It is difficult to see how this could be accomplished without eminent domain authority; and

WHEREAS, the only program in the 1970's that seemed to offer hope to cities like Banning relied on the formation of a redevelopment agency. The State had authorized RDAs in the 1950's to collect the growth in property taxes (known as "tax increment") from within a project area, to be devoted to the elimination of blight and revitalization of the project area. The City adopted a comprehensive update to its General Plan in 1978, at the same time as the

formation of the RDA. Along with the Redevelopment Plan, the General Plan and Zoning Ordinance have guided the revitalization of the community over the last four decades; and

WHEREAS, the RDA issued over \$97,310,000 million in debt over its thirty-four years in existence. In the early years, bond proceeds were directed to major infrastructure projects. For example, from 1980 to 1990 RDA invested approximately \$5,000,000 on the widening and construction of Ramsey Avenue, the former state highway and major downtown artery. The project consisted of the construction of sewers, storm drains and street improvements. The RDA also funded and developed the following major projects:

- Pre-Design and design in concert with Cal Trans on the Sunset Grade Separation;
- Provision assistance with off-site infrastructure and land write downs where applicable;
- Completion of Downtown design guidelines;
- Completion of the Paseo San Gorgonio Master Plan;
- Downtown upgrades and enhancements including the Banning Police Station development, the Banning Justice Center development, 1-10 & 8th Street enhancement project, commercial façade program, Civic Center lot/streetscape enhancements, and acquisition, site assembly, and redevelopment planning for the San Gorgonio Inn site and related downtown properties; and
- The projects outlined above represent over \$20,000,000 million in investment by the RDA.

WHEREAS, although national unemployment rates are improving slowly, California and the subregions job recovery is still a major problem. The March 2012 unemployment rate in California was 11.0%, while the national unemployment rate was 8.1%, and the unemployment rate in Riverside County was 12.8%. The current unemployment rate in Banning is 14.6%, which is 6.5% above the national rate, 3.6% above the state rate, and 1.8% above the county rate. This data translates to over 4,000 persons unemployed in the City of Banning based on March 2012 figures. Banning is consistently below the county, state, and national levels in most demographic categories. Job retention and creation programs should be a major goal of any local economic development program and certainly an emphasis for communities that have challenging demographics like Banning; and

WHEREAS, since its inception in 1978, the RDA was responsible for creating over 2,000 jobs. This includes major projects directly assisted by the RDA since 1978 and does not include secondary jobs, and multiplier effects such as construction jobs created by RDA or jobs that have grown from the new business activities in Banning created by RDA. Some of the major employers within the RDA boundaries included the Deutsch Company (750 employees – since closed), the City of Banning (175 employees), Green Thumb Produce (150 employees), Pacific Window Company (125 employees – since closed), Riverside County Department of Social Services (250 employees), Riverside County Child Protective Services (250 employees), Diamond Hills Automotive (100 employees), and the Banning Unified School District (500 employees). Most recently, and before the dissolution of the RDA, Banning was able to initiate the Banning Justice Center Project and the Village at Paseo San Gorgonio Project. These two projects, both in the former RDA territory, will add another 250 to 300 jobs to the community. The construction jobs created by RDA since 1978 have also been significant. For example, the

recently completed Police Station generated over 200 construction jobs, the Banning Justice Center Project, the Village at Paseo San Gorgonio Project, the Family Dollar Project, Dollar General Project, and the Starbucks Project have generated over 1,000 construction related jobs. This does not include the street improvements component of these projects which has generated an estimated 500 jobs; and

WHEREAS, without redevelopment, and with the loss of the properties and programs the RDA had invested in, and in the current economic circumstances of the Great Recession which has seen the City's revenues fall by a third, the economic health and general welfare of Banning and its residents will deteriorate. Therefore, the City desires to implement an additional economic development incentive program to encourage private investment and job creation for local residents. The program will establish temporary incentives for businesses considering relocating or expanding in Banning on a case by case basis. The types of businesses that qualify will include significant sales tax producers, significant electrical users, large employers, large property tax generators, and large transit occupancy tax generators. The level of incentive will be predicated on the size of the investment or improvement being made and the related benefits to the City. Staff will make recommendation to the City Council on the recipients of the program and the proposed incentive associated with the individual request. The City Council will ultimately consider the request.

NOW, THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF BANNING CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: CODE AMENDED. The Banning Municipal Code is hereby amended by adding Chapter 3.28 entitled "Economic Development" to Title III, said Chapter to read in its entirety as follows:

Section 3.28.010 Purpose. A. Constraints to Development. The City of Banning has found that its redevelopment program has been essential to revitalizing Banning which was for historically the center of economic activity in the San Gorgonio Pass area. Banning has had to overcome many obstacles including: (i) having its downtown areas bypassed by the Interstate Highway System; (ii) aged and undeveloped infrastructure inadequate to service redeveloping and growth areas; (iii) economic competition with other cities which used economic incentives to attract revenue generating businesses and development; (iv) high commercial vacancies and a lack of commercial facilities to create a vibrant downtown; (v) dilapidated, unattractive, obsolete, and deteriorated buildings and stagnant property values; and (vi) community demographics with low income levels, high unemployment and lack of adequate housing. These factors continue to discourage development in the community.

B. Accomplishments of Redevelopment Program. Since the formation of the Redevelopment Agency, the RDA has spent over \$3.2M in developing a downtown façade improvement program on some 23 properties; has spent over \$20M in building various public buildings and improvements; has redeveloped historic downtown properties such as the Oddfellows Building, the Fox Theater, the Hendon Building, the Nickles Building, the Willens Building, and the Coplin House at a cost of approximately \$3.5M; has brought the \$68M Justice Center to downtown which will bring six courtrooms, some 300 jobs, some 500 to 1,000 people in daily court business, and will serve as a center of

activity in downtown, which project is also leading to the \$23M Village at Paseo San Geronio Project; has created over 2,000 jobs in businesses developed on RDA projects; has brought or retained sales tax generators to the community, who collectively pay over \$1M in annual sales taxes and restored hope in the future of Banning.

C. Remaining Property Needs Continued Redevelopment. If most of the property in Banning which needed redevelopment had been redeveloped, or if the remaining blighted property did not face the same constraints as the property the RDA has redeveloped over the last 34 years, then the elimination of the redevelopment agency by the State of California by ABx126 would not be contrary to the general welfare of the citizens of Banning. But in many cases, some of the most constrained parcels in the City are still the ones most in need of redevelopment assistance. The Legislature in acting quickly in a statewide manner could not appreciate the impact of ABx126 in a small community impacted by blight such as Banning.

D. Need for Local Economic Development Program. In the face of the State's decision to eliminate redevelopment, the City of Banning must design and implement a local program within the authority of its powers under the State law to accomplish the purposes previously served by the City's redevelopment program. It is therefore the purpose of this Chapter to implement a program within the authority of the City under the powers granted to the City by law.

Section 3.28.020 Assistance Available. To accomplish the purposes provided herein, the City of Banning and its associated and subordinated entities shall have the power to carry out policies, plans and programs, to enact measures, to enter into agreements, and to loan, grant, fund, or finance projects which will provide public benefit and protect the public health, safety and welfare of the community. These programs may be carried out singly or in combination in a manner to promote the objectives of this Chapter, and may include the following general types of measures:

A. Public-Private Partnerships. Agreements with private persons or entities where by the sharing of public resources by the public agency, the reduction of regulatory burdens, asset monetization, fee producing infrastructure, alternative procurement, concession agreements, leasing arrangements, securitization of obligations, or other measures, the development entity and investors can earn a commercially reasonable return on investment and will accordingly proceed with the project;

B. Emerging Statutory Opportunities. Special legislative programs exist, and are likely to be enhanced as a result of the elimination of redevelopment, the State's most important and best funded economic development strategy. Under this Chapter, such programs should be exploited to the fullest extent of the law. Such programs may include Design Build Contracts; Tax Credits; Infrastructure Finance Districts; Environmental Sustainability Programs; Development Zones; and similar legislation. Any legal structure existing currently, or enacted hereafter which permits the City legally to carry out these purposes is permitted hereunder;

C. Public Financing. All public financing mechanisms which offer the opportunity of lower financing costs, if permitted by law, may be utilized including lease-revenue bonds, revenue bonds relating to the EB-5 Program, industrial development bonds, private activity bonds, certificates of participation, letter of credit enhancement and similar measures;

D. Special Districts. The financing of both the development of infrastructure and services through community service districts, landscape and lighting districts, assessment districts, school facility improvement bonds, and similar special district financing mechanisms permitted by law;

E. Public Property. The use of ground leases or sale of publicly owned land, including at less than fair market value as provided herein, contractual development agreements in accordance with law, lease-lease back financing, design-build contracts, and the use of eminent domain to acquire property for the foregoing purposes;

F. Tax Rebate Agreements. The use of tax rebate or similar agreements permitted by law including for sales taxes, transient occupancy taxes, utility taxes or other taxes shared with the generator, and rebates or waivers of franchise fees, business license fees, development impact fees, or other revenue sources permitted by law;

G. Regulatory Relief. The modification or suspension of zoning and other land use restrictions affecting the feasibility of development, density bonuses, expedited processing of entitlements, the establishment of clear and consistent regulatory regimes, creating procedures to quickly resolve disputes, clear definition of scope of environmental review and use of scoping processes;

H. Other Agencies. Use of financial assistance provided by other local public agencies and by State and Federal programs to assist projects, consistent with the requirements of such programs; and

I. Other Programs. In addition to the foregoing, the City may utilize any other program and provide any other form of direct or indirect assistance as the same may currently or in the future exist which would further permit the accomplishment of the purposes provided herein, to the full extent permitted by the law. The enumeration of certain programs herein does not preclude the use of any other program which might accomplish the purposes of this Chapter.

Section 3.28.030 Economic Development Assistance Programs. The City may plan and carry out an Economic Development Assistance Program for the improvement, rehabilitation, and economic development of property through public-private partnerships, or utilizing any other method provided in Section 3.28.020. Any Economic Development Assistance Program must identify, explain and analyze (i) the project to be assisted, (ii) the location of the project, (iii) impacts on surrounding property; (iv) the cost of the project, (v) the project financing, (vi) the assistance requested, (vii) how the assistance will be used, (viii) the benefits to the community or City from the project, including jobs, financial return to the City, community improvements or amenities or other benefits, (ix) the development

schedule, (x) performance criteria and assurances, and (xi) the public purpose to be accomplished by the Project.

Section 3.28.040 Powers Exercised. To carry out the Economic Development Assistance Program and promote the projects developed under this Chapter, the City may exercise any power or authority permitted by its Charter or under State law, for the public purposes provided hereunder, and may do the following:

A. Receipt of Financial Assistance. The City may seek or accept financial or any other assistance from public or private sources, including from the state or federal government, for the City's activities, powers, and duties hereunder.

B. Acquisition of Property. The City may purchase, lease, obtain option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal property, any interest in property, and any improvements on it, including repurchase of developed property previously owned by the City.

C. Eminent Domain. The City may acquire real property by eminent domain, and may acquire every estate, interest, privilege, easement, franchise and rights in land, including encumbrances by way of mortgage or indebtedness, or any interest arising from covenants and conditions. Any such proceeding shall be undertaken only in accordance with the Eminent Domain law (Code of Civil Procedure §1230.010 et seq.). No property currently zoned and used for residential purposes may be acquired by eminent domain for the purposes provided in this Chapter.

D. Management of Property. The City may rent, maintain, manage, operate, repair and clear real property and may insure or provide for the insurance of any operations of the City against risks or hazards.

E. Conditions Covenants & Restrictions. The City may provide for the retention of controls and the establishment of any restrictions or covenants running with the land for such periods of time and under such conditions as shall be necessary to effectuate the purposes hereof.

F. Non-Discrimination. The City shall include in all deeds, leases or contracts for sale, lease, sublease or transfer of land, non-discrimination clauses.

G. Issuance of Bonds. The City may issue bonds or other financial instruments permitted by law and expend the proceeds from the sale to carry out the purposes hereof. The bonds and obligations issued by the City also may be purchased, invested in, or used for security.

H. Site Development. The City may clear or move buildings, structures or improvements from real property; may grade any site; and may develop as a building site any property owned by it. It may cause or make provisions with other agencies for the installation of streets, utilities, parks and other public improvements.

26

I. Property Disposition. The City may sell, lease, exchange, subdivide, transfer, assign, pledge, encumber or otherwise dispose of any real or personal property or any interest in property acquired by it.

J. Remediation. The City may investigate and evaluate the condition of the property, prepare remediation plans and obtain approval thereof from regulatory agencies, and undertake remediation in accordance with such plans.

K. Relocation. The City may provide (i) relocation assistance to persons displaced by governmental action, and (ii) aid and assistance to property owners in connection with rehabilitation loans and grants.

L. Cooperation. The City shall cooperate with other public agencies in the formulating and administration of its Economic Development Assistance Programs. The planning commissions and the legislative bodies of the City and the cooperating public agencies may hold joint hearings and meetings regarding the projects assisted hereunder.

Any powers exercised hereunder to carry out the purposes of this Chapter must be carried out in accordance with State and Federal law. Nothing herein shall permit the waiver of any applicable legal procedure or process.

Section 3.28.050 Conditions to Qualify for Assistance. An Economic Development Assistance Program may only be approved for projects which, due to the nature of the project or scale of the project, the project will provide significant long-term benefits to the public generally. Accordingly, any person seeking approval of an Economic Development Assistance Program must meet one or more of the following conditions:

A. Alleviation of Blighting Conditions. The development of the Project will alleviate a persistent condition of blight which has previously discouraged the development of the property, such as demolition and removal of dilapidated substandard buildings and structures, geotechnical or other conditions of topography or soils which inhibit development of the property, or the removal or remediation of hazardous substances or environmental contamination of soils, where the cost of such blighting conditions (not including the building construction costs) will exceed the land value of the property.

B. Need for Area-Wide Infrastructure. The development of the Project will require the construction of major infrastructure requiring capacity which significantly exceed the needs of the Project, and where the cost of the infrastructure, in aggregate, may make the Project economically unfeasible.

C. Production of Jobs. The development of the Project will result in (i) the establishment of a new business or businesses on the property producing in excess of 100 long-term jobs, or (ii) cause the expansion of an existing business adding at least 100 new long-term jobs, or (iii) preserve an existing business which will retain at least 100 long-term jobs (all excluding multipliers).

D. Fiscal Impact on City. The development of the project will create new on-going revenues to the City, considering all revenue sources, of at least \$100,000 annually, or preserve existing revenues of at least \$100,000 annually due to the threat of relocation outside of the City.

E. Special Amenities. The development of the Project will produce unique community amenities either due to the construction of needed public facilities, or due to the fact that the Project itself provides special private facilities available to the public which do not otherwise exist in the community and which would be significant to the community character and quality of life of those who work or live in the community.

In addition to the above conditions, the development of the Project must not have a substantially adverse impact on traffic, or on surrounding properties or on the community generally. The Project must meet one or more of the above conditions and the City Council must find that the Project taken as a whole is uniquely beneficial to the community.

Section 3.28.060 Information to be Provided by Applicants. Applicant will prepare such initial studies, reports, and analysis as shall be necessary to permit the City to determine the feasibility of the development. During the application period, the applicant shall submit to the City the following:

A. Principals. Full disclosure of the applicant's principals, partners, joint venturers, negotiators, consultants, professional employees, or other associates of the applicant who are participants or principals of the development, and all other relevant information concerning the above.

B. Financial Capability. Statement of financial condition in sufficient detail to demonstrate the applicant's financial capabilities, those of its principals, partners, joint ventures, and those of its prospective developers to satisfy the commitments necessitated by the development, including all information necessary to demonstrate the availability of construction and permanent financing. To the extent the applicant wants such financial statements to remain confidential, they shall be supplied to and maintained by the City in confidence to the extent permitted by law.

C. Title and Property Information. All title information concerning the property, all environmental information, including Phase I investigations (CEQA compliance), a description of existing structures and site conditions, anticipated demolition, grading and remediation costs.

D. Project Design and Costs. All preliminary information related to the design of the development to meet the City's reasonable requirements. This information shall be sufficient to allow the City to evaluate grading, site configuration, development constraints, traffic patterns, site circulation and parking, landscaping, architectural design and similar issues. All projected costs for design and construction of the Project shall be included.

E. Proforma. The Project proforma shall be included identifying the estimated amount of public money to fund the development and how it will be used and the anticipated economic return of development. The applicant/developer shall provide a detailed analysis of how the development of the Project shall satisfy the requirements of this Chapter and why any public subsidy to the Project provided hereunder is warranted and provides a public benefit. Any potential alternative methods of financing will be identified with the reasons why the City's assistance is necessary.

F. Tenants. All information necessary to show tenant(s) availability and interest, the nature of the proposed tenants, and the financial strength and resources of the tenant(s). To the extent the tenant wants such information to remain confidential; they shall be supplied to the City only if it is reasonably likely that confidentiality can be maintained under the Public Records Act.

The applicant will be required to reimburse the City for all cost associated with the review process of their respective application package. This includes any legal and/or financial review performed by outside consultants and the costs associated with the public hearing notification. The applicant must conform to existing codes, requirements, and regulations that are applicable to the project. This also includes meeting the City's business license and insurance requirements.

Section 3.28.070 Review. A. Investigation. During the Economic Development Assistance Program application period, the City shall investigate the applicant and request reasonable additional information and data from the applicant necessary for review and evaluation of the proposed development. Applicants are required to provide such additional information or data as reasonably requested in a timely manner. If confidential information is provided regarding the applicant's business practices, it shall remain confidential to the extent permissible by law. As part of the review process confidential information will be required to be shared with the City's legal counsel and any outside consultant reviewing the application package.

B. Discretionary Awards. The granting of Economic Development Assistance is purely discretionary with the City and no applicant shall have any entitlement or vested right thereto. Accordingly, it is the responsibility of the applicant to provide a high quality project meeting the objectives of this Chapter. To the highest degree possible, only information available to the public may be used to justify any decision hereunder.

Section 3.28.080 Public Hearing. A. Notice of Hearing. Before the City approves, by resolution, each Economic Development Assistance Program and the Project to be assisted, the City shall hold a public hearing. Notice of the time and place of the hearing shall be published in the Record Gazette, or a comparable newspaper of general circulation, at least once per week for at least two successive weeks, as specified in Section 6066 of the California Government Code, prior to the hearing. Mailed notice shall also be sent to all property owners as shown on the last equalized assessment roll within 500 ft of the subject property.

B. Report. The City shall make available, for public inspection and copying at a cost not to exceed the cost of duplication, a report no later than the time of publication of the first notice of the hearing mandated by this section. This report shall contain a summary of the following:

1. The Economic Development Assistance Program.
2. Description of the project including a site plan and of how the business operations on the property will be conducted.
3. The cost of the development to the applicant and the City, including but not limited to any land acquisition costs, clearance costs, relocation costs, the costs of any improvements, plus the expected interest on any loans or bonds to finance the project.
4. An explanation of why the Economic Development Assistance Program is needed by the applicant, with reference to all supporting facts and materials relied upon in making this explanation.
5. How the project will meet the conditions described in Section 3.28.050 and how the project will provide public benefit and promote the health, safety and general welfare of the community.

Section 3.28.090 Required Findings. The City Council may approve the Economic Development Assistance Program if it finds as follows:

A. The Project will meet the conditions of Section 3.32.05 by (i) alleviating persist conditions of blight; or (ii) provide significant area-wide infrastructure; or (iii) meet the minimum thresholds for job creation; or (iv) meet the minimum thresholds for positive fiscal impact on City; or (v) if no one of these conditions is fully met, but in combination, the overall objectives are met.

B. The Project will produce unique public or private facilities not otherwise existing in the community and which would be significant to the community character and quality of life.

C. The Project has received all other discretionary entitlements required under the Zoning Ordinance, including any environmental review required by the California Environmental Quality Act.

D. The Project will not have an adverse effect on surrounding properties or the permitted uses thereof.

E. The Economic Development Agreement contains provisions to assure the continued operation of the Project consistent with this Chapter and providing for the enforcement of the covenants contained therein by City.

Section 3.28.100 Contents of Assistance Agreement. If the Economic Development Assistance program is approved, an Economic Development Assistance Agreement shall be entered into which includes the elements contained in Section 3.28.040. The Agreement must describe specifically the Project and the exact assistance provided. It must identify how the project is anticipated to meet the criteria in Section 3.28.070. It must contain performance criteria and require that the Project will remain in operation for at least 15 years. It must also provide for periodic review of performance and provide remedies for violations of the covenants and conditions. The Agreement shall permit transfer subject to the City's reasonable approval and provide for the City approval of any tenant(s) necessary to achieve the purpose of the Project. The Agreement shall show the public purposes of the Project will be achieved. All obligations undertaken by the applicant shall be guaranteed with sufficient securities.

SECTION 3. SEVERABILITY. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance, it being expressly declared that this ordinance and each section, subsection, paragraph, sentence, clause and phrase thereof would have been adopted, irrespective of the fact that one or more other section, subsection, paragraph, sentence, clause or phrase be declared invalid or unconstitutional.

SECTION 4. LIBERAL CONSTRUCTION AND PUBLIC PURPOSE. This Section is to be interpreted liberally and applied consistent with the interpretation and application of Article XIII, Section 32 of the California Constitution and Revenue and Tax Code Section 6931.

SECTION 5. EFFECTIVE DATE. The City Clerk shall certify to the passage and adoption of this ordinance, and shall make a minute of the passage and adoption thereof in the records of and the proceedings of the City Council at which the same is passed and adopted. This ordinance shall be in full force and effect thirty (30) days after its final passage and adoption, and within fifteen (15) days after its final passage, the City Clerk shall cause it to be published in a newspaper of general circulation and shall post the same at the City Hall, the Civic Center building and the United States Post Office, Banning Branch.

PASSED, APPROVED, AND ADOPTED this 26th day of June 2012.

Don R. Robinson, Mayor
City of Banning

ATTEST:

Marie Calderon, City Clerk

**APPROVED AS TO FORM
AND LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that Ordinance No. 1453 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 12th day of June, 2012, and was duly adopted at a regular meeting of said City Council on the 26th day of June, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie Calderon, City Clerk
City of Banning, California

CITY COUNCIL AGENDA

DATE: June 26, 2012

TO: Mayor and Members of the City Council

FROM: June Overholt, Administrative Services Director/Deputy City Manager

SUBJECT: Adopt Resolution 2012-49 repealing Resolution 2006-04 regarding a Recruitment and Incentive Program for specified classifications of employment

RECOMMENDATION:

Adopt Resolution 2012-49 repealing Resolution 2006-04 regarding a Recruitment and Incentive Program for specified classifications of employment

DISCUSSION:

Council adopted Resolution 2006-04 during a time when the economy was thriving. The resolution acknowledged that certain positions in the City required a technical expertise that made it difficult to recruit. Although the positions identified in the resolution still require important technical expertise that is necessary to the operations within the City, the economy has changed and the financial condition of the City has significantly changed.

Due to the budget deficits and challenges that City has been facing since 2008 and continues to face, it is appropriate to repeal Resolution 2006-04. This action to repeal the incentive program is a benefit to current employees and therefore subject to the meet and confer process under the terms of the current Memorandum of Understanding between the City of Banning and the Employee Associations/Unions. The City will engage in the meet and confer process until the effects are negotiated or implemented through impasse under the terms of the City's Employer Employee Relations Resolution and applicable Memorandum of Understanding.

FISCAL DATA: Savings are expected immediately for any promotions or new hiring that takes place after approval of this resolution. Additional savings may be achieved upon negotiations with the bargaining groups regarding the effects of this resolution.

RECOMMENDED BY:


June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:


Andy Takata
City Manager

RESOLUTION 2012-49

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING REPEALING RESOLUTION NO. 2006-04, A RECRUITMENT AND INCENTIVE PROGRAM FOR SPECIFIED CLASSIFICATIONS OF EMPLOYMENT IN THE CITY OF BANNING

WHEREAS, on January 10, 2006 the City Council of the City of Banning adopted Resolution No. 2006-04 regarding the approval of a recruitment and incentive program for specified classifications of employment in the City of Banning, which provides a monetary incentive to City employees for the recruitment and filling of certain classifications of employment within the City;

WHEREAS, due to budget constraints, the City Council of the City of Banning will terminate the incentive program to new employees or promotions; and

WHEREAS, the incentive program is a benefit to current employees and subject to the meet and confer process under the terms of the current Memorandum of Understanding between the City of Banning and Employee Associations/Unions.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning, California, as follows:

SECTION 1: The foregoing recitals are true and correct and are incorporated by reference herein.

SECTION 2: Resolution No. 2006-04 regarding the approval of a recruitment and incentive program for specified classifications of employment in the City of Banning is hereby repealed.

SECTION 3: The effect of this Resolution on current employees is subject to, and the parties shall engage in, the meet and confer process until negotiated or implemented through impasse under the terms of the City's Employer Employee Relations Resolution and applicable Memorandum of Understanding between the City of Banning and the Employee Associations/Unions.

PASSED, APPROVED, AND ADOPTED this 26th day of June, 2012.

Don Robinson, Mayor
City of Banning, California

ATTEST:

Marie A. Calderon, City Clerk
City of Banning, California

APPROVED AS TO FORM
AND LEGAL CONTENT:

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2012-49 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the day of June 26, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

RESOLUTION NO. 2006-04

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING
AMENDING RESOLUTION NO. 2005-125 APPROVING A RECRUITMENT
AND INCENTIVE PROGRAM FOR SPECIFIED CLASSIFICATIONS OF
EMPLOYMENT IN THE CITY OF BANNING.**

WHEREAS, the City of Banning recognizes there are classifications of employment within the City of Banning which are difficult to recruit because of geographical, demographic or other competitive factors which mitigate against the City's market wages; and

WHEREAS, it is therefore sometimes necessary and desirable to offer financial incentives to employment applicants in order to fill essential vacant positions which are otherwise difficult to recruit; and

WHEREAS, such financial incentives are to be provided by the City based upon business necessity of attracting and retaining qualified personnel as determined by the City Council in its sole discretion and not through the negotiation process with the City's recognized bargaining units; and

WHEREAS, the City has previously authorized the extension of certain recruitment and retention incentives to specified classifications via City Council Minute Orders;

WHEREAS, it is incumbent to set forth the City's recruitment and retention incentives in a formalized document, which may be modified from time to time or completely terminated on a go forward basis, as determined by the Council based upon business necessity;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning, California, as follows:

SECTION 1: Recruitment and Retention Incentive Program for the classification of Police Officer, to be paid concurrent with the regular payroll, is established as follows:

- (a) \$250 Finder's Fee shall be paid to any non-management sworn classification which refers an applicant who is selected by the City for the position of Police Officer, payable at the same time as the Sign-On Bonus is paid.
- (b) \$1,000 Sign On Bonus shall be paid to any applicant who is sworn in by the City Clerk as a Police Officer, following the date the oath is administered.
- (c) \$2,500 Sign On Bonus shall be paid to any applicant who is sworn in by the City Clerk as a Police Officer who possesses an Associate's Degree, or otherwise attains such degree within 60 days of the date the oath is

- administered. Such bonus shall be paid concurrent with the new employee's first payroll, or within 60 days upon submission of proof.
- (d) \$3,000 Sign On Bonus shall be paid to any applicant who is sworn in by the City Clerk as a Police Officer and who possesses a Bachelor's Degree, or otherwise attains such degree within 60 days of the date the oath is administered.
 - (e) \$1,000 Bonus shall be paid to any Police Officer upon completion of FTO training.
 - (f) \$1,000 Bonus shall be paid to any Police Officer upon completion of one-year probation.
 - (g) \$2,000 Bonus shall be paid to any Police Officer upon completion of two years of service with the City of Banning in the classification of Police Officer.

SECTION 2: The following classifications are eligible to receive the specified incentive pursuant to the Recruitment and Retention Incentive Program established in Section 3:

Non-Management

- (a) Powerline Technician
- (b) Powerline Crew Supervisor
- (c) Electric Service Planner
- (d) Auto Cad/GIS Technician
- (e) Meter Test Technician

Management

- (f) Assistant Public Utilities Director, PE
- (g) Public Utilities Superintendent
- (h) City Engineer, PE
- (i) Electric Operations Manager
- (j) Electrical Systems Engineer
- (k) Associate Engineer
- (l) Assistant Engineer
- (m) Power Contracts & Revenue Administrator

SECTION 3: A Recruitment and Retention Incentive Program, to be paid according to the type of incentive, is established as follows:

A. Finder's Fee:

- (a) \$1,000 Finder's Fee shall be paid to any City employee, other than Elected Officers, the City Manager, Department Directors or individuals otherwise employed in the Human Resources Department, who refers an applicant who is hired into any of the classifications specified in Section 2. Such bonus shall be paid upon completion of the probation of the referred applicant concurrent with the regular payroll following probation completion.

B. Sign-On Bonus:

- (a) \$3,000 Sign On Bonus is payable to any applicant placed into any of the classifications specified in Section 2. Such bonus shall be paid concurrent with the new employee's first payroll.
- (b) \$4,500 Sign On Bonus is additionally payable to any applicant placed into any of the classifications specified in Section 2 who possesses a PE in Electrical Engineering, or otherwise attains such designation within 60 days of appointment. Such bonus shall be paid concurrent with the new employee's first payroll, or within 60 days upon submission of proof.
- (c) \$1,500 Sign On Bonus is additionally payable to any applicant placed into any of the classifications specified in Section 2 who possesses an AA Degree, or otherwise attains such degree within 60 days of appointment. Such bonus shall be paid concurrent with the new employee's first payroll.
- (d) \$3,000 Sign On Bonus is additionally payable to any applicant placed into any of the classifications specified in Section 2 who possesses a BA Degree, or otherwise attains such degree within 60 days of appointment. Such bonus shall be paid concurrent with the new employee's first payroll.
- (e) \$2,000 Sign On Bonus is additionally payable to any applicant placed into any of the classifications specified in Section 2 who possesses any electric utility industry designation which is recognized as conferring recipient with superior skills and achievement. Such bonus shall be paid concurrent with the new employee's first payroll.


C. Retention Incentive:

- (a) A retention incentive of \$1,000 is payable for each year of service for the first 5 years of service to any applicant placed into any of the classifications specified as non-management in Section 2, above. Such bonus shall be paid commencing with the second payroll in July of each year following completion of a full year of service and continuing on a bi-weekly basis as a percentage of payroll.
- (b) A retention incentive of one-tenth of one-percent (.10%) of salary is payable for each year of service commencing with the 6th year of service to any applicant placed into any of the classifications specified as non-management in Section 2, above. (Examples: An employee commencing the 6th year of service would receive one-half of one-percent (.5%) of salary. An employee with 30 years of service would receive three percent (3%) of salary.) Such bonus shall be paid commencing with the regular payroll and continuing on a bi-weekly basis as a percentage of payroll.
- (c) A retention incentive of five percent (5%) of salary is payable to any applicant placed into any of the classifications specified as management in Section 2, above. Such incentive shall be paid commencing with the regular payroll and continuing on a bi-weekly basis as a percentage of payroll.

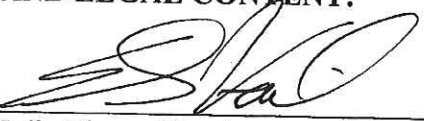
SECTION 4: Recruitment and Retention Incentive Program for the classification of Public Safety Dispatcher, to be paid concurrent with the regular payroll, is established as follows:

- (a) \$1,000 Sign On Bonus shall be paid to any applicant who is placed into the position of Public Safety Dispatcher with a hire date beyond the effective date of this resolution. Such bonus shall be paid concurrent with the new employee's first payroll.
- (b) \$1,000 Sign On Bonus shall be paid to any applicant who is placed into the position of Public Safety Dispatcher who possesses a Bachelor's Degree, or otherwise attains such degree within 60 days of such placement. Such bonus shall be paid concurrent with the new employee's first payroll, or within 60 days upon submission of proof.
- (c) \$500.00 Sign On Bonus shall be paid to any applicant who is placed into the position of Public Safety Dispatcher who possesses an Associate's Degree, or otherwise attains such degree within 60 days of such placement. Such bonus shall be paid concurrent with the new employee's first payroll, or within 60 days upon submission of proof.
- (d) \$500.00 Sign On Bonus shall be paid to any applicant who is placed into the position of Public Safety Dispatcher who possesses a POST Dispatch Certificate at the time of placement, i.e., lateral hire. Such bonus shall be paid concurrent with the new employee's first payroll.
- (d) \$1,000 Bonus shall be paid to any Public Safety Dispatcher upon completion of probation providing incumbent has also completed CTO school and possesses a POST Dispatch Certificate. With hire dates beyond the effective date of this resolution.
- (e) \$3,000 Bonus shall be paid to any Public Safety Dispatcher upon completion of three additional years of service beyond completion of probation for a total of four years of city service in the classification with hire dates beyond the effective date of this resolution.


PASSED, APPROVED AND ADOPTED this 10th day of January, 2006.


John Machisic, Mayor
City of Banning, California

**APPROVED AS TO FORM
AND LEGAL CONTENT:**


Julie Biggs, City Attorney
ERIC S. VAHL ASST

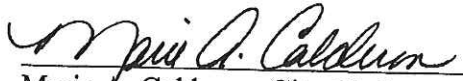
ATTEST:


Marie A. Calderon, City Clerk

CERTIFICATION

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2006-04 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 10th day of January, 2006 by the following vote, to wit:

AYES: Councilmembers Hanna, Salas, Welch, Mayor Machisic
NOES: None
ABSTAIN: None
ABSENT: Councilmember Palmer


Marie A. Calderon, City Clerk
City of Banning, California

**CITY COUNCIL
REPORT OF OFFICER**

DATE: June 26, 2012

TO: City Council

FROM: Zai Abu Bakar, Community Development Director

SUBJECT: Consideration of a Policy Establishing a Reasonable Time Frame for Notice of Violations for Title 17 Zoning Code

RECOMMENDATIONS: That the City Council adopt Resolution No. 2012-57 approving and adopting a policy requiring that notices issued which relate to Banning Zoning Code violations provide a reasonable time frame for compliance including, at a minimum, a 10 calendar day notice period.

BACKGROUND: The Municipal and Zoning Codes currently do not designate a time frame for providing a reasonable notice of Zoning Code violations to the owner of a property. The California Government Code section 53069.4(a)(2) governs administrative citations and requires that a "reasonable period of time" be provided to allow a party responsible to cure a violation prior to the imposition of fees.

ANALYSIS: Currently, the Municipal Code allows the City to take immediate action to abate hazards that pose an instant threat to public health and safety. When necessary, the City Manager, Police Chief, Fire Chief, Health Officer, or Building Official has authority to eliminate immediate hazards or to protect persons and property from immediate injury or damage. Once the immediate hazard is eliminated, the City is then required to provide notification to the property owner, as well as, an opportunity for an appeal.

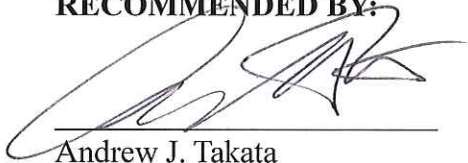
The City currently issues two notices for violations of the Municipal Code and Zoning Code as a standard practice. The first notice of violation provides a 10 calendar day period to remedy the violation(s). If the violation(s) is not remedied, the City issues the second notice (notice to abate) which provides an additional 10 calendar day period to abate the nuisance along with the rights for a hearing. In total, the current notice period allows a property owner 30 days to cure a violation. If the nuisance is not abated after the days has expired, the City records a notice of pendency against the property and issues an administrative citation or may conduct an abatement. The current 30 day total notice period has drawn criticisms from the community opposing the fact the time frame for compliance is too lengthy, especially for land use violations.

In light of the criticism, Staff proposes that the City Council adopt a new policy for providing a reasonable time frame for issuance of a notice of violations of the Zoning Code. The new policy would establish a 10 calendar day minimum notification to the responsible party for all violations of the Zoning Code. If the violation(s) is not corrected or abated, the City may issue an administrative citation for each day the violation exists.

41

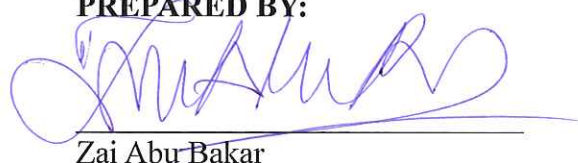
FISCAL DATA: The cost of providing a notice is recovered through invoicing for the services performed or through a lien. Fines received from the administrative citation process provide additional revenues into the City's General Fund.

RECOMMENDED BY:



Andrew J. Takata
City Manager

PREPARED BY:



Zai Abu Bakar
Community Development Director

REVIEWED BY:



June Overholt
Deputy City Manager/
Administrative Services Director

Attachments:

1. Resolution No. 2012-57

RESOLUTION NO. 2012-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, ADOPTING A POLICY FOR NOTIFICATION OF VIOLATIONS FOR TITLE 17 ZONING CODE

WHEREAS, Municipal Code and Zoning Code currently do not provide a time frame for providing a reasonable notice to the person responsible for violations of the Zoning Code; and

WHEREAS, the City Council desires to establish a reasonable time frame to provide notification of a Zoning Code violation(s) to protect the health, safety, and welfare of the community; and

WHEREAS, Government Code section 53069.4 requires that the City provides a “reasonable” time frame for curing violations of the Code prior to impositions of fines.

NOW, THEREFORE, BE IT RESOLVED that City Council adopts the following policy related to notice for Title 17 Zoning Code violations as follows:

SECTION 1. The City shall provide notice of a violation which allows a party responsible a reasonable period of time to cure a violation. The minimum time frame provided for curing violations for Title 17 Zoning Code shall be 10 calendar days, unless there is immediate danger to health and safety.

SECTION 2. This policy is effective immediately.

PASSED, APPROVED AND ADOPTED this 26th day of June 2012.

Don Robinson, Mayor
City of Banning

ATTEST:

Marie A. Calderon, City Clerk
City of Banning, California

**APPROVED AS TO FORM
AND LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire and Wynder, LLP

43

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2012-57 was duly adopted by the City Council of the City of Banning at a regular meeting thereof held on the 26th day of June, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

44

CITY OF BANNING

DATE: June 26, 2012

TO: Mayor and Members of the City Council

FROM: Bill R. Manis, Economic Development Director

SUBJECT: Banning Centennial Committee Request for the City's Quarterly Newsletter

RECOMMENDATION:

That the City Council:

- (1) Allow the Banning Centennial Committee to utilize the back page of the City's Quarterly Newsletter for four to five issues to highlight historical information about the City and to place the logos of the major sponsors for the year-long celebration. This would represent the City's contribution to the Centennial event.

BACKGROUND/ANALYSIS:

The City of Banning will be celebrating its 100th Birthday in 2013. As a result a Centennial Committee was formed to promote a variety of programs and activities surrounding the year-long celebration. The Centennial Committee is working with several local organizations to make sure the events planned for the year-long celebration are a success. The activities include a July 4th community picnic with a fire muster and fireworks, an Earth Day/Native Plant Flower Show, an International Festival to highlight all the cultures that influenced the community, lectures, a Centennial Gala, exhibits, and more. This includes honoring the contributions the Morongo Band of Mission Indians have made to our community. Attachment 1 is the Centennial Calendar for 2013.

The Centennial Committee is currently pursuing sponsors to help offset the costs associated with the different events planned for 2013. Attachment 2 is the Banning Centennial Sponsor Letter and Sponsor Information Sheets. Sponsors will be recognized in a variety of ways, one way is through advertising. The Centennial Committee has approached the City about the possibility of utilizing the back page of our quarterly newsletter for such purposes.

Due to budgetary constraints, the City of Banning is not in the position to financially sponsor any of the events planned around the celebration. One way we can participate is by allowing the Centennial Committee to recognize their sponsors in our newsletter. Typically, the City has not allowed advertisers, logos, or businesses to highlight their goods and services in our newsletter. This will allow the Centennial Committee to promote their sponsorship opportunities due to the wide distribution of the City newsletter. In addition, the Centennial Committee will provide the City Council with a quarterly financial report outlining their progress and activity status.

In light of our existing budgetary situation and our inability to make a financial contribution to our 100th Birthday, staff is recommending that the City Council make an exception and authorize the Centennial Committee to use of the back page of our newsletter to highlight historical information

about the City and to place the logos of the major sponsors for the year-long celebration. The value per quarterly issue of the City newsletter is approximately \$1,200 which includes printing, stuffing of the envelopes, and shipping. The request outlined in this staff report will not add additional costs to the distribution of the newsletter.

FISCAL DATA:

There is no added fiscal impact associated with this request.

RECOMMENDED BY:



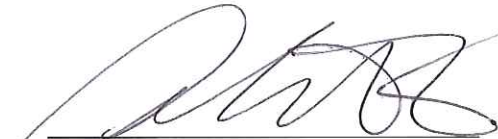
Bill R. Manis
Economic Development Director

REVIEWED BY:



June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:



Andy Takata
City Manager

ATTACHMENT 1
CENTENNIAL CALENDAR FOR 2013

2013 Draft.4 Calendar of Banning Centennial Events

1st Quarter:

February 6, Special Banning City Council Meeting
February 9, Saturday, Opening Lecture on Banning and the West by Patty Nelson Limerick
at the Dorothy Ramon Learning Center Gathering Hall
Banning School District History Day Projects
Feb 16, Saturday, Heart Healthy Luncheon
February 23, Saturday, Black History Day
Morongo Heritage Day
Dragon Fly Lectures
March 9, Lecture by Tom Sitton on Phineas Banning

2nd Quarter:

April 13, Lecture by Betty Kikumi Meltzer on "Losing Ground, the Displacement of the
Cahuilla People in the 19th Century"
Pass Chorale
April 27 Earth Day & Native Plants & Flower Show
May 4, Saturday, Art Hop
May 11 Wild West Days at Gilman Ranch
Malki Festival (Memorial Day)
June 1, Saturday, "Ride the Coach" Charity Bike Ride

3rd Quarter:

July 4 Pancake breakfast, Community Picnic, Fire Muster & Fireworks
July 5 Sock Hop/Antique Cars by BHS Alumni Association
August 10, Saturday, Dorothy Ramon Learning Center Gala
The Playhouse Bowl Centennial Concert Series Thursdays in August – 1, 8, 15, 22, 29
September 6 – 8 Stage Coach Days
September 21 International Festival
September 27 – 29 PAPA historic performances

4th Quarter:

October Train Festival
October 26, Saturday, Youth Masquerade Ball
November 2, Saturday 100th Birthday Gala
November 28, Thursday, Hmong New Year's Celebration
December 7, Saturday, Phineas Festival
December 31, Tuesday, New Year's Eve Celebration of Centennial Year

Not scheduled: 100 Things Exhibit – at various events including perhaps the grand opening
of the California Superior Court building and the Village at Paseo San Geronimo

ATTACHMENT 2
BANNING CENTENNIAL SPONSOR LETTER
&
SPONSOR INFORMATION SHEETS



Date

<Owner FName1> <Owner LName1>

<Firm Name>

<Firm Address>

<Firm CityStateZip>

Dear <Owner FName1> <Owner LName1>,

Banning's 100th birthday year is 2013. We want <Firm Name> as a sponsor. We believe our Centennial Celebration will help you meet your marketing and community goals as our local economy begins its upswing. We intend to help more people fall in love with Banning than ever before.

We plan to celebrate all year! We plan to simultaneously educate residents about Banning's unique history and create a stronger sense of community. Our planning effort is community-based rather than City government funded, so all of the funds needed for the celebration will be raised from sponsors, donors, and event ticket and merchandise sales.

Our goal is to raise \$100,000 so that at the end of 2013 we can endow a Banning Community Fund to help local nonprofits in perpetuity. The Community Foundation of Riverside and San Bernardino Counties has agreed to manage the funds.

Sponsors will have opportunities to have visibility on a calendar, merchandise and our web site as well as all printed materials. Major sponsors will choose the event for which they want to be the presenting sponsor. We are developing media sponsors that will also give our sponsors additional exposure. We believe that we will easily reach 100,000 people throughout 2013

We will follow up this letter with a phone call to explore how <Firm Name> could support Banning's 100th birthday celebration and we can help you achieve greater visibility.

Sincerely,

Barbara Hanna

Council Member City of Banning

Chair of the Banning Centennial Steering Committee

50

Banning CA 100th Birthday Celebration

Introduction to Sponsor Levels

With Banning's rich history, thousands of people will attend the yearlong Centennial events. Whether it means sponsoring the One Hundred Things exhibit or our fabulous Centennial gala, the perfect venue is waiting for you to promote your products and services to our residents and visitors. Our sponsorship program is adaptable to meet the needs of your organization. We will customize a sponsorship package for you, based on your needs, to create a successful partnership. With helpful volunteers to assist, you can be confident that your sponsorship will earn results for your company.

Our sponsor levels range from \$100 to \$50,000. The benefits go from a mention in the gala program and a Centennial pin to naming rights to events. Based on sponsor levels benefits may include:

- Radio mentions
- Newspaper – name and logo in large font
- Centennial Web ad plus link with name and logo, large font
- Centennial Calendar company logo and web site on one month
- Centennial posters/flyers link with name and logo
- Presented by your choice of event (first come, first serve by level) including:
 - *February 9, 2013, Opening Lecture on Banning and the West by Patty Nelson Limerick*
 - *April 27 Earth Day & Native Plants & Flower Festival*
 - *July 5 Sock Hop/Antique Cars*
 - *July 4 Community Picnic, Fireworks and Fire Muster*
 - *September 28 International Festival*
 - *October Train Festival*
 - *Presenting sponsorships would be split with the host organization for the Art Hop, the Phineas Festival, Heart Healthy Luncheon, Memorial Day, Stagecoach Days and June 1, 2013,*
 - *"Ride the Coach" Charity Bike Ride & Expo, The Playhouse Bowl Centennial Concert Series*
 - *October 26, 2013, Youth Masquerade Ball*
 - *November 2, 2013, 100th Birthday Gala*
 - *December 31, 2013, New Year's Eve Celebration of Centennial Year*
 - *100 Things Exhibit*
 - *Banning History Pageant*
- Centennial gala presenting sponsor on program books with name and logo
- Centennial brochure – company name and logo
- Tickets to all events
- Payroll stuffers – logo on School District, Hospital and City payrolls
- Utility bill flyer logo and web site quarterly with City newsletter
- VIP viewing/parking where available
- On-site sampling or product displays/sales available at specified events
- Audio announcements at all events w/introduction
- Hospitality prior to kick-off event and gala
- Introduced on-stage at kick-off, gala and others
- Category exclusivity as agreed upon
- Logo on back of Centennial shirt



Sponsor Information Request

Tell me more about the sponsor benefits for the following levels:

☐ \$50,000 ☐ \$25,000 ☐ \$10,000 ☐ \$5,000 ☐ \$1,000 ☐ \$500 ☐ \$250 ☐ \$100

☐ I am unable to participate but would like to make a donation of \$ _____

Individual/Company name: _____ Contact name: _____

Address: _____ E-mail: _____

City: _____ Zip: _____ Phone: _____

☐ Check Enclosed (payable to Banning Cultural Alliance, memo: Centennial)

Banning Cultural Alliance Tax ID: 75-318-9734

If you have any questions please contact Barbara Hanna, Chair
Banning Centennial Steering Committee
4678 W. Hoffer St
Banning, CA 92220

951-922-0856; 951-314-5065
barbarafhanna@yahoo.com

Logo (color & b/w) for print materials is needed as soon as possible. Please send logo in jpeg format.

COUNCIL AGENDA

DATE: June 26, 2012

TO: Mayor and Members of the City Council

FROM: June Overholt, Administrative Services Director/Deputy City Manager

SUBJECT: Authorize the Administrative Services Director to amend the budget and make any necessary budget adjustments, appropriations and transfers related to the General Fund and Gas Tax fund.

RECOMMENDATION:

- Authorize the Administrative Services Director to amend the budget and make any necessary budget adjustments, appropriations and transfers related to the General Fund transfer to/from the Gas Tax fund.

DISCUSSION:

Each year, staff prepares reports, required by the County, which provide the status of funds spent on street maintenance projects. The report distinguishes between restricted funds and discretionary funds. Restricted funds include Gas Tax and Measure A. Discretionary funds include the General Fund transfer of \$254K to the Gas Tax fund and street related work performed by Engineering and Public Works that are paid from the General Fund. Restricted funds are expended first, and then discretionary funds are spent.

Measure A funds have a MOE requirement which the City has been funding through the discretionary funds described above. MOE requirements are similar to a grant that has a matching fund requirement. In essence, in order for the City to receive Measure A funds, it must spend a certain amount of its own discretionary funds each year.

Staff has been working with the Riverside County Transportation Commission (RCTC) staff to reduce the current MOE requirements of \$316,181. This would provide some relief to the General Fund. It appears that RCTC may authorize the City to use the MOE requirement in place prior to FY2010, which is only \$164,325 of which \$91,000 is attributed to the General Fund. In addition, during discussions with staff from RCTC, it was identified that the balance in the Gas Tax fund exceeded what was required.

As a result, staff is recommending several actions related to FY12:

- 1) Reduce the budgeted General Fund transfer to the Gas Tax fund from \$256,735 to \$91,000.

- 2) Transfer the excess available Fund balance in the Gas Tax fund back to the General Fund in the amount of \$111,022.

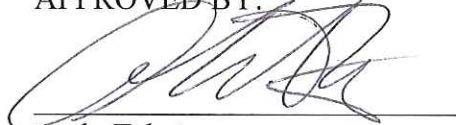
The MOE requirements for FY13 and future years will now be calculated at \$164,325 per year. The FY13 approved budget includes a General Fund transfer of \$91,325 to Gas Tax as part of the MOE compliance requirements. In the event that other qualifying discretionary spending is not sufficient to meet the MOE requirements, it is expected that the General Fund will make up the difference. Last year, Council established a fund balance reserve of \$317,000 for MOE requirements.

FISCAL DATA: The reduction of the FY12 transfer (\$163,410) and the transfer of approximately \$111,022 in remaining available fund balance will provide relief of \$274,432 to the General Fund. It does reduce available resources for street projects.

RECOMMENDED BY:


June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:


Andy Takata
City Manager

CITY COUNCIL AGENDA

Date: June 26, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for April 2012

RECOMMENDATION: "The City Council receive and place these required monthly *Reports of Investments* on file."

JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of April 2012. As of April 30, 2012, the City's operating funds totaled \$66,953,372. Included in operating funds is \$1,376,672 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of April 30, 2012 approximately 47% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. April is a first issue, while February and March are included to provide multiple months of statements for comparison.

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.367% in April. The average rate for all investments in April was 0.257%.

RECOMMENDED BY:


June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:


Andy Takata
City Manager

Summary Schedule of Cash and Investments**Operating Funds**Petty Cash

Amount

2,805

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000% 17,748

Wells Fargo Bank-Investment Account

0.100% 5,556,817

Bank of America-Airport

0.300% 5,782

Bank of America-Parking Citations

0.300% 3,241

Bank of America-CNG Station

0.300% 3,363

Money Market and Bank Account Sub-Total

5,586,952

Government Pools

Account #1 Operating Amount 33,172,887.63

Account #1 CRA Bond Cash Bal. 1,376,672

Local Agency Investment Fund: Account #1 0.367% 34,549,559

Account #2 Successor Agency Cash Bal 347

Local Agency Investment Fund: Account #2 0.367% 347

Government Pool Sub-Total

34,549,907

Operating Cash Balance**40,139,664**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund 0.000%

1,167,955

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2 0.142%

25,645,753

*Operating Funds Total***66,953,372****Fiscal Agent**

Amount

US Bank

41,321,843

*Fiscal Agent Total***41,321,843**

56

City of Banning Investment Report

April 30, 2012

Operational Portfolio Individual Investments

| Par Value | Investment Description | Coupon Rate | Interest Rate | Maturity Date | Purchase Date | Purchase Date | Discount or (Premium) Amortization | Market Value |
|--|-----------------------------------|-------------|---------------|---------------|---------------|---------------|------------------------------------|--------------|
| <u>Bank Accounts</u> | | | | | | | | |
| 17,748 | Wells Fargo Bank-Operating | n/a | 0.00% | daily | varies | 17,748 | n/a | 17,748 |
| 5,556,817 | Wells Fargo Bank-Investment Acct | n/a | 0.10% | daily | varies | 5,556,817 | n/a | 5,556,817 |
| 5,782 | Bank of America-Airport | n/a | 0.30% | daily | varies | 5,782 | n/a | 5,782 |
| 3,241 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,241 | n/a | 3,241 |
| 3,363 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,363 | n/a | 3,363 |
| Sub-total | | | | | | | | |
| 5,586,952 | | | | | | | | |
| <u>Government Pools</u> | | | | | | | | |
| 34,549,559 | L.A.I.F. account #1 | n/a | 0.367% | daily | varies | 34,549,559 | n/a | 34,549,559 |
| 347 | L.A.I.F. account #2 | n/a | 0.367% | daily | varies | 347 | n/a | 347 |
| 34,549,907 | | | | | | | | |
| <u>Investments-US Bank/Piper Jaffray</u> | | | | | | | | |
| 1,000,000 | Federal Home Loan Banks | n/a | 1.000% | 6/27/2014 | 6/16/2011 | 1,000,000 | | 1,001,130 |
| 5,000,000 | FHLMC MTN | n/a | 0.450% | 9/6/2013 | 12/2/2011 | 5,000,000 | | 5,002,450 |
| 19,642,173 | Money Market | n/a | 0.020% | daily | varies | 19,642,173 | 0 | 19,642,173 |
| US Bank/Piper Jaffray Average Rate= | | | | | | | | |
| 0.142% | | | | | | | | |
| 25,645,753 | | | | | | | | |

Average Rate All= 0.257%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 52 days and does not include Bond Reserve Fund Investments.

57

City of Banning Investment Report

April 30, 2012

Individual Investments with Fiscal Agent

| Bond Issue Description | Bond Maturity Date | Investment Description | Current Yield | Bond Reserve Bond Maturity Date | Minimum Reserve Requirement | Interest Apr-12 | 4/30/2012 Market Value |
|---|--------------------|------------------------|---------------|---------------------------------|-----------------------------|-----------------|------------------------|
| COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A | | | | | | | |
| 2005 Fair Oaks Ranch Estates | 2035 | US Bank Mmkt 4-Ct | 0.040% | daily | 188,943 | 5.96 | 218,037 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003 | | | | | | | |
| 2003 CRA Tax Allocation Bonds | 2028 | U S Treasury Bill | 4.57% | 7/28/2011 | 971,763 | | 980,913 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | 0.67 | 19,922 |
| | | US Bank Mmkt 4-Ct | 0.000% | daily | | 7.16 | 7 |
| | | US Bank Mmkt 4-Ct | 0.000% | daily | | | 8 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007 | | | | | | | |
| Redevelop Fund | 2037 | US Bank Mmkt 4-Ct | 0.040% | daily | | 404.31 | 8,325,170 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | 1,880,751 | 63.53 | 1,875,364 |
| Special Fund | | US Bank Mmkt 4-Ct | 0.060% | daily | | 0.00 | 18 |
| Surplus Fund | | US Bank Mmkt 4-Ct | 0.000% | daily | | | 9 |
| BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.040% | daily | | | 196,640 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.000% | daily | | | 6 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | 124.98 | 3,688,926 |
| BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.040% | daily | | | 1,152,504 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.030% | daily | | - | 30 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | 2,310,710 | 78.31 | 2,311,350 |
| Project Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | 142.24 | 4,198,390 |
| BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES | | | | | | | |
| | | US Bank Mmkt 4-Ct | 0.050% | daily | | | 19 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | 2,672,050 | 100.72 | 2,973,013 |
| Acquisition & Construction | | US Bank Mmkt 4-Ct | 0.400% | daily | | 521.10 | 15,381,517 |
| *Paid Semi-Annually-Deposited into Money Mkt Account | | | | | | Total | 41,321,843 |

58

Summary Schedule of Cash and Investments**Operating Funds**

| | Amount |
|-------------------|--------|
| <u>Petty Cash</u> | 2,805 |

Bank Accounts

| | Interest Rate | Amount |
|-------------------------------------|------------------|-----------|
| Wells Fargo Bank | 0.000% | 69,338 |
| Wells Fargo Bank-Investment Account | 0.100% | 3,170,135 |
| Bank of America-Airport | 0.300% | 3,069 |
| Bank of America-Parking Citations | 0.300% | 3,735 |
| Bank of America-CNG Station | 0.300% | 3,084 |

Money Market and Bank Account Sub-Total 3,249,361

Government Pools

| | | |
|--|------------|------------|
| Account #1 Operating Amount | 34,036,237 | |
| Account #1 CRA Bond Cash Bal. | 1,481,901 | |
| Local Agency Investment Fund: Account #1 | 0.389% | 35,518,138 |

Government Pool Sub-Total 35,518,138

Operating Cash Balance 38,770,304

Restricted Operating Funds at Riverside Public Utilities

| | | |
|--|--------|-----------|
| Highmark U.S. Government Money Market Fund | 0.000% | 1,080,108 |
|--|--------|-----------|

Other Investments

| | | |
|--|--------|------------|
| Investments-US Bank/Piper Jaffray - See Page 2 | 0.446% | 25,604,391 |
|--|--------|------------|

Operating Funds Total 65,454,803

Fiscal Agent

| | Amount |
|---------|------------|
| US Bank | 43,555,922 |

Fiscal Agent Total 43,555,922

City of Banning Investment Report

February 29, 2012

Operational Portfolio Individual Investments

| Par Value | Investment Description | Coupon Rate | Interest Rate | Maturity Date | Purchase Date | Purchase Price | Discount or (Premium) Amortization | Market Value |
|--|-----------------------------------|-------------|---------------|---------------|---------------|----------------|------------------------------------|--------------|
| <u>Bank Accounts</u> | | | | | | | | |
| 69,338 | Wells Fargo Bank-Operating | n/a | 0.00% | daily | varies | 69,338 | n/a | 69,338 |
| 3,170,135 | Wells Fargo Bank-Investment Acct | n/a | 0.10% | daily | varies | 3,170,135 | n/a | 3,170,135 |
| 3,069 | Bank of America-Airport | n/a | 0.30% | daily | varies | 3,069 | n/a | 3,069 |
| 3,735 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,735 | n/a | 3,735 |
| 3,084 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,084 | n/a | 3,084 |
| Sub-total | | | | | | | | 3,249,361 |
| <u>Government Pools</u> | | | | | | | | |
| 35,518,138 | L.A.I.F. account #1 | n/a | 0.389% | daily | varies | 35,518,138 | n/a | 35,518,138 |
| - | L.A.I.F. account #2 | n/a | 0.389% | daily | varies | - | n/a | - |
| | | | | | | | | 35,518,138 |
| <u>Investments-US Bank/Piper Jaffray</u> | | | | | | | | |
| 1,000,000 | Federal Home Loan Banks | n/a | 1.000% | 6/27/2014 | 6/16/2011 | 1,000,000 | | 1,002,240 |
| 5,000,000 | FHLMC MTN | n/a | 0.500% | 9/6/2013 | 12/2/2011 | 5,000,000 | | 5,000,150 |
| 5,000,000 | FHLMC MTN | n/a | 0.450% | 9/6/2013 | 12/2/2011 | 5,000,000 | | 5,001,550 |
| 3,000,000 | Federal Farm Bank Credit Bks | n/a | 0.620% | 5/1/2014 | 12/2/2011 | 3,000,000 | | 3,000,120 |
| 5,500,000 | Federal Farm Bank Credit Bks | n/a | 0.690% | 6/12/2014 | 12/28/2011 | 5,500,000 | | 5,500,495 |
| 6,099,836 | Money Market | n/a | 0.000% | daily | varies | 6,099,836 | 0 | 6,099,836 |
| US Bank/Piper Jaffray Average Rate= | | | | | | | | 25,604,391 |

Average Rate All= 0.397%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 212 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

February 29, 2012

Individual Investments with Fiscal Agent

| TRUSTEE | | Bond Maturity | Investment Description | | Current Yield | Bond Reserve | Minimum Reserve | Interest Feb-12 | 2/29/2012 Market Value |
|--|------|-------------------|------------------------|--|---------------|---------------|-----------------|-----------------|------------------------|
| Bond Issue Description | Date | | | | | Maturity Date | Requirement | | |
| COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A | | | | | | | | | |
| 2005 Fair Oaks Ranch Estates | 2035 | US Bank Mmkt 4-Ct | | | 0.040% | daily | 188,943 | 6.37 | 188,065 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003 | | | | | | | | | |
| 2003 CRA Tax Allocation Bonds | 2028 | U S Treasury Bill | | | 4.54% | 7/28/2011 | 971,763 | | 988,148 |
| | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 16,750.09 | 19,920 |
| | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | 7.16 | 7 |
| Surplus Fund | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 8 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007 | | | | | | | | | |
| Redevelop Fund | 2037 | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 404.28 | 11,933,243 |
| Reserve Fund | | US Bank Mmkt 4-Ct | | | 0.040% | daily | 1,880,751 | 63.55 | 1,875,241 |
| Special Fund | | US Bank Mmkt 4-Ct | | | 0.060% | daily | | 17.70 | 18 |
| Surplus Fund | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 9 |
| BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 4 |
| Principal Account | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 6 |
| | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 124.97 | 3,688,684 |
| BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | | 24 |
| Principal Account | | US Bank Mmkt 4-Ct | | | 0.030% | daily | | - | 30 |
| Reserve Fund | | US Bank Mmkt 4-Ct | | | 0.040% | daily | 2,310,710 | 78.30 | 2,311,199 |
| Project Fund | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 142.23 | 4,197,973 |
| BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES | | | | | | | | | |
| | | US Bank Mmkt 4-Ct | | | 0.050% | daily | | 19.15 | 19 |
| | | US Bank Mmkt 4-Ct | | | 0.040% | daily | 2,672,050 | 100.71 | 2,972,817 |
| Acquisition & Construction | | US Bank Mmkt 4-Ct | | | 0.400% | daily | | 521.07 | 15,380,508 |
| *Paid Semi-Annually-Deposited into Money Mkt Account | | | | | | | | Total | 43,555,922 |

61

Summary Schedule of Cash and Investments**Operating Funds**Petty Cash

Amount

2,805

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

132,347

Wells Fargo Bank-Investment Account

0.100%

2,678,158

Bank of America-Airport

0.300%

9,056

Bank of America-Parking Citations

0.300%

8,106

Bank of America-CNG Station

0.300%

5,542

Money Market and Bank Account Sub-Total

2,833,210

Government Pools

Account #1 Operating Amount

34,111,238

Account #1 CRA Bond Cash Bal.

1,406,900

Local Agency Investment Fund: Account #1

0.383%

35,518,138

Government Pool Sub-Total

35,518,138

Operating Cash Balance**38,354,153**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.000%

1,005,395

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.212%

25,636,128

*Operating Funds Total*64,995,675**Fiscal Agent**

US Bank

Amount

43,583,577*Fiscal Agent Total*43,583,577

62

City of Banning Investment Report

March 31, 2012

Operational Portfolio Individual Investments

| Par Value | Investment Description | Coupon Rate | Interest Rate | Maturity Date | Purchase Date | Purchase Date | Discount or (Premium) Amortization | Market Value |
|--|-----------------------------------|-------------|---------------|---------------|---------------|---------------|------------------------------------|--------------|
| <i>Bank Accounts</i> | | | | | | | | |
| 132,347 | Wells Fargo Bank-Operating | n/a | 0.00% | daily | varies | 132,347 | n/a | 132,347 |
| 2,678,158 | Wells Fargo Bank-Investment Acct | n/a | 0.10% | daily | varies | 2,678,158 | n/a | 2,678,158 |
| 9,056 | Bank of America-Airport | n/a | 0.30% | daily | varies | 9,056 | n/a | 9,056 |
| 8,106 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 8,106 | n/a | 8,106 |
| 5,542 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 5,542 | n/a | 5,542 |
| Sub-total | | | | | | | | |
| 2,833,210 | | | | | | | | |
| <i>Government Pools</i> | | | | | | | | |
| 35,518,138 | L.A.I.F. account #1 | n/a | 0.383% | daily | varies | 35,518,138 | n/a | 35,518,138 |
| - | L.A.I.F. account #2 | n/a | 0.383% | daily | varies | - | n/a | - |
| 35,518,138 | | | | | | | | |
| <i>Investments-US Bank/Piper Jaffray</i> | | | | | | | | |
| 1,000,000 | Federal Home Loan Banks | n/a | 1.000% | 6/27/2014 | 6/16/2011 | 1,000,000 | | 1,001,720 |
| 5,000,000 | FHLMC MTN | n/a | 0.450% | 9/6/2013 | 12/2/2011 | 5,000,000 | | 5,002,000 |
| 3,000,000 | Federal Farm Bank Credit Bks | n/a | 0.620% | 5/1/2014 | 12/2/2011 | 3,000,000 | | 2,999,310 |
| 16,633,098 | Money Market | n/a | 0.020% | daily | varies | 16,633,098 | 0 | 16,633,098 |
| US Bank/Piper Jaffray Average Rate= | | | | | | | | |
| 0.212% | | | | | | | | |
| 25,636,128 | | | | | | | | |

Average Rate All= 0.302%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 93 days and does not include Bond Reserve Fund Investments.

63

City of Banning Investment Report

March 31, 2012

Individual Investments with Fiscal Agent

| Bond Maturity | | Investment Description | Current Yield | Bond Reserve | | Minimum Reserve Requirement | Interest Mar-12 | 3/31/2012 Market Value |
|--|------|------------------------|---------------|--------------------|--------------|-----------------------------|-----------------|------------------------|
| Bond Issue Description | Date | | | Bond Maturity Date | Bond Reserve | | | |
| COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A | | | | | | | | |
| 2005 Fair Oaks Ranch Estates | 2035 | US Bank Mmkt 4-Ct | 0.040% | daily | 188,943 | 5.96 | | 218,030 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003 | | | | | | | | |
| 2003 CRA Tax Allocation Bonds | 2028 | U S Treasury Bill | 4.54% | 7/28/2011 | 971,763 | | | 984,356 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | 0.63 | | 19,921 |
| | | US Bank Mmkt 4-Ct | 0.000% | daily | | 7.16 | | 7 |
| Surplus Fund | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | 8 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007 | | | | | | | | |
| Redevelop Fund | 2037 | US Bank Mmkt 4-Ct | 0.040% | daily | | 378.21 | | 11,933,621 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | 1,880,751 | 59.43 | | 1,875,300 |
| Special Fund | | US Bank Mmkt 4-Ct | 0.060% | daily | | 17.70 | | 18 |
| Surplus Fund | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | 9 |
| BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | 4 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | 6 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | 116.91 | | 3,688,801 |
| BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 24 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.030% | daily | | - | | 30 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | 2,310,710 | 73.25 | | 2,311,272 |
| Project Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | 133.05 | | 4,198,243 |
| BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES | | | | | | | | |
| | | US Bank Mmkt 4-Ct | 0.050% | daily | | | | 19 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | 2,672,050 | 94.22 | | 2,972,912 |
| Acquisition & Construction | | US Bank Mmkt 4-Ct | 0.400% | daily | | 487.47 | | 15,380,995 |
| *Paid Semi-Annually-Deposited into Money Mkt Account | | | | | | | Total | 43,583,577 |

64

CITY COUNCIL AGENDA

Date: June 26, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director/Deputy City Manager
SUBJECT: Report of Investments for May 2012

RECOMMENDATION: "The City Council receive and place these required monthly *Reports of Investments* on file."


JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of May 2012. As of May 31, 2012, the City's operating funds totaled \$65,273,710. Included in operating funds is \$1,307,380 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of May 31, 2012 approximately 42% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. May is a first issue, while March and April are included to provide multiple months of statements for comparison.

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.363% in May. The average rate for all investments in May was 0.333%.

RECOMMENDED BY:


June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:


Andy Takata
City Manager

Summary Schedule of Cash and Investments**Operating Funds**Petty Cash

Amount

2,805

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000% 58,502

Wells Fargo Bank-Investment Account

0.100% 1,512,476

Bank of America-Airport

0.300% 5,662

Bank of America-Parking Citations

0.300% 3,539

Bank of America-CNG Station

0.300% 3,537

Money Market and Bank Account Sub-Total

1,583,716

Government Pools

Account #1 Operating Amount 35,742,179.75

Account #1 CRA Bond Cash Bal. 1,307,380

Local Agency Investment Fund: Account #1 0.363% 37,049,559

Account #2 Successor Agency Cash Bal 347

Local Agency Investment Fund: Account #2 0.363% 347

Government Pool Sub-Total

37,049,907

Operating Cash Balance**38,636,428**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund 0.000% 1,000,240

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2 0.304% 25,637,043

Operating Funds Total**65,273,710****Fiscal Agent**

Amount

US Bank

41,850,918

Fiscal Agent Total**41,850,918**

66

City of Banning Investment Report

May 31, 2012

Operational Portfolio Individual Investments

| Par Value | Investment Description | Coupon Rate | Interest Rate | Maturity Date | Purchase Date | Purchase Date | Discount or (Premium) Amortization | Market Value |
|--|-----------------------------------|-------------|---------------|---------------|---------------|---------------|------------------------------------|--------------|
| <u>Bank Accounts</u> | | | | | | | | |
| 58,502 | Wells Fargo Bank-Operating | n/a | 0.00% | daily | varies | 58,502 | n/a | 58,502 |
| 1,512,476 | Wells Fargo Bank-Investment Acct | n/a | 0.10% | daily | varies | 1,512,476 | n/a | 1,512,476 |
| 5,662 | Bank of America-Airport | n/a | 0.30% | daily | varies | 5,662 | n/a | 5,662 |
| 3,539 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,539 | n/a | 3,539 |
| 3,537 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,537 | n/a | 3,537 |
| Sub-total | | | | | | | | |
| 1,583,716 | | | | | | | | |
| <u>Government Pools</u> | | | | | | | | |
| 37,049,559 | L.A.I.F. account #1 | n/a | 0.363% | daily | varies | 37,049,559 | n/a | 37,049,559 |
| 347 | L.A.I.F. account #2 | n/a | 0.363% | daily | varies | 347 | n/a | 347 |
| 37,049,907 | | | | | | | | |
| <u>Investments-US Bank/Piper Jaffray</u> | | | | | | | | |
| 1,000,000 | Federal Home Loan Banks | n/a | 1.000% | 6/27/2014 | 6/16/2011 | 1,000,000 | | 1,000,540 |
| 5,000,000 | FHLMC MTN | n/a | 0.450% | 9/6/2013 | 12/2/2011 | 5,000,000 | | 5,002,400 |
| 3,000,000 | FNMA Deb | n/a | 0.600% | 5/29/2015 | 5/16/2012 | 3,000,000 | | 2,995,920 |
| 3,000,000 | Federal Farm Credits Bks | n/a | 0.600% | 5/29/2015 | 5/16/2012 | 3,000,000 | | 2,996,520 |
| 2,000,000 | Federal Home Loan Bks | n/a | 0.350% | 5/22/2015 | 5/16/2012 | 2,000,000 | | 1,999,260 |
| 11,642,403 | Money Market | n/a | 0.020% | daily | varies | 11,642,403 | 0 | 11,642,403 |
| 25,637,043 | | | | | | | | |
| US Bank/Piper Jaffray Average Rate= 0.304% | | | | | | | | |
| Average Rate All= 0.333% | | | | | | | | |

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 186 days and does not include Bond Reserve Fund Investments.

67

City of Banning Investment Report

May 31, 2012

Individual Investments with Fiscal Agent

| TRUSTEE | | Bond Maturity | Investment Description | | Current Yield | Bond Reserve | Minimum Reserve Requirement | Interest May-12 | 5/31/2012 Market Value |
|--|------|-------------------|------------------------|-----------|---------------|---------------|-----------------------------|-----------------|------------------------|
| Bond Issue Description | Date | | | | | Maturity Date | | | |
| COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A | | | | | | | | | |
| 2005 Fair Oaks Ranch Estates | 2035 | US Bank Mmkt 4-Ct | 0.040% | daily | | 188,943 | | 7.15 | 218,044 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003 | | | | | | | | | |
| 2003 CRA Tax Allocation Bonds | 2028 | U S Treasury Bill | 4.59% | 7/28/2011 | | 971,763 | | | 977,197 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 0.65 | 19,922 |
| | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | | 7 |
| Surplus Fund | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | | 8 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007 | | | | | | | | | |
| Redevelop Fund | 2037 | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 336.06 | 8,325,506 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | 1,880,751 | | 61.49 | 1,875,425 |
| Special Fund | | US Bank Mmkt 4-Ct | 0.060% | daily | | | | 0.00 | 18 |
| Surplus Fund | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | | 9 |
| BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | 3.22 | 9 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | | 70,000 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 120.95 | 3,689,047 |
| BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.050% | daily | | | | 18.89 | 19 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.030% | daily | | | | - | 370,000 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | 2,310,710 | | 79.78 | 2,310,892 |
| Project Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 137.65 | 4,198,528 |
| BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES | | | | | | | | | |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | | 1,441,156 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | 2,672,050 | | 97.48 | 2,973,111 |
| Acquisition & Construction | | US Bank Mmkt 4-Ct | 0.400% | daily | | | | 504.31 | 15,382,021 |
| *Paid Semi-Annually-Deposited into Money Mkt Account | | | | | | | | Total | 41,850,918 |

68

Summary Schedule of Cash and Investments**Operating Funds**Petty Cash

| |
|--------------|
| Amount |
| <u>2,805</u> |

Bank Accounts

| | Interest Rate | Amount |
|-------------------------------------|------------------|--------------|
| Wells Fargo Bank | 0.000% | 132,347 |
| Wells Fargo Bank-Investment Account | 0.100% | 2,678,158 |
| Bank of America-Airport | 0.300% | 9,056 |
| Bank of America-Parking Citations | 0.300% | 8,106 |
| Bank of America-CNG Station | 0.300% | <u>5,542</u> |

| | |
|---|------------------|
| Money Market and Bank Account Sub-Total | <u>2,833,210</u> |
|---|------------------|

Government Pools

| | | |
|--|------------|------------|
| Account #1 Operating Amount | 34,111,238 | |
| Account #1 CRA Bond Cash Bal. | 1,406,900 | |
| Local Agency Investment Fund: Account #1 | 0.383% | 35,518,138 |

| | |
|---------------------------|-------------------|
| Government Pool Sub-Total | <u>35,518,138</u> |
|---------------------------|-------------------|

| | |
|-------------------------------|-------------------|
| Operating Cash Balance | 38,354,153 |
|-------------------------------|-------------------|

Restricted Operating Funds at Riverside Public Utilities

| | | |
|--|--------|------------------|
| Highmark U.S. Government Money Market Fund | 0.000% | 1,005,395 |
|--|--------|------------------|

Other Investments

| | | |
|--|--------|-------------------|
| Investments-US Bank/Piper Jaffray - See Page 2 | 0.212% | 25,636,128 |
|--|--------|-------------------|

| | |
|------------------------------|--------------------------|
| Operating Funds Total | <u>64,995,675</u> |
|------------------------------|--------------------------|

Fiscal Agent

US Bank

| |
|-------------------|
| Amount |
| <u>43,583,577</u> |

| | |
|---------------------------|--------------------------|
| Fiscal Agent Total | <u>43,583,577</u> |
|---------------------------|--------------------------|

69

City of Banning Investment Report

March 31, 2012

Operational Portfolio Individual Investments

| Par Value | Investment Description | Coupon Rate | Interest Rate | Maturity Date | Purchase Date | Purchase Date | Discount or (Premium) Amortization | Market Value |
|--|-----------------------------------|-------------|---------------|---------------|---------------|---------------|------------------------------------|--------------|
| <u>Bank Accounts</u> | | | | | | | | |
| 132,347 | Wells Fargo Bank-Operating | n/a | 0.00% | daily | varies | 132,347 | n/a | 132,347 |
| 2,678,158 | Wells Fargo Bank-Investment Acct | n/a | 0.10% | daily | varies | 2,678,158 | n/a | 2,678,158 |
| 9,056 | Bank of America-Airport | n/a | 0.30% | daily | varies | 9,056 | n/a | 9,056 |
| 8,106 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 8,106 | n/a | 8,106 |
| 5,542 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 5,542 | n/a | 5,542 |
| Sub-total | | | | | | | | |
| 2,833,210 | | | | | | | | |
| <u>Government Pools</u> | | | | | | | | |
| 35,518,138 | L.A.I.F. account #1 | n/a | 0.383% | daily | varies | 35,518,138 | n/a | 35,518,138 |
| - | L.A.I.F. account #2 | n/a | 0.383% | daily | varies | - | n/a | - |
| 35,518,138 | | | | | | | | |
| <u>Investments-US Bank/Piper Jaffray</u> | | | | | | | | |
| 1,000,000 | Federal Home Loan Banks | n/a | 1.000% | 6/27/2014 | 6/16/2011 | 1,000,000 | | 1,001,720 |
| 5,000,000 | FHLMC MTN | n/a | 0.450% | 9/6/2013 | 12/2/2011 | 5,000,000 | | 5,002,000 |
| 3,000,000 | Federal Farm Bank Credit Bks | n/a | 0.620% | 5/1/2014 | 12/2/2011 | 3,000,000 | | 2,999,310 |
| 16,633,098 | Money Market | n/a | 0.020% | daily | varies | 16,633,098 | 0 | 16,633,098 |
| US Bank/Piper Jaffray Average Rate= | | | | | | | | |
| 0.212% | | | | | | | | |
| 25,636,128 | | | | | | | | |

Average Rate All= 0.302%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 93 days and does not include Bond Reserve Fund Investments.

70

City of Banning Investment Report

March 31, 2012

Individual Investments with Fiscal Agent

| TRUSTEE | | Bond Maturity | Investment Description | | Current Yield | Bond Reserve | Minimum Reserve | Interest Mar-12 | 3/31/2012 Market Value |
|--|------|-------------------|------------------------|--|---------------|---------------|-----------------|-----------------|------------------------|
| Bond Issue Description | Date | | | | | Maturity Date | Requirement | | |
| COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A | | | | | | | | | |
| 2005 Fair Oaks Ranch Estates | 2035 | US Bank Mmkt 4-Ct | | | 0.040% | daily | 188,943 | 5.96 | 218,030 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003 | | | | | | | | | |
| 2003 CRA Tax Allocation Bonds | 2028 | U S Treasury Bill | | | 4.54% | 7/28/2011 | 971,763 | | 984,356 |
| | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 0.63 | 19,921 |
| | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | 7.16 | 7 |
| Surplus Fund | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 8 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007 | | | | | | | | | |
| Redevelop Fund | 2037 | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 378.21 | 11,933,621 |
| Reserve Fund | | US Bank Mmkt 4-Ct | | | 0.040% | daily | 1,880,751 | 59.43 | 1,875,300 |
| Special Fund | | US Bank Mmkt 4-Ct | | | 0.060% | daily | | 17.70 | 18 |
| Surplus Fund | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 9 |
| BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 4 |
| Principal Account | | US Bank Mmkt 4-Ct | | | 0.000% | daily | | | 6 |
| | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 116.91 | 3,688,801 |
| BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | | 24 |
| Principal Account | | US Bank Mmkt 4-Ct | | | 0.030% | daily | | - | 30 |
| Reserve Fund | | US Bank Mmkt 4-Ct | | | 0.040% | daily | 2,310,710 | 73.25 | 2,311,272 |
| Project Fund | | US Bank Mmkt 4-Ct | | | 0.040% | daily | | 133.05 | 4,198,243 |
| BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES | | | | | | | | | |
| | | US Bank Mmkt 4-Ct | | | 0.050% | daily | | | 19 |
| | | US Bank Mmkt 4-Ct | | | 0.040% | daily | 2,672,050 | 94.22 | 2,972,912 |
| Acquisition & Construction | | US Bank Mmkt 4-Ct | | | 0.400% | daily | | 487.47 | 15,380,995 |
| *Paid Semi-Annually-Deposited into Money Mkt Account | | | | | | | | Total | 43,583,577 |

*Paid Semi-Annually-Deposited into Money Mkt Account

3

Summary Schedule of Cash and Investments**Operating Funds**Petty Cash

Amount

2,805

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

17,748

Wells Fargo Bank-Investment Account

0.100%

5,556,817

Bank of America-Airport

0.300%

5,782

Bank of America-Parking Citations

0.300%

3,241

Bank of America-CNG Station

0.300%

3,363

Money Market and Bank Account Sub-Total

5,586,952

Government Pools

Account #1 Operating Amount

33,172,887.63

Account #1 CRA Bond Cash Bal.

1,376,672

Local Agency Investment Fund: Account #1

0.367%

34,549,559

Account #2 Operating Amount

Account #2 Successor Agency Bond Cash Bal

347

Local Agency Investment Fund: Account #2

0.367%

347

Government Pool Sub-Total

34,549,907

Operating Cash Balance

40,139,664

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.000%

1,167,955

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.142%

25,645,753

Operating Funds Total66,953,372**Fiscal Agent**

Amount

US Bank

41,321,843

Fiscal Agent Total41,321,843

72

City of Banning Investment Report

April 30, 2012

Operational Portfolio Individual Investments

| Par Value | Investment Description | Coupon Rate | Interest Rate | Maturity Date | Purchase Date | Purchase Date | Discount or (Premium) Amortization | Market Value |
|--|-----------------------------------|-------------|---------------|---------------|---------------|---------------|------------------------------------|--------------|
| <u>Bank Accounts</u> | | | | | | | | |
| 17,748 | Wells Fargo Bank-Operating | n/a | 0.00% | daily | varies | 17,748 | n/a | 17,748 |
| 5,556,817 | Wells Fargo Bank-Investment Acct | n/a | 0.10% | daily | varies | 5,556,817 | n/a | 5,556,817 |
| 5,782 | Bank of America-Airport | n/a | 0.30% | daily | varies | 5,782 | n/a | 5,782 |
| 3,241 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,241 | n/a | 3,241 |
| 3,363 | Bank of America-Parking Citations | n/a | 0.30% | daily | varies | 3,363 | n/a | 3,363 |
| Sub-total | | | | | | | | |
| 5,586,952 | | | | | | | | |
| <u>Government Pools</u> | | | | | | | | |
| 34,549,559 | L.A.I.F. account #1 | n/a | 0.367% | daily | varies | 34,549,559 | n/a | 34,549,559 |
| 347 | L.A.I.F. account #2 | n/a | 0.367% | daily | varies | 347 | n/a | 347 |
| 34,549,907 | | | | | | | | |
| <u>Investments-US Bank/Piper Jaffray</u> | | | | | | | | |
| 1,000,000 | Federal Home Loan Banks | n/a | 1.000% | 6/27/2014 | 6/16/2011 | 1,000,000 | | 1,001,130 |
| 5,000,000 | FHLMC MTN | n/a | 0.450% | 9/6/2013 | 12/2/2011 | 5,000,000 | | 5,002,450 |
| 19,642,173 | Money Market | n/a | 0.020% | daily | varies | 19,642,173 | 0 | 19,642,173 |
| US Bank/Piper Jaffray Average Rate= | | | | | | | | |
| 0.142% | | | | | | | | |
| 25,645,753 | | | | | | | | |

Average Rate All= 0.257%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 23, 2011. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 52 days and does not include Bond Reserve Fund Investments.

73

City of Banning Investment Report

April 30, 2012

Individual Investments with Fiscal Agent

| TRUSTEE | | Bond Maturity | Investment Description | | Current Yield | Bond Reserve | Minimum Reserve | Interest Apr-12 | 4/30/2012 Market Value |
|--|------|-------------------|------------------------|-----------|---------------|---------------|-----------------|-----------------|------------------------|
| Bond Issue Description | Date | | | | | Maturity Date | Requirement | | |
| COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A | | | | | | | | | |
| 2005 Fair Oaks Ranch Estates | 2035 | US Bank Mmkt 4-Ct | 0.040% | daily | | 188,943 | | 5.96 | 218,037 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003 | | | | | | | | | |
| 2003 CRA Tax Allocation Bonds | 2028 | U S Treasury Bill | 4.57% | 7/28/2011 | | 971,763 | | | 980,913 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 0.67 | 19,922 |
| | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | 7.16 | 7 |
| Surplus Fund | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | | 8 |
| COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007 | | | | | | | | | |
| Redevelop Fund | 2037 | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 404.31 | 8,325,170 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | 1,880,751 | | 63.53 | 1,875,364 |
| Special Fund | | US Bank Mmkt 4-Ct | 0.060% | daily | | | | 0.00 | 18 |
| Surplus Fund | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | | 9 |
| BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | | 196,640 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.000% | daily | | | | | 6 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 124.98 | 3,688,926 |
| BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES | | | | | | | | | |
| Interest Account | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | | 1,152,504 |
| Principal Account | | US Bank Mmkt 4-Ct | 0.030% | daily | | | | - | 30 |
| Reserve Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | 2,310,710 | | 78.31 | 2,311,350 |
| Project Fund | | US Bank Mmkt 4-Ct | 0.040% | daily | | | | 142.24 | 4,198,390 |
| BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES | | | | | | | | | |
| | | US Bank Mmkt 4-Ct | 0.050% | daily | | | | | 19 |
| | | US Bank Mmkt 4-Ct | 0.040% | daily | | 2,672,050 | | 100.72 | 2,973,013 |
| Acquisition & Construction | | US Bank Mmkt 4-Ct | 0.400% | daily | | | | 521.10 | 15,381,517 |
| *Paid Semi-Annually-Deposited into Money Mkt Account | | | | | | | | | 41,321,843 |
| Total | | | | | | | | | 1,448.98 |

74

CITY COUNCIL AGENDA

Date: June 26, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director
SUBJECT: Approval of Accounts Payable and Payroll Warrants for Month of April 2012

RECOMMENDATION: The City Council review and ratify the following reports per the California Government Code.

FISCAL DATA: The reports in your agenda packet cover "Expenditure Disbursements" and "Payroll Expenses" for the month of April 2012.

The reports are:

Expenditure approval lists

| | |
|----------------|--------------------------------|
| April 5, 2012 | 268,921.35 |
| April 12, 2012 | 758,686.18 |
| April 19, 2012 | 1,333,839.33 |
| April 26, 2012 | 463,167.75 |
| June 21, 2012 | 3,742,065.37 (April Month End) |

Payroll check registers

| | |
|----------------|----------|
| April 6, 2012 | 9,319.35 |
| April 6, 2012 | (349.67) |
| April 20, 2012 | 9,709.95 |
| April 26, 2012 | 349.67 |

Payroll direct deposits*

| | |
|----------------|------------|
| April 6, 2012 | 290,009.58 |
| April 20, 2012 | 311,659.55 |


As you review the reports, if you have any questions please contact the Finance Department so that we can gather the information from the source documents and provide a response.

Report Prepared by: Jenna Harrell, Accounts Payable

RECOMMENDED BY:


June Overholt
Administrative Services Director

APPROVED BY:


Andy Takata
City Manager

Fund/Department Legend:

General Fund – 001

Departments

0001 – General
1000 – City Council
1200 – City Manager
1300 – Human Resources
1400 – City Clerk
1500 – Elections
1800 – City Attorney
1900 – Fiscal Services
1910 – Purchasing & A/P
2060 – TV Government Access
2200 – Police
2210 – Dispatch
2279 - TASIN - SB621
2300 – Animal Control

2400 – Fire
2700 – Building Safety
2740 - Code Enforcement
2800 – Planning
3000 – Engineering
3200 – Building Maintenance
3600 – Parks
4000 – Recreation
4010 – Aquatics
4050 – Senior Center
4060 – Sr. Center Advisory Board
4500 – Central Services
4800 – Debt Service
5400 – Community Enhancement

All Other Funds

003 - Riverside County MOU
100 – Gas Tax Street Fund
101 – Measure A Street Fund
103 – SB 300 Street Fund
104 – Article 3 Sidewalk Fund
110 – CDBG Fund
111 – Landscape Maintenance
115 - E.E.C.B.G. Fund
132 – Air Quality Improvement Fund
140 – Asset Forfeiture-Police Fund
146 – San Gorgonio Gang Task Force
148 – Supplemental Law Enforcement
149 – Public Safety Sales Tax Fund
150 - State Park Bond Fund
200 – Special Donation Fund
201 – Sr. Center Activities Fund
202 – Animal Control Reserve Fund
203 – Police Volunteer Fund
204 – D.A.R.E. Donation Fund
300 – City Administration COP Debt Service
360 – Sun Lakes CFD #86-1
365 – Wilson Street #91-1 Assessment Debt
370 – Area Police Computer Fund
375 – Fair Oaks #2004-01 Assessment Debt
376 – Cameo Homes
400 – Police Facilities Development
410 – Fire Facility Development
420 – Traffic Control Facility Fund
421 – Ramsey/Highland Home Road Signal
430 – General Facilities Fund
441 - Sunset Grade Separation Fund
444 - Wilson Median Fund
451 – Park Development Fund

470 – Capital Improvement Fund
475 – Fair Oaks #2004-01 Assessment District
600 – Airport Fund
610 – Transit Fund
660 – Water Fund
661 – Water Capital Facilities
662 – Irrigation Water Fund
663 – BUA Water Capital Project Fund
669 – BUA - Water Debt Service
670 – Electric Fund
672 – Rate Stability Fund
673 – Electric Improvement Fund
674 - '07 Elec Revenue Bond Project Fund
675 – Public Benefit Fund
678 - '07 Elec Revenue Bond Debt Service Fund
680 – Wastewater Fund
681 – Wastewater Capital Facility Fund
683 – BUA Wastewater Capital Project Fund
685 – State Revolving Loan Fund
689 – BUA Wastewater Debt Service Fund
690 – Refuse Fund
700 – Insurance Fund
702 – Fleet Maintenance
703 – Information Systems Services
761 – Utility Billing Administration
810 – CRA – Low/Mod Fund
830 – CRA – Debt Service Fund
850 – CRA - Administration Fund
854 – CRA Low/Mod Bond Fund
855 - 2007 TABS Bond Proceeds
856 – 2003 TABS Bond Proceeds
857 – 2003 TABS Bond Proceeds Low/Mod
860 – CRA - Project Fund

CITY COUNCIL AGENDA

Date: June 26, 2012
TO: City Council
FROM: June Overholt, Administrative Services Director
SUBJECT: Approval of Accounts Payable and Payroll Warrants for Month of May 2012

RECOMMENDATION: The City Council review and ratify the following reports per the California Government Code.

FISCAL DATA: The reports in your agenda packet cover "Expenditure Disbursements" and "Payroll Expenses" for the month of May 2012.

The reports are:

Expenditure approval lists

| | |
|---------------|------------------------------|
| May 3, 2012 | 201,662.85 |
| May 7, 2012 | 115,092.74 |
| May 10, 2012 | 122,201.39 |
| May 17, 2012 | 463,475.28 |
| May 24, 2012 | 659,893.32 |
| May 31, 2012 | 760,718.44 |
| June 21, 2012 | 4,055,502.75 (May Month End) |

Payroll check registers

| | |
|--------------|-----------|
| May 4, 2012 | 12,436.19 |
| May 18, 2012 | 9,112.43 |

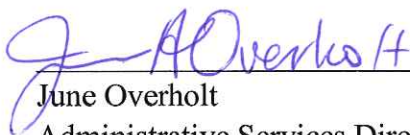
Payroll direct deposits*

| | |
|--------------|------------|
| May 4, 2012 | 327,140.35 |
| May 18, 2012 | 281,081.62 |

As you review the reports, if you have any questions please contact the Finance Department so that we can gather the information from the source documents and provide a response.

Report Prepared by: Jenna Harrell, Accounts Payable

RECOMMENDED BY:


June Overholt

Administrative Services Director

APPROVED BY:


Andy Takata

City Manager

Fund/Department Legend:

General Fund – 001

Departments

0001 – General
1000 – City Council
1200 – City Manager
1300 – Human Resources
1400 – City Clerk
1500 – Elections
1800 – City Attorney
1900 – Fiscal Services
1910 – Purchasing & A/P
2060 – TV Government Access
2200 – Police
2210 – Dispatch
2279 - TASIN - SB621
2300 – Animal Control

2400 – Fire
2700 – Building Safety
2740 - Code Enforcement
2800 – Planning
3000 – Engineering
3200 – Building Maintenance
3600 – Parks
4000 – Recreation
4010 – Aquatics
4050 – Senior Center
4060 – Sr. Center Advisory Board
4500 – Central Services
4800 – Debt Service
5400 – Community Enhancement

All Other Funds

003 - Riverside County MOU
100 – Gas Tax Street Fund
101 – Measure A Street Fund
103 – SB 300 Street Fund
104 – Article 3 Sidewalk Fund
110 – CDBG Fund
111 – Landscape Maintenance
115 - E.E.C.B.G. Fund
132 – Air Quality Improvement Fund
140 – Asset Forfeiture-Police Fund
146 – San Gorgonio Gang Task Force
148 – Supplemental Law Enforcement
149 – Public Safety Sales Tax Fund
150 - State Park Bond Fund
200 – Special Donation Fund
201 – Sr. Center Activities Fund
202 – Animal Control Reserve Fund
203 – Police Volunteer Fund
204 – D.A.R.E. Donation Fund
300 – City Administration COP Debt Service
360 – Sun Lakes CFD #86-1
365 – Wilson Street #91-1 Assessment Debt
370 – Area Police Computer Fund
375 – Fair Oaks #2004-01 Assessment Debt
376 – Cameo Homes
400 – Police Facilities Development
410 – Fire Facility Development
420 – Traffic Control Facility Fund
421 – Ramsey/Highland Home Road Signal
430 – General Facilities Fund
441 - Sunset Grade Separation Fund
444 - Wilson Median Fund
451 – Park Development Fund

470 – Capital Improvement Fund
475 – Fair Oaks #2004-01 Assessment District
600 – Airport Fund
610 – Transit Fund
660 – Water Fund
661 – Water Capital Facilities
662 – Irrigation Water Fund
663 – BUA Water Capital Project Fund
669 – BUA - Water Debt Service
670 – Electric Fund
672 – Rate Stability Fund
673 – Electric Improvement Fund
674 - '07 Elec Revenue Bond Project Fund
675 – Public Benefit Fund
678 - '07 Elec Revenue Bond Debt Service Fund
680 – Wastewater Fund
681 – Wastewater Capital Facility Fund
683 – BUA Wastewater Capital Project Fund
685 – State Revolving Loan Fund
689 – BUA Wastewater Debt Service Fund
690 – Refuse Fund
700 – Insurance Fund
702 – Fleet Maintenance
703 – Information Systems Services
761 – Utility Billing Administration
810 – CRA – Low/Mod Fund
830 – CRA – Debt Service Fund
850 – CRA - Administration Fund
854 – CRA Low/Mod Bond Fund
855 - 2007 TABS Bond Proceeds
856 – 2003 TABS Bond Proceeds
857 – 2003 TABS Bond Proceeds Low/Mod
860 – CRA - Project Fund

CITY COUNCIL AGENDA

DATE: June 26, 2012

TO: City Council

FROM: Duane Burk, Director of Public Works

SUBJECT: Resolution No. 2012-53, "Approving the Consumer Price Index (CPI) Increase for the Service Charges for the Collection, Transportation and Disposal of Solid Waste for Fiscal Year 2012/13"

RECOMMENDATION: The City Council adopt Resolution No. 2012-53, "Approving the Consumer Price Index (CPI) Increase for the Service Charges for the Collection, Transportation and Disposal of Solid Waste for Fiscal Year 2012/13," as set forth in the City of Banning's Franchise Agreement with Waste Management of the Inland Empire.

JUSTIFICATION: Waste Management has completed a review of the cost components of the contracted rates to comply with all health, safety and service requirements. Due to increasing operation costs, and per the provisions of the Franchise Agreement, a rate adjustment is necessary.

BACKGROUND: The City entered into a Franchise Agreement for refuse collection, transportation, and disposal with Waste Management of the Inland Empire in 1993 for an eight year period. Subsequently, the City Council, at its regular meeting on April 24, 2001, adopted Resolution No. 2001-35, extending the Agreement for an additional five years as allowed per the Agreement, from July 1, 2001 to June 30, 2006. On March 15, 2002 as part of Resolution No. 2002-28, the contract was re-negotiated to include automated services and to extend the Agreement for an additional five year period from July 1, 2006 to June 30, 2011. On June 28, 2011 under Resolution No. 2011-53, the Agreement was modified and the term was extended for an additional ten years from July 1, 2011 to June 30, 2021. A Public Hearing was held on February 14, 2012 (after Proposition 218 notifications were mailed out on December 22, 2011 to property owners and rate payers) and the results did not show a majority protest to approving an annual CPI increase for Waste Management of the Inland Empire for a period of four additional years.


Per Section 18 of the Franchise Agreement, the refuse collection rate can be adjusted annually at the beginning of each Fiscal Year based on the following methodologies: Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County area, as reported by the U.S. Dept. of Labor; the increase/decrease of the collected tonnage of waste; the increase/decrease of the Tipping Fee charged by the landfill operator; or extraordinary changes in costs related to collection.

If approved, the new solid waste rates will become effective on July 1, 2012 and will remain in place until June 30, 2013. The Notice of Public Hearing was advertised on June 11, 2012, as shown attached as Exhibit "A".

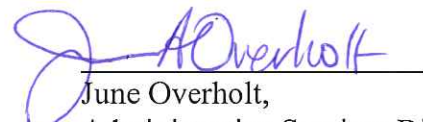
FISCAL DATA: The current rate for the residential refuse collection is \$17.97 per month, per household, and if approved, the rate will increase to \$18.42 per month. The commercial rates will be adjusted accordingly, as shown in the attached Exhibit "B". An increase of 2.49 %, based on the average

Consumer Price Index (CPI) percentage increase from March of 2011 through February of 2012 for the Los Angeles-Riverside-Orange County area as reported by the U.S. Department of Labor, is incorporated in the proposed residential and commercial rates. The Tipping Fee is being increased by 2.15 % to reflect the percentage increase by the Riverside County Waste Management Dept. for the disposal of solid waste within Riverside County landfills (Badlands, Lamb Canyon and El Sobrante) for the March of 2011 to February of 2012 period. This rate increase methodology is stated in Section 18 of the Franchise Agreement, last amended on June 28, 2011 as part of Resolution No. 2011-53.

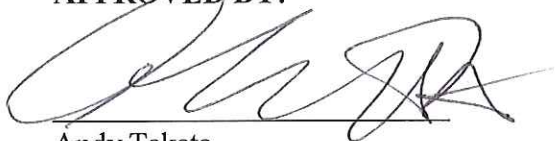
RECOMMENDED BY:


Duane Burk,
Director of Public Works

REVIEWED BY:


June Overholt,
Administrative Services Director/
Deputy City Manager

APPROVED BY:


Andy Takata,
City Manager

RESOLUTION NO. 2012-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, APPROVING THE CONSUMER PRICE INDEX (CPI) INCREASE FOR THE SERVICE CHARGES FOR THE COLLECTION, TRANSPORTATION AND DISPOSAL OF SOLID WASTE FOR FISCAL YEAR 2012/13.

WHEREAS, the City of Banning entered into a Franchise Agreement with Waste Management of the Inland Empire in July of 1993 for an eight year period; and

WHEREAS, on April 24, 2001, the City Council adopted Resolution No. 2001-35, extending the Agreement for an additional five years, as allowed per the Agreement, from July 1, 2001 to June 30, 2006; and

WHEREAS, the City Council adopted Resolution No. 2002-28 on March 15, 2002 whereby the contract was re-negotiated to include automated services and to extend the Franchise Agreement for an additional five year period from July 1, 2006 to June 30, 2011; and

WHEREAS, on June 28, 2011, the City Council adopted Resolution No. 2011-53, whereby the City and Waste Management mutually agreed to modify the terms and conditions of the Franchise Agreement, including Section 18, and to extend services for an additional ten years until June 30, 2021; and

WHEREAS, on December 22, 2011, Proposition 218 notifications were mailed out to property owners and rate payers and a Public Hearing was then held on February 14, 2012; the results did not show a majority protest to approving an annual CPI increase for Waste Management of the Inland Empire for a period of four additional years; and

WHEREAS, per Section 18 of the Franchise Agreement, the refuse collection rate can be adjusted annually at the start of each Fiscal Year based on the following methodologies: Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County area, as reported by the U.S. Dept. of Labor; the increase/decrease of the collected tonnage of waste; the increase/decrease of the Tipping Fee charged by the landfill operator; or extraordinary changes in costs related to collection; and

WHEREAS, it is essential that the City Council of the City of Banning adopt Resolution No. 2012-53, to ensure that the City can implement the new solid waste rates.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning as follows:

Section I. Following notice duly given by publication, the City Council has held a full and fair Public Hearing regarding the increase in service charges for the collection,

transportation and disposal of solid waste for Fiscal Year 2012/13 commencing on July 1, 2012, allowed per Section 18 of the Franchise Agreement. All interested persons were offered the opportunity to hear and be heard regarding protests and objections to the CPI Increase. All protests and objections to the proposed service charge increases for the 2012/13 Fiscal Year commencing on July 1, 2012 are hereby overruled by the City Council.

Section II. The City Council of the City of Banning hereby approves the Consumer Price Index (CPI) Increase for the service charges for the Collection, Transportation and Disposal of Solid Waste for Fiscal Year 2012/13 effective July 1, 2012, as set forth and shown attached herein as Exhibit "B".

PASSED, APPROVED and ADOPTED this 26th day of June, 2012.

Don Robinson, Mayor
City of Banning

ATTEST:

Marie A. Calderon,
City Clerk of the City of Banning

**APPROVED AS TO FORM AND
LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2012-53, was adopted by the City Council of the City of Banning at a Regular Meeting thereof held on the 26th day of June, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon
City Clerk of the City of Banning

EXHIBIT “A”

**NOTICE OF PUBLIC HEARING
FOR
RESOLUTION NO. 2012-53, “APPROVING THE
CONSUMER PRICE INDEX (CPI) INCREASE FOR
THE SERVICE CHARGES FOR THE
COLLECTION, TRANSPORTATION AND
DISPOSAL OF SOLID WASTE FOR FISCAL YEAR
2012/13.**

PRESS ENTERPRISE

JUNE 11, 2012

Printed at: 2:44 pm

on: Thursday, Jun 7, 2012

Ad #: 0000821265

Order Taker: Nick Eller

enterprise media

Classified Advertising

Proof

3450 Fourteenth St.
Riverside, CA 92501-3878
(800) 514-7253
(951) 684-1200
(951) 368-9006 Fax

Account Information

Phone #: (951) 922-3260
Name: BANNING, CITY OF
Address: 176 E LINCOLN ST ,
BANNING, CA 92220
USA

Account # 100143507
Client:
Placed By: Veronica Parra
Fax #:

Ad Information

Classification: EN CLS Legals
Publication: PE.com, Press Enterprise

Start Date: 06/11/2012
Stop Date: 06/11/2012
Insertions: 1 print / 1 online

Rate code: LGL PE City Legal
Ad type: CLS 10 Liner

Size: 2.0 X 49 Li
Bill Size:

Amount Due: **\$107.80**

Ad Copy:

NOTICE OF PUBLIC HEARING

PURSUANT TO LAW, NOTICE IS HEREBY GIVEN of a Public Hearing before the City Council of the City of Banning, to be held at a regular City Council Meeting on Tuesday, June 26, 2012, at 5:00 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California regarding Resolution No. 2012-53, "Approving the Consumer Price Index (CPI) Increase for the Service Charges for the Collection, Transportation and Disposal of Solid Waste, For Fiscal Year 2012/13."

ALL INTERESTED PARTIES are invited to attend said hearing and present oral or written testimony on the matter or send their written comments to the City Clerk, P.O. Box 998, Banning, California 92220.

Information regarding the foregoing can be obtained by contacting the Engineering Division of the Public Works Department at the above address or by telephone at 951-922-3130 for the period of 10 days prior to the Public Hearing.

If you challenge any decision regarding the above proposal in court, you may be limited to raising only those issues you or someone else raised in written correspondence delivered to the City Clerk at, or prior to, the time the City Council makes its decision on the proposal; or, if a public hearing is held on the proposal, you or someone else must have raised those issues at the public hearing or in written correspondence delivered to the hearing body at, or prior to, the hearing (California Government Code, Section 65009).

BY ORDER OF THE CITY CLERK of the City of Banning, California.

/s/ Marie A. Calderon, City Clerk
City of Banning, California

DATED: June 6, 2012
PUBLISH: June 11, 2012

EXHIBIT "B"

CITY OF BANNING

SOLID WASTE RATE SCHEDULE SUMMARY

EFFECTIVE JULY 1, 2012

| Type of Service | Existing Monthly Rate | Proposed Monthly Rate |
|-------------------------------|------------------------------|------------------------------|
| Residential Household | \$17.97 | \$18.42 |
| Commercial Can Service | \$19.30 | \$19.78 |
| Commercial Bin Service | | |
| One Pick-up per Week: | | |
| -2 cubic yard | \$81.41 | \$83.44 |
| - 3 cubic yard | \$106.59 | \$109.25 |
| -4 cubic yard | \$142.62 | \$146.18 |

City of Banning
July 1, 2012

EXHIBIT C SCHEDULE OF RATES

| Index Calculation | Old | New | Change | % of Change | Weighting | Weighted % |
|-------------------------------|----------|----------|---------|-------------|-----------|------------|
| Consumer Price Index | 226.657 | 232.728 | 6.07 | 2.68% | 65% | 1.74% |
| Riverside County Disposal Fee | \$ 34.37 | \$ 35.11 | \$ 0.74 | 2.15% | 35% | 0.75% |
| Total | | | | | | 2.49% |

Residential Service

Regular weekly curbside refuse & recycling service:

Total per household with Green Waste (95-gal containers) \$ 18.42 per month

Additional Residential Fees:

| | | |
|---|-------------------|-------------------|
| Additional containers: | Trash - 96 gallon | \$ 7.77 per month |
| | Trash - 64 gallon | \$ 6.22 per month |
| | Trash - 35 gallon | \$ 4.67 per month |
| | Recycle | \$ 2.00 per month |
| | Green Waste | \$ 4.76 per month |
| Residential Set Up Fee | | \$ 10.21 |
| Cart Exchanges due to size change or customer misuse in excess of 1x per year | | \$ 23.37 |

Commercial/Industrial Service

Commercial Trash

| Size of Bin | 1 | 2 | 3 | 4 | 5 | 6 |
|-------------|-----------|-----------|-----------|-----------|-----------|-------------|
| 2 Yard | \$ 83.44 | \$ 166.88 | \$ 243.95 | \$ 322.60 | \$ 399.68 | \$ 476.73 |
| 3 Yard | \$ 109.25 | \$ 218.50 | \$ 319.75 | \$ 421.03 | \$ 522.28 | \$ 623.57 |
| 4 Yard | \$ 146.18 | \$ 292.36 | \$ 427.39 | \$ 564.01 | \$ 699.05 | \$ 834.09 |
| 6 Yard | \$ 205.74 | \$ 411.48 | \$ 602.88 | \$ 792.69 | \$ 984.11 | \$ 1,173.91 |

Commercial Compactor

| Size of Bin | 1 | 2 | 3 | 4 | 5 | 6 |
|-------------|-----------|-----------|-----------|-------------|-------------|-------------|
| 2 Yard | \$ 115.74 | \$ 231.47 | \$ 340.84 | \$ 451.79 | \$ 561.16 | \$ 670.51 |
| 3 Yard | \$ 157.69 | \$ 315.39 | \$ 465.09 | \$ 614.80 | \$ 764.50 | \$ 914.23 |
| 4 Yard | \$ 210.77 | \$ 421.54 | \$ 621.17 | \$ 822.38 | \$ 1,022.02 | \$ 1,221.64 |
| 6 Yard | \$ 302.63 | \$ 605.24 | \$ 893.54 | \$ 1,180.25 | \$ 1,468.55 | \$ 1,755.24 |

Other Services:

| | |
|--|-------------------|
| Commercial Can Service - refuse service with recycling program | \$ 19.78 |
| Commercial Temporary Bin up to 7 days | \$ 121.21 |
| Commercial Temporary Bin (30 days) | \$ 197.75 |
| Bin Exchange | \$ 48.55 |
| Lost or Stolen Bin | \$ 294.60 |
| Burned Bin | \$ 164.98 |
| Extra Bin Dump (while on site) | \$ 57.83 |
| Overage Fee | \$ 44.97 |
| Locking Lids (per month times service frequency) | \$ 14.14 |
| Replacement Lock | \$ 29.46 |
| Replacement Key | \$ 5.89 |
| Commercial Set Up Fee | \$ 17.02 |
| Industrial Set Up Fee | \$ 17.02 |
| Additional Bulky Waste - E Waste | \$ 17.76 per item |
| HOC Fee | \$ 28.98 |

Commercial Recycling

| Size of Bin | QTY | One | Two |
|-------------|-----|-----------|-----------|
| 2 Yard | One | \$ 77.92 | \$ 155.83 |
| 3 Yard | One | \$ 99.74 | \$ 199.48 |
| 4 Yard | One | \$ 132.48 | \$ 264.96 |
| 6 Yard | One | \$ 171.44 | \$ 342.88 |

Rolloff Service

| | | |
|-----------------------------------|-----------|--------------------|
| 40 Cubic Yard Container | \$ 200.60 | Plus landfill fees |
| 10 Cubic Yard Container | \$ 200.60 | Plus landfill fees |
| Monthly Minimum Pull | \$ 200.60 | |
| 40 Cubic Yard Compactor | \$ 258.96 | Plus landfill fees |
| 40 Cubic Yard Temporary Container | \$ 365.42 | Includes 4 tons |

| | | |
|---------------------------------|----------|--|
| Relocation/Trip Delivery Fee | \$ 73.22 | |
|---------------------------------|----------|--|

**JOINT MEETING
CITY COUNCIL OF THE CITY OF BANNING,
ACTING IN ITS CAPACITY AS THE SUCCESSOR AGENCY AND
THE BANNING HOUSING AUTHORITY**

DATE: June 26, 2012

TO: Mayor and Members of the City Council, Successor Agency,
Banning Housing Authority

FROM: Zai Abu Bakar, Community Development Director

SUBJECT: Amending the Contract Services Agreement with Habitat for Humanity
(HfH) Approving the Reimbursement of Labor and Materials as part of the
Affordable Housing Development

RECOMMENDATION: That the Successor Agency and the Banning Housing Authority take the following actions:

1. Adopt Resolution No. 2012-11 SA of the Successor Agency recommending the approval to the Oversight Board of an amendment to the HfH current Agreement (FY 2011-12) to include reimbursement of labor and material expenses related to the construction and rehabilitation of the homes for qualifying low income families in Banning.
2. Adopt Resolution No. 2012-02 HA of the Banning Housing Authority amending the HfH current Agreement (FY 2011-12) to include reimbursement of labor and material expenses related to the construction and rehabilitation of the homes for qualifying low income families in Banning.

JUSTIFICATION: HfH has a two-year contract (FY 2010/11 and FY 2011/12) with the former Community Redevelopment Agency which is now the Successor Agency in the amount of \$375,000.00 per fiscal year for a total amount "Not to Exceed" \$750,000.00.

BACKGROUND/ANALYSIS: The contract with HfH is for the purchase of vacant properties; construction of new homes; and for the purchase of unoccupied, distressed, foreclosed or bank-owned properties located in neighborhoods throughout Banning. Once these properties are renovated, HfH sells them to qualifying low-income families currently residing in Banning. The contract is funded by bond funds designated for Low and Moderate Income (LMI) Housing. The contract for FY 2010/11 has been completed and the current contract expires June 30, 2012. The current contract and contract amount are included as a line item on the approved January to June 2012 Recognized Obligation Payment Schedule (ROPS) which has been approved by the State Department of Finance and Oversight Board.

The current approved contract allows for HfH to use these bond funds strictly for property acquisition; while the funds for labor and materials related to construction or rehabilitation are provided by HfH. In order to fund their portion of each project, HfH attempted to organize fundraisers. Due to the current economic down turn, HfH found that the fundraisers did not generate significant amounts of revenue necessary to cover labor and material expenses. There is \$148,820.00 available in the contract. Therefore, HfH is requesting approval for reimbursement of labor and materials from the unspent balance.

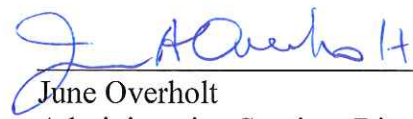
FISCAL DATA: The reimbursement for labor and materials are to be funded from the balance of the current FY 2011/12 contract in an amount "Not to Exceed" \$51,592.00.

RECOMMENDED BY:



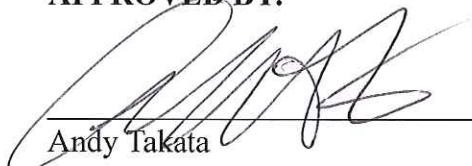
Zai Abu Bakar
Community Development Director

REVIEWED BY:



June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:



Andy Takata
City Manager

Attachments:

1. Exhibit "A" - Successor Agency Resolution 2012-11 SA
2. Exhibit "B" - Banning Housing Authority Resolution 2012- 02 HA
3. Exhibit "C" - Contract Amendment
4. Exhibit "D" - Original Contract with Habitat for Humanity

EXHIBIT “A”

SUCCESSOR AGENCY RESOLUTION NO. 2012-11 SA

RESOLUTION NO. 2012-11 SA

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF BANNING, CALIFORNIA, RECOMMENDING THE APPROVAL TO THE OVERSIGHT BOARD OF THE AMENDMENT TO THE CONTRACT SERVICES AGREEMENT WITH HABITAT FOR HUMANITY TO INCLUDE THE REIMBURSEMENT OF LABOR AND MATERIALS

WHEREAS, the former Community Redevelopment Agency (CRA) has a two-year agreement with Habitat for Humanity ("HfH") which expires on June 30, 2012 which is funded by bond funds that are designated for Low and Moderate Income (LMI) Housing; and

WHEREAS, the contract with HfH is for the purchase of vacant properties; construction of new homes; and for the purchase of unoccupied, distressed, foreclosed or bank-owned properties located in neighborhoods throughout Banning; and

WHEREAS, the contract for FY 2010/11 has been completed and the remaining fund balance from FY 2010/11 were carried forward to the current FY 2011/12; and

WHEREAS, the agreement for FY 2010/11 has been completed and fulfilled; and

WHEREAS, the current agreement has a fund balance which if not expended will expire on June 30, 2012; and

WHEREAS, HfH has a need to allocate funds to cover labor and materials that are necessary for the completion of these home renovations;

WHEREAS, the current contract and contract amount are included as a line item on the approved January to June 2012 Recognized Obligation Payment Schedule (ROPS) which has been approved by the State Department of Finance and Oversight Board.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Banning, acting in its capacity as the Successor Agency to the dissolved Community Redevelopment Agency of the City of Banning, hereby recommends the approval to the Oversight Board as follows:

SECTION 1. The First Amendment to the Contract Services Agreement with Habitat for Humanity for affordable housing development is hereby approved.

SECTION 2. The Administrative Services Director is authorized to reimburse Habitat for Humanity in the amount of \$51,592.00 (for labor and materials) from the available funds budgeted in the current contract FY 2011/12.

PASSED, APPROVED AND ADOPTED this 26th day of June 2012.

Don Robinson, Mayor
City of Banning

ATTEST:

Marie A. Calderon, City Clerk
City of Banning, California

**APPROVED AS TO FORM
AND LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire and Wynder, LLP.

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2012-11 SA was adopted by the City Council of the City of Banning sitting in its capacity as the Successor Agency to the dissolved Community Development Agency of the City of Banning at a joint meeting thereof held on the 26th day of June, 2012, by the following vote, to wit:.

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

EXHIBIT “B”

HOUSING AUTHORITY RESOLUTION NO. 2012-02 HA

RESOLUTION NO. 2012-02 HA

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF BANNING, CALIFORNIA, APPROVING THE AMENDMENT TO THE CONTRACT SERVICES AGREEMENT WITH HABITAT FOR HUMANITY TO INCLUDE THE REIMBURSEMENT OF LABOR AND MATERIALS

WHEREAS, the former Community Redevelopment Agency (CRA) has a two-year agreement with Habitat for Humanity ("HfH") which expires on June 30, 2012 which is funded by bond funds that are designated for Low and Moderate Income (LMI) Housing; and

WHEREAS, the contract with HfH is for the purchase of vacant properties; construction of new homes; and for the purchase of unoccupied, distressed, foreclosed or bank-owned properties located in neighborhoods throughout Banning; and

WHEREAS, the contract for FY 2010/11 has been completed and the remaining fund balance from FY 2010/11 were carried forward to the current FY 2011/12; and

WHEREAS, the agreement for FY 2010/11 has been completed and fulfilled; and

WHEREAS, the current agreement has a fund balance which if not expended will expire on June 30, 2012; and

WHEREAS, HfH has a need to allocate funds to cover labor and materials that are necessary for the completion of these home renovations; and

WHEREAS, the current contract and contract amount are included as a line item on the approved January to June 2012 Recognized Obligation Payment Schedule (ROPS) which has been approved by the State Department of Finance and Oversight Board.

NOW, THEREFORE, BE IT RESOLVED that the Banning Housing Authority hereby approves the following:

SECTION 1. The First Amendment to the Contract Services Agreement with Habitat for Humanity for affordable housing development is hereby approved.

SECTION 2. The Administrative Services Director is authorized to reimburse Habitat for Humanity in the amount of \$51,592.00 (for labor and materials) from the available funds budgeted in the current contract FY 2011/12.

PASSED, APPROVED AND ADOPTED this 26th day of June 2012.

Barbara Hanna, Chairperson
Banning Housing Authority

ATTEST:

Marie A. Calderon, Authority Secretary
City of Banning, California

**APPROVED AS TO FORM
AND LEGAL CONTENT:**

David J. Aleshire, Authority Counsel
Aleshire and Wynder, LLP.

CERTIFICATION:

I, Marie A. Calderon, Authority Secretary of the Banning Housing Authority, Banning, California, do hereby certify that the foregoing Resolution No. 2012-02 HA was duly adopted by the Banning Housing Authority at a joint meeting held on the 26th day of June, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, Authority Secretary
Banning Housing Authority
Banning, California

EXHIBIT “C”

ORIGINAL CONTRACT SERVICES AGREEMENT

CITY OF BANNING
CONTRACT SERVICES AGREEMENT FOR
AFFORDABLE HOUSING DEVELOPMENT

THIS CONTRACT SERVICES AGREEMENT (herein "Agreement"), is made and entered into this 1st day of July, 2010, by and between the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING, a municipal corporation, (herein "City") and HABITAT FOR HUMANITY OF THE SAN GORGONIO PASS AREA (herein "Contractor"). (The term Contractor includes professionals performing in a consulting capacity.) The parties hereto agree as follows:

1.0 SERVICES OF CONTRACTOR

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Contractor's Proposal.

The Scope of Service shall include the Contractor's proposal or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Contract, Contractor warrants that Contractor (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to five percent (5%) of the Contract Sum or

101

\$25,000, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

2.0 **COMPENSATION**

2.1 Contract Sum.

For the services rendered pursuant to this Agreement, the Contractor shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference, but not exceeding the maximum contract amount of Seven Hundred Fifty Thousand Dollars (\$750,000.00) (herein "Contract Sum"), except as provided in Section 1.8. The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with the percentage of completion of the services, (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expense, transportation expense approved by the Contract Officer in advance, and no other expenses and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City; Contractor shall not be entitled to any additional compensation for attending said meetings.

2.2 Method of Payments.

Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Contractor wishes to receive payment, no later than the first (1st) working day of such month, Contractor shall submit to the City in the form approved by the City's Director of Finance, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.3, City shall pay Contractor for all expenses stated thereon which are approved by City pursuant to this Agreement no later than the last working day of the month.

3.0 PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

3.3 Term.

Unless earlier terminated in accordance with Section 7.8 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding two (2) year from the date hereof, except as otherwise provided in the Schedule of Compensation.

4.0 COORDINATION OF WORK

4.1 Representative of Contractor.

The following principals of Contractor are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

1. Wendell Bainter, President
2. Dean Jesson, Vice-President
3. Jim Myers, Treasurer

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be

103

replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City.

4.2 Contract Officer.

The Contract Officer shall be such person as may be designated by the City Manager of City. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

5.0 INSURANCE, INDEMNIFICATION AND BONDS

5.1 Insurance.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Comprehensive General Liability Insurance. A policy of comprehensive general liability insurance written on a per occurrence basis. If the Contract Sum is \$25,000.00 or less, the policy of insurance shall be written in an amount not less than either (i) a combined single limit of \$500,000.00 or (ii) bodily injury limits of \$250,000.00 per person, \$500,000.00 per occurrence and \$500,000.00 products and completed operations and property damage limits of \$100,000.00 per occurrence and \$100,000.00 in the aggregate. If the Contract Sum is greater than \$25,000.00 but less than or equal to \$100,000.00, the policy of insurance shall be in an amount not less than either (i) a combined single limit of \$1,000,000.00 for bodily injury, death and property damage or (ii) bodily injury limits of \$500,000.00 per person, \$1,000,000.00 per occurrence and \$1,000,000.00 products and completed operations and property damage limits of \$500,000.00 per occurrence and \$500,000.00 in the aggregate. If the Contract Sum is greater than \$100,000.00, the policy of insurance shall be in an amount not less than \$5,000,000.00 combined single limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than either (i) bodily injury liability limits of \$250,000.00 per person and \$500,000.00 per occurrence and property damage liability limits of \$100,000.00 per occurrence and \$250,000.00 in the aggregate or (ii) combined single limit liability of \$500,000.00. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Additional Insurance. Policies of such other insurance, including professional liability insurance, as may be required in the Special Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its officers, employees and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled without providing thirty (30) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence

until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

Agent Initials

The Contractor agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible.

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.3 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to this Section 5.1.

5.2 Indemnification.

Contractor agrees to indemnify the City, its officers, agents and employees against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities of Contractor, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the negligent acts or omissions of Contractor hereunder, or arising from Contractor's negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, whether or not there is concurrent passive or active negligence on the part of the City, its officers, agents or employees but excluding such claims or liabilities arising from the sole negligence or willful misconduct of the City, its officers, agents or employees, who are directly responsible to the City, and in connection therewith:

(a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in

106

connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

5.3 Performance Bond.

Concurrently with execution of this Agreement, Contractor shall deliver to City a performance bond in the sum of the amount of this Agreement, in the form provided by the City Clerk, which secures the faithful performance of this Agreement, unless such requirement is waived by the Contract Officer. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement.

5.4 Sufficiency of Insurer or Surety.

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances. In the event the Risk Manager of City ("Risk Manager") determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by this Section 5 may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of City within 10 days of receipt of notice from the Risk Manager.

6.0 **RECORDS AND REPORTS**

6.1 Reports.

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor

shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.2 Records.

Contractor shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and the City shall indemnify the Contractor for all damages resulting therefrom. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

6.4 Release of Documents.

The drawings, specifications, reports, records, documents and other materials prepared by Contractor in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer.

7.0 **ENFORCEMENT OF AGREEMENT**

7.1 California Law.

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

7.2 Disputes.

In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the injured party; provided that if the default is an immediate danger to the health, safety and general welfare, such immediate action may be necessary. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's or the Contractor's right to terminate this Agreement without cause pursuant to Section 7.8.

7.3 Retention of Funds.

Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Scope of Services (Exhibit "A"). The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages.

7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Agreement except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Agreement at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

110

7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, COMMUNITY REDEVELOPMENT

AGENCY OF THE CITY OF BANNING, CITY OF BANNING, CA 92220, and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment.

It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

9.4 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.


9.5 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

CITY:

CITY OF BANNING a municipal
corporation.



Andrew J. Takata, Executive Director

ATTEST:



Marie Calderon, Agency Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP



David L. Aleshire, Agency Counsel

CONTRACTOR:

Habitat for Humanity of the San Geronio
Pass Area

By: 
Name: Wendell Banter
Title: President

By: 
Name: Dean Jesson
Title: Vice-President

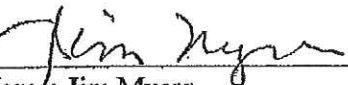
By: 
Name: Jim Myers
Title: Treasurer

EXHIBIT "A"

SCOPE OF SERVICES

1. The scope of services includes the acquisition and rehabilitation of vacant, bank-owned property inventory and to acquire affordable in-fill vacant land for new single-family homes. It will provide for rehabilitation and resale opportunities.
2. Funding for the program will not exceed \$375,000 for each year over a two-year period to construct new homes and rehabilitate existing homes for sale to income qualified families for occupancy. Funding is budgeted in the FY 2010-2011 (\$375,000) and 2011-2012 (\$375,000), for a total of \$750,000.
3. Habitat for Humanity will identify appropriate projects, either new construction or rehabilitation and resale, and then submit to the Executive Director an application, in a form approved by Agency, with supporting documentation for each project. The application must be approved in writing before any funds are released for acquisition or construction, or any work is begun.
4. The project application requires documentation including but not limited to appraisals, sales contracts, title documents, escrow closing documents, rehabilitation or construction plans (as appropriate), project budgets, sources of funding and site environmental analysis, neighborhood analysis, and a detailed project proposal.
5. A City of Banning staff member will participate in the initial walk through inspection and review of all proposed properties for purchase and a written summary shall be prepared. Staff shall also have to right to perform inspections while the work is being performed, without notice to Habitat for Humanity. Staff will participate in the final inspection of participating properties once completed and ready to be occupied and put on the market for sale. A final written inspection report shall be prepared and approved by City.
6. Habitat for Humanity is to construct a minimum of one new home and rehabilitate three or four homes per each year of the contract. In lieu of the new home requirement, additional single family home rehabilitation may be substituted if in Habitat for Humanity's opinion it will produce more housing or better meet the needs of the market.
7. Properties purchased and/or developed by Habitat for Humanity must be developed, maintained, and kept secured and in good order until the property is sold; and shall be maintained thereafter in good condition pursuant to the CC&Rs.
8. Affordability Covenants, in a form approved by Agency Counsel, shall be recorded against the subject homes upon their initial sale and any subsequent re-sale. This is to ensure that the units remain affordable to persons and families at the moderate income level or lower of the Area Median Income (AMI) for Riverside County per U.S. Housing and Urban Development Department, (HUD) guidelines at the time for a period of not less than 55 years. The Covenants shall also contain maintenance obligations and be enforceable by City.

115

"EXHIBIT B"

SPECIAL REQUIREMENTS

1. Contractor shall provide Agency with "close-out" reports both following each project and a year end report summarizing all activities expenses and results from the activities performed under this contract from the period July 1, 2010 to June 30 2011. This report shall be provided to the Agency within 45 days of the conclusion of the project, and at the end of the year (August 15, 2011) and of the end of the Contract (June 30, 2011). The same information shall be provided for the period of 2011-2012.

2. Contractor shall provide the Agency a comprehensive description of their organization's overall budget (revenue and expenses) which demonstrates how the Agency funded activities and contract payments fit into the overall work plan and budget of the Contractor Organization. This shall be furnished to the Agency with 30 days of execution of the contract. If this information is not provided by Contractor, Agency reserves the right to suspend contract, contract activities and payments of invoices until required information is received by Agency.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

Total funding in the amount of \$750,000 is budgeted; 2010-2011 (\$375,000) and 2011-2012 (\$375,000) budgets. Funding to be dispersed upon written approval of the Executive Director as projects are developed, in-fill lots identified for purchase and acquisition and rehabilitation projects are identified for purchase and resale (Exhibit A, scope of services, item three).

New Single-Family Home Development Program

The Agency will provide funds not to exceed \$75,000 per purchase to Habitat for Humanity to purchase in-fill lots and pay permit fees; Habitat for Humanity will bear the costs associated with construction. A property appraisal is required for each property considered for purchase and under no circumstances will the City's contribution towards property purchase exceed the fair market value of the property.

The approximate cost sharing structure for a prototypical new three or four bedroom, two bath, 1300-1600 square foot home would be as follows:

Agency: Maximum contribution of \$75,000 per unit (approx \$40,000 per 5,000 sq. ft. lot and \$35,000 fees/permits)

HFH: \$110,000 – Construction (materials and paid labor)

Acquisition, Rehabilitation and Resale Program

The Agency will provide funds not to exceed \$75,000 per purchases to Habitat for Humanity to purchase unoccupied, distressed, foreclosed, or bank-owned properties which would be rehabilitated and sold to qualified families in existing neighborhoods. A property appraisal is required for each property considered for purchase and under no circumstances will the City's contribution towards property purchase exceed the fair market value of the property.

The approximate cost for a rehabilitation project would be as follows:

Agency: Maximum contribution of \$75,000 - Acquisition cost

HFH: \$30,000 - Rehabilitation cost (material and paid labor)

EXHIBIT “D”
FIRST AMENDMENT

**FIRST AMENDMENT TO THE CONTRACT SERVICES BY AND BETWEEN THE
CITY OF BANNING SUCCESSOR AGENCY, BANNING HOUSING AUTHORITY AND
HABITAT FOR HUMANITY FOR AFFORDABLE HOUSING DEVELOPMENT**

THIS FIRST AMENDMENT TO THE CONSULTANT SERVICES AGREEMENT ("First Amendment") by and between the CITY OF BANNING SUCCESSOR AGENCY ("Successor Agency"), BANNING HOUSING AUTHORITY ("Authority") and Habitat for Humanity ("Consultant") is effective as of the 26th day of June 2012.

RECITALS

A. Consultant entered into a Contract Services Agreement ("Agreement") approved by the CRA on July 1, 2010, to provide affordable housing as fully described in Exhibit "A" of the Agreement entitled Scope of Services. The former Community Redevelopment Agency ("CRA") was dissolved on February 1, 2012. The former CRA duties have been assumed by the Successor Agency, and the former CRA's housing assets and functions assumed by the Housing Authority, pursuant to AB1x26.

B. The term of the Agreement was to not exceed two years, meaning that the Agreement would expire on June 30, 2012.

C. The Agreement qualifies as an "Enforceable Obligation" and was approved as such by the Banning Oversight Board and State Department of Finance as part of the Successor Agency's current Recognized Payment Obligation Schedule ("ROPS"). The Successor Agency, and the Housing Authority in its capacity as successor to former CRA housing functions, both desire that Consultant continue to provide the services set forth in Exhibit "A" of the Agreement to completion. Moreover, the current Agreement does not provide for the reimbursement of Consultant's labor and materials; thus, the Successor Agency, and the Housing Authority wish to amend the Agreement to allow Agreement funds to be used for reimbursement of labor and materials for projects that are completed within the current Fiscal Year 2011/12.

D. The Successor Agency, Housing Authority and Consultant now desire to amend the Agreement to provide for the allocation of Agreement funds to labor and materials for projects that are completed within the current Fiscal Year 2011/12. Such amendment does not add or increase any approved payments under the ROPS and, in fact, nothing in this proposed First Amendment changes any of the approved line items on the ROPS. The funding amounts proposed under the Agreement and this First Amendment are already an approved ROPS line item.

E. This First Amendment to the Agreement is made in accordance with Section 9.3 of the Agreement, which provides in part that "... This agreement may be amended at any time by the mutual consent of the parties by an instrument in writing".

NOW, THEREFORE, it is hereby agreed that the recitals contained above are incorporated herein by reference and the Agreement is hereby amended as follows:

Section 1. Amendment to Exhibit "C" of the Agreement. Exhibit "C" of the Agreement is hereby amended to include the following provisions:

"EXHIBIT "C"

The total funding in the amount of \$750,000 is budgeted: 2010-2011 (\$375,000) and 2011-2012 (\$375,000) budgets. Funding to be dispersed upon written approval of the Executive Director as projects are developed, in-fill lots identified for purchase and acquisition and rehabilitation projects are identified for purchase and resale (Exhibit A, scope of services, item three)

New Single-Family Home Development Program

The Agency will provide funds not to exceed \$75,000 per purchase to Habitat for Humanity to purchase in-fill lots and pay permit fees; Habitat for Humanity will bear the costs associated with construction. A property appraisal is required for each property considered for purchase and under no circumstances will the City's contribution towards the property purchase exceed the fair market value of the property.

The approximate cost sharing structure for a proto-typical new three or four bedroom, two-bath, 1300-1600 square foot home would be as follows:

Agency: Maximum contribution of \$75,000.00 per unit (approximately \$40,000 per 5,000 sq. foot lot and \$35,000.00 fees/permits). Any remaining fund balance after payment for the property and construction and funds reserve for the fees/permits, the remaining fund balance per unit may be used for labor and materials costs.

HFH: \$110,000 – Construction (materials and paid labor)

Acquisition, Rehabilitation, and Resale Program

The Agency will provide funds not to exceed \$75,000 per purchase to Habitat for Humanity to purchase unoccupied, distressed, foreclosed, or bank-owned properties which would be rehabilitated and sold to qualified families in existing neighborhoods. A property appraisal is required for each property considered for purchase and under no circumstances will the City's contributions towards property purchased exceed the fair market value of the property.

The approximate cost for a rehabilitation project would be as follows:

Agency: Maximum contribution of \$75,000 – Acquisition cost. Any remaining fund balance after payment for the property and construction and funds reserve for the fees/permits, the remaining fund balance per unit may be used for labor and materials costs.

HFH: \$30,000.00 – rehabilitation costs (material and paid labor)"

Section 2. Continuing Effect of Agreement. Except as amended by this First Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this First Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this First Amendment to the Agreement.

IN WITNESS WHEREOF, Successor Agency, Housing Authority and Contractor have entered into this First Amendment as of the date set forth above.

SUCCESSOR AGENCY

By: _____
Don Robinson, Successor Agency Chair

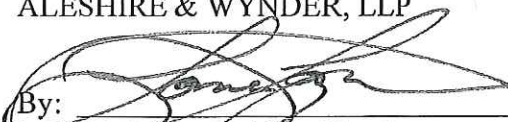
HOUSING AUTHORITY

By: _____
Barbara Hanna, Housing Authority Chair

ATTEST:

By: _____
Marie Calderon, City Clerk

APPROVED AS TO FORM:
ALESHERE & WYNDER, LLP

By: 
Lona N. Laymon, Asst, City Attorney

"CONSULTANT"
HABITAT FOR HUMANITY OF THE SAN
GORGONIO PASS AREA

By: _____
Wendell Bainter, President

Dean Hesson, Vice President

Jim Myers, Treasurer

**COUNCIL AGENDA/SUCCESSOR AGENCY/UTILITY AUTHORITY
SPECIAL JOINT MEETING
REPORT OF OFFICERS**

DATE: June 26, 2012

TO: Mayor and Members of the City Council

FROM: June Overholt, Administrative Services Director/Deputy City Manager

SUBJECT: Adoption of Resolutions Related to the Two Year Budget Plan for Fiscal Year 2012-13 and 2013-14 for the City, Successor Agency and Banning Utility Authority; Adoption of the GANN Limit and Adoption of the Classification and Compensation Plan Amendment

RECOMMENDATION:

1. That the City Council adopt Resolution No. 2012-47 approving the City's Budget
2. That the Banning Utility Authority Board adopt Resolution No. 2012-07UA approving the Utility Authority's Budget
3. That the Successor Agency Board adopt Resolution No. 2012-08 approving the Successor Agency's Budget
4. That the City Council adopt Resolution No. 2012-48 approving the Fiscal Year 2012-13 Gann Limit Calculations.
5. That the City Council adopt Resolution No. 2012-50 amending the classification and compensation plan.

DISCUSSION: At the end of each fiscal year the City Council, Utility Authority Board and now the Successor Agency Board adopt a budget to provide a variety of services to citizens, to complete planned projects and to pay the required debt service payments for the coming year. The budgets and the related policy statements serve as a control and monitoring tool. This budget is being presented as a two year budget. The next budget cycle will update the second year of the two year budget cycle.

The budget process included department input, meetings with the City Manager, additional reviews by Finance to identify areas of concern, budget savings or changes in estimates and a Council briefing. The total appropriations for all funds for Fiscal Year 2012/13 (FY13) are \$86,413,487.

The budget information consists of 7 categories of funds as follows:

- Governmental (General Fund)
- Special Revenue Funds
- Capital Improvement Funds

- Banning Utility Authority
- Enterprise Funds
- Internal Service Funds
- Successor Agency Funds

A budget message has been included in the budget document which describes major changes in the budget, observations and areas of concern for future budgets. There are three resolutions required to adopt the budget by the Council and board members of the City of Banning, the Banning Utility Authority and the Successor Agency.

The budgetary and fiscal policies routinely adopted by the Council and Boards have been included as a part of Resolution No. 2012-47. Most of these policies are considered best practice measures and are common to most organizations concerned with fiscal health.

The proposed budget document is on file with the City Clerk and available on the City website. The document is presented at a fund total level. A line item, detailed version will be completed following adoption for use by management and department personnel in controlling and monitoring expenditure and revenue activity. A copy of the detailed version will be available upon request.

Position Control:

With the adoption of the FY13 budget, Council is adopting the authorized positions identified in the summary. The budget document provides a personnel summary by fund/division. The summary includes a reconciliation of the position changes being recommended. The primary changes are in the Electric department. Several employees have completed the apprenticeship program and are eligible for promotions. Several other positions have been reclassified to represent organizational changes and/or titles that better represent the functions. An Office Assistant position has been added to the Electric department. This position will interact with customers that walk into the Electric department as well as assist Utility Billing. An Accountant II position has been added, which is funded primarily through the Utilities. This position replaces a part-time position. One police officer position has been removed which represents the loss in TASIN funding. Resolution 2012-50 has been included to amend the classification and compensation plan to include the classifications, ranges and job descriptions needed for the recommended changes.

The personnel summary also reflects changes that do not require amending the classification study. Several salary splits have been changed due to the elimination of the CRA.

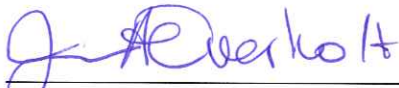
Gann Limit Calculation:

In accordance with Article XIII B of the California Constitution, the City is limited as to how much revenue from taxes it may receive. The revenue is actually limited by the appropriations in the base year of FY 1978-79, adjusted by inflation and population growth.

The limit is calculated by taking the prior year's limit and applying growth factors as appropriate. The appropriation limit for FY 2012-13 is calculated to be \$33,440,246. The limit exceeds taxes subject to appropriation by \$26,525,041. Details about the Gann Limit for the City of Banning are included within the budget document.

FISCAL DATA: The budgets as currently proposed for the City, Utility Authority and Successor Agency contain the estimated revenue and appropriation requests necessary to begin the new fiscal year on July 1, 2012.

RECOMMENDED BY:



June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:



Andy Takata
City Manager

RESOLUTION NO. 2012-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING ADOPTING THE ANNUAL BUDGET FOR THE FISCAL PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013 AND JULY 1, 2013 THROUGH JUNE 30, 2014 AND MAKING APPROPRIATIONS TO MEET EXPENSES APPROVED THEREIN AND APPROVING BUDGETARY POLICIES AND RECOMMENDATIONS

WHEREAS, the Administrative Services Director prepared the two year budget plan for Fiscal Year 2012-13 and 2013-14 which set forth all of the expected revenue of the City of Banning, and the recommended appropriations to meet the operating and capital expenses for all City of Banning funds; and

WHEREAS, the proposed budget for fiscal year 2012-13 and 2013-14 of the City of Banning has been submitted to this Council, and said budget has been considered and, is in form and substance satisfactory to this Council; and

WHEREAS, the City departments may not exceed their appropriations by character of expense, with character of expense being defined as personnel services, services and supplies, capital outlay, debt service and interfund transfers, without the consent of the City Manager; and

WHEREAS, the City may transfer appropriations, between departments and within their respective funds, as long as those appropriations do not exceed their fund total unless approved by Council; and

WHEREAS, the City Departments may not hire in excess of the approved number of positions in job classification as indicated by the budget detail without the consent of the City Council; and

WHEREAS, certain capital projects, programs and commitments have been approved for appropriation in fiscal year 2011-12, the Administrative Services Director shall be authorized to carry over appropriation budgets for these items as approved by the City Manager; and

WHEREAS, it is essential that the City of Banning adopt a budget plan establishing the revenues and expenditures for all of its governmental, proprietary and fiduciary funds;

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1: The Annual Budget for the City of Banning for fiscal period July 1st, 2012 through June 30th, 2013 and July 1st, 2013 through June 30th, 2014, as summarized in the fund summary, is hereby approved and adopted in the form on file with the City Clerk.

SECTION 2: That specific appropriations for each fund and each operating department are hereby made as set forth in the budget plan which is incorporated herein by this reference, for fiscal year 2012-13 shall be expended in accordance with all applicable laws.

SECTION 3: The budget projections for the fiscal period July 1st, 2013 through June 30th, 2014 are adopted as the initial plan subject to review and modification prior to final approval and appropriation.

SECTION 4: The Budgetary and Fiscal Policies as incorporated, are hereby approved and adopted.

SECTION 5: The Authorized position control is amended as incorporated in the budget document.

PASSED, APPROVED AND ADOPTED this 26th day of June 2012.

Don Robinson, Mayor
City of Banning

ATTEST:

Marie A. Calderon, City Clerk

**APPROVED AS TO FORM AND
LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2012-47 was duly adopted by the City Council of the City of Banning, California, at a special meeting thereof held on the 26th day of June, 2012, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Marie A. Calderon, City Clerk
City of Banning, California

BUA RESOLUTION NO. 2012-07UA

A RESOLUTION OF THE BANNING UTILITY AUTHORITY OF THE CITY OF BANNING ADOPTING THE BUDGET PLAN FOR THE FISCAL PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013 AND JULY 1, 2013 THROUGH JUNE 30, 2014 AND MAKING APPROPRIATIONS TO MEET EXPENSES APPROVED THEREIN

WHEREAS, the Executive Director prepared the budget plan for fiscal year 2012-13 and 2013-14 which set forth all of the expected revenues of the City of Banning Utility Authority (Authority), and the recommended appropriations to meet the operating and capital expenses for all Authority funds; and

WHEREAS, the Authority has considered the recommendations and approved or modified them so as to best serve the interest of the citizens of the City of Banning; and

WHEREAS, the proposed budget for fiscal year 2012-13 and 2013-14 of the City of Banning Utility Authority has been submitted to this Board, and said budget has been considered and, is in form and substance satisfactory to this Board; and

WHEREAS, the Authority departments may not exceed their appropriations by character of expense, with character of expense being defined as personnel services, services and supplies, capital outlay, debt service and interfund transfers, without the consent of the Executive Director; and

WHEREAS, the Authority may transfer appropriations, between departments and within their respective funds, as long as those appropriations do not exceed their fund total unless approved by this Board; and

WHEREAS, the Authority departments may not hire in excess of the approved number of positions in job classification as indicated by the budget detail without the consent of this Board; and

WHEREAS, certain capital projects, programs and commitments have been approved for appropriation in fiscal year 2011-12, the Administrative Services Director shall be authorized to carry over appropriation budgets for these items as approved by the Executive Director; and

WHEREAS, it is essential that the City's Utility Authority adopt a budget plan establishing the revenues and expenditures for all of its funds;

NOW, THEREFORE, BE IT RESOLVED BY THE BANNING UTILITY AUTHORITY BOARD:

SECTION 1: The Annual Budget for the City of Banning for fiscal period July 1st, 2012 through June 30th, 2013 and July 1st, 2013 through June 30th, 2014, as summarized in the fund summary, is hereby approved and adopted in the form on file with the City Clerk.

SECTION 2: That specific appropriations for each fund and each operating department are hereby made as set forth in the budget plan which is incorporated herein by this reference, for fiscal year 2012-13 shall be expended in accordance with all applicable laws.

SECTION 3: The budget projections for the fiscal period July 1st, 2013 through June 30th, 2014 are adopted as the initial plan subject to review and modification prior to final approval and appropriation.

SECTION 4: The Budgetary and Fiscal Policies as incorporated, are hereby approved and adopted.

PASSED, APPROVED AND ADOPTED this 26th day of June, 2012.

Don Robinson, Chairman
Banning Utility Authority

ATTEST:

Marie A. Calderon, Secretary
Banning Utility Authority

**APPROVED AS TO FORM AND
LEGAL CONTENT:**

David J. Aleshire, Authority Counsel
Aleshire & Wynder, LLP

CERTIFICATION:

I, Marie A. Calderon, Secretary to the Utility Authority of the City of Banning, California, do hereby certify that the foregoing Resolution 2012-07UA was adopted by the Banning Utility Authority of the City of Banning, at a special meeting thereof held on the 26th day of June 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, Secretary
Banning Utility Authority
City of Banning, California

RESOLUTION NO. 2012-08 SA

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER BANNING COMMUNITY REDEVELOPMENT AGENCY ADOPTING THE BUDGET PLAN FOR THE FISCAL PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013 AND JULY 1, 2013 THROUGH JUNE 30, 2014 AND MAKING APPROPRIATIONS TO MEET EXPENSES APPROVED THEREIN

WHEREAS, the Community Redevelopment Agency of the City of Banning is a public body, corporate and politic, organized and existing under the California Community Redevelopment laws (Health & Safety Code § 33000, et seq.; hereinafter, the "CCRL"); and

WHEREAS, the City of Banning is a municipal corporation and a general law city organized and existing under the Constitution of the State of California ("City"); and

WHEREAS, as a result of Assembly Bill X1 26 (AB26), which was signed by the Governor on June 28, 2011 and confirmed by the Supreme Court (California Redevelopment Association, et al. v. Matosantos, et al. (Case No. S194861)) on December 29, 2011, all California redevelopment agencies were dissolved as of February 1, 2012 and successor entities became responsible for winding down the affairs of the former redevelopment agencies; and

WHEREAS, the City is, by operation of law, the Successor Agency to the Redevelopment Agency for purposes of winding-down the Redevelopment Agency under ABX126; and

WHEREAS, the Executive Director prepared the two year budget plan for the Fiscal Years 2012-13 and 2013-14 which set forth all of the expected revenues of the City of Banning Successor Agency (Agency), and the recommended appropriations to meet the operating and capital expenses for all Agency funds; and

WHEREAS, the proposed budget for fiscal year 2012-13 and 2013-14 of the Successor Agency has been submitted to this Agency, and said budget has been considered and, in form and substance satisfactory to the Agency Board; and

WHEREAS, the Agency departments may not exceed their appropriations by character of expense, with character of expense being defined as personnel services, services and supplies, capital outlay, debt service and interfund transfers, without the consent of the Executive Director; and

WHEREAS, the Agency may transfer appropriations, between departments and within their respective funds, with approval of the Executive Director, as long as those appropriations do not exceed their fund total unless approved by this Board; and

WHEREAS, the Agency departments may not hire in excess of the approved number of positions in job classification as indicated by the budget detail without the consent of this Board; and

WHEREAS, certain capital projects, programs and commitments have been approved for appropriation in fiscal year 2011-12, the Administrative Services Director shall be authorized to carry over appropriation budgets for these items as approved by the Executive Director; and

WHEREAS, it is essential that the Agency adopt a budget plan establishing the revenues and expenditures for all of its funds;

WHEREAS, the Banning Oversight Board and California Department of Finance approved the Recognized Obligation Payment Schedule (ROPS) for January to June 2012 and July to December 2012 for which expenditures have been incorporated into the budget;

WHEREAS, the Budgetary and Fiscal Policies that are incorporated into the budget document provide some policies applicable to the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY BOARD:

SECTION 1: The Annual Budget for the City of Banning for fiscal period July 1st, 2012 through June 30th, 2013 and July 1st, 2013 through June 30th, 2014, as summarized in the fund summary (Funds 805 to 860), is hereby approved and adopted in the form on file with the City Clerk.

SECTION 2: That specific appropriations for each fund and each operating department are hereby made as set forth in the budget plan which is incorporated herein by this reference, for fiscal year 2012-13 shall be expended in accordance with all applicable laws.

SECTION 3: The budget projections for the fiscal period July 1st, 2013 through June 30th, 2014 are adopted as the initial plan subject to review and modification prior to final approval and appropriation.

PASSED, APPROVED AND ADOPTED this 26th day of June, 2012.

Don Robinson, Chairman
Successor Agency

ATTEST:

Marie A. Calderon, Secretary
Successor Agency

133

**APPROVED AS TO FORM AND
LEGAL CONTENT:**

David J. Aleshire, Agency Counsel
Aleshire & Wynder, LLP

CERTIFICATION

I, Marie A. Calderon, Secretary of the Successor Agency do hereby certify that the foregoing Resolution No. 2012-08 SA was duly adopted by the Successor Agency Board at a joint meeting thereof held on the 26th day of June, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, Secretary
Successor Agency

RESOLUTION NO. 2012-48

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA
ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2012-13 AND
2013-14, PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION**

WHEREAS, Article XIII B of the California Constitution provides that the total annual appropriations subject to limitation of each governmental entity, including this City, shall not exceed the appropriation limit of such entity of government for the prior year adjusted for changes in the cost of living or personal income and population, except as otherwise provided for in said Article XIII B and implementing State statutes; and

WHEREAS, pursuant to said Article XIII B of said California Constitution, and Section 7900 et seq. of the California Government Code, the City is required to set its appropriation limit for each fiscal year; and

WHEREAS, the Finance Department of the City of Banning has interpreted the technical provisions of said Article XIII B and Section 7900 et seq., performed computations and a technical review of the documentation for the City's said appropriation limitation, and has caused the numbers upon which the City's appropriation limit was and is based; and

WHEREAS, based on such calculations the Finance Department has determined the said appropriation limit and, pursuant to Section 7910 of said California Government Code, has made available to the public the documentation used in the determination of said appropriation limit;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BANNING, that said appropriation limit for Fiscal Year 2012-13 is set in the amount of \$33,440,246 for said fiscal year as incorporated in the budget document.

PASSED, APPROVED AND ADOPTED this 26th day of June, 2012.

Don Robinson, Mayor
City of Banning

ATTEST:

Marie A. Calderon, City Clerk
City of Banning

135

**APPROVED AS TO FORM AND
LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION

I, MARIE A. CALDERON, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2012-48 was duly adopted by the City Council of the City of Banning at a special meeting thereof held on the 26th day of June, 2012, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Marie A. Calderon, City Clerk
City of Banning, California

RESOLUTION 2012-50

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING
AMENDING THE CLASSIFICATION & COMPENSATION PLAN FOR THE CITY
OF BANNING

WHEREAS, it is necessary to amend the City's Classification Plan from time to time to maintain a current plan which reflects the nature of work, organizational structure, or otherwise;

WHEREAS, changes to job descriptions, job titles and/or pay ranges require Council approval.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1: That the City Council approve the following classifications and salary ranges as set forth on the attached classification and compensation plan – Schedule “A” (Exhibit “A”):

Economic Development Director – Salary Range 88
Accountant II – Salary Range 57
Senior Electric Service Planner – Salary Range 77
Substation Test Technician – Salary Range 73

SECTION 2: That the City Council approve the job descriptions for Economic Development Director (Job Code 3110), Accountant II (Job Code 1125), Senior Electric Service Planner (Job Code 5029) and Substation Test Technician (Job Code 5161) as Exhibit “B”.

SECTION 3: Authorize changing the job description of the Economic Development/ Redevelopment Director to Economic Development Director.

PASSED, APPROVED, AND ADOPTED this 26th day of June, 2012.

Don Robinson, Mayor
City of Banning, California

ATTEST:

Marie A. Calderon, City Clerk
City of Banning, California

APPROVED AS TO FORM
AND LEGAL CONTENT:

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2012-50 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the day of June 26, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

EXHIBIT “A”

CITY OF BANNING
CLASSIFICATION & COMPENSATION PLAN
REVISED June 26, 2012
RESOLUTION NO. 2012-50 (AMENDING RESOLUTION NO. 2012-21)

MATRIX BY CLASS SERIES/JOB CODE

| Class Series/Occupational Job Group | Job Code | Classification/Position | Salary Range | Bargaining Unit |
|--|----------|--|--------------|------------------|
| 1000 – CITY ADMINISTRATION SERIES | | | | |
| City Administration Group | 1010 | City Manager | 109 | Council Contract |
| | 1020 | City Clerk/Executive Assistant | 55 | Elected |
| | | | | |
| Financial Services Group | 1105 | Administrative Services Director/Deputy City Manager | 97 | Contract |
| | 1115 | Deputy Finance Director | 82 | Mgmt/Conf |
| | 5028 | Utility Financial Analyst | 72 | CBAM |
| | 1125 | Accountant II | 57 | IBEW-G |
| | 1140 | Accountant | 52 | IBEW-G |
| | 1135 | Payroll Coordinator | 51 | IBEW-G |
| | 1130 | Financial Services Specialist | 45 | IBEW-G |
| | | | | |
| Human Resources Group | 1215 | Deputy Human Resources Director | 78 | Mgmt/Conf |
| | 1230 | Human Resources Technician | 52 | Conf/Gen |
| | | | | |
| Utility Billing Group | 1340 | Senior Utility Billing Rep | 46 | IBEW-G |
| | 1350 | Utility Billing Representative | 41 | IBEW-G |
| | | | | |
| Information/Cable Systems Group | 1410 | Information Technology Coordinator | 57 | IBEW-G |
| | 1416 | Police Information Technology Technician | 57 | IBEW-G |
| | 1415 | Information Technology/Media Technician | 55 | IBEW-G |
| | 1510 | Cable Services Specialist | 42 | IBEW-G |
| | | | | |
| | | | | |
| Office Support Group | 1610 | Executive Secretary | 51 | IBEW-G |
| | 1620 | Office Specialist | 42 | IBEW-G |
| | 1630 | Receptionist | 29 | IBEW-G |

140

Schedule "A"

2000 – POLICE SERIES

| Police Group | 2010 | Police Chief | 96 | Contract |
|----------------------|-------|-------------------------------|-----|-------------|
| | 2025 | Police Lieutenant | 82 | Police Mgmt |
| | 2030A | Police Staff/Master Sergeant | 75 | POA |
| | 2040 | Police Corporal | 68 | POA |
| | 2050 | Police Officer | 64 | POA |
| | 2060 | Police Recruit/Trainee | N/A | At-Will |
| Police Support Group | 2143 | Lead Public Safety Dispatcher | 54 | IBEW-G |
| | 2110 | Public Safety Dispatcher | 50 | IBEW-G |
| | 2151 | Police Assistant II | 46 | IBEW-G |
| | 2152 | Police Assistant I | 42 | IBEW-G |

3000-COMMUNITY DEVELOPMENT SERIES

| | | | | |
|-----------------------------|------|--|----|----------|
| Community Development Group | 3010 | Community Development Director | 88 | Contract |
| | 3026 | Development Project Coordinator | 56 | IBEW-G |
| | 3020 | Associate Planner | 64 | CBAM |
| | 3015 | Assistant Planner | 59 | CBAM |
| Economic Development Group | 3110 | Economic Development Director | 88 | Contract |
| Development Services Group | 3210 | Development Services Manager (Building Official) | 80 | CBAM |
| | 3215 | Senior Building Inspector | 65 | IBEW-G |
| | 3230 | Code Compliance Officer | 56 | IBEW-G |
| | 3240 | Building Permit Specialist | 53 | IBEW-G |

3300-COMMUNITY SERVICES GROUP

| | | | | |
|--------------------------|------|-----------------------------|----|----------|
| Community Services Group | 3310 | Community Services Director | 82 | Contract |
| | 3325 | Recreation Coordinator | 49 | IBEW-G |
| | 3350 | Lead Bus Driver/Trainer | 53 | IBEW-G |
| | 3340 | Bus Driver | 45 | IBEW-G |

4000-PUBLIC WORKS SERIES

| | | | | |
|-------------------------------|------|-----------------------------|----|----------|
| Public Works Management Group | 4010 | Public Works Director | 96 | Contract |
| Streets/Parks Group | 4210 | Public Works Superintendent | 77 | CBAM |
| | 4230 | Work Release Crew Leader | 45 | IBEW-G |
| | 4240 | Senior Maintenance Worker | 48 | IBEW-G |
| | 4250 | Maintenance Worker | 43 | IBEW-G |
| | 4260 | Motor Sweeper Operator | 48 | IBEW-G |

141

Schedule "A"

| | | | | |
|---------------------------------------|------|---|----|--------|
| Engineering Group | 4300 | City Engineer | 81 | CBAM |
| | 4350 | Senior Civil Engineer | 78 | CBAM |
| | 4320 | Associate Civil Engineer | 72 | CBAM |
| | 4325 | Assistant Civil Engineer | 64 | CBAM |
| | 4330 | Public Works Inspector | 60 | IBEW-G |
| | 4340 | Engineering Services Assistant | 46 | IBEW-G |
| General Maintenance and Support Group | 4420 | Fleet Maintenance Mechanic | 51 | IBEW-G |
| | 4430 | Building Maintenance Specialist | 47 | IBEW-G |
| | 4450 | Warehouse Services Specialist | 50 | IBEW-G |
| Water/Wastewater Group | 4115 | Water/Wastewater Superintendent | 77 | CBAM |
| | 4130 | Water Crew Supervisor | 58 | IBEW-U |
| | 4140 | Water Services Worker | 50 | IBEW-U |
| | 4155 | Wastewater Collection System Supervisor | 58 | IBEW-U |
| | 4145 | Wastewater Collection System Technician | 50 | IBEW-U |
| | 4132 | Water Valve Flushing Crew Lead | 54 | IBEW-U |
| | 4133 | Water Construction Crew Lead | 54 | IBEW-U |
| | 4131 | Water Meter Crew Lead | 54 | IBEW-U |

5000 ELECTRIC UTILITIES SERIES

| | | | | |
|--------------------------------------|------|---|--------|----------|
| Electric Services & Operations Group | 5001 | Electric Utility Director | 96 | Contract |
| | 5021 | Power Contracts & Revenue Administrator | 81 | CBAM |
| | 5025 | Associate Electrical Engineer | 72 | CBAM |
| | 5028 | Utility Financial Analyst | 72 | CBAM |
| | 5029 | Senior Electric Service Planner | 77 | IBEW-U7 |
| | 5030 | Electric Service Planner | 75 | IBEW-U |
| | 5050 | Public Benefits Coordinator | 53 | IBEW-U |
| | 5055 | Utility Services Assistant | 46 | IBEW-U |
| | 5110 | Electric Operations & Maintenance Manager | 81 | CBAM |
| | 5120 | Powerline Crew Supervisor | 77 | IBEW-U |
| | 5130 | Powerline Technician | 73 | IBEW-U |
| | 5140 | Powerline Apprentice | 65/ 71 | IBEW-U |
| | 1340 | Lead Field Service Representative | 53 | IBEW-U |
| | 1325 | Field Service Representative | 49 | IBEW-U |
| | 5150 | Electric Services Worker | 50 | IBEW-U |

142

Schedule "A"

| | | | |
|------|---|---------|--------|
| 5161 | Substation Test Technician | 73 | IBEW-U |
| 5160 | Electric Meter Test Technician | 73 | IBEW-U |
| 5170 | Apprentice Electric Meter Test Technician | 65 / 71 | IBEW-U |

143

EXHIBIT “B”



CITY OF BANNING, CALIFORNIA

Economic Development Director

Job Code: 3110

FLSA ☒ **Exempt** ☐ **Non-Exempt**

JOB DEFINITION: Under general direction, directs, manages and performs a variety of tasks associated with managing the economic development function for the City.

ESSENTIAL FUNCTIONS: *The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification. Shown are duties intended to provide a representative summary of the major duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

REPRESENTATIVE DUTIES: Coordinates development projects and functions as liaison and facilitator between business, development professional and City staff. Responds to leads and inquiries for potential new business development, as well as retention, of existing businesses. Develops and manages marketing strategies to attract potential businesses.

Researches policies, procedures and programs relative to economic development. Recommends and implements appropriate policies, procedures and programs in accordance with City goals and objectives. Identifies and pursues potential funding opportunities.

Selects, assigns, evaluates and manages assigned personnel work activities. Prioritizes, schedules and delegates work assignments of assigned staff. Identifies and implements new employee and on-going staff training programs.

Performs other duties as assigned or required.

KNOWLEDGE and SKILLS:

- Knowledge of applicable city, county, state and Federal statutes, rules, regulations, ordinances, codes, administrative orders and other operational guidelines and directives.
- Knowledge of the City's and the Department's policies and procedures.
- Knowledge of management and/or supervision principles.
- Knowledge of finance and/or accounting principles.
- Knowledge of research methods and procedures.
- Knowledge of marketing methods and procedures.

- Skill in reading, understanding, interpreting and applying relevant city, county, state and Federal statutes, rules, regulations, ordinances, codes, administrative orders, policies and procedures and other operational guidelines and directives.
- Skill in assessing and prioritizing multiple tasks, projects and/or demands.
- Skill in working within deadlines to complete projects and assignments.
- Skill in assessing, analyzing, identifying and implementing solutions to complex problems.
- Skill in establishing and maintaining effective working relations with co-workers, staff, vendors, contractors, visitors, the general public and others utilizing business with the City of Banning.
- Skill in operating a personal computer utilizing a variety of software applications.

(continued on reverse side)

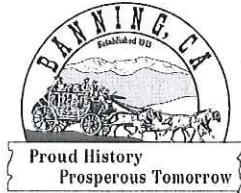
CITY OF BANNING, CALIFORNIA

Economic Development Director

Job Code: 3110

MINIMUM QUALIFICATIONS: A Bachelor's degree in Business Administration, Urban Planning, Economics or related field **AND** five (5) years of economic development experience that includes one (1) year of management and/or supervision.

ADDITIONAL REQUIREMENTS: Must have at the time of application and must maintain a California driver license. May be required to work outside the traditional work schedule.



CITY OF BANNING, CALIFORNIA

Accountant II

Job Code: 1125

FLSA ☐ Exempt ☒ Non-Exempt

JOB DEFINITION: To perform accounting duties within the Finance Department; and to maintain fiscal controls and programs. To prepare financial reports and statements; and to perform a variety of tasks relative to assigned area of responsibility.

DISTINGUISHING CHARACTERISTICS: Employees at this level receive only occasional direction or assistance as new or unusual situations arise, and are fully aware of the operating procedures and policies of the work unit.

SUPERVISION EXERCISED: May exercise some supervision as a lead coordinator for various projects.

ESSENTIAL FUNCTIONS: *The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification. Shown are duties intended to provide a representative summary of the major duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- Performs professional accounting duties within the Finance Department; prepares and maintain controls on financial transactions and accounts; prepares trial balances, journal entries, general ledger reconciliations and related financial documents.
- Performs warrant review activities; ensures proper accounting for purchase requisitions, invoices, claims, fixed assets and sales tax accruals.
- Serves as liaison with accounting and fiscal personnel from other departments by responding to questions and issues; monitors department's budgets and expenditures.
- Participates in the development of the City's annual comprehensive budget; ensures that the development of the City's annual budget adheres to established accounting procedures.
- Reconciles a variety of financial ledgers and records; participate in the compilation and preparation of financial statements, general and subsidiary ledgers and supporting schedules; researches and resolves discrepancies.
- Prepares a variety of financial statistical reports related to various City accounts, fixed assets and spending practices; conducts month and year end closing duties.
- Maintains a variety of City accounts including subsidiary accounts, investment accounts and grant accounts; prepare cash transfers and loans between funds and accounts; ensures all activities are in compliance with accounting principles and standards.
- Performs duties in monitoring the City budget; ensures proper authorization and journaled transactions; tracks expenditures and resolves discrepancies; provides assistance to City departments in budget preparation.
- Participate in the inventory of the City's fuel, water and fleet divisions and operations.
- Oversee the submission of financial and accounting reports required by outside agencies; answer related questions as needed.
- Provide technical guidance and support to other department employees in their areas of work, including governmental accounting methods, procedures and techniques.
- May act as a lead accountant in the audit of City financial records, statements and reports.
- Monitor various grants and prepare reports as required.
- Monitor program compliance with laws, rules and regulations governing municipal accounting and public finance services.
- Maintain awareness of new development in the fields of municipal accounting and public finance; incorporate new development as appropriate into programs.
- Perform related duties and responsibilities as required.

(continued on reverse side)

CITY OF BANNING, CALIFORNIA

Accountant II

Job Code: 1125

KNOWLEDGE and ABILITIES:

Knowledge of:

- Operations, services and activities of a municipal accounting program.
- Principles, practices and terminology of general, fund, project, grant, insurance and government accounting.
- Principles and procedures of financial program filing and record keeping.
- Principles and practices of financial research and report preparation.
- Principles and practices of municipal budget preparation and administering.
- Principles and practices of fixed asset management and administration.
- Advanced mathematical principles.
- Principles and practices of public finance and financial reporting.
- Recent development, current literature and information related to municipal accounting and public finance.
- Modern office equipment including computers and supporting work processing and spreadsheet applications.
- Pertinent Federal, State and local laws, codes and ordinances.

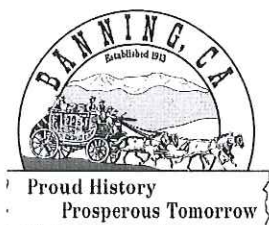
Ability to:

- Perform professional level accounting duties.
- Coordinate municipal accounting and public finance programs.
- Analyze, post, balance and reconcile financial data ledgers and accounts.
- Maintain a variety of financial ledgers.
- Verify the accuracy of financial data and information.
- Ensure proper authorization and documentation for journal transactions.
- Review and interpret financial reports and transactions.
- Prepare a variety of financial reports.
- Maintain a detailed budget for assigned divisions and programs.
- Interpret and explain City policies and procedures.
- Communicate clearly and concisely, both orally and in writing.
- Operate office equipment including computers and supporting word processing and spreadsheet applications.
- Establish and maintain effective working relationships with those contacted in the course of work.
- Maintain physical condition appropriate to the performance of assigned duties and responsibilities.

MINIMUM QUALIFICATIONS: Equivalent to a Bachelor's degree from an accredited college or university with major course-work in accounting, finance, business administration or a related field. Three years of professional level accounting experience. Experience in governmental accounting is highly desirable.

ADDITIONAL REQUIREMENTS: May be required to work outside the traditional work schedule.

WORKING CONDITIONS: May require maintaining physical condition necessary for sitting; occasional walking and standing. May be required to lift and/or carry materials, equipment and/or items weighing up to 15 pounds.



CITY OF BANNING, CALIFORNIA

Senior Electric Service Planner

Job Code: 5029

FLSA ☐ Exempt ☒ Non-Exempt

JOB DEFINITION: Under general supervision, performs an assortment of complex and technical duties associated with planning and coordinating overhead line and underground electrical expansion of the City's electrical utility service.

ESSENTIAL FUNCTIONS: *The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification. Shown are duties intended to provide a representative summary of the major duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

REPRESENTATIVE DUTIES: Performs a variety of complex and technical functions in the planning and coordination of overhead line and underground electrical expansion of the City's electrical distribution system. Provides direction to subordinate staff and Operations' personnel regarding work to be completed on the Utility's distribution system. Designs efficient and cost effective upgrades and expansions to the electrical utility systems. Provides direction in building and maintaining a reliable electrical service to City customers.

Provides job cost estimates including material, labor, equipment overhead and administrative costs for projects. Creates complex drawings and maps to assist electrical crews. Completes electrical plan checks on new building projects. Inspects electrical construction performed by contractors. Represents the department at meetings with other utilities for joint trench and pole installations. Is the department's representative at a variety of meetings with the other departments of the City to coordinate development activities.

Performs other duties as assigned or required.

KNOWLEDGE and SKILLS:

- Knowledge of applicable city, county, state and Federal statutes, rules, regulations, ordinances, codes, administrative orders and other operational guidelines and directives.
- Knowledge of the City's and the Department's policies and procedures.
- Knowledge of high and low voltage precautions and guidelines.
- Knowledge of electrical engineering, transmission and distribution theory and practice.
- Knowledge of strategic planning principles.
- Knowledge of providing electrical inspection for various projects.

- Skill in reading, understanding, interpreting and applying relevant city, county, state and Federal statutes, rules, regulations, ordinances, codes, administrative orders, policies and procedures and other operational guidelines and directives.
- Skill in assessing and prioritizing multiple tasks, projects and/or demands.
- Skill in working within deadlines to complete projects and assignments.
- Skill in assessing, analyzing, identifying and implementing solutions to complex problems.
- Skill in establishing and maintaining effective working relations with co-workers, staff, vendors, contractors, visitors, the general public and others having business with the City of Banning.
- Skill in operating a personal computer utilizing a variety of software applications.
- Skill in developing cost estimates for electrical projects.

(continued on reverse side)

CITY OF BANNING, CALIFORNIA

Senior Electric Service Planner

Job Code: 5029

MINIMUM QUALIFICATIONS: An Associate's degree in Electrical Engineering or equivalent **AND** seven (7) years of experience in electric utility operation.

ADDITIONAL REQUIREMENTS: Must have at the time of application and maintain a California driver license. Depending on the needs of the City, incumbents in this classification may be required to obtain and maintain licenses or certifications for overhead, underground planning and electric utility construction.



CITY OF BANNING, CALIFORNIA

Substation Test Technician

Job Code: 5161

FLSA ☐ Exempt ☒ Non-Exempt

JOB DEFINITION: Under the direction of the Electric Operations Manager, performs the full array of duties assigned to the Substation Test Technician including installing, maintenance and other electrical work; demonstrate a full understanding of all applicable policies, procedures and work methods associated with assigned duties; occasionally assists in the training of lower level maintenance positions; performs a variety of other tasks in support of assigned area of responsibility.

DISTINGUISHING CHARACTERISTICS: The Substation Test Technician is the journey level class responsible for Electric Utility Substation systems operation and maintenance.

ESSENTIAL FUNCTIONS: *The following duties ARE NOT intended to serve as a comprehensive list of all duties performed by all employees in this classification. Shown are duties intended to provide a representative summary of the major duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- Perform the full array of duties assigned to the class of Substation Test Technician including electrical installation, maintenance and repair work.
- Demonstrate a full understanding of applicable policies, procedures and work methods associated with assigned duties.
- Responsible for operation and maintenance of substation high voltage equipment.
- Read and interpret schematics and blueprints.
- Maintain, repair, and monitor supervisory control and data acquisition equipment.
- Calculate and monitor devices in substations.
- Provide circuit protection for field crews and equipment.
- Test, repair, and calibrate protective relays and supervisory control and data acquisition systems.
- Read and record device results in substations.
- Write outage reports and maintain accurate records.
- Participate in writing high voltage switching programs.
- Perform high voltage switching to different circuits.
- Provide technical assistance to maintenance personnel.
- Respond to questions and concerns from the general public; provide information as is appropriate and resolve complaints.
- Performs emergency stand-by and response duties, may be subject to call-outs.
- Perform other related duties as required.

KNOWLEDGE, ABILITIES and SKILLS:

Knowledge of:

- Operations and standard operating procedures of an Electric Utility Substation.
- Complex principles and practices of an Electric Utility Substation.
- Applicable city, county, state and Federal statutes, rules, regulations, ordinances, codes, Administrative orders and other operational guidelines and directives.

(continued on reverse side)

CITY OF BANNING, CALIFORNIA

Substation Test Technician

Job Code: 5161

-
- The City's and the Department's policies and procedures.
 - Customer service techniques and methods.
 - Occupational hazards and standard safety precautions.
 - Operational procedures for hand tools and heavy equipment used in electric maintenance and repair.
 - Electric meter reading, repairing and testing methods and mechanisms.
 - Basic electrical engineering principles.
 - Modern office equipment including a computer and applicable software.
 - Methods and techniques for basic report preparation and writing.
 - Methods and techniques for record keeping.
 - Proper English, spelling, and grammar.
 - Basic principles of mathematics.
 - Theories, methods, and procedures in the installation, maintenance, testing, and calibration of electric metering and testing instruments and equipment.
 - Tools used in electrical installation and repair work.

Ability to:

- Analyze a complex issue and develop and implement an appropriate response.
- Analyze and evaluate new and existing service delivery methods and standard operating procedures.
- Make adjustments to standard operating procedures as is appropriate.
- Work independently
- Understand and follow instructions
- Establish and maintain effective working relationships
- Read and interpret schematics and blueprints.

Skill to:

- Effectively utilize and operate the tools of the trade.
- Effectively operate a motor vehicle on City streets.

MINIMUM QUALIFICATIONS: Any combination of education and experience that has provided the knowledge, skills and abilities necessary for a Substation Test Technician. A typical way of obtaining the required qualifications is to possess the equivalent of three years of experience in installation; maintenance and testing of relays, meters, and other related electrical instruments. A high school diploma or GED.

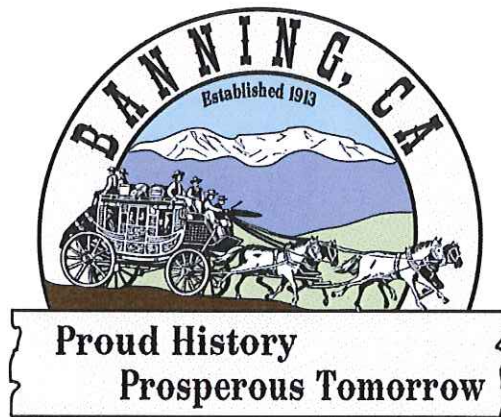
ADDITIONAL REQUIREMENTS: Must have at the time of application and must maintain a California driver license. Must possess a valid Class A California Driver's License and Medical Certificate. Must be able to obtain Forklift Certificate; First Aid Certificate and CPR Certificate. May be required to work outside the traditional work schedule.

WORKING CONDITIONS: Position requires sitting, standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping and making repetitive hand movement in the performance of daily activities. The position also requires both near and far vision when inspecting work and operating assigned equipment. The need to lift, carry and push tools, equipment and supplies weighing 25 pounds or more is also required. Additionally, the incumbent in this outdoor position works in all weather conditions including wet, hot, and cold. The incumbent may use cleaning and lubricating chemicals which may expose the employee to fumes, dust and air contaminants. The nature of the work also requires the incumbent to climb ladders, use power and heavy noise producing tools and equipment, drive motorized vehicles and heavy equipment, work in heavy traffic conditions and often work with constant interruption.

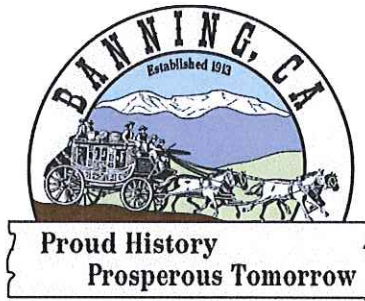


Fiscal Year 2012/2013 & 2013/2014

TWO YEAR BUDGET



- This Page Left Blank Intentionally -



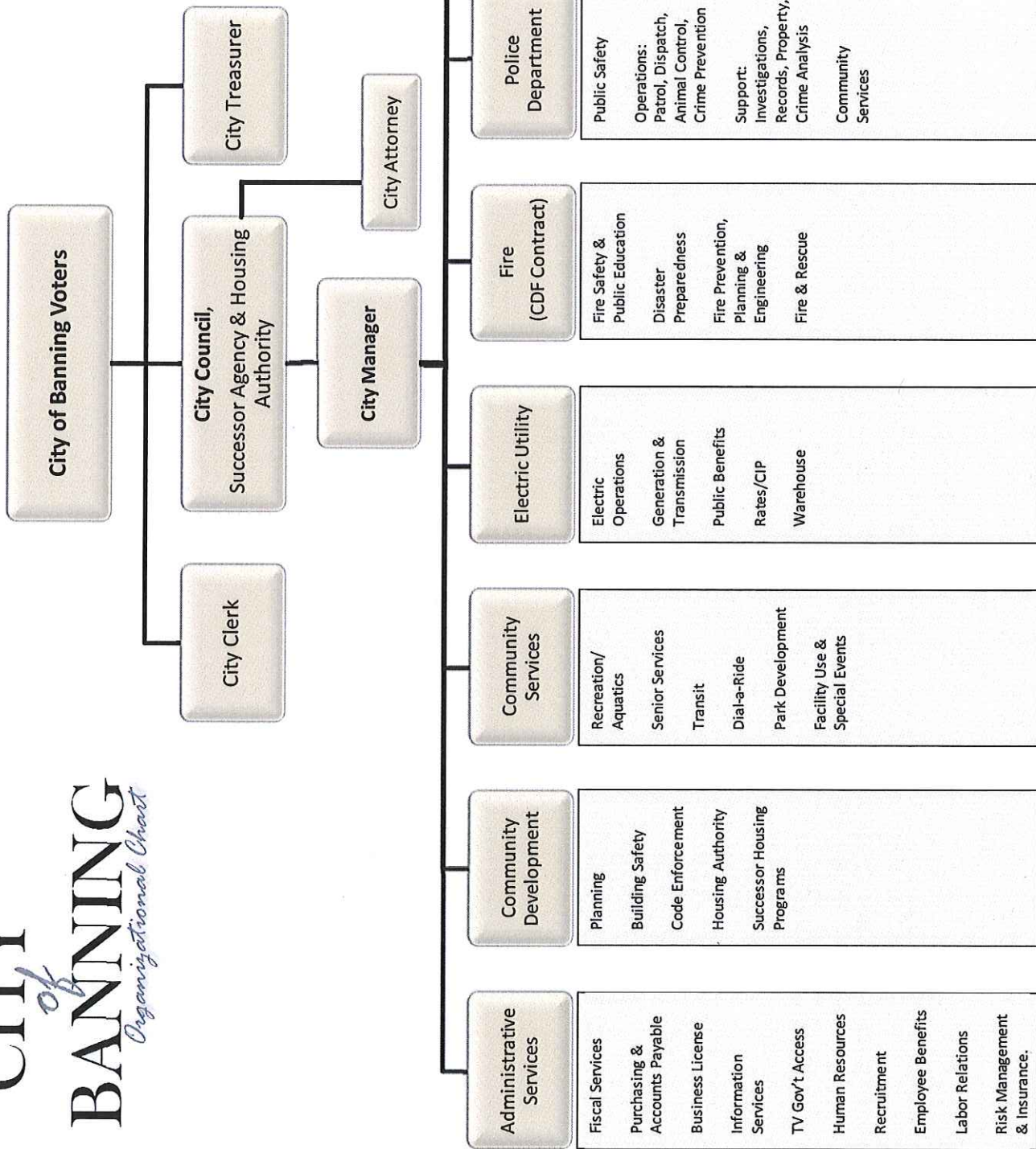
OFFICIALS

Don Robinson Mayor
Debbie Franklin Mayor Pro Tem
Barbara Hanna Council Member
/Housing Authority Chairperson
Bob Botts Council Member
John Machisic Council Member
John McQuown City Treasurer
Marie Calderon City Clerk

EXECUTIVE STAFF

Andrew (Andy) Takata
City Manager

Dave Aleshire City Attorney
June Overholt Administrative Services Director/Deputy City Manager
Zai Abu Bakar Community Development Director
Heidi Meraz Community Services Director
Fred Mason Electric Utility Director
Jeff Stowells Fire Battalion Chief
Leonard Purvis Police Chief
Duane Burk Public Works Director
Bill Manis Economic Development Director



CITY of BANNING

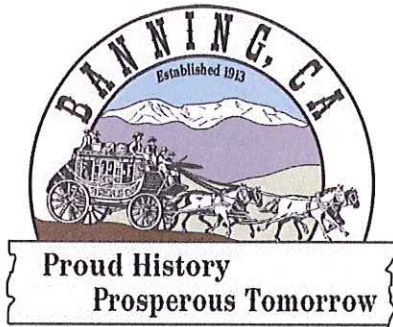
Fiscal Year 2012-13 & 2013-14

Two Year Budget

Table of Contents

| | |
|--|----|
| Budget Message | 1 |
| <u>Fund Summaries</u> | |
| <i>Citywide Funds</i> | |
| FY 2012-13 Fund Summary Status Report | 7 |
| FY 2013-14 Fund Summary Status Report | 10 |
| Revenue Summary | 14 |
| Revenue Graphs | 15 |
| Expenditure Summary | 16 |
| Expenditure Graphs | 17 |
| Capital Requests | 18 |
| <i>Other Funds</i> | |
| Revenue Summary | 19 |
| Expenditure Summary | 22 |
| <u>General Fund</u> | |
| Financial Overview | 25 |
| Financial Overview Graphs | 26 |
| Expenditures By Category and Graph | 27 |
| <u>Personnel</u> | |
| Budgeted Positions Summary | 29 |
| Personnel Summary by Fund/Division | 30 |
| Personnel Summary Reconciliation | 41 |
| <u>Supplemental Information</u> | |
| Proposition 4 – Government Spending Limits Summary | 43 |
| Gann Limit Calculation | 44 |
| Banning Historical Information | 45 |
| Budgetary and Fiscal Policies | 46 |
| Description of Funds | 51 |
| Glossary of Terms | 56 |
| Summary of Acronyms | 58 |

- This Page Left Blank Intentionally -



CITY of BANNING *Budget Message*

June 26th, 2012

Honorable Mayor, City Council and Citizens,

This budget document includes the recommendations for Fiscal Year 2012-2013 (FY13) and the projected budget for 2013-2014 (FY14). The FY13 budget maintains existing service levels. It reflects continued efforts by staff and council to manage challenging economic circumstances, assaults by the State on local operations, unexpected events, and increasing costs. The budget message will describe major changes in the budget, observations and areas of concern for future budgets.

General Fund

general fund

The General Fund is being presented as balanced. Overall, revenues show an improvement in the area of sales tax and due to a change in the Electric administrative charge. Through State action, the City lost the Vehicle License Fee that had been traditionally local revenue. With expenditures, much effort was required to address the increases in PERS rates, the absorption of CRA costs and other operational increases. Departments made additional reductions. Where possible, certain budget requests were postponed. The General Fund contribution to the Streets Maintenance of Effort (MOE) was reduced. The contract that shares the cost for Engine 20 with the City of Beaumont and the County of Riverside is being modified to share the costs equally. The methodology to allocate costs to other departments and operations within the City was updated resulting in some savings to the General Fund. The final balancing component is as a result of reductions in compensation with the employee groups. These savings are still being negotiated.

The General Fund reserves show an estimated available balance for July 1st of \$1.5M. This balance is based on the midyear estimates for fiscal year 2011-2012 (FY12). The actual available reserves will be determined through the year-end closing and audit process. Council had established a goal of \$3M as the committed fund balance reserve for contingencies. Due to the unforeseen need to pay for the cleanup of the oil spill, the contingency was utilized during FY12. As a result, the Fund Balance policy has been updated to restate the "Committed Fund Balance" to \$1.5M or to an amount up to 25% of the operating budget, whichever is higher.

Future Outlook

Although the FY13 budget is shown as balanced, there are challenges that could impact both the FY13 and FY14 budget. Below are some examples:

- During the last budget cycle, reference was made to the State action to eliminate Redevelopment Agencies (CRA) through ABx1 26. Legal efforts to stop this failed. (More discussion on the CRA/Successor Agency is later in this report.) As a result, the General Fund has had to absorb staff previously paid through the CRA and also absorb any economic development incentive efforts.
- The process to eliminate/wind down the CRA per ABx1 26 (AB26) established an administrative budget of \$250,000 in the Successor Agency. The funding for this budget is existing fund balances from the CRA. The State has indicated it will go after these funds also. If they are successful in doing so, the personnel costs covered by the administrative budget will need to be absorbed in the General Fund.
- Another impact of the implementation of AB26 may be the loss of the statutory pass through due the General Fund (\$112,000). This revenue is included in the budget but is at risk due to the shortages of the Redevelopment Property Tax Trust Fund (RPTTF) maintained by the County (previously known as CRA tax increment).
- PERS rates did increase in both FY13 and FY14. In addition, CalPERS has notified the City that due to changes in assumptions, rates will increase by 1 to 2% in the next couple years.
- Negotiations with employee groups are pending. Although the groups have received a preliminary overview of the City proposal, additional negotiations are needed. Delays in arriving at an agreement will utilize the budgeted contingency and possibly impact the reserves.

- The FY14 budget shows a significant deficit that includes the loss in COPs grant funding for two officers.

Special Revenue Funds

Special Revenue Funds

Special Revenue Funds, as the title suggests, include budgets from revenue sources that are restricted in their use. Typically this includes grants and other dedicated amounts used to pay for specialized operations, such as some police services, streets and roads, restricted monies and assessment districts, to name a few. The budgets in this category of funds are typically self-balancing. Some of the funds may have a structural deficit in the proposed budgets due to a timing issue. For example, revenues are received in one year but the expenditures occur in the following year. In those situations fund balance is utilized. Grants that are received during the year are budgeted at the time the grant is awarded.

The Gas Tax Fund (F100) has typically received a transfer from the General Fund of \$255,000 as a contribution to the MOE requirements. The transfer has been reduced to \$91,000 per discussions with RCTC. The Housing Authority (F190) does not have a proposed budget pending the outcome of State legislation tied to ABx1 26.

Capital Improvement Funds

Capital Improvement Funds

These categories primarily account for development impact fee related funds and capital funds financed through other sources. Any projects in progress already approved by Council in prior years will have any remaining budget carried forward through continuing appropriations. Any new projects will be budgeted at the time it is presented to Council for approval.

The budget document does include a list describing the capital projects included in the FY13 and FY14 budget by account line item. The majority of the projects are in the utility funds.

Banning Utility Authority (BUA)

Banning Utility Authority

The Water (F660) and Wastewater (F680) Operations funds are both in the black after several years of having deficits. The budget includes the rate increases approved by Council October 2010. The budget is still lean and does not include the operational capital projects that had been contemplated when the rates were presented for approval.

The budgetary and fiscal policies state a goal of maintaining a fund balance reserve of 10% of the upcoming appropriations budget. There is a projected balance at the end of FY13 of \$2M for Water and \$1.3M for Wastewater to meet this requirement.

Enterprise Funds

Enterprise Funds

The Airport fund shows a deficit created by using grant funds received in prior years. The Refuse Fund is no longer operating at a deficit after the approval of the rate increases.

The Electric Operations budget is balanced. The change in administrative transfer to include operating revenues has been incorporated into the budget. However, there are some risks that may affect the budget. The Electric Utility is part owner of the San Juan facility. Certain costs are needed to keep the facility operational and useful. In the event costs are unexpectedly higher than what has been budgeted, a separate presentation will be made to Council.

Internal Service Funds

Internal Service Funds

The Internal Service Funds contain expenditures that, by their nature, are shared among most funds in the City and Utility Authority. The annual amounts are analyzed and then allocated out to the various funds, thereby including the applicable costs in each department's budget.

The largest of these funds is the Risk Management Fund (F700), previously called the Insurance Fund. Costs related to workers compensations, unemployment, general liability, and attorney fees are accounted for in this fund. The fund does show an operational deficit. Utilizing the existing fund balance to cover the deficit does provide some budgetary relief to the other funds. The Council has adopted a policy of maintaining a minimum fund balance of \$500,000 in this fund to be available for unknown lawsuits and other insurance costs. There is a balance projected at the end of FY13 of approximately \$513K to meet this requirement.

Successor Agency Funds

Successor Agency Funds

Effective February 1, 2012, all California redevelopment agencies were dissolved and their assets and functions transferred to the Successor Agency. The City elected to be the Successor

Agency for the Community Redevelopment Agency (CRA) and elected to have the Housing Authority as the successor to the CRA low/mod housing functions.

As part of complying with AB26, the Oversight Board and the Department of Finance (DOF) for the State of California reviewed and approved the Recognized Obligation Payment Schedule (ROPS) for the period of January through June 2012, which is a part of FY12, and approved the ROPS for the period of July through December 2012. The FY12 ROPS activity is presumed as spent before July 1st and therefore is reflected as spent in the "Projected Balance @ July 1, 2012". The July through December ROPS is incorporated into this budget. Any open purchase orders as of June 30, 2012 will be carried forward as part of the year-end review process. Some of these items have already been included in the ROPS for July through December 2012.

The budget also includes the January through June 2013 ROPS items which are basically the debt service obligations and the second half of the administrative fee. The ROPS for January to June 2013 has not been presented to the Oversight Board or DOF yet.

The "Fund Summary Status FY13 Projections" reflects the new funds and fund names required by AB26. These were described during the FY12 midyear presentation. A recap of the changes is included below.

The "Successor Agency Fund" is intended to retain all RDA assets and operations (excluding housing funds). These assets include properties, contracts, leases, equipment, existing fund balances and employees assumed by the successor agency. The previous "Administration Fund" has been renamed the Successor Agency Fund. The previous "Project Fund" balances were transferred to the new Successor Agency Fund.

The bond funds remain with the same fund names. Whether the City will be able to spend the remaining funds is a significant concern. It appears that AB26 intends to have any unspent bond funds used to help balance the State budget or to defease (pay down) the bonds. ABx1 26 did not contemplate the challenges of violating bond covenants. Several bills have been proposed by State legislators that protect bond proceeds from a State takeaway. Projects that were approved by the Council but did not have active contracts were not included on the approved ROPS. It is unclear what flexibility the Successor Agency will have to move forward on these projects.

The "Redevelopment Obligation Retirement Fund" is new and is intended as the repository for the property taxes received from the county Auditor-Controller to pay enforceable obligations as set forth in the "EOPS".

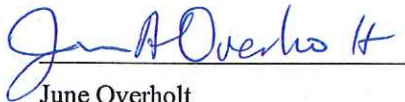
The previous "Low/Mod Housing" fund has been renamed the "Successor Housing Agency". The budget in this fund relates to making the required contribution to debt service per the bond documents. This is separate and distinct from the "Housing Authority" or "Housing Successor". There is no budget related to the Housing Authority (F190) in its capacity as the "Housing Successor" included in this report pending clarity on how to proceed.

The budget was prepared using the available information. Unfortunately, the challenges with implementing AB26 are unfolding and evolving as the State and County make their own interpretations of implementing the bill, which then impact Banning. The greatest risk appears to be receiving insufficient "tax increment" to pay for debt service obligations, City General Fund pass through payments and administrative fee.

In Conclusion

Approval of the budget document provides a framework and necessary authority to provide a variety of services to citizens, to complete planned projects and to pay the required debt service payments for the Fiscal Year 2012-13. The budget is a living document. Adjustments to the budget are expected throughout the year. The budget plan for Fiscal Year 2013-14 will be revised and adopted formally in June 2013.

Respectfully submitted:



June Overholt
Administrative Services Director/
Deputy City Manager



Andy Takata
City Manager

CITY OF BANNING
Fund Summary Status
FY13 Projections
FY 2012-2013

| # | FUND NAME | (1) Projected Balance @ July 1, 2012 | (2) FY 2012-13 Adjusted Revenue | (3) FY 2012-13 Adjusted Expenditures | (4) Proj. YTD Gain/(Loss) (Col. 2-3) | (5) Proj. Balance @ June 30, 2013 (Col. 1+4) |
|------------------------------|--|---|--|---|---|---|
| Governmental Funds | | | | | | |
| 001 | General | 1,582,156 | 12,955,018 | 12,955,018 | - | 1,582,156 |
| | Sub-Total | 1,582,156 | 12,955,018 | 12,955,018 | - | 1,582,156 |
| Special Revenue Funds | | | | | | |
| 002 | Developer Deposit Fund | - | 40,000 | 40,000 | - | - |
| 003 | Riverside County MOU | 227,122 | 451,000 | 563,990 | (112,990) | 114,132 |
| 100 | Gas Tax | 434,140 | 1,341,601 | 1,430,632 | (89,031) | 345,109 |
| 101 | Measure A Street | 281,415 | 826,301 | 1,060,000 | (233,699) | 47,716 |
| 103 | SB300 Street Improvement | 148,204 | 725 | - | 725 | 148,929 |
| 104 | Article 3 - Sidewalk Construction | 13,315 | 300 | - | 300 | 13,615 |
| 110 | C.D.B.G. | - | - | - | - | - |
| 111 | Landscape Maintenance Assmt. Dist.#1 | 211,657 | 133,474 | 138,246 | (4,772) | 206,885 |
| 132 | Air Quality | 166,891 | 20,250 | 3,000 | 17,250 | 184,141 |
| 140 | Asset Forfeiture | 2,499 | - | - | - | 2,499 |
| 148 | Supplemental Law Enforcement | - | - | - | - | - |
| 149 | Public Safety - Sales Tax | 22,537 | - | 22,537 | (22,537) | - |
| 150 | State Park Bond Act | 929 | - | - | - | 929 |
| 190 | Housing Authority Fund | 386,836 | - | - | - | 386,836 |
| 200 | Special Donations | 28,247 | 6,750 | 5,500 | 1,250 | 29,497 |
| 201 | Senior Center Activities | 58,430 | 3,800 | 12,750 | (8,950) | 49,480 |
| 202 | Animal Control Reserve | 4,909 | - | - | - | 4,909 |
| 203 | Police Volunteer | 3,215 | - | 1,080 | (1,080) | 2,135 |
| 204 | D.A.R.E. Donation | - | - | - | - | - |
| 300 | City Hall COP Debt Service | - | 437,001 | 437,001 | - | - |
| 360 | Sun Lakes CFD #86-1 | 34,833 | - | - | - | 34,833 |
| 365 | Assessmnt Dist - #91-1 Wilson St. Debt | - | - | - | - | - |
| 370 | Area Police Computer | 29,061 | 41,487 | 55,279 | (13,792) | 15,269 |
| 375 | Fair Oaks 2004-1 Debt Service | 373,646 | 202,103 | 202,103 | - | 373,646 |
| 376 | Cameo Homes | 5,762 | - | - | - | 5,762 |
| | Sub-Total | 2,433,648 | 3,504,792 | 3,972,118 | (467,326) | 1,966,322 |

CITY OF BANNING
Fund Summary Status
FY13 Projections
FY 2012-2013

| # | FUND NAME | (1) Projected Balance @ July 1, 2012 | (2) FY 2012-13 Adjusted Revenue | (3) FY 2012-13 Adjusted Expenditures | (4) Proj. YTD Gain/(Loss) (Col. 2-3) | (5) Proj. Balance @ June 30, 2013 (Col. 1+4) |
|---|---------------------------------------|---|--|---|---|---|
| <u>Capital Improvement Funds</u> | | | | | | |
| 400 | Police Facilities Development | 26,547 | - | - | - | 26,547 |
| 410 | Fire Facility Development | 930,458 | - | - | - | 930,458 |
| 420 | Traffic Control Facility | 382,550 | 5,600 | 35,000 | (29,400) | 353,150 |
| 421 | Ramsey & Highland Home Traffic Signal | 80,660 | 150 | - | 150 | 80,810 |
| 430 | General Facilities | 474,340 | - | - | - | 474,340 |
| 441 | Sunset Grade Separation Fund | 2,006 | - | - | - | 2,006 |
| 444 | Wilson Median | 377,411 | 500 | - | 500 | 377,911 |
| 451 | Park Development | 23,722 | 250 | - | 250 | 23,972 |
| 470 | Capital Improvement Fund | 656,797 | - | - | - | 656,797 |
| Sub-Total | | 2,954,491 | 6,500 | 35,000 | (28,500) | 2,925,991 |
| <u>Banning Utility Authority</u> | | | | | | |
| 660 | Water Operations | 1,739,493 | 8,940,000 | 8,642,145 | 297,855 | 2,037,348 |
| 661 | Water Capital Facility Fee | 4,587,406 | 187,500 | 775,000 | (587,500) | 3,999,906 |
| 663 | BUA Water Capital Project Fund | 1,265,582 | 2,750 | 635,000 | (632,250) | 633,332 |
| 669 | BUA Water Debt Service Fund | 88,124 | 2,289,405 | 2,288,905 | 500 | 88,624 |
| Water Subtotal | | 7,680,605 | 11,419,655 | 12,341,050 | (921,395) | 6,759,210 |
| 680 | Wastewater Operations | 1,169,374 | 3,217,159 | 3,029,638 | 187,521 | 1,356,895 |
| 681 | Wastewater Capital Facility Fees | 9,343,866 | 105,000 | 85,000 | 20,000 | 9,363,866 |
| 683 | BUA WWtr Capital Project Fund | 3,043,157 | 1,500 | 300,000 | (298,500) | 2,744,657 |
| 685 | State Revolving Loan | 766,538 | 303,000 | 300,103 | 2,897 | 769,435 |
| 689 | BUA Wastewater Debt Service Fund | 90,056 | 393,889 | 393,389 | 500 | 90,556 |
| Wastewater Subtotal | | 14,412,991 | 4,020,548 | 4,108,130 | (87,582) | 14,325,409 |
| 662 | Irrigation Water | 2,768,302 | 5,000 | 75,000 | (70,000) | 2,698,302 |
| 682 | Wastewater Tertiary | 3,445,375 | 254,000 | - | 254,000 | 3,699,375 |
| Reclaimed Water Subtotal | | 6,213,677 | 259,000 | 75,000 | 184,000 | 6,397,677 |
| Sub-Total | | 28,307,273 | 15,699,203 | 16,524,180 | (824,977) | 27,482,296 |

CITY OF BANNING
Fund Summary Status
FY13 Projections
FY 2012-2013

| # | FUND NAME | (1) Projected Balance @ July 1, 2012 | (2) FY 2012-13 Adjusted Revenue | (3) FY 2012-13 Adjusted Expenditures | (4) Proj. YTD Gain/(Loss) (Col. 2-3) | (5) Proj. Balance @ June 30, 2013 (Col. 1+4) |
|-------------------------------|-------------------------------------|---|--|---|---|---|
| Enterprise Funds | | | | | | |
| 600 | Airport | 213,653 | 204,100 | 231,956 | (27,856) | 185,797 |
| 610 | Transit Operations | 13,780 | 1,309,685 | 1,309,685 | - | 13,780 |
| 690 | Refuse | 325,387 | 3,096,850 | 3,094,003 | 2,847 | 328,234 |
| | Enterprise Subtotal | 552,820 | 4,610,635 | 4,635,644 | (25,009) | 527,811 |
| 670 | Electric Operations | 6,382,162 | 27,531,000 | 27,419,127 | 111,873 | 6,494,035 |
| 672 | Rate Stability | 5,960,509 | 60,000 | - | 60,000 | 6,020,509 |
| 673 | Electric Improvement | 8,232,568 | - | 60,000 | (60,000) | 8,172,568 |
| 674 | 2007 Elec Rev Bond Proceeds | 13,590,975 | - | 5,464,189 | (5,464,189) | 8,126,786 |
| 675 | Public Benefit Fund | 467,482 | 669,750 | 691,793 | (22,043) | 445,439 |
| 678 | 2007 Elec Rev Bond Debt Service | 492,406 | 2,672,330 | 2,671,830 | 500 | 492,906 |
| | Electric Subtotal | 35,126,102 | 30,933,080 | 36,306,939 | (5,373,859) | 29,752,243 |
| | Sub-Total | 35,678,922 | 35,543,715 | 40,942,583 | (5,398,868) | 30,280,054 |
| Internal Service Funds | | | | | | |
| 700 | Risk Management | 750,108 | 2,208,961 | 2,445,312 | (236,351) | 513,757 |
| 702 | Fleet Maintenance | 514,918 | 1,098,404 | 1,101,578 | (3,174) | 511,744 |
| 703 | Information Systems Services | 93,239 | 388,610 | 390,790 | (2,180) | 91,059 |
| 761 | Utility Billing Services | 125,037 | 1,529,799 | 1,533,687 | (3,888) | 121,149 |
| | Sub-Total | 1,483,302 | 5,225,774 | 5,471,367 | (245,593) | 1,237,709 |
| Successor Agency Funds | | | | | | |
| 805 | Redevelopment Obligation Retirement | 1,472,989 | 2,945,978 | 2,945,978 | - | 1,472,989 |
| 810 | Successor Housing Agency | 1,551,581 | - | 191,639 | (191,639) | 1,359,942 |
| 830 | Debt Service Fund | 6,559 | 3,245,841 | 2,918,880 | 326,961 | 333,520 |
| 850 | Successor Agency | 2,281,150 | - | 250,000 | (250,000) | 2,031,150 |
| 855 | Tax Alloc Parity Bonds-2007 Tabs | 851,127 | - | 206,724 | (206,724) | 644,403 |
| 856 | Tax Allocation Bonds-2003 Tabs | 24,644 | - | - | - | 24,644 |
| 857 | Low/Mod Tax Alloc Bonds-2003 Tabs | 300,405 | - | - | - | 300,405 |
| 860 | Project Fund | - | - | - | - | - |
| | Sub-Total | 6,488,455 | 6,191,819 | 6,513,221 | (321,402) | 6,167,053 |
| | GRAND TOTAL ALL FUNDS | 78,928,247 | 79,126,821 | 86,413,487 | (7,286,666) | 71,641,581 |

167

CITY OF BANNING
Fund Summary Status
FY14 Projections
FY 2013-2014

| # | FUND NAME | (1) Projected Balance @ July 1, 2013 | (2) FY 2013-14 Adjusted Revenue | (3) FY 2013-14 Adjusted Expenditures | (4) Proj. YTD Gain/(Loss) (Col. 2-3) | (5) Proj. Balance @ June 30, 2014 (Col. 1+4) |
|------------------------------|--|---|--|---|---|---|
| Governmental Funds | | | | | | |
| 001 | General | 1,582,156 | 12,590,855 | 13,221,268 | (630,413) | 951,743 |
| | Sub-Total | 1,582,156 | 12,590,855 | 13,221,268 | (630,413) | 951,743 |
| Special Revenue Funds | | | | | | |
| 002 | Developer Deposit Fund | - | 40,000 | 40,000 | - | - |
| 003 | Riverside County MOU | 114,132 | 451,000 | 576,024 | (125,024) | (10,892) |
| 100 | Gas Tax | 345,109 | 961,300 | 1,024,689 | (63,389) | 281,720 |
| 101 | Measure A Street | 47,716 | 418,000 | 410,000 | 8,000 | 55,716 |
| 103 | SB300 Street Improvement | 148,929 | 725 | - | 725 | 149,654 |
| 104 | Article 3 - Sidewalk Construction | 13,615 | 300 | - | 300 | 13,915 |
| 110 | C.D.B.G. | - | - | - | - | - |
| 111 | Landscape Maintenance Assmt. Dist.#1 | 206,885 | 135,810 | 138,252 | (2,442) | 204,443 |
| 132 | Air Quality | 184,141 | 25,250 | 3,000 | 22,250 | 206,391 |
| 140 | Asset Forfeiture | 2,499 | - | - | - | 2,499 |
| 148 | Supplemental Law Enforcement | - | - | - | - | - |
| 149 | Public Safety - Sales Tax | - | - | - | - | - |
| 150 | State Park Bond Act | 929 | - | - | - | 929 |
| 190 | Housing Authority Fund | 386,836 | - | - | - | 386,836 |
| 200 | Special Donations | 29,497 | 6,750 | 5,500 | 1,250 | 30,747 |
| 201 | Senior Center Activities | 49,480 | 3,800 | 12,750 | (8,950) | 40,530 |
| 202 | Animal Control Reserve | 4,909 | - | - | - | 4,909 |
| 203 | Police Volunteer | 2,135 | - | 1,080 | (1,080) | 1,055 |
| 204 | D.A.R.E. Donation | - | - | - | - | - |
| 300 | City Hall COP Debt Service | - | 437,001 | 437,001 | - | - |
| 360 | Sun Lakes CFD #86-1 | 34,833 | - | - | - | 34,833 |
| 365 | Assessmnt Dist - #91-1 Wilson St. Debt | - | - | - | - | - |
| 370 | Area Police Computer | 15,269 | 52,831 | 52,831 | - | 15,269 |
| 375 | Fair Oaks 2004-1 Debt Service | 373,646 | 199,843 | 199,843 | - | 373,646 |
| 376 | Cameo Homes | 5,762 | - | - | - | 5,762 |
| | Sub-Total | 1,966,322 | 2,732,610 | 2,900,970 | (168,360) | 1,797,962 |

CITY OF BANNING
Fund Summary Status
FY14 Projections
FY 2013-2014

| # | FUND NAME | (1) Projected Balance @ July 1, 2013 | (2) FY 2013-14 Adjusted Revenue | (3) FY 2013-14 Adjusted Expenditures | (4) Proj. YTD Gain/(Loss) (Col. 2-3) | (5) Proj. Balance @ June 30, 2014 (Col. 1+4) |
|----------------------------------|---------------------------------------|---|--|---|---|---|
| Capital Improvement Funds | | | | | | |
| 400 | Police Facilities Development | 26,547 | - | - | - | 26,547 |
| 410 | Fire Facility Development | 930,458 | - | - | - | 930,458 |
| 420 | Traffic Control Facility | 353,150 | 8,100 | 35,000 | (26,900) | 326,250 |
| 421 | Ramsey & Highland Home Traffic Signal | 80,810 | 150 | - | 150 | 80,960 |
| 430 | General Facilities | 474,340 | - | - | - | 474,340 |
| 441 | Sunset Grade Separation Fund | 2,006 | - | - | - | 2,006 |
| 444 | Wilson Median | 377,911 | 500 | - | 500 | 378,411 |
| 451 | Park Development | 23,972 | 250 | - | 250 | 24,222 |
| 470 | Capital Improvement Fund | 656,797 | - | - | - | 656,797 |
| | Sub-Total | 2,925,991 | 9,000 | 35,000 | (26,000) | 2,899,991 |
| Banning Utility Authority | | | | | | |
| 660 | Water Operations | 2,037,348 | 9,454,500 | 9,035,099 | 419,401 | 2,456,749 |
| 661 | Water Capital Facility Fee | 3,999,906 | 195,000 | 1,450,000 | (1,255,000) | 2,744,906 |
| 663 | BUA Water Capital Project Fund | 633,332 | 3,150 | 135,000 | (131,850) | 501,482 |
| 669 | BUA Water Debt Service Fund | 88,624 | 2,289,205 | 2,288,705 | 500 | 89,124 |
| | Water Subtotal | 6,759,210 | 11,941,855 | 12,908,804 | (966,949) | 5,792,261 |
| 680 | Wastewater Operations | 1,356,895 | 3,462,950 | 3,147,563 | 315,387 | 1,672,282 |
| 681 | Wastewater Capital Facility Fees | 9,363,866 | 105,000 | 10,000 | 95,000 | 9,458,866 |
| 683 | BUA WWtr Capital Project Fund | 2,744,657 | 2,000 | - | 2,000 | 2,746,657 |
| 685 | State Revolving Loan | 769,435 | 303,000 | 299,995 | 3,005 | 772,440 |
| 689 | BUA Wastewater Debt Service Fund | 90,556 | 393,618 | 393,118 | 500 | 91,056 |
| | Wastewater Subtotal | 14,325,409 | 4,266,568 | 3,850,676 | 415,892 | 14,741,301 |
| 662 | Irrigation Water | 2,698,302 | 6,000 | - | 6,000 | 2,704,302 |
| 682 | Wastewater Tertiary | 3,699,375 | 254,000 | - | 254,000 | 3,953,375 |
| | Reclaimed Water Subtotal | 6,397,677 | 260,000 | - | 260,000 | 6,657,677 |
| | Sub-Total | 27,482,296 | 16,468,423 | 16,759,480 | (291,057) | 27,191,239 |

CITY OF BANNING
Fund Summary Status
FY14 Projections
FY 2013-2014

| # | FUND NAME | (1) Projected Balance @ July 1, 2013 | (2) FY 2013-14 Adjusted Revenue | (3) FY 2013-14 Adjusted Expenditures | (4) Proj. YTD Gain/(Loss) (Col. 2-3) | (5) Proj. Balance @ June 30, 2014 (Col. 1+4) |
|-------------------------------|-------------------------------------|---|--|---|---|---|
| Enterprise Funds | | | | | | |
| 600 | Airport | 185,797 | 201,100 | 233,137 | (32,037) | 153,760 |
| 610 | Transit Operations | 13,780 | 1,309,685 | 1,309,685 | - | 13,780 |
| 690 | Refuse | 328,234 | 3,159,850 | 3,157,030 | 2,820 | 331,054 |
| | Enterprise Subtotal | 527,811 | 4,670,635 | 4,699,852 | (29,217) | 498,594 |
| 670 | Electric Operations | 6,494,035 | 26,731,000 | 27,103,656 | (372,656) | 6,121,379 |
| 672 | Rate Stability | 6,020,509 | - | - | - | 6,020,509 |
| 673 | Electric Improvement | 8,172,568 | - | - | - | 8,172,568 |
| 674 | 2007 Elec Rev Bond Proceeds | 8,126,786 | - | 5,264,189 | (5,264,189) | 2,862,597 |
| 675 | Public Benefit Fund | 445,439 | 684,000 | 715,424 | (31,424) | 414,015 |
| 678 | 2007 Elec Rev Bond Debt Service | 492,906 | 2,666,946 | 2,666,446 | 500 | 493,406 |
| | Electric Subtotal | 29,752,243 | 30,081,946 | 35,749,715 | (5,667,769) | 24,084,474 |
| | Sub-Total | 30,280,054 | 34,752,581 | 40,449,567 | (5,696,986) | 24,583,068 |
| Internal Service Funds | | | | | | |
| 700 | Risk Management | 513,757 | 2,218,536 | 2,453,632 | (235,096) | 278,661 |
| 702 | Fleet Maintenance | 511,744 | 1,100,719 | 1,103,894 | (3,175) | 508,569 |
| 703 | Information Systems Services | 91,059 | 396,160 | 398,341 | (2,181) | 88,878 |
| 761 | Utility Billing Services | 121,149 | 1,557,550 | 1,561,440 | (3,890) | 117,259 |
| | Sub-Total | 1,237,709 | 5,272,965 | 5,517,307 | (244,342) | 993,367 |
| Successor Agency Funds | | | | | | |
| 805 | Redevelopment Obligation Retirement | 1,472,989 | 2,945,978 | 2,945,978 | - | 1,472,989 |
| 810 | Successor Housing Agency | 1,359,942 | - | 191,599 | (191,599) | 1,168,343 |
| 830 | Debt Service Fund | 333,520 | 3,245,801 | 3,018,380 | 227,421 | 560,941 |
| 850 | Successor Agency | 2,031,150 | - | 250,000 | (250,000) | 1,781,150 |
| 855 | Tax Alloc Parity Bonds-2007 Tabs | 644,403 | - | 108,224 | (108,224) | 536,179 |
| 856 | Tax Allocation Bonds-2003 Tabs | 24,644 | - | - | - | 24,644 |
| 857 | Low/Mod Tax Alloc Bonds-2003 Tabs | 300,405 | - | - | - | 300,405 |
| 860 | Project Fund | - | - | - | - | - |
| | Sub-Total | 6,167,053 | 6,191,779 | 6,514,181 | (322,402) | 5,844,651 |
| | GRAND TOTAL ALL FUNDS | 71,641,581 | 78,018,213 | 85,397,773 | (7,379,560) | 64,262,021 |

- This Page Left Blank Intentionally -

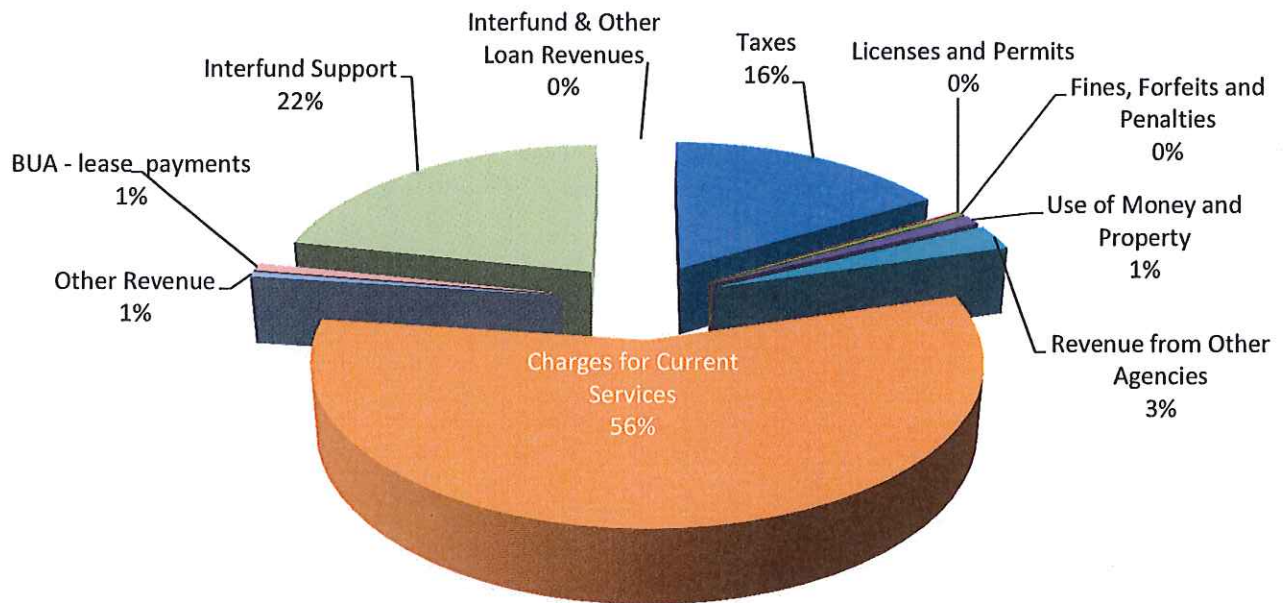
City of Banning
Total City Revenues By Category and Fund

| Category | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|---------------------------------|---------------------|-----------------------------|------------------------|------------------------|
| Taxes | 14,395,213 | 13,626,577 | 12,934,215 | 12,953,291 |
| Licenses and Permits | 149,519 | 103,000 | 115,950 | 116,450 |
| Fines, Forfeits and Penalties | 355,280 | 269,550 | 285,550 | 285,550 |
| Use of Money and Property | 1,422,771 | 1,362,451 | 806,376 | 818,526 |
| Revenue from Other Agencies | 4,306,760 | 4,463,355 | 2,096,142 | 1,433,645 |
| Charges for Current Services | 42,392,238 | 43,258,594 | 44,692,679 | 44,737,540 |
| Other Revenue | 2,585,048 | 3,925,715 | 410,245 | 419,212 |
| BUA - lease payments | 651,000 | 379,750 | 651,000 | 651,000 |
| Interfund Support | 20,425,077 | 23,549,544 | 17,134,664 | 16,602,999 |
| Interfund & Other Loan Revenues | - | 76,086 | - | - |
| Total | 86,682,906 | 91,014,622 | 79,126,821 | 78,018,213 |

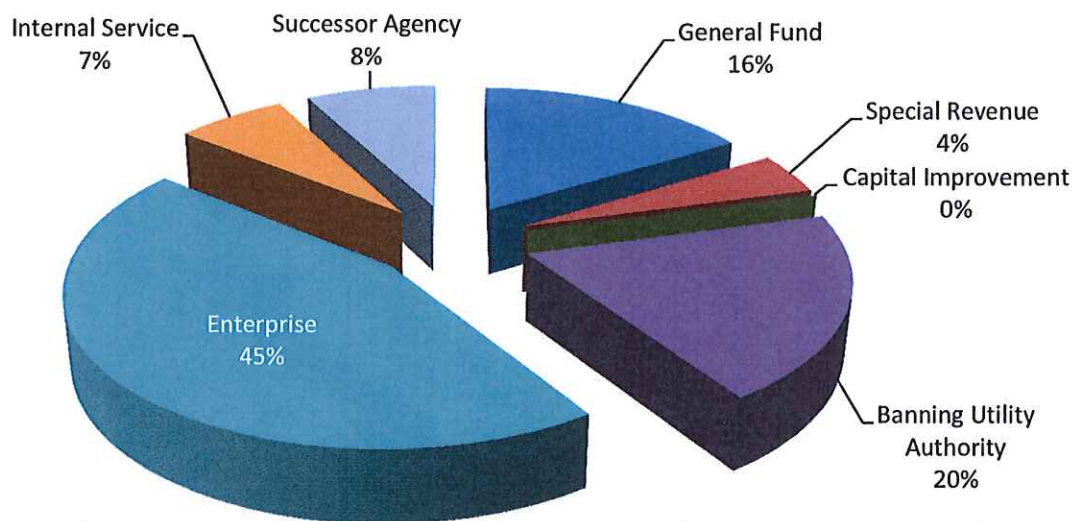
| Funds | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|---------------------------|---------------------|-----------------------------|------------------------|------------------------|
| General Fund | 13,699,491 | 13,608,272 | 12,955,018 | 12,590,855 |
| Special Revenue | 3,914,858 | 4,819,870 | 3,504,792 | 2,732,610 |
| Capital Improvement | 771,836 | 3,192,947 | 6,500 | 9,000 |
| Banning Utility Authority | 15,091,493 | 14,655,604 | 15,699,203 | 16,468,423 |
| Enterprise | 42,814,378 | 41,253,441 | 35,543,715 | 34,752,581 |
| Internal Service | 4,250,841 | 6,782,070 | 5,225,774 | 5,272,965 |
| Successor Agency | 6,140,009 | 6,702,418 | 6,191,819 | 6,191,779 |
| Total | 86,682,906 | 91,014,622 | 79,126,821 | 78,018,213 |

City of Banning
Fiscal year 2012-13
Total Revenue All Funds = \$79,126,821

Revenue by Category - All Funds



Revenue by Fund - All Funds



City of Banning
Total City Expenses By Category and Fund

| Category | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|-----------------------|---------------------|-----------------------------|------------------------|------------------------|
| Employee Services | 16,848,146 | 17,323,258 | 17,572,357 | 17,963,607 |
| Services and Supplies | 39,943,263 | 39,021,306 | 33,092,788 | 32,754,817 |
| Capital | 4,731,233 | 20,101,013 | 8,428,212 | 7,793,712 |
| Debt Service | 11,574,166 | 9,426,266 | 9,198,336 | 9,289,413 |
| Interfund Support | 21,736,233 | 25,090,119 | 18,121,794 | 17,596,224 |
| Total | 94,833,041 | 110,961,962 | 86,413,487 | 85,397,773 |

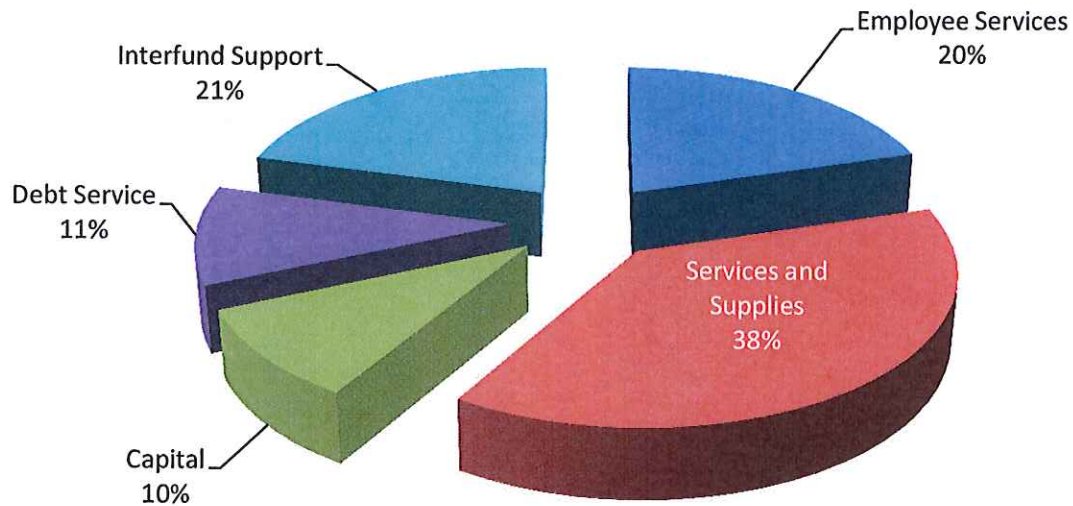
Budgeted Personnel (Including Fire) **191.27** **175.68** **177.18** **177.18**

| Funds | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|--------------------------------|---------------------|-----------------------------|------------------------|------------------------|
| General Fund | 12,996,253 | 16,536,852 | 12,955,018 | 13,221,268 |
| Special Revenue | 7,700,717 | 6,612,780 | 3,972,118 | 2,900,970 |
| Capital Improvement | 773,951 | 3,391,182 | 35,000 | 35,000 |
| Banning Utility Authority | 14,240,027 | 17,052,422 | 16,524,180 | 16,759,480 |
| Enterprise | 43,352,426 | 42,365,650 | 40,942,583 | 40,449,567 |
| Internal Service | 4,667,778 | 7,071,854 | 5,471,367 | 5,517,307 |
| Community Redevelopment Agency | 11,101,889 | 17,931,222 | 6,513,221 | 6,514,181 |
| Total | 94,833,041 | 110,961,962 | 86,413,487 | 85,397,773 |

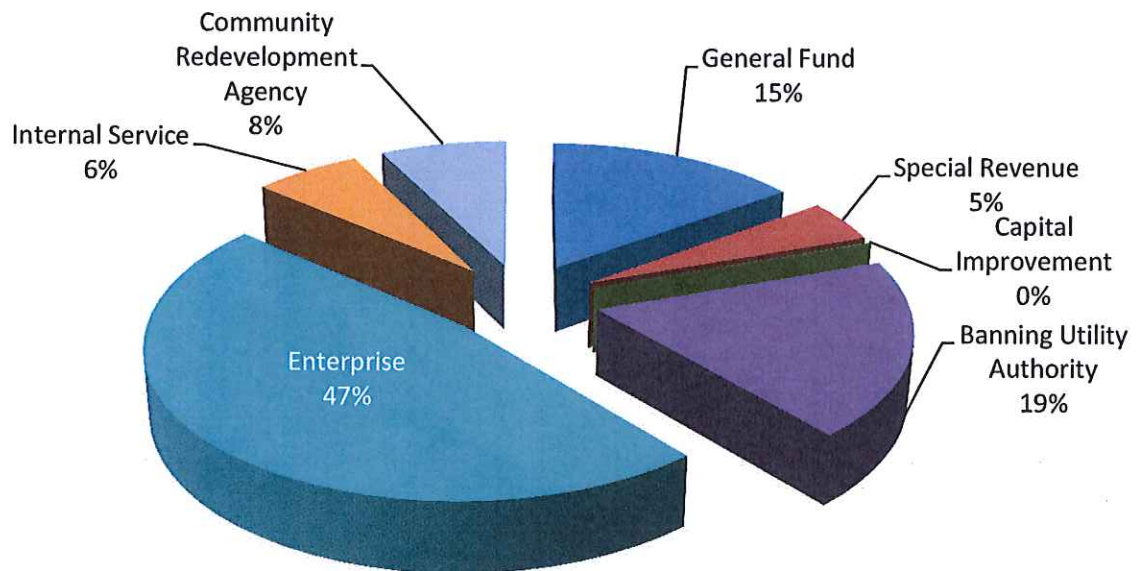
174

City of Banning
Fiscal year 2012-13
Total Expenditures All Funds = \$86,413,487

Expenditure by Category - All Funds



Expenditures by Fund - All Funds



Capital Requests for FY 2012-13 & 2013-14

| | | FY 2012-13 | | FY 2013-14 | |
|--|----------------------------|---|------------------|---|------------------|
| Account Number | Account Description | Project Description | Amount | Project Description | Amount |
| <u>General Fund</u> | | | | | |
| 001-2060-446.90-56 | MACHINERY/EQUIPMENT | PEG Funded Upgrades to Government TV Equipment | 51,023 | PEG Funded Upgrades to Government TV Equipment | 51,023 |
| 001-2400-422.90-56 | MACHINERY/EQUIPMENT | Paramedic Monitor | 16,000 | Paramedic Montior | 16,000 |
| | Subtotal | | 67,023 | | 67,023 |
| <u>Measure A Street Fund</u> | | | | | |
| 101-4900-431.93-16 | MEASURE A ST IMPROVEMENTS | Westward Ave Paving from Sunset to Highland Home Rd | 1,000,000 | Overlay Project: Hoffer St, Alessandro Rd and Ramsey St | 410,000 |
| | Subtotal | | 1,000,000 | | 410,000 |
| <u>Traffic Control Facility Fund</u> | | | | | |
| 420-4900-431.93-27 | TRAFFIC SIGNALS/SYNCHRON | Traffic Signal Head Replacement | 10,000 | Loop Replacement | 10,000 |
| | Subtotal | | 10,000 | | 10,000 |
| <u>Water Fund</u> | | | | | |
| 660-6300-471.90-15 | BUILDING IMPROVEMENTS | Well/Booster Building Improvements | 10,000 | Well/Booster Building Improvements | 5,000 |
| 660-6300-471.90-18 | PLANT IMPROVEMENTS | Water Yard Site Work | 10,000 | Water Yard Site Work | 10,000 |
| | Subtotal | | 20,000 | | 15,000 |
| <u>Water Capital Facilities Fund</u> | | | | | |
| 661-6300-471.90-78 | PLANNING/DESIGN-CAPITAL | Impact Fee Study | 50,000 | Water Master Plan | 50,000 |
| 661-6300-471.95-08 | WELLS/PUMPING EQUIPMENT | Pilot Well in Cabazon Storage Unit | 250,000 | Equip New Well in Cabazon Storage Unit | 1,250,000 |
| 661-6300-471.95-10 | WATER MAINS | Annual Water Line Replacement | 100,000 | Annual Water Line Replacement | 100,000 |
| 661-6300-471.95-12 | TREATMENT PLANT IMPROV | Water Yard Building | 275,000 | | - |
| | Subtotal | | 675,000 | | 1,400,000 |
| <u>Irrigation Water Fund</u> | | | | | |
| 662-6300-471.95-12 | TREATMENT PLANT IMPROV | Irrigation Master Plan/Impact Fee Study | 75,000 | | - |
| | Subtotal | | 75,000 | | - |
| <u>BUA Water Capital Project Fund</u> | | | | | |
| 663-6300-471.95-09 | RESERVOIRS | Altitude Valves | 150,000 | | - |
| 663-6300-471.95-10 | WATER MAINS | Water Canyon Waterline | 350,000 | | - |
| | Subtotal | | 500,000 | | - |
| <u>Electric Fund</u> | | | | | |
| 670-7000-473.90-15 | BUILDING IMPROVEMENTS | Misc Repairs | 30,000 | Misc Repairs | 30,000 |
| 670-7000-473.90-18 | PLANT IMPROVEMENTS | Misc Repairs | 2,000 | Misc Repairs | 2,000 |
| 670-7000-473.95-01 | POLES/TOWERS/FIXTURES | Annual Operating Repairs & Replacements | 20,000 | Annual Operating Repairs & Replacements | 20,000 |
| 670-7000-473.95-02 | OVERHEAD CONDUCTOR/DEVICE | Annual Operating Repairs & Replacements | 20,000 | Annual Operating Repairs & Replacements | 20,000 |
| 670-7000-473.95-04 | UNDERGROUND CONDUCT/DEVICE | Annual Operating Repairs & Replacements | 75,000 | Annual Operating Repairs & Replacements | 75,000 |
| 670-7000-473.95-05 | LINE TRANSFORMERS | Annual Operating Repairs & Replacements | 200,000 | Annual Operating Repairs & Replacements | 200,000 |
| 670-7000-473.95-06 | SUBSTATION EQUIPMENT | Annual Operating Repairs & Replacements | 50,000 | Annual Operating Repairs & Replacements | 50,000 |
| 670-7000-473.95-17 | METERS | Annual Operating Repairs & Replacements | 10,000 | Annual Operating Repairs & Replacements | 10,000 |
| 670-7000-473.95-19 | STREET LIGHTS | Annual Operating Repairs & Replacements | 15,000 | Annual Operating Repairs & Replacements | 15,000 |
| 670-7000-473.95-23 | SYSTEM IMPROVEMENTS-LABOR | Capitalized Labor Costs | 88,000 | Capitalized Labor Costs | 88,000 |
| 670-7000-473.95-29 | POLE TESTING & REPLACEMNT | Annual Operating Repairs & Replacements | 40,000 | Annual Operating Repairs & Replacements | 40,000 |
| | Subtotal | | 550,000 | | 550,000 |
| <u>07 Electric Revenue Bond Debt Service Fund</u> | | | | | |
| 674-7000-473.90-11 | NEW BUILDING-CITY YARDS | New Corporate Yard Building & Block Wall | 2,700,000 | | - |
| 674-7000-473.93-74 | ALOLA SUBSTATION | | - | Alola Substation Upgrade | 2,750,000 |
| 674-7000-473.96-29 | D.T. UNDERGROUND CONVERSN | Downtown Undergrounding | 2,364,189 | Downtown Undergrounding | 2,364,189 |
| | Subtotal | | 5,064,189 | | 5,114,189 |
| <u>Wastewater Fund</u> | | | | | |
| 680-8000-454.90-56 | MACHINERY/EQUIPMENT | Vactor Truck Equipment | 17,500 | | - |
| 680-8000-454.95-12 | TREATMENT PLANT IMPROV | Digester Cleaning | 60,000 | Repairs to Heat Exchanger | 60,000 |
| | Subtotal | | 77,500 | | 60,000 |
| <u>Wastewater Capital Facility Fund</u> | | | | | |
| 681-8000-454.95-12 | TREATMENT PLANT IMPROV | Lift Station Improvements | 10,000 | Valve Actuator Replacement Lift Station Improvements | 10,000 |
| | Subtotal | | 10,000 | | 10,000 |
| <u>BUA Wastewater Capital Project Fund</u> | | | | | |
| 683-8000-454.90-78 | PLANNING/DESIGN-CAPITAL | Deutsch Trunk Line Mainline Replacement | 300,000 | | - |
| | Subtotal | | 300,000 | | - |
| *GRAND TOTAL | | | 8,348,712 | | 7,636,212 |

*Does not include NONCAPITALIZED ASSETS

City of Banning
Other Funds Revenue Summary

| Fund # | Description | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|--|---|-------------------------|-----------------------------|-------------------------|-------------------------|
| <u>SPECIAL REVENUE FUNDS</u> | | | | | |
| 002 | Developer Deposits - Community Dev. | 55,903 | 327,000 | 40,000 | 40,000 |
| 003 | County of Riverside - Police MOU | 451,089 | 451,000 | 451,000 | 451,000 |
| 100 | Gas Tax | 810,858 | 1,137,210 | 1,341,601 | 961,300 |
| 101 | Measure A Street | 444,491 | 1,044,565 | 826,301 | 418,000 |
| 103 | SB300 Street Improvement | 862 | 725 | 725 | 725 |
| 104 | Article 3 - Sidewalk Construction | 601,434 | 300 | 300 | 300 |
| 110 | C.D.B.G. | 84,672 | 292,815 | - | - |
| 111 | Landscape Maintenance Assmt. Dist.#1 | 132,439 | 131,510 | 133,474 | 135,810 |
| 132 | Air Quality | 34,721 | 32,000 | 20,250 | 25,250 |
| 140 | Asset Forfeiture | 15 | 10 | - | - |
| 148 | Supplemental Law Enforcement | 101,014 | 101,000 | - | - |
| 149 | Public Safety - Sales Tax | 189,226 | 202,676 | - | - |
| 150 | State Park Bond Act | 5 | - | - | - |
| 190 | Housing Authority Fund | - | 395,545 | - | - |
| 200 | Special Donations | 7,456 | 9,350 | 6,750 | 6,750 |
| 201 | Senior Center Activities | 5,976 | 6,700 | 3,800 | 3,800 |
| 202 | Animal Control Reserve | 29 | 30 | - | - |
| 203 | Police Volunteer | 31 | 30 | - | - |
| 204 | D.A.R.E./Great Grant | 49 | - | - | - |
| 300 | City Hall COP Debt Service | 515,941 | 426,487 | 437,001 | 437,001 |
| 360 | Sun Lakes CFD #86-1 | 204 | 250 | - | - |
| 365 | Assessment Dist - #91-1 Wilson St. Debt | 207,260 | 400 | - | - |
| 370 | Area Police Computer | 48,568 | 51,244 | 41,487 | 52,831 |
| 375 | Fair Oaks 2004-1 Debt Service | 222,349 | 208,798 | 202,103 | 199,843 |
| 376 | Cameo Homes | 266 | 225 | - | - |
| <i>Special Revenue Funds Subtotal</i> | | <i>3,914,858</i> | <i>4,819,870</i> | <i>3,504,792</i> | <i>2,732,610</i> |
| <u>CAPITAL IMPROVEMENT FUNDS</u> | | | | | |
| 400 | Police Facilities Development | 5,808 | 1,650 | - | - |
| 410 | Fire Facility Development | 6,209 | 8,000 | - | - |
| 420 | Traffic Control Facility | 16,441 | 2,500 | 5,600 | 8,100 |
| 421 | Ramsey & Highland Home Traffic Signal | 469 | 400 | 150 | 150 |
| 430 | General Facilities | 7,153 | 4,500 | - | - |
| 441 | Sunset Grade Separation Fund | 728,677 | 3,169,647 | - | - |
| 444 | Wilson Median | 2,195 | 1,850 | 500 | 500 |
| 451 | Park Development | 988 | 1,900 | 250 | 250 |
| 470 | Capital Improvement Funds | 3,896 | 2,500 | - | - |
| <i>Capital Improvement Funds Subtotal</i> | | <i>771,836</i> | <i>3,192,947</i> | <i>6,500</i> | <i>9,000</i> |

City of Banning
Other Funds Revenue Summary

| Fund # | Description | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|---|--|--------------------------|-----------------------------|--------------------------|--------------------------|
| <u>BANNING UTILITY AUTHORITY</u> | | | | | |
| 660 | Water Operations | 7,553,772 | 8,226,450 | 8,940,000 | 9,454,500 |
| 661 | Water Capital Facility Fee | 80,837 | 214,000 | 187,500 | 195,000 |
| 663 | BUA Water Capital Project Fund | 7,040 | 3,000 | 2,750 | 3,150 |
| 666 | Water Participation CTF-86 | - | - | - | - |
| 667 | Water Participation CTFS-8 | - | - | - | - |
| 669 | BUA Water Debt Service Fund | 2,292,211 | 2,289,425 | 2,289,405 | 2,289,205 |
| | <i>Water Subtotal</i> | <i>9,933,860</i> | <i>10,732,875</i> | <i>11,419,655</i> | <i>11,941,855</i> |
| 680 | Wastewater Operations | 2,826,552 | 2,704,000 | 3,217,159 | 3,462,950 |
| 681 | Wastewater Capital Facility Fees | 1,469,987 | 105,080 | 105,000 | 105,000 |
| 683 | BUA Wastewater Capital Project Fund | 6,822 | 3,000 | 1,500 | 2,000 |
| 685 | State Revolving Loan | 304,366 | 304,000 | 303,000 | 303,000 |
| 687 | Water Participation CTFS-89 | - | - | - | - |
| 689 | BUA Wastewater Debt Service Fund | 532,354 | 393,685 | 393,889 | 393,618 |
| | <i>Wastewater Subtotal</i> | <i>5,140,081</i> | <i>3,509,765</i> | <i>4,020,548</i> | <i>4,266,568</i> |
| 662 | Irrigation Water | 17,552 | 15,000 | 5,000 | 6,000 |
| 682 | Wastewater Tertiary | - | 397,964 | 254,000 | 254,000 |
| | <i>Reclaimed Water Subtotal</i> | <i>17,552</i> | <i>412,964</i> | <i>259,000</i> | <i>260,000</i> |
| | <i>Banning Utility Authority Subtotal</i> | <i>15,091,493</i> | <i>14,655,604</i> | <i>15,699,203</i> | <i>16,468,423</i> |
| <u>ENTERPRISE FUNDS</u> | | | | | |
| 600 | Airport | 673,547 | 599,882 | 204,100 | 201,100 |
| 610 | Transit Operations | 2,081,444 | 2,155,383 | 1,309,685 | 1,309,685 |
| 690 | Refuse | 3,066,631 | 3,188,250 | 3,096,850 | 3,159,850 |
| | <i>Subtotal</i> | <i>5,821,622</i> | <i>5,943,515</i> | <i>4,610,635</i> | <i>4,670,635</i> |
| 670 | Electric Operations | 27,702,647 | 28,186,050 | 27,531,000 | 26,731,000 |
| 672 | Rate Stability | 25,950 | 2,240,000 | 60,000 | - |
| 673 | Electric Improvement | 74,692 | 1,539,430 | - | - |
| 674 | 2007 Electric Bond Project Fund | 73,656 | 8,000 | - | - |
| 675 | Public Benefit Fund | 637,039 | 696,400 | 669,750 | 684,000 |
| 678 | 2007 Electric Debt Service Fund | 8,478,772 | 2,640,046 | 2,672,330 | 2,666,946 |
| | <i>Electric Subtotal</i> | <i>36,992,756</i> | <i>35,309,926</i> | <i>30,933,080</i> | <i>30,081,946</i> |
| | <i>Enterprise Funds Subtotal</i> | <i>42,814,378</i> | <i>41,253,441</i> | <i>35,543,715</i> | <i>34,752,581</i> |
| <u>INTERNAL SERVICE FUNDS</u> | | | | | |
| 700 | Risk Management | 1,908,093 | 3,740,170 | 2,208,961 | 2,218,536 |
| 702 | Fleet Maintenance | 993,810 | 1,181,097 | 1,098,404 | 1,100,719 |
| 703 | Information Systems Services | 400,699 | 387,837 | 388,610 | 396,160 |
| 761 | Utility Billing Services | 948,239 | 1,472,966 | 1,529,799 | 1,557,550 |
| | <i>Internal Service Funds Subtotal</i> | <i>4,250,841</i> | <i>6,782,070</i> | <i>5,225,774</i> | <i>5,272,965</i> |

City of Banning
Other Funds Revenue Summary

| Fund # | Description | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|--|-------------------------------------|---------------------|-----------------------------|------------------------|------------------------|
| SUCCESSOR AGENCY FUNDS | | | | | |
| 805 | Redevelopment Obligation Retirement | - | 1,777,612 | 2,945,978 | 2,945,978 |
| 810 | Successor Housing Agency | 884,234 | 395,545 | - | - |
| 830 | Debt Service Fund | 4,602,352 | 4,225,253 | 3,245,841 | 3,245,801 |
| 850 | Successor Agency | 596,009 | 229,364 | - | - |
| 855 | Tax Allocation Bonds-2007 Tabs | 21,730 | 50,000 | - | - |
| 856 | Tax Allocation Bonds-2003 Tabs | 5,946 | 10,000 | - | - |
| 857 | Low\Mod Tax Alloc Bonds-2003 Tabs | 6,254 | 10,000 | - | - |
| 860 | Project Fund | 23,484 | 4,644 | - | - |
| Successor Agency Funds Subtotal | | 6,140,009 | 6,702,418 | 6,191,819 | 6,191,779 |
| | | | | | |
| Other Funds Grand Total | | 72,983,415 | 77,406,350 | 66,171,803 | 65,427,358 |

179

City of Banning
Other Funds Expenditure Summary

| Fund # | Description | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|--|---|-------------------------|-----------------------------|-------------------------|-------------------------|
| <u>SPECIAL REVENUE FUNDS</u> | | | | | |
| 002 | Developer Deposits - Community Dev. | 57,113 | 327,000 | 40,000 | 40,000 |
| 003 | County of Riverside - Police MOU | 426,555 | 536,822 | 563,990 | 576,024 |
| 100 | Gas Tax | 551,084 | 1,577,812 | 1,430,632 | 1,024,689 |
| 101 | Measure A Street | 708,935 | 1,856,565 | 1,060,000 | 410,000 |
| 103 | SB300 Street Improvement | - | - | - | - |
| 104 | Article 3 - Sidewalk Construction | 512,714 | - | - | - |
| 110 | C.D.B.G. | 89,947 | 287,540 | - | - |
| 111 | Landscape Maintenance Assmt. Dist.#1 | 115,819 | 131,510 | 138,246 | 138,252 |
| 132 | Air Quality | 3,069 | 3,000 | 3,000 | 3,000 |
| 140 | Asset Forfeiture | - | - | - | - |
| 148 | Supplemental Law Enforcement | 19,680 | 288,199 | - | - |
| 149 | Public Safety - Sales Tax | 170,000 | 202,676 | 22,537 | - |
| 150 | State Park Bond Act | - | - | - | - |
| 190 | Housing Authority Fund | - | 407,969 | - | - |
| 200 | Special Donations | 4,705 | 5,210 | 5,500 | 5,500 |
| 201 | Senior Center Activities | 8,920 | 17,200 | 12,750 | 12,750 |
| 202 | Animal Control Reserve | - | - | - | - |
| 203 | Police Volunteer | 1,463 | 1,080 | 1,080 | 1,080 |
| 204 | D.A.R.E./Great Grant | 46,787 | - | - | - |
| 300 | City Hall COP Debt Service | 4,447,206 | 437,350 | 437,001 | 437,001 |
| 360 | Sun Lakes CFD #86-1 | - | 250 | - | - |
| 365 | Assessment Dist - #91-1 Wilson St. Debt | 268,460 | 272,805 | - | - |
| 370 | Area Police Computer | 46,949 | 50,994 | 55,279 | 52,831 |
| 375 | Fair Oaks 2004-1 Debt Service | 221,311 | 208,798 | 202,103 | 199,843 |
| 376 | Cameo Homes | - | - | - | - |
| <i>Special Revenue Funds Subtotal</i> | | <i>7,700,717</i> | <i>6,612,780</i> | <i>3,972,118</i> | <i>2,900,970</i> |
| <u>CAPITAL IMPROVEMENT FUNDS</u> | | | | | |
| 400 | Police Facilities Development | - | - | - | - |
| 410 | Fire Facility Development | - | - | - | - |
| 420 | Traffic Control Facility | - | 20,000 | 35,000 | 35,000 |
| 421 | Ramsey & Highland Home Traffic Signal | - | - | - | - |
| 430 | General Facilities | - | - | - | - |
| 441 | Sunset Grade Separation Fund | 728,067 | 3,209,636 | - | - |
| 444 | Wilson Median | - | - | - | - |
| 451 | Park Development | 26,590 | 132,046 | - | - |
| 470 | Capital Improvement Funds | 19,294 | 29,500 | - | - |
| <i>Capital Improvement Funds Subtotal</i> | | <i>773,951</i> | <i>3,391,182</i> | <i>35,000</i> | <i>35,000</i> |

City of Banning
Other Funds Expenditure Summary

| Fund # | Description | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|---|--|--------------------------|-----------------------------|--------------------------|--------------------------|
| <u>BANNING UTILITY AUTHORITY</u> | | | | | |
| 660 | Water Operations | 8,250,282 | 8,939,866 | 8,642,145 | 9,035,099 |
| 661 | Water Capital Facility Fee | 145,279 | 245,316 | 775,000 | 1,450,000 |
| 663 | BUA Water Capital Project Fund | 49,295 | 1,235,000 | 635,000 | 135,000 |
| 666 | Water Participation CTF-86 | 3,522 | - | - | - |
| 667 | Water Participation CTFS-8 | 34,857 | - | - | - |
| 669 | BUA Water Debt Service Fund | 1,591,388 | 2,293,925 | 2,288,905 | 2,288,705 |
| | <i>Water Subtotal</i> | <i>10,074,623</i> | <i>12,714,107</i> | <i>12,341,050</i> | <i>12,908,804</i> |
| 680 | Wastewater Operations | 3,409,662 | 2,989,497 | 3,029,638 | 3,147,563 |
| 681 | Wastewater Capital Facility Fees | 169,963 | 5,776 | 85,000 | 10,000 |
| 683 | BUA Wastewater Capital Project Fund | 207,229 | 395,562 | 300,000 | - |
| 685 | State Revolving Loan | 70,874 | 304,295 | 300,103 | 299,995 |
| 687 | Water Participation CTFS-89 | 25,531 | - | - | - |
| 689 | BUA Wastewater Debt Service Fund | 282,145 | 393,185 | 393,389 | 393,118 |
| | <i>Wastewater Subtotal</i> | <i>4,165,404</i> | <i>4,088,315</i> | <i>4,108,130</i> | <i>3,850,676</i> |
| 662 | Irrigation Water | - | 250,000 | 75,000 | - |
| 682 | Wastewater Tertiary | - | - | - | - |
| | <i>Reclaimed Water Subtotal</i> | <i>-</i> | <i>250,000</i> | <i>75,000</i> | <i>-</i> |
| | <i>Banning Utility Authority Subtotal</i> | <i>14,240,027</i> | <i>17,052,422</i> | <i>16,524,180</i> | <i>16,759,480</i> |
| <u>ENTERPRISE FUNDS</u> | | | | | |
| 600 | Airport | 487,329 | 512,024 | 231,956 | 233,137 |
| 610 | Transit Operations | 1,381,648 | 2,140,817 | 1,309,685 | 1,309,685 |
| 690 | Refuse | 2,962,949 | 3,220,109 | 3,094,003 | 3,157,030 |
| | <i>Subtotal</i> | <i>4,831,926</i> | <i>5,872,950</i> | <i>4,635,644</i> | <i>4,699,852</i> |
| 670 | Electric Operations | 29,143,038 | 28,045,525 | 27,419,127 | 27,103,656 |
| 672 | Rate Stability | - | 1,200,000 | - | - |
| 673 | Electric Improvement | 290,475 | 2,880,546 | 60,000 | - |
| 674 | 2007 Electric Bond Project Fund | 5,730,973 | 993,521 | 5,464,189 | 5,264,189 |
| 675 | Public Benefit Fund | 1,439,836 | 703,562 | 691,793 | 715,424 |
| 678 | 2007 Electric Debt Service Fund | 1,916,178 | 2,669,546 | 2,671,830 | 2,666,446 |
| | <i>Electric Subtotal</i> | <i>38,520,500</i> | <i>36,492,700</i> | <i>36,306,939</i> | <i>35,749,715</i> |
| | <i>Enterprise Funds Subtotal</i> | <i>43,352,426</i> | <i>42,365,650</i> | <i>40,942,583</i> | <i>40,449,567</i> |
| <u>INTERNAL SERVICE FUNDS</u> | | | | | |
| 700 | Risk Management | 1,912,720 | 3,855,135 | 2,445,312 | 2,453,632 |
| 702 | Fleet Maintenance | 996,114 | 1,179,072 | 1,101,578 | 1,103,894 |
| 703 | Information Systems Services | 396,663 | 519,597 | 390,790 | 398,341 |
| 761 | Utility Billing Services | 1,362,281 | 1,518,050 | 1,533,687 | 1,561,440 |
| | <i>Internal Service Funds Subtotal</i> | <i>4,667,778</i> | <i>7,071,854</i> | <i>5,471,367</i> | <i>5,517,307</i> |

City of Banning
Other Funds Expenditure Summary

| Fund # | Description | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|---|-------------------------------------|--------------------------|-----------------------------|-------------------------|-------------------------|
| <u>SUCCESSOR AGENCY FUNDS</u> | | | | | |
| 805 | Redevelopment Obligation Retirement | - | 1,777,612 | 2,945,978 | 2,945,978 |
| 810 | Successor Housing Agency | 809,421 | 587,925 | 191,639 | 191,599 |
| 830 | Debt Service Fund | 5,285,011 | 4,185,890 | 2,918,880 | 3,018,380 |
| 850 | Successor Agency | 595,856 | 606,632 | 250,000 | 250,000 |
| 855 | Tax Allocation Bonds-2007 Tabs | 2,357,488 | 9,577,677 | 206,724 | 108,224 |
| 856 | Tax Allocation Bonds-2003 Tabs | 1,099,379 | 158,848 | - | - |
| 857 | Low\Mod Tax Alloc Bonds-2003 Tabs | 569,844 | 656,009 | - | - |
| 860 | Project Fund | 384,890 | 380,629 | - | - |
| <i>Successor Agency Funds Subtotal</i> | | <i>11,101,889</i> | <i>17,931,222</i> | <i>6,513,221</i> | <i>6,514,181</i> |
| | | | | | |
| Other Funds Grand Total | | 81,836,788 | 94,425,110 | 73,458,469 | 72,176,505 |

City of Banning
General Fund Financial Overview

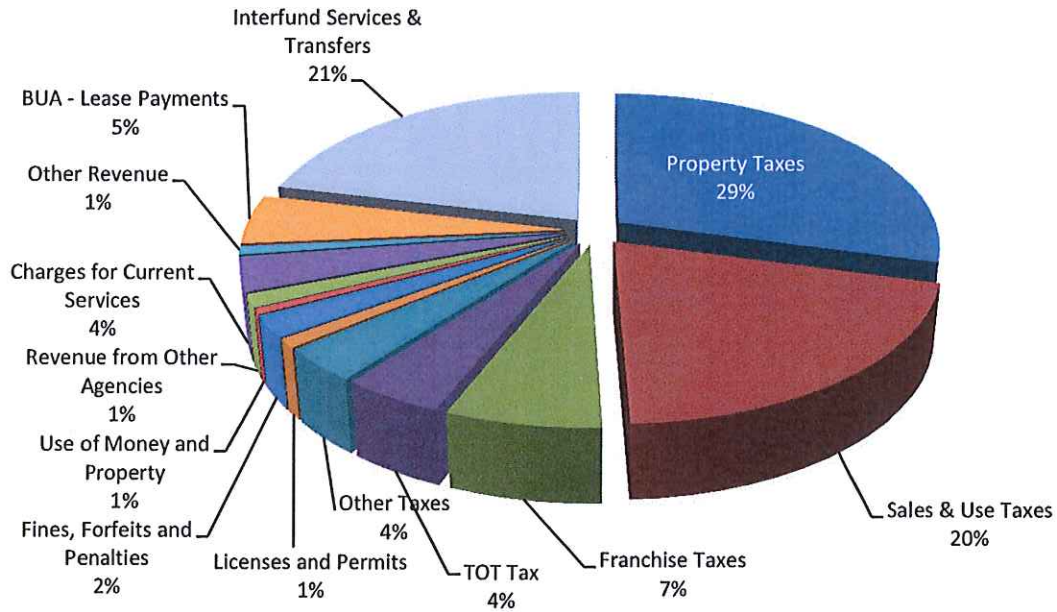
| Description | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|-----------------------------------|---------------------|--------------------------------|------------------------|------------------------|
| General Fund Revenues By Category | | | | |
| Taxes | | | | |
| Property Taxes | 3,852,014 | 3,671,094 | 3,671,094 | 3,671,094 |
| Sales & Use Taxes | 2,130,506 | 2,205,000 | 2,550,426 | 2,550,426 |
| Franchise Taxes | 800,346 | 826,450 | 829,000 | 836,000 |
| TOT Tax | 506,074 | 512,000 | 550,000 | 550,000 |
| Other Taxes | 407,087 | 400,203 | 445,435 | 445,435 |
| Subtotal Taxes | 7,696,027 | 7,614,747 | 8,045,955 | 8,052,955 |
| Licenses and Permits | 149,519 | 103,000 | 115,950 | 116,450 |
| Fines, Forfeits and Penalties | 355,280 | 269,550 | 285,550 | 285,550 |
| Use of Money and Property | 99,207 | 86,985 | 75,375 | 75,375 |
| Revenue from Other Agencies | 1,398,300 | 1,427,412 | 444,841 | 167,645 |
| Charges for Current Services | 572,028 | 432,430 | 438,390 | 446,460 |
| Other Revenue | 228,963 | 110,367 | 110,820 | 110,820 |
| BUA - Lease Payments | 651,000 | 651,000 | 651,000 | 651,000 |
| Interfund Services & Transfers | 2,549,167 | 2,912,781 | 2,787,137 | 2,684,600 |
| Total | 13,699,491 | 13,608,272 | 12,955,018 | 12,590,855 |

| | | | | |
|---|-------------------|-------------------|-------------------|-------------------|
| General Fund Expenditures By Department | | | | |
| City Manager/Council | 364,186 | 304,941 | 485,329 | 492,841 |
| City Attorney | 215,680 | 161,000 | 161,000 | 161,000 |
| City Clerk/Elections | 103,410 | 85,953 | 124,878 | 90,961 |
| Community Enhancement | 43,000 | 6,725 | - | - |
| TV Government Access | 33,291 | 47,747 | 56,800 | 56,800 |
| Financial Services | 137,134 | 240,052 | 261,526 | 266,539 |
| Human Resources | 153,151 | 189,779 | 151,813 | 154,539 |
| Police/Dispatch | 7,132,585 | 7,513,834 | 6,681,847 | 6,836,790 |
| Fire Services | 2,254,894 | 3,006,521 | 2,448,148 | 2,446,049 |
| Community Development | 555,546 | 657,883 | 738,465 | 815,845 |
| Community Services | 322,553 | 337,619 | 327,964 | 333,339 |
| Public Works | 656,409 | 752,346 | 593,300 | 637,758 |
| Central Services/Debt | 1,024,414 | 3,232,452 | 923,948 | 928,807 |
| Total | 12,996,253 | 16,536,852 | 12,955,018 | 13,221,268 |

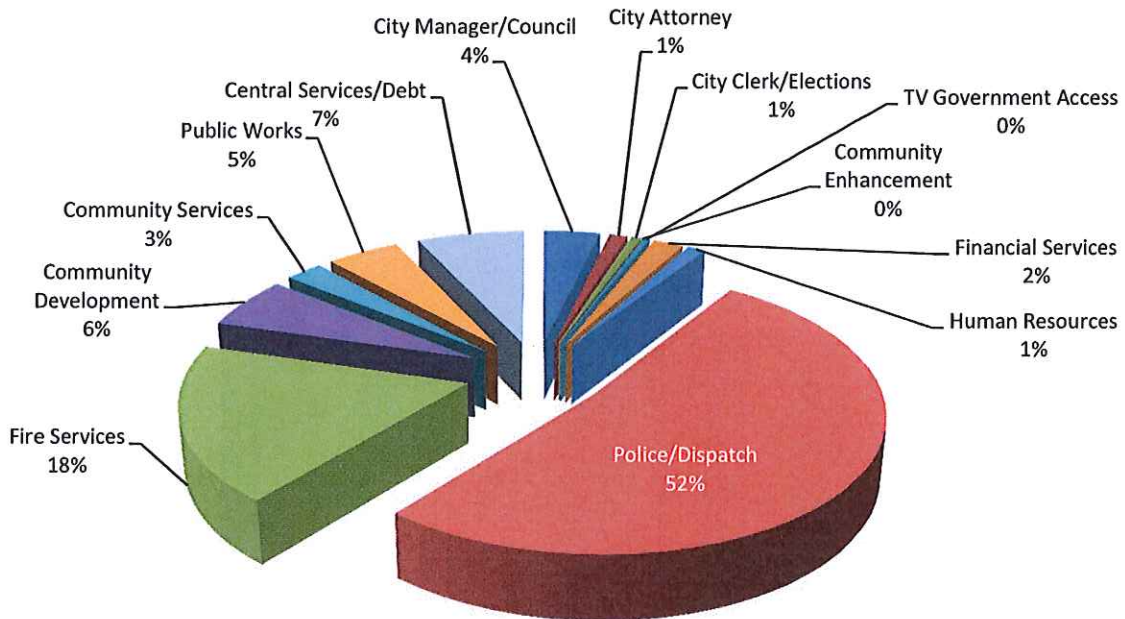
| | | | | |
|--------------------------|----------------|--------------------|----------|------------------|
| Surplus/(Deficit) | 703,238 | (2,928,580) | - | (630,413) |
|--------------------------|----------------|--------------------|----------|------------------|

City of Banning
Fiscal year 2012-13
General Fund Financial Overview

General Fund Revenues
Total = \$12,955,018



General Fund Expenditures
Total = \$12,955,018

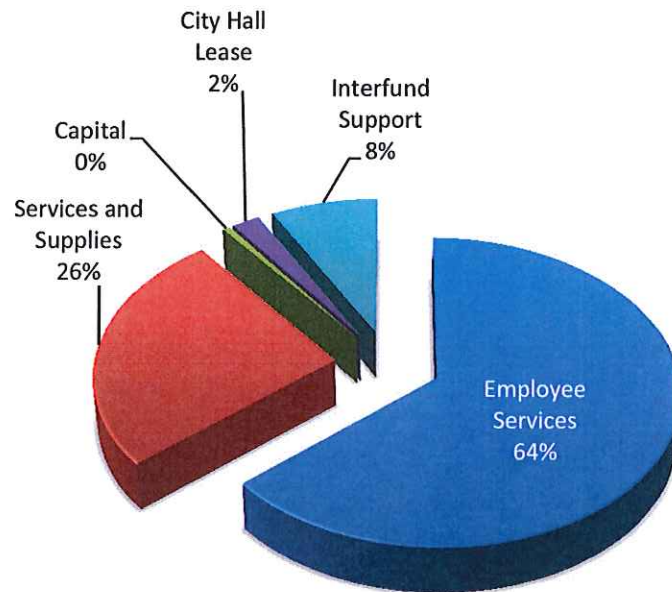


City of Banning
General Fund Expenditures By Category

| Category | Actual 2010/2011 | Revised Budget 2011/2012 | Projected 2012/2013 | Projected 2013/2014 |
|-----------------------|---------------------|--------------------------------|------------------------|------------------------|
| Employee Services | 7,922,030 | 8,167,352 | 8,259,812 | 8,457,054 |
| Services and Supplies | 3,543,088 | 4,609,680 | 3,329,954 | 3,386,542 |
| Capital | 390,443 | 552,936 | 70,523 | 67,523 |
| City Hall Lease | 317,105 | 259,437 | 269,951 | 269,951 |
| Interfund Support | 823,587 | 2,947,447 | 1,024,778 | 1,040,198 |
| Total | 12,996,253 | 16,536,852 | 12,955,018 | 13,221,268 |

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

Fiscal year 2012-13
General Fund Expenditures By Category
Total = \$12,955,018



- This Page Left Blank Intentionally -

City of Banning
Budgeted Positions Summary

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|--|---------------------------------|---------------------------------|---------------------------------|------------------------|
| General Fund Personnel By Department (Including Fire) | | | | |
| City Manager/Council | 5.48 | 5.68 | 5.68 | 6.69 |
| City Attorney | Contracted | Contracted | Contracted | Contracted |
| City Clerk | 1.75 | 1.75 | 1.75 | 1.83 |
| TV Government Access | 1.00 | 0.00 | 0.00 | 0.00 |
| Financial Services | 8.15 | 5.95 | 5.95 | 5.95 |
| Human Resources | 2.07 | 1.02 | 1.02 | 1.05 |
| Police/Dispatch | 50.00 | 45.00 | 43.25 | 43.25 |
| Fire Services | 13.00 | 18.00 | 18.00 | 18.00 |
| Planning | 6.10 | 2.70 | 4.30 | 5.00 |
| Community Services | 7.39 | 5.41 | 5.41 | 5.41 |
| Public Works | 8.60 | 6.33 | 6.33 | 6.33 |
| Subtotal General Fund | 103.54 | 91.84 | 91.69 | 93.51 |
| Other Funds Personnel By Department | | | | |
| Streets | 5.40 | 4.90 | 4.90 | 4.90 |
| Airport | 1.50 | 1.55 | 1.55 | 1.55 |
| Transit | 12.73 | 13.78 | 11.87 | 11.87 |
| Water | 14.90 | 15.07 | 15.07 | 15.10 |
| Electric | 21.40 | 21.40 | 21.40 | 22.43 |
| Wastewater | 5.15 | 5.32 | 5.32 | 5.35 |
| Refuse | 0.30 | 0.69 | 0.69 | 0.69 |
| Insurance | 2.00 | 1.55 | 1.55 | 1.55 |
| Fleet Maintenance | 2.50 | 2.50 | 3.50 | 3.50 |
| Information Systems Services | 2.45 | 2.40 | 2.40 | 2.40 |
| Utility Billing | 8.90 | 8.65 | 8.65 | 9.15 |
| Utility Billing - Meter Reading | 4.20 | 4.20 | 4.20 | 4.20 |
| Successor Agency | 6.30 | 4.50 | 2.90 | 1.00 |
| Subtotal Other Funds | 87.73 | 86.51 | 84.00 | 83.67 |
| Total All Funds | 191.27 | 178.34 | 175.68 | 177.18 |
| TOTAL ALL FUNDS | | | | |
| Less Fire Contract | 12.00 | 17.00 | 17.00 | 17.00 |
| Less Part Time | 13.27 | 12.34 | 11.68 | 11.18 |
| Less Elected | 7.00 | 7.00 | 7.00 | 7.00 |
| Full Time Employees | 159.00 | 142.00 | 140.00 | 142.00 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|-------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------|
| GENERAL FUND | | | | |
| CITY COUNCIL | | | | |
| Mayor | 1.00 | 1.00 | 1.00 | 1.00 |
| Mayor Pro Tem | 1.00 | 1.00 | 1.00 | 1.00 |
| Council Members | 3.00 | 3.00 | 3.00 | 3.00 |
| DIVISION TOTAL FTE | 5.00 | 5.00 | 5.00 | 5.00 |
| CITY MANAGER | | | | |
| City Manager | 0.48 | 0.48 | 0.48 | 0.69 |
| Executive Secretary | 0.00 | 0.20 | 0.20 | 1.00 |
| DIVISION TOTAL FTE | 0.48 | 0.68 | 0.68 | 1.69 |
| HUMAN RESOURCES | | | | |
| City Manager | 0.07 | 0.07 | 0.07 | 0.10 |
| Admin Services Director | 0.00 | 0.20 | 0.20 | 0.20 |
| Human Resources Director | 0.50 | 0.00 | 0.00 | 0.00 |
| Deputy HR Director | 0.00 | 0.50 | 0.50 | 0.50 |
| Sr. Human Resources Analyst | 1.00 | 0.00 | 0.00 | 0.00 |
| Human Resources Technician | 0.50 | 0.25 | 0.25 | 0.25 |
| DIVISION TOTAL FTE | 2.07 | 1.02 | 1.02 | 1.05 |
| CITY CLERK | | | | |
| City Clerk - Elected | 1.00 | 1.00 | 1.00 | 1.00 |
| Executive Assistant | 0.75 | 0.75 | 0.75 | 0.83 |
| DIVISION TOTAL FTE | 1.75 | 1.75 | 1.75 | 1.83 |
| CITY ATTORNEY | | | | |
| City Attorney | Contract | Contract | Contract | Contract |
| DIVISION TOTAL FTE | 0.00 | 0.00 | 0.00 | 0.00 |
| FISCAL SERVICES | | | | |
| Finance Director | 0.50 | 0.00 | 0.00 | 0.00 |
| Admin Services Director | 0.00 | 0.20 | 0.20 | 0.20 |
| Deputy Finance Director | 0.00 | 0.50 | 0.50 | 0.50 |
| Accounting Manager | 1.00 | 0.00 | 0.00 | 0.00 |
| Accountant II | 0.00 | 0.00 | 0.00 | 0.50 |
| Accountant | 1.00 | 1.00 | 1.00 | 1.00 |
| Financial Services Specialist | 2.25 | 2.25 | 2.25 | 1.75 |
| DIVISION TOTAL FTE | 5.75 | 4.95 | 4.95 | 4.95 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|--|---------------------------------|---------------------------------|---------------------------------|------------------------|
| PURCHASING & ACCOUNTS PAYABLE | | | | |
| Purchasing Manager | 0.40 | 0.00 | 0.00 | 0.00 |
| Buyer | 1.00 | 0.00 | 0.00 | 0.00 |
| Financial Services Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| DIVISION TOTAL FTE | 2.40 | 1.00 | 1.00 | 1.00 |
| T.V. GOVERNMENT ACCESS | | | | |
| Cable Services Specialist | 1.00 | 0.00 | 0.00 | 0.00 |
| DIVISION TOTAL FTE | 1.00 | 0.00 | 0.00 | 0.00 |
| POLICE | | | | |
| Police Chief | 0.90 | 0.90 | 0.90 | 0.90 |
| Police Captain | 1.00 | 1.00 | 0.00 | 0.00 |
| Police Lieutenant | 2.00 | 2.00 | 2.00 | 2.00 |
| Police Master Sergeant | 1.00 | 1.00 | 1.00 | 1.00 |
| Police Staff Sergeant | 4.00 | 4.00 | 5.00 | 5.00 |
| Sergeant | 3.00 | 3.00 | 0.00 | 0.00 |
| Corporal | 0.00 | 0.00 | 3.00 | 3.00 |
| Officer | 15.00 | 14.00 | 13.00 | 13.00 |
| Officer-School Resource Officer-BUSD | 1.00 | 1.00 | 0.00 | 0.00 |
| Officer-Traffic Grant | 1.00 | 1.00 | 1.00 | 1.00 |
| Officer-Gang Officer Funded by CRA | 1.00 | 1.00 | 0.00 | 0.00 |
| Officer-GREAT | 1.00 | 1.00 | 1.00 | 1.00 |
| Officer-County MOU (003-2289) | 4.00 | 4.00 | 4.00 | 4.00 |
| Executive Secretary | 0.00 | 0.00 | 0.25 | 0.25 |
| Evidence Technician | 1.00 | 0.00 | 0.00 | 0.00 |
| Police Info Systems Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Police Assistant II | 0.00 | 0.00 | 1.00 | 1.00 |
| Police Assistant I | 0.00 | 0.00 | 2.00 | 2.00 |
| Records Assistant | 2.00 | 1.00 | 0.00 | 0.00 |
| Lead Records Specialist | 1.00 | 1.00 | 0.00 | 0.00 |
| DIVISION TOTAL FTE | 39.90 | 36.90 | 35.15 | 35.15 |
| DISPATCH | | | | |
| Police Chief | 0.10 | 0.10 | 0.10 | 0.10 |
| Lead Public Safety Dispatcher | 2.00 | 2.00 | 2.00 | 2.00 |
| Public Safety Dispatcher-Paid By SanJ | 1.00 | 0.00 | 0.00 | 0.00 |
| Public Safety Dispatcher | 7.00 | 6.00 | 6.00 | 6.00 |
| DIVISION TOTAL FTE | 10.10 | 8.10 | 8.10 | 8.10 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|-----------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------|
| FIRE | Contract | Contract | Contract | Contract |
| Asst. Fire Marshal | 1.00 | 1.00 | 1.00 | 1.00 |
| Fire Captain | 2.00 | 2.00 | 2.00 | 2.00 |
| Fire Apparatus Engineer | 3.00 | 3.00 | 3.00 | 3.00 |
| Fire Apparatus Engineer/Paramedic | 1.00 | 1.00 | 1.00 | 1.00 |
| Firefighter/Paramedic | 5.00 | 5.00 | 5.00 | 5.00 |
| Firefighter | 0.00 | 5.00 | 5.00 | 5.00 |
| | City | City | City | City |
| Office Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| DIVISION TOTAL FTE | 13.00 | 18.00 | 18.00 | 18.00 |
| BUILDING SAFETY | | | | |
| Community Development Director | 0.36 | 0.30 | 0.42 | 0.60 |
| Development Svcs Manager | 1.00 | 0.00 | 0.00 | 0.00 |
| Senior Building Inspector | 1.00 | 0.00 | 0.00 | 0.00 |
| Code Compliance Officer | 0.60 | 0.30 | 0.00 | 0.00 |
| Building Permit Specialist | 1.00 | 0.00 | 0.00 | 0.00 |
| Office Specialist | 0.30 | 0.30 | 0.00 | 0.00 |
| DIVISION TOTAL FTE | 4.26 | 0.90 | 0.42 | 0.60 |
| CODE ENFORCEMENT | | | | |
| Code Compliance Officer | 0.00 | 0.00 | 1.00 | 1.00 |
| Office Specialist | 0.00 | 0.00 | 1.00 | 1.00 |
| DIVISION TOTAL FTE | 0.00 | 0.00 | 2.00 | 2.00 |
| PLANNING | | | | |
| Community Development Director | 0.24 | 0.20 | 0.28 | 0.40 |
| Associate Planner | 0.00 | 0.00 | 0.00 | 1.00 |
| Development Project Coordinator | 0.80 | 0.80 | 0.80 | 1.00 |
| Assistant Planner | 0.80 | 0.80 | 0.80 | 0.00 |
| DIVISION TOTAL FTE | 1.84 | 1.80 | 1.88 | 2.40 |
| ENGINEERING | | | | |
| Public Works Director | 0.70 | 0.09 | 0.09 | 0.09 |
| City Engineer | 0.70 | 0.24 | 0.24 | 0.24 |
| Associate Engineer-Career PT | 0.10 | 0.10 | 0.10 | 0.10 |
| Assistant Civil Engineer | 0.25 | 0.00 | 0.00 | 0.00 |
| Executive Secretary | 0.25 | 0.09 | 0.09 | 0.09 |
| Engineering Services Assistant | 0.25 | 0.00 | 0.00 | 0.00 |
| Public Works Inspector | 0.25 | 0.25 | 0.25 | 0.25 |
| DIVISION TOTAL FTE | 2.50 | 0.77 | 0.77 | 0.77 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|---|---------------------------------|---------------------------------|---------------------------------|------------------------|
| BUILDING MAINTENANCE | | | | |
| Public Works Director | 0.05 | 0.02 | 0.02 | 0.02 |
| Public Works Superintendent | 0.20 | 0.12 | 0.12 | 0.12 |
| Executive Secretary | 0.40 | 0.14 | 0.14 | 0.14 |
| Building Maintenance Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| DIVISION TOTAL FTE | 1.65 | 1.28 | 1.28 | 1.28 |
| PARKS | | | | |
| Public Works Superintendent | 0.45 | 0.28 | 0.28 | 0.28 |
| City Maintenance Worker | 4.00 | 4.00 | 4.00 | 4.00 |
| DIVISION TOTAL FTE | 4.45 | 4.28 | 4.28 | 4.28 |
| RECREATION | | | | |
| Community Services Director | 0.80 | 0.25 | 0.25 | 0.25 |
| Executive Secretary | 1.00 | 0.00 | 0.00 | 0.00 |
| Office Specialist | 0.00 | 0.50 | 0.50 | 0.50 |
| Caretaker | 0.00 | 0.25 | 0.25 | 0.25 |
| Program Coordinator | 0.00 | 0.38 | 0.38 | 0.38 |
| Building Attendants | 0.00 | 1.25 | 1.25 | 1.25 |
| Sr. Recreation Leader | 1.00 | 0.00 | 0.00 | 0.00 |
| Recreation Leaders | 2.68 | 0.00 | 0.00 | 0.00 |
| DIVISION TOTAL FTE | 5.48 | 2.63 | 2.63 | 2.63 |
| AQUATICS | | | | |
| Caretaker | 0.00 | 0.25 | 0.25 | 0.25 |
| Assistant Pool Manager | 0.20 | 0.20 | 0.20 | 0.20 |
| Lifeguards | 1.08 | 1.08 | 1.08 | 1.08 |
| Cashiers | 0.63 | 0.63 | 0.63 | 0.63 |
| DIVISION TOTAL FTE | 1.91 | 2.16 | 2.16 | 2.16 |
| SENIOR CENTER | | | | |
| Caretaker | 0.00 | 0.25 | 0.25 | 0.25 |
| Program Coordinator | 0.00 | 0.38 | 0.38 | 0.38 |
| DIVISION TOTAL FTE | 0.00 | 0.63 | 0.63 | 0.63 |
| TOTAL GENERAL FUND (Including Fire Contract) | 103.54 | 91.84 | 91.69 | 93.51 |

191

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|--------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------|
| OTHER FUNDS | | | | |
| STREETS | | | | |
| Public Works Director | 0.05 | 0.05 | 0.05 | 0.05 |
| City Engineer | 0.20 | 0.20 | 0.20 | 0.20 |
| Public Works Superintendent | 0.10 | 0.10 | 0.10 | 0.10 |
| Executive Secretary | 0.25 | 0.25 | 0.25 | 0.25 |
| Associate Engineer-Career PT | 0.05 | 0.05 | 0.05 | 0.05 |
| Assistant Civil Engineer | 0.25 | 0.00 | 0.00 | 0.00 |
| Engineering Services Assistant | 0.25 | 0.00 | 0.00 | 0.00 |
| Public Works Inspector | 0.25 | 0.25 | 0.25 | 0.25 |
| Motor Sweeper Operator | 1.00 | 1.00 | 1.00 | 1.00 |
| Sr City Maintenance Worker | 2.00 | 2.00 | 2.00 | 2.00 |
| Work Release Crew Leader | 1.00 | 1.00 | 1.00 | 1.00 |
| FUND TOTAL FTE | 5.40 | 4.90 | 4.90 | 4.90 |
| AIRPORT | | | | |
| Public Works Director | 0.00 | 0.05 | 0.05 | 0.05 |
| Executive Secretary | 0.10 | 0.10 | 0.10 | 0.10 |
| Airport Attendants | 1.40 | 1.40 | 1.40 | 1.40 |
| FUND TOTAL FTE | 1.50 | 1.55 | 1.55 | 1.55 |
| TRANSIT-FIXED ROUTE | | | | |
| Community Services Director | 0.20 | 0.75 | 0.75 | 0.75 |
| Lead Bus Driver | 1.00 | 1.00 | 1.00 | 1.00 |
| Bus Drivers | 7.65 | 7.65 | 7.08 | 7.08 |
| Fleet Maintenance Mechanic | 1.00 | 1.00 | 0.00 | 0.00 |
| Transit Specialist | 0.00 | 0.00 | 0.00 | 0.50 |
| Office Specialist | 0.50 | 1.00 | 1.00 | 0.50 |
| DIVISION TOTAL FTE | 10.35 | 11.40 | 9.83 | 9.83 |

192

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------|
| TRANSIT-DIAL-A-RIDE | | | | |
| Dial-A-Ride Driver - Part Time | 1.88 | 1.88 | 1.54 | 1.54 |
| Transit Specialist | 0.00 | 0.00 | 0.00 | 0.50 |
| Office Specialist | 0.50 | 0.50 | 0.50 | 0.00 |
| DIVISION TOTAL FTE | 2.38 | 2.38 | 2.04 | 2.04 |
| FUND TOTAL FTE | 12.73 | 13.78 | 11.87 | 11.87 |
| WATER DEPARTMENT | | | | |
| City Manager | 0.05 | 0.05 | 0.05 | 0.07 |
| Public Works Director | 0.00 | 0.30 | 0.30 | 0.30 |
| City Engineer | 0.00 | 0.23 | 0.23 | 0.23 |
| Water/Wastewater Superintendent | 0.70 | 0.70 | 0.70 | 0.70 |
| Executive Assistant | 0.05 | 0.05 | 0.05 | 0.06 |
| Senior Civil Engineer | 0.70 | 0.70 | 0.70 | 0.70 |
| Assistant Civil Engineer | 0.25 | 0.00 | 0.00 | 0.00 |
| Executive Secretary | 0.70 | 0.84 | 0.84 | 0.84 |
| Engineering Services Assistant | 0.25 | 0.00 | 0.00 | 0.00 |
| Public Works Inspector | 0.25 | 0.25 | 0.25 | 0.25 |
| Office Assistant/Specialist | 0.70 | 0.70 | 0.70 | 0.70 |
| Warehouse Services Specialist | 0.25 | 0.25 | 0.25 | 0.25 |
| Meter Crew Lead | 1.00 | 1.00 | 1.00 | 1.00 |
| Valve Flushing Crew Lead | 1.00 | 1.00 | 1.00 | 1.00 |
| Construction Crew Lead | 1.00 | 1.00 | 1.00 | 1.00 |
| Water Crew Supervisor | 2.00 | 2.00 | 2.00 | 2.00 |
| Water Services Worker I/II | 6.00 | 6.00 | 6.00 | 6.00 |
| FUND TOTAL FTE | 14.90 | 15.07 | 15.07 | 15.10 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|---|---------------------------------|---------------------------------|---------------------------------|------------------------|
| ELECTRIC DEPARTMENT-DISTRIBUTION | | | | |
| City Manager | 0.05 | 0.05 | 0.05 | 0.07 |
| Electric Utility Director | 0.95 | 0.95 | 0.95 | 0.95 |
| Executive Assistant | 0.05 | 0.05 | 0.05 | 0.06 |
| Executive Secretary | 1.00 | 1.00 | 1.00 | 1.00 |
| Office Assistant/Specialist | 0.00 | 0.00 | 0.00 | 1.00 |
| Associate Electrical Engineer | 1.00 | 1.00 | 1.00 | 1.00 |
| Warehouse Services Specialist | 0.50 | 0.50 | 0.50 | 0.50 |
| Electric Operations Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Powerline Crew Supervisor | 3.00 | 3.00 | 3.00 | 3.00 |
| Powerline Technician | 5.00 | 5.00 | 5.00 | 7.00 |
| Sr. Electric Service Planner | 0.00 | 0.00 | 0.00 | 1.00 |
| Electric Service Planner | 1.00 | 1.00 | 1.00 | 0.00 |
| Meter Test Technician | 1.00 | 1.00 | 1.00 | 0.00 |
| Substation Test Technician | 0.00 | 0.00 | 0.00 | 1.00 |
| Apprentice Meter Test Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Electric Service Worker | 0.00 | 0.00 | 0.00 | 1.00 |
| Powerline Apprentices | 3.00 | 3.00 | 3.00 | 0.00 |
| DIVISION TOTAL FTE | 18.55 | 18.55 | 18.55 | 19.58 |
| ELECTRIC DEPARTMENT-GENERATION | | | | |
| Power Contract & Rev Adm | 0.85 | 0.00 | 0.00 | 0.00 |
| Utility Financial Analyst | 0.00 | 0.85 | 0.85 | 0.85 |
| DIVISION TOTAL FTE | 0.85 | 0.85 | 0.85 | 0.85 |
| ELECTRIC DEPARTMENT-PUBLIC BENEFIT PROGRAM | | | | |
| Public Benefit Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Utility Services Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| DIVISION TOTAL FTE | 2.00 | 2.00 | 2.00 | 2.00 |
| FUND TOTAL FTE | 21.40 | 21.40 | 21.40 | 22.43 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------|
| WASTEWATER | | | | |
| City Manager | 0.05 | 0.05 | 0.05 | 0.07 |
| Public Works Director | 0.00 | 0.30 | 0.30 | 0.30 |
| City Engineer | 0.00 | 0.23 | 0.23 | 0.23 |
| Water/Wastewater Superintendent | 0.30 | 0.30 | 0.30 | 0.30 |
| Executive Secretary | 0.30 | 0.44 | 0.44 | 0.44 |
| Executive Assistant | 0.05 | 0.05 | 0.05 | 0.06 |
| Associate Engineer-Career PT | 0.10 | 0.10 | 0.10 | 0.10 |
| Senior Civil Engineer | 0.30 | 0.30 | 0.30 | 0.30 |
| Assistant Civil Engineer | 0.25 | 0.00 | 0.00 | 0.00 |
| Engineering Services Assistant | 0.25 | 0.00 | 0.00 | 0.00 |
| Public Works Inspector | 0.25 | 0.25 | 0.25 | 0.25 |
| Office Assistant/Specialist | 0.30 | 0.30 | 0.30 | 0.30 |
| WasteWater Coll Crew Suprv. | 1.00 | 1.00 | 1.00 | 1.00 |
| WasteWater Collections | 2.00 | 2.00 | 2.00 | 2.00 |
| FUND TOTAL FTE | 5.15 | 5.32 | 5.32 | 5.35 |
| REFUSE | | | | |
| Public Works Director | 0.20 | 0.20 | 0.20 | 0.20 |
| City Engineer | 0.10 | 0.10 | 0.10 | 0.10 |
| Public Works Superintendent | 0.00 | 0.25 | 0.25 | 0.25 |
| Executive Secretary | 0.00 | 0.14 | 0.14 | 0.14 |
| FUND TOTAL FTE | 0.30 | 0.69 | 0.69 | 0.69 |
| INSURANCE-WORK COMP. | | | | |
| Human Resources Director | 0.20 | 0.00 | 0.00 | 0.00 |
| Admin Services Director | 0.00 | 0.15 | 0.15 | 0.15 |
| Deputy HR Director | 0.00 | 0.20 | 0.20 | 0.20 |
| Risk Management Analyst | 0.40 | 0.00 | 0.00 | 0.00 |
| Human Resources Technician | 0.25 | 0.30 | 0.30 | 0.30 |
| DIVISION TOTAL FTE | 0.85 | 0.65 | 0.65 | 0.65 |
| INSURANCE-SUI | | | | |
| Human Resources Technician | 0.00 | 0.08 | 0.08 | 0.08 |
| Risk Management Analyst | 0.10 | 0.00 | 0.00 | 0.00 |
| DIVISION TOTAL FTE | 0.10 | 0.08 | 0.08 | 0.08 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|---|---------------------------------|---------------------------------|---------------------------------|------------------------|
| INSURANCE-GENERAL LIABILITY | | | | |
| City Attorney | Contract | Contract | Contract | Contract |
| Human Resources Director | 0.30 | 0.00 | 0.00 | 0.00 |
| Admin Services Director | 0.00 | 0.15 | 0.15 | 0.15 |
| Deputy HR Director | 0.00 | 0.30 | 0.30 | 0.30 |
| Risk Management Analyst | 0.50 | 0.00 | 0.00 | 0.00 |
| Human Resources Technician | 0.25 | 0.38 | 0.38 | 0.38 |
| DIVISION TOTAL FTE | 1.05 | 0.83 | 0.83 | 0.83 |
| FUND TOTAL FTE | 2.00 | 1.55 | 1.55 | 1.55 |
| FLEET MAINTENANCE | | | | |
| Public Works Superintendent | 0.25 | 0.25 | 0.25 | 0.25 |
| Fleet Maintenance Mechanic | 2.00 | 2.00 | 3.00 | 3.00 |
| Warehouse Services Specialist | 0.25 | 0.25 | 0.25 | 0.25 |
| FUND TOTAL FTE | 2.50 | 2.50 | 3.50 | 3.50 |
| INFORMATION SYSTEMS SERVICES | | | | |
| Finance Director | 0.25 | 0.00 | 0.00 | 0.00 |
| Admin Services Director | 0.00 | 0.15 | 0.15 | 0.15 |
| Deputy Finance Director | 0.00 | 0.25 | 0.25 | 0.25 |
| Purchasing Manager | 0.20 | 0.00 | 0.00 | 0.00 |
| Information Technology Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Information Technology Media Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| FUND TOTAL FTE | 2.45 | 2.40 | 2.40 | 2.40 |
| UTILITY BILLING | | | | |
| Finance Director | 0.25 | 0.00 | 0.00 | 0.00 |
| Admin Services Director | 0.00 | 0.15 | 0.15 | 0.15 |
| Deputy Finance Director | 0.00 | 0.25 | 0.25 | 0.25 |
| Utility Billing Financial Analyst | 0.00 | 0.00 | 0.00 | 1.00 |
| Accountant II | 0.00 | 0.00 | 0.00 | 0.50 |
| Customer Services Manager | 1.00 | 1.00 | 1.00 | 0.00 |
| Purchasing Manager | 0.40 | 0.00 | 0.00 | 0.00 |
| Senior U/Billing Representative | 2.00 | 2.00 | 2.00 | 3.00 |
| Receptionist | 1.00 | 1.00 | 1.00 | 1.00 |
| Utility Billing Representative | 4.00 | 4.00 | 4.00 | 3.00 |
| Financial Services Specialist | 0.25 | 0.25 | 0.25 | 0.25 |
| DIVISION TOTAL FTE | 8.90 | 8.65 | 8.65 | 9.15 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|--------------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------|
| UTILITY BILLING-METER READING | | | | |
| Electric Utility Director | 0.05 | 0.05 | 0.05 | 0.05 |
| Power Contract & Rev Adm | 0.15 | 0.00 | 0.00 | 0.00 |
| Utility Financial Analyst | 0.00 | 0.15 | 0.15 | 0.15 |
| Lead Field Service Rep | 1.00 | 1.00 | 1.00 | 1.00 |
| Field Service Reps | 3.00 | 3.00 | 3.00 | 3.00 |
| DIVISION TOTAL FTE | 4.20 | 4.20 | 4.20 | 4.20 |
| FUND TOTAL FTE | 13.10 | 12.85 | 12.85 | 13.35 |
| SUCCESSOR HOUSING AGENCY | | | | |
| City Manager | 0.07 | 0.07 | 0.07 | 0.00 |
| Community Development Director | 0.00 | 0.00 | 0.30 | 0.00 |
| Redevelopment Manager | 0.20 | 0.00 | 0.00 | 0.00 |
| Executive Secretary | 0.20 | 0.16 | 0.16 | 0.00 |
| RDA Project Coordinator | 0.20 | 0.00 | 0.00 | 0.00 |
| FUND TOTAL FTE | 0.67 | 0.23 | 0.53 | 0.00 |
| SUCCESSOR AGENCY | | | | |
| City Manager | 0.23 | 0.23 | 0.23 | 0.00 |
| Redevelopment Director | 0.00 | 1.00 | 1.00 | 1.00 |
| Community Development Director | 0.40 | 0.50 | 0.00 | 0.00 |
| Redevelopment Manager | 0.80 | 0.00 | 0.00 | 0.00 |
| Executive Secretary | 0.80 | 0.64 | 0.64 | 0.00 |
| Executive Assistant | 0.10 | 0.10 | 0.10 | 0.00 |
| Development Project Coordinator | 0.20 | 0.20 | 0.20 | 0.00 |
| RDA Project Coordinator | 0.80 | 0.00 | 0.00 | 0.00 |
| Associate Planner | 0.00 | 0.00 | 0.20 | 0.00 |
| Assistant Planner | 0.20 | 0.20 | 0.00 | 0.00 |
| FUND TOTAL FTE | 3.53 | 2.87 | 2.37 | 1.00 |

City of Banning
Citywide Personnel Summary by Fund/Division

| Description | Revised Adopted 2009/2010 | Revised Adopted 2010/2011 | Revised Adopted 2011/2012 | Projected 2012/2013 |
|---|---------------------------------|---------------------------------|---------------------------------|------------------------|
| COMMUNITY REDEVELOPMENT-CODE ENFORCEMENT | | | | |
| Code Compliance Officer | 1.40 | 0.70 | 0.00 | 0.00 |
| Office Specialist | 0.70 | 0.70 | 0.00 | 0.00 |
| FUND TOTAL FTE | 2.10 | 1.40 | 0.00 | 0.00 |
| TOTAL SUCCESSOR AGENCY FUNDS | 6.30 | 4.50 | 2.90 | 1.00 |
| TOTAL OTHER FUNDS | 87.73 | 86.51 | 84.00 | 83.67 |
| TOTAL ALL FUNDS | 191.27 | 178.34 | 175.68 | 177.18 |
| TOTAL ALL FUNDS | 191.27 | 178.34 | 175.68 | 177.18 |
| Less Fire Contract | 12.00 | 17.00 | 17.00 | 17.00 |
| Less Part Time | 13.27 | 12.34 | 11.68 | 11.18 |
| Less Elected | 7.00 | 7.00 | 7.00 | 7.00 |
| <i>Full Time Employees</i> | <i>159.00</i> | <i>142.00</i> | <i>140.00</i> | <i>142.00</i> |

City of Banning
Citywide Personnel Summary Reconciliation

Reconciliation of Positions from Final FY2011-12 Budget to Projected 2012-13 Budget

| | | |
|--|--|--------------------|
| FY2011-12 Budgeted Positions | | 175.68 |
| <u>FY2011-12 Full Time Position Changes</u> | | |
| 001-2279 Police Officer | Grant position added | 1 |
| | Net | <u>176.68</u> |
| <u>FY2012-13 Full Time Position Changes</u> | | |
| 001-1900 Accountant II | New position | 1 |
| 001-2279 Police Officer | Grant position eliminated | (1) |
| 610-5850 Office Specialist | Reclassified to Transit Spec | (1) |
| 610-5850 Transit Specialist | Reclassified from Office Spec | 1 |
| 670-7000 Elec Svc Planner | Reclassified to Sr Elec Svc Planner | (1) |
| 670-7000 Sr Elec Svc Planner | Reclassified from Elec Svc Planner | 1 |
| 670-7000 Powerline Tech | Position eliminated | (1) |
| 670-7000 Elec Svc Worker | New position | 1 |
| 670-7000 Office Specialist | New position | 1 |
| 670-7000 Meter Test Tech | Reclassified to Substation Test Tech | 1 |
| 670-7000 Substation Test Tech | Reclassified from Meter Test Tech | (1) |
| 670-7000 Powerline Apprentice | Reclassified to Powerline Tech | (3) |
| 670-7000 Powerline Tech | Reclassified from Powerline Apprentice | 3 |
| | Net | <u>1</u> |
| <u>Part Time Position Changes</u> | | |
| 001-1900 PT Fin Svcs Spec | | (0.50) |
| Total FY2012/13 Budgeted Positions | Total Changes to Budgeted Positions | <u><u>0.50</u></u> |
| | | 177.18 |

- This Page Left Blank Intentionally -

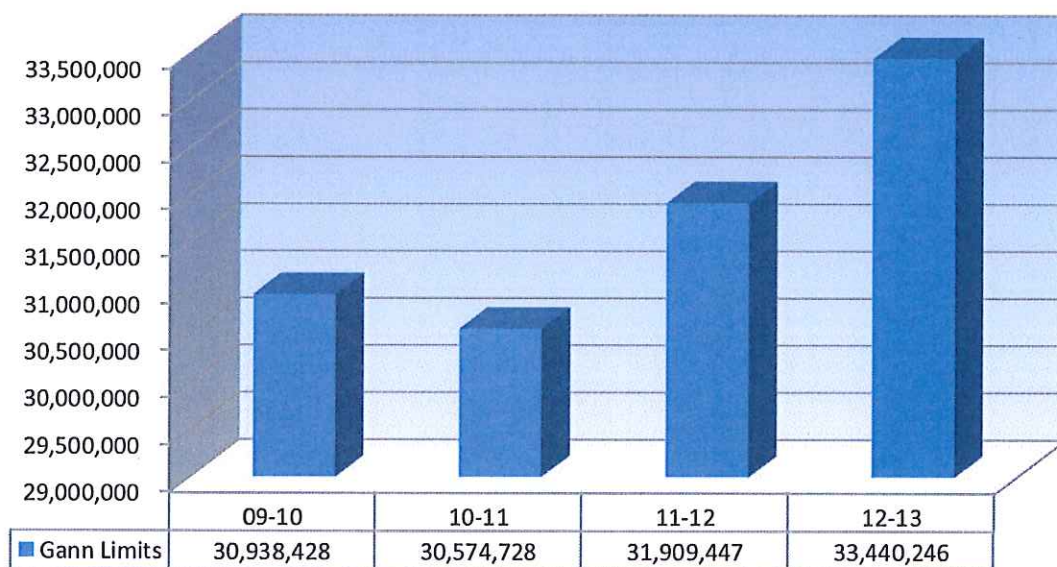
CITY of BANNING

Proposition 4 - Government Spending Limits

In November 1979 voters passed Proposition 4, also known as the Gann Initiative. Proposition 4 Article XIII (B) of the California Constitution provides that the City's annual appropriations be subject to certain State limitations. This appropriation limit is referred to as the Gann Spending Limitation. The calculation limits the increase in annual appropriations to a factor which is based on a combination of population growth, State per capita income change, and the change in assessment value for non-residential property. Appropriations for proprietary related activities such as water, wastewater, airport, etc., and Redevelopment functions are not subject to the limit. When the limit is exceeded, Proposition 4 requires the surplus to be returned to the taxpayers within two years. Appropriations in the two year period can be averaged before becoming subject to the excess revenue provisions of the Gann limit.

The City of Banning calculated the Gann Limit of \$33,440,246 for Fiscal Year 2012-13 using the prior year's limitation of \$31,909,447 multiplied by the 3.77% (1.0377) increase in per capita income multiplied by the 0.99% (1.0099) increased population growth in Riverside County. This calculation maintains a safe cushion for the City's financial health.

Gann Limits



City of Banning FY 2012-13 Budget Document

GANN LIMIT CALCULATION

Article XIIIIB of the California State Constitution was adopted by California voters in November 1979, and is more commonly referred to as the Gann Limit. The Article places limits on the amount of revenue which can be appropriated (spent) each fiscal year. Only revenues which are considered proceeds of taxes are subject to the limit. The limit is different for each agency and changes each year, modified for changes in inflation and population.

| Fiscal Year | (1) Prior Year Gann Limit | (2) Previous Year's Population | (3) Current Year's Population | (4) * City Population Change % | (5) * County Population Change % | (6) % Change In Per Capita Income | (7) Current Year Gann Limit |
|-------------|---------------------------------|--------------------------------------|-------------------------------------|---|---|--|-----------------------------------|
| 02-03 | 18,663,555 | 23,867 | 24,655 | 3.24% | 3.88% | -1.27% | 19,141,477 |
| 03-04 | 19,141,477 | 24,655 | 25,581 | 3.44% | 3.69% | 2.31% | 20,319,990 |
| 04-05 | 20,319,990 | 25,581 | 27,192 | 6.30% | 3.37% | 3.28% | 22,308,634 |
| 05-06 | 22,308,634 | 27,192 | 27,954 | 1.02% | 3.87% | 5.26% | 24,390,824 |
| 06-07 | 24,390,824 | 27,954 | 28,128 | -0.01% | 3.45% | 3.96% | 26,231,507 |
| 07-08 | 26,231,507 | 28,128 | 28,272 | -0.17% | 3.31% | 4.42% | 28,297,580 |
| 08-09 | 28,297,580 | 28,272 | 28,348 | 0.19% | 2.71% | 4.29% | 30,311,309 |
| 09-10 | 30,311,309 | 28,348 | 28,457 | 1.10% | 1.44% | 0.62% | 30,938,428 |
| 10-11 | 30,938,428 | 28,457 | 28,751 | 0.70% | 1.40% | -2.54% | 30,574,728 |
| 11-12 | 30,574,728 | 28,751 | 29,844 | 1.14% | 1.81% | 2.51% | 31,909,447 |
| 12-13 | 31,909,447 | 29,844 | 29,507 | 0.81% | 0.99% | 3.77% | 33,440,246 |

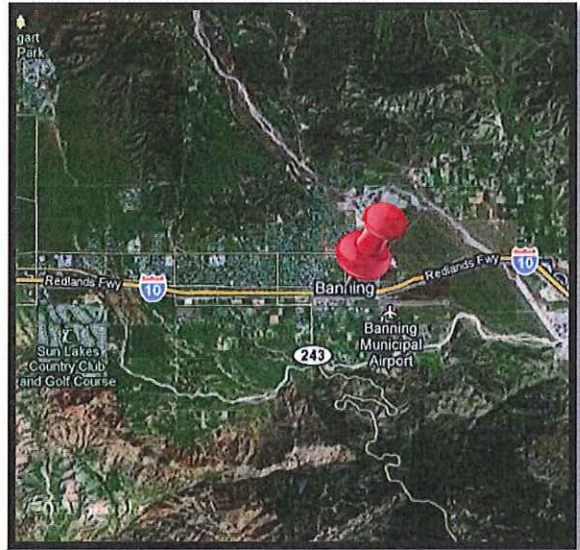
The Gann Limit is adjusted annually by multiplying the "Prior Year Gann Limit" (column 1) by the greater of the "City or County % Change in Population" (column 4 or 5) and then by the "% Change in Per Capita Income" (column 6). This annual Gann adjustment figure is then added to the Prior Year's limit amount to obtain the Current Year Gann Limit amount in column 7. The shaded boxes indicate the calculation factors that were used in determining the adjustment to the Gann Limit.

*City and County population change % figures are provided by the Department of Finance Demographic Research Unit.

CITY of BANNING

Historical Information

The City of Banning is strategically located in Riverside county along the route of U.S. Interstate 10 approximately 25 miles northwest of Palm Springs and 82 miles east of Los Angeles. Beautifully located in the San Geronio Pass between the two highest mountain peaks in Southern California, Banning is only minutes away from many desert and mountain resorts. One of Banning's unique characteristics is that it provides the serenity of a rural setting yet has easy access to major metropolitan areas. Its unique location is at a relatively high altitude (2,350 feet) in the pass which provides a favorable year-round climate and air quality. Its municipal boundaries encompass 22.117 square miles.



Banning has a rich and colorful history. Its first permanent landmark, an adobe house, was built on a tract of land now known as the Gilman place, in 1854. The house was used as a stagecoach station and meal stop for many years. The Colorado Stage and Express Line included Banning on its route from Los Angeles to the Colorado River in 1862, where gold had been discovered. The railroad replaced the stagecoach in 1876.

Incorporated in 1913, Banning is a general law city with a council/manager type administration. The City has five elected council members, one of which is chosen mayor by the Council. The City Manager is the Chief Administrative Officer and is appointed by the City Council.

The City of Banning is a full service municipal government, which owns and operates its own electric and water utilities. It also offers its residents an airport, local police protection, municipal bus service, seven parks, a swimming complex, a seasonally operated play house bowl, as well as youth and leisure programs. Recreation opportunities are also abundant in nearby areas, which offer golfing, fishing, hiking, and equestrian trails.

CITY of BANNING

Budgetary and Fiscal Policies

I. PHILOSOPHY

To maintain a financially viable City that can provide an adequate level of municipal services and to ensure a stable and diverse financial condition of the City through budgeting and fiscal policies.

II. METHODS

Operational Policies

Operational Policies

1. The City will maintain a budgetary control system to ensure compliance with the budget. The City will prepare monthly status reports comparing actual revenues and expenditures to budgeted amounts. Where practical, the City will develop performance measures to be included in the operating budget.
2. The City will provide for adequate maintenance of capital plant and equipment and for the orderly replacement thereof.
3. The City will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. For this projection, a maintenance and replacement schedule will be developed and followed.
4. During the budget process, the City will reassess services and service levels. Staff may seek citizen input by surveys, citizen's forums and similar methods to accomplish this evaluation.
5. The City will strive to maintain all of its assets at an adequate level in order to protect the City's capital investment and to minimize future maintenance and replacement costs.

Capital Improvement Policies

Capital Improvement Policies

1. Capital improvements are to be funded primarily by user fees, service charges, assessments, special taxes or developer agreements when benefits can be attributed to users of the facility.
2. The City will require that project costs and related funding be submitted with requested capital projects. "Full life" costs including operating, maintenance and demolition, if any, should be identified.
3. Although the City will strive to finance projects on a pay-as-you-go basis, the City Council may conclude, based on a study of the economy and other matters, that the most equitable way of financing a project that benefits the entire community would be debt financing (pay-as-you-use) in order to provide the services in a timely manner. The City will use the following criteria to evaluate the use of long-term financing and pay-as-you-go funding for capital projects:

Factors favoring pay-as-you-go

- current revenues and excess reserves are available or project phasing can be accomplished.
- debt levels adversely affect credit rating.
- market conditions are unstable or marketing difficulties exist.

Factors favoring long-term financing

- revenues available for debt service are determined to be sufficient and reliable to provide funding for long-term financing which can be marketed with investment grade credit ratings.
- the facility securing the financing is of the type that will support an investment grade credit rating.
- market conditions present favorable interest rates and demand for City financing.
- a project is mandated by state and/or federal requirements and current revenues or fund surplus balances are insufficient.
- the facility is immediately required to meet or relieve capacity needs.
- the life of the asset financed is ten years or longer.

Revenue Policies

Revenue Policies

1. The City will strive to maintain a diversified revenue system to protect it from short-run fluctuations in any one revenue source.
2. State and Federal funds may be utilized, but only when the City can be assured that the total costs and requirements of accepting funds are known and judged not to adversely impact the City's General Fund.
3. The City, where allowed by law, will review all fees for licenses, permits, fines, utility user fees and other miscellaneous charges on a periodic basis. They will be adjusted as necessary after considering inflation, processing time, expenses to the City and any other factors pertinent to the specific item. A regular review and implementation of index escalators will be applied wherever authorized by resolution or ordinance.
4. An administrative fee will be charged where allowed by law for administrative services, provided the fee is based on the reasonable estimated costs incurred.
5. All proposed projects will have a detailed capital budget specifying total costs and total revenues, and shall identify the source of proposed revenues.

Debt Management Policies

Debt Management Policies

1. The City will not use long-term debt to finance current operations. Long-term borrowing will be confined to capital improvements or similar projects with an extended life which cannot be financed from current revenues.
2. Debt payments shall not extend beyond the estimated useful life of the project being financed. The City will try to keep the average maturity of bonded debt at or below 20 years.
3. The City will maintain good communications with bond rating agencies concerning its financial condition.
4. The City may utilize lease purchasing with specific approval of the City Manager. The useful life of the item must be equal to or greater than the length of the lease. A lease purchase will require City Council approval beyond a five-year lease term or principal amount over the City Manager's authorized contract level.
5. The City will not obligate the General Fund to secure financing unless the marketability of the issue will be significantly enhanced.
6. A feasibility analysis shall be prepared for each request for long-term financing which analyzes the impact on current and future fiscal year budgets for debt service and operations. The analysis shall also address the reliability of revenues supporting annual debt service.
7. The City shall conduct financing on a competitive basis unless, for reasons of market volatility, the use of an unusual financing structure or a complex security structure indicates the negotiated financing is preferred.
8. The City will monitor all forms of debt on an annual basis and report concerns or suggested restructuring, if any, to the City Council as part of the budget hearing process.
9. Enterprise and Property owner based financing will only be issued under the assumption that the issue is self-supporting from user fees and charges, assessments and special taxes without impacting the General Fund.
10. The City's minimum acceptable rating objective on any direct debt is "Baa/BBB". Appropriate credit enhancements, such as insurance or letters of credit shall be considered for marketing purposes, availability and cost effectiveness.
11. The City shall diligently monitor its compliance with bond covenants and ensure its compliance with federal arbitrage regulations.
12. The City may issue interfund loans rather than outside debt instruments. Interfund loans will be permitted only if an analysis of the lending fund indicates excess funds are available, and the use of these funds will not impact the fund's current operations. The average annual interest rate, as established by the Local Agency Investment Fund (LAIF), will be paid to the lending fund.

General Fund Balance Reserve Policy

General Fund Balance Reserve Policy

This Fund Balance Policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements. Certain commitments and assignments of fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Administrative Services Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

PROCEDURES

Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purpose for which amounts can be spent.

- Nonspendable fund balance (*inherently nonspendable*)
- Restricted fund balance (*externally enforceable limitations on use*)
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual net resources*)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above. These three components are further defined below.

Committed Fund Balance

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period; however the amount can be determined subsequently.

- General Fund Emergency Contingency

The City's General Fund balance committed for emergency contingencies is established at a minimum of \$1.5 million or up to 25% of operating appropriations if funds are available. The Emergency Contingency is reserved for economic uncertainties, local disasters, recession or other financial hardships; to subsidize unforeseen operating or capital needs; and for Cash flow requirements. The City Council may, by the affirming vote of three members, change the amount of this commitment and/or the specific uses of these monies.

Assigned Fund Balance

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the Administrative Services Director for the purpose of reporting these amounts in the annual financial statements. A few examples of assigned fund balance follow.

- Continuing Appropriations

Fund balance levels must be sufficient to meet funding requirements for projects approved in prior years and which must be carried forward into the new fiscal year.

- Debt Service

Established to provide for future debt service obligations.

Unassigned Fund Balance

These are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories.

Fund Balance Classification

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

This policy is in place to provide a measure of protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54. No other policy or procedure supersedes the authority and provisions of this policy.

Available Fund Balance Reserve Policies

Available Fund Balance Reserve Policies

1. Each fund shall maintain, if necessary, an appropriate Available Fund Balance reserve to fund prior year's incomplete capital projects, continuing appropriations, cash flow needs and any other financial need not included in the current fiscal year budget.
2. The Water and Wastewater enterprise operational funds shall maintain a minimum Available Fund Balance reserve of 10% of the upcoming fiscal year's total operating appropriations and debt service payments.
3. The Electric enterprise operational fund shall maintain a minimum Available Fund Balance reserve of 10% of the upcoming fiscal year's total operating appropriations and debt service payments. The Available Fund Balance for the Electric Rate Stability Fund shall be maintained at a minimum of 20% of the upcoming fiscal year's total operating appropriations and debt service payments.
4. The Self-Insurance Fund shall maintain a \$500,000 minimum Available Fund Balance reserve which is in excess of the estimated loss reserve as reported at the end of the fiscal year by the City's claims administrator.

Electric Administrative Transfer Policy

Electric Administrative Transfer Policy

The Electric Operation's fund administrative transfer to the General Fund for FY 2010-11 and FY 2011-12 is authorized at 10% of operational revenues. The rate will be reviewed by the City Council during the budget process.

Budget and Budgetary Accounting Policies

Budget and Budgetary Accounting Policies

The City uses the following procedures in establishing the budget:

1. Before the beginning of the budget cycle, the City Manager submits to the City Council a proposed budget commencing July 1.
2. A budget workshop(s) may be conducted every two years or as needed to obtain citizen comments.
3. The budget is subsequently adopted through passage of a resolution.
4. For a given fiscal year, all appropriations are as originally adopted or as amended by the City Council. At year end, all unencumbered budgeted amounts lapse at year-end subject to requests for continuing appropriations. Outstanding encumbrances will be carried forward into the new fiscal year with City Manager approval.
5. Continuing Appropriations requests and Authorized Capital Projects are approved by the City Manager after the adoption of the original budget. The original budget is then adjusted accordingly.
6. The legal level of budgetary control is at the fund level. A Department Head may transfer budget appropriations within a major category in a department or fund under his authority. The City Manager's approval must be obtained when a budget appropriation transfer request moves from one major appropriation category to another within a department.
7. The City Council may, at any time, amend the budget or delete appropriations, transfer between appropriations within a fund or change appropriation transfers between funds.

Accounting, Auditing & Financial Reporting Policies

Accounting, Auditing & Financial Reporting Policies

1. Ordinance No. 1445 established section 3.21, Financial Procedures as follows:

3.21.010 Warrants

All disbursements except petty cash are made on warrants. A combined demand-warrant is employed and signed by use of check signature plates (or most current technology) to imprint signatures of any two of the following: The Administrative Services Director, Finance Director, City Manager, and the Mayor or Councilmember.

The warrants shall be drawn on the City of Banning bank account.

Warrants shall be of four types:

1. General;
2. Payroll;
3. Return of Deposit;
4. Such other warrants as may be necessary for expenditures from certain restricted and special accounts.

All warrants issued must be properly documented. No warrants shall be made payable to "bearer" or "cash".

All warrants appear on the warrant registers in numerical sequence. Voided or canceled warrants are so indicated on the registers and are properly defaced. There may be separate warrant registers to cover the different types of warrants.

Warrants may be issued by the Finance Department on a weekly basis for demands which are accompanied by supporting documents. Such disbursements shall only be for items which have followed the procurement procedures prescribed by this code and for which funds have been appropriated by the city council. Monthly warrant registers for these disbursed items shall be submitted to the city council for ratification at the next regularly scheduled council meeting after the issuance thereof.

3.21.020 Accounting Methods

The basis of accounting is in conformity with generally accepted principles of municipal accounting.

3.21.030 Audit

An audit of the accounts and records is made annually by a certified public accountant.

3.21.040 Receipts, Deposit and Safekeeping of Moneys

All collections of cash are the responsibility of the Administrative Services Director, who outlines the procedures pertaining to the physical aspects of the receipt, deposit and safekeeping of all moneys. Receipts are issued for all collections in a form as prescribed by the director and suitable to the nature of the collection. Cash is deposited daily. Cash on the premises shall be safeguarded through the use of locked cash drawers, safes, or other protective devices. Persons having access to cash shall be kept to a minimum and adequately bonded.

2. Periodic financial reports will be submitted to the City Council for review.
3. The Administrative Services Director will annually submit an investment policy to the City Council for review and approval.

CITY of BANNING

Description of Funds

(001) General Fund

The General Fund is the general operating fund of the city. All general tax receipts and fee revenue not allocated by law, council policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities that are not required to be accounted for or paid by another fund.

Special Revenue Funds

Special Revenue Funds account for revenues derived from specific sources that are required by law or administrative regulation to be accounted for in a separate fund. Funds included are (Ordered by fund number):

(002) Developer Deposits – Community Development: This fund accounts for deposits required of developers that are used by the City for studies and reports required due to the development. These funds are combined with the General Fund for financial statement reporting.

(003) County of Riverside – MOU: In February, 2007 an agreement was executed between the County of Riverside and the City of Banning with respect to expansion of the Smith Correctional Facility located in Banning, California. To mitigate the potential impacts of this expansion on the citizens of the City of Banning, the County will, over the course of 10 years, provide the City with 4.5 million dollars and implement a reverse 9-1-1 system; in exchange, over the same period, the City will use these funds to hire four sworn police officers.

(100) Gas Tax: The Street Division is responsible for the maintenance of streets and storm drains or operation of traffic controls and related facilities. The Division uses State and local standards to ensure protection and maintenance of public infrastructure.

(101) Measure A Street: Measure "A" was approved by the voters of Riverside County authorizing an additional half-cent sales tax specifically for transportation improvement purposes. This fund accounts for the receipt and expenditures of the money collected under the Measure "A" program.

(103) SB300 Street Improvement: This Fund pertains to Senate Bill 300 where the State participates in local

transportation projects meeting the eligibility criteria under the State-Local Transportation Partnership Program.

(104) Article 3 – Sidewalk Construction: This program provides grants under Senate Bill 821 for Bicycle and Pedestrian Facilities on a competitive basis. Projects are submitted by the local agencies annually to the Riverside County Transportation Commission.

(110) C.D.B.G.: Accounts for monies received and expended by the City as a participant in the Federal Community Development Block Grant Housing Program.

(111) Landscape Maintenance Assessment District #1: This fund is responsible for the maintenance of landscaping installed in public right-of-ways within Landscape Maintenance District No. 1. The City collects the assessments through the County of Riverside Tax Collector's office. The Engineer's Report and all paperwork is prepared in-house by staff on an annual basis and assessments are recorded on individual parcels within the district, subject to the approval of the City Council.

(132) Air Quality: The Air Quality Management District (A.Q.M.D.) Fund proceeds are intended for improving the air quality within Riverside County. Quarterly allocations are received from the District for governmental agencies to improve air quality. Qualifying fund uses include alternative fuel vehicles that are used for City operations and compressed natural gas (CNG) fueling stations.

(140) Asset Forfeiture: The Asset Forfeiture Fund is used as a depository for assets forfeited as a result of Police Department arrests, narcotics-related arrests, etc. The forfeited assets then become available for operating costs or capital equipment needs in the continuation of drug enforcement within the Police Department.

(148) Supplemental Law Enforcement: This program was approved in FY 1996-97. This funding is restricted to front line law enforcement programs. Funding for this program is considered each year by the State and is not guaranteed.

(149) Public Safety – Sales Tax: The adoption of a one-half cent sales tax strictly used for public safety operations was authorized by Proposition 172. The sales tax is recorded in a separate fund and subsequently transferred to the City's General Fund to subsidize fire and police operations.

(150) State Park Bond Act: This fund was established during Fiscal Year 2003 to account for funds received through the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 and the Clean Water, Clean Air, Safe Neighborhoods Parks, and Coastal Protection Bond Act of 2002. This fund ensures that the monies expended and reimbursed on bond funded projects is tracked separately from other funding sources.

(190) Housing Authority: Undertakes a variety of housing projects provided in the Housing Authority Law including: leasing housing, multiple family housing, mobile home housing, housing certificates and other State and Federal housing programs.

(200) Special Donations: This fund was established during Fiscal Year 1989-90 to account for special donations received by the City. This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(201) Senior Center Activities: This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(202) Animal Control Reserve: This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(203) Police Volunteer: The Volunteer Citizen Patrol Program is designed to relieve regular officers of duties not specifically defined as law enforcement activities. This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(300) City Hall COP Debt Service: This fund was created to record the debt service transactions for the 1997 City Administration Certificates of Participation Refunding Bonds. The bonds were refinanced in FY11. The new debt matures in 2020.

(360) Sun Lakes CFD #86-1: This fund is used to record the financial activities of the Sun Lakes Community Facilities District (C.F.D.) #86-1 Refunding Bond's annual debt service and related administrative costs. The original bond proceeds were used to create an overpass for the railroad. A bridge and thoroughfare district was created to mitigate the cost of the capital improvement from future development in the area.

Each year the City certifies and collects a special tax through the County of Riverside property tax collection program to provide funds for the District's expenditures. The refunding bonds matured in 2005. The fund still exists to track bridge and thoroughfare revenue.

(365) Assessment District - #91-1 Wilson St. Debt: This fund is used to record the principal, interest and related administrative costs for the Wilson Street Assessment District #91-1 Bond debt service activities. The proceeds were used to develop infrastructure in new residential subdivisions. The improvements are an obligation of the property owners located within the District and no City Funds are used to subsidize any costs associated with the District.

Each year the City certifies an assessed amount for the property owners to the County of Riverside and collects the amounts due through the County's property tax system. The bonds have a final maturity in 2012 and may be prepaid at any time by a property owner. The prepayment proceeds can only be used to call outstanding District bonds.

(370) Area Police Computer: This fund has been created to isolate the costs associated with the Area Police Network. The network increases communication to each agency and provides the capability to obtain information from Sacramento. Three Riverside County cities are currently participating in the program, which is administered by the City. The participating agencies include Banning, Beaumont, and Hemet. The City of Banning's portion of this program is reflected in the Police department's budget located in the General Fund.

(375) Fair Oaks 2004-1 Debt Service: This fund was used to record the deposit and use of funds provided by Century Homes to develop an assessment district relating to the Fair Oaks Ranch Estates Development. In 2004-05 the Fair Oaks Assessment District was formed. In May 2005 bonds in the amount of \$2,898,000 were issued to finance the cost of constructing and acquiring certain public improvements funded by the District. Since FY 2005-06, this fund has been used to track the debt service activity related to the bond issue.

(376) Cameo Homes: This fund was used to record the deposit and use of funds provided to develop an assessment district.

Capital Improvement Funds

(400) Police Facilities Development: This fund was created to mitigate the cost of needed additional police facilities resulting from new development that has increased the City's population. Expenditures from this fund are restricted to the development of new, or expansion of existing, police sites and the acquisition of capital equipment such as vehicles.

(410) Fire Facility Development: This fund has been created to record the financial activities related to the increased fire service level impact resulting from new development. The fee is collected at the time a building permit is requested.

The fees are used to mitigate the cost of increased service levels resulting from additional population. The fees can be used to develop additional fire stations or acquire additional capital projects.

(420) Traffic Control Facility: Traffic Control Facilities Fees are the impact fees paid by the new developments for construction of traffic signals at various locations within the City.

(421) Ramsey & Highland Home Traffic Signal: This fund has been created to segregate payments made by developers to subsidize a capital infrastructure project. The project has been isolated to ensure developer payments are being used specifically for the intended improvement.

(430) General Facilities: This fund has been created to reserve funds obtained from new development to update the City's General Plan and to construct City Hall Annex. Fees are collected at the time a building permit is issued and are intended to update the City Hall Facilities.

(441) Sunset Grade Separation Fund: This fund was created to isolate payments made with the intent to fund the capital improvement in the future.

(444) Wilson Median: This fund was created to isolate developer payments made with the intent to fund a capital improvement in the future. Only costs associated with the capital improvement project are to be expensed to this fund.

(451) Park Development: The Park Development Department is responsible for the acquisition and development of parks and recreation facilities. Functions include land acquisition, planning and design, grant funding acquisition, identification and administration of rehabilitation and improvement projects, establishment and collection of developer fees, and development of leases.

(470) Capital Improvement Funds: This fund is used to record the receipt and expenditure of the one-time upfront lease payment received from the Banning Utility Authority. In as much as this lease payment came from bond proceeds, it can only be used to fund capital expenditures. The Council initially earmarked these for a variety of projects.

Banning Utility Authority

The Banning Utility Authority was created in 2005 for the purpose of, among other things, providing financing for capital improvement projects for water and wastewater.

(660) Water Operations: The Water Department is responsible for providing domestic water to residences, businesses and industries within the City. The Division is also responsible for providing adequate flows for the City's fire protection system. The City's main source of water

supply is water wells in the City's water canyon along with wells scattered throughout other parts of the City. The Water Division is an enterprise function; i.e. all costs relative to the production and delivery of water (maintenance, replacement and expansion) are paid with user fees and capital connection fees.

(661) Water Capital Facility Fee: The Water Capital Facility Fees are a one-time charge collected from new developments or existing developments requesting new services from the City's Water Distribution System. The fees collected can be utilized for the Water Department Capital Improvement Programs.

(662) Irrigation Water: The purpose of the Irrigation Water Fund is to set aside funds for an irrigation water/reclaimed water project. Funding for this project is obtained on an incremental basis over a period of years until adequate funds are available to pay for the project.

(663) BUA Water Capital Project Fund: A portion of the water 2005 revenue bonds was set aside to fund specific water utility capital improvement projects.

(669) BUA Water Debt Service Fund: The Banning Utility Authority issued \$35,635,000 in Water Bonds dated November 1, 2005. The proceeds of the Water Bonds were used to (i) pay costs of certain capital improvements to the Water Enterprise; (ii) defease the 1986 Water Certificates; (iii) defease the 1989 Water Certificates; (iv) make an initial up-front lease payment to the City; and pay costs of issuance of the Water Bonds. Debt service costs are funded by net water revenues. The bonds are scheduled to mature in the year 2035.

(680) Wastewater Operations: The Wastewater Department collects the effluent from the city's residential, commercial and industrial facilities and discharges the effluent after required treatment in compliance with the Discharge Permit issued by the State Water Quality Control Board. The Wastewater Treatment Facilities are operated by United Water Environmental Services, on a contract basis.

(681) Wastewater Capital Facility Fees: The Wastewater Capital Facility Fee is a one-time charge collected from new development or existing development requesting new services from the City's wastewater collection system. The fees collected can be utilized for Wastewater Division Capital Improvement Programs.

(682) Wastewater Tertiary Fund: The rate charged is intended to offset costs for wastewater system operations, maintenance of utility equipment, replacement of wastewater infrastructure, future construction of tertiary facilities, loan or bond indebtedness, maintaining the minimum bond coverage ratio, and other unforeseen expenses.

(683) BUA Wastewater Capital Project Fund: A portion of the wastewater 2005 revenue bonds was set aside to pay for specific wastewater utility capital improvement projects

(685) State Revolving Loan: The City has completed the renovating and expanding of the wastewater treatment plant. To fund the project construction, the City submitted an application for low-interest financing under the State Revolving Loan Program. As part of the requirements of the State Revolving Loan Program, the State requires that the City dedicate a special fund to ensure the ability of the City to repay the loan. This fund was created in FY 1998-99 to comply with this requirement.

As part of the procedure, the City will transfer approximately \$25,000 per month from the Wastewater Operations Fund for the purpose of repaying the loan. The loan amount is \$4,658,883, borrowed at 2.6% interest, for twenty years. The loan is scheduled to be paid off in November 2020.

(689) BUA Wastewater Debt Service Fund: The Banning Utility Authority issued \$7,100,000 in Wastewater Bonds dated November 1, 2005. The proceeds of the Wastewater Bonds were used to (i) pay costs of certain capital improvements to the Wastewater Enterprise; (ii) defease the 1989 Wastewater Certificates; and pay costs of issuance of the Wastewater Bonds. Debt service costs are funded by net wastewater revenues. The bonds are scheduled to mature in the year 2035.

Enterprise Funds

(600) Airport: The Banning Municipal Airport is an element of the national and local transportation system, which significantly affects the economic development of the City of Banning. The Airport Fund reflects annual revenues, expenditures and proposed capital improvement projects. A sound and realistic planning of Airport operations has the means to increase its contribution to the economy of the community.

(610) Transit Operations: The Fixed Transit Route Division operates fixed-route bus services that serve the City of Banning and provides service between Banning and Cabazon. The Dial-A-Ride Division provides curb-to-curb transit services to elderly and disabled citizens residing within the City of Banning.

(690) Refuse: The City provides solid waste disposal through a franchise agreement with Waste Management. The City tracks collections of revenue and the costs to provide the service in this fund.

(670) Electric Operations: The Electric Department provides economical, reliable, and safe distribution of electricity to

residents and businesses in the City of Banning. The Department contracts with both public and private entities for the provision of specialized services.

(672) Rate Stability: Accumulated funds are used to offset operational costs to mitigate the need for rate increases. There is a minimum reserve of 20% required per the Available Fund Balance Reserve policy.

(673) Electric Improvement: The Electric Improvement Fund includes interest and payments received from Southern California Edison (SCE) as per Federal Energy Regulatory Commission decisions. City Council has adopted Resolution 1993-37 setting the guidelines for utilization of these funds. Resolution No. 1993-37 strictly prohibits the use of these funds for salaries or for operations and maintenance of the electric distribution system.

(674) Electric Bond Project Fund: The Banning Financing Authority was created in 2003 for the purpose of, among other things, providing financing for the acquisition or construction of public capital improvements. A portion of the electric revenue bonds proceeds was set aside to fund certain improvements to the Electric System.

(675) Public Benefit Fund: The California electric restructuring legislation, Assembly Bill 1890, requires publicly owned utilities to maintain a usage based Public Benefits Charge to be used for Public Benefit Programs. Among the provisions of this legislation are requirements for utilities to collect and spend monies on any or all of the following four categories:

1) Cost-effective demand-side management programs that promote energy-efficiency and conservation. 2) New investments in renewable energy sources. 3) Research, development and demonstration programs to advance science or technology. 4) Services provided to low-income customers.

(678) Electric Debt Service Fund: The Banning Financing Authority issued \$45,790,000 in Electric Bonds dated July 3, 2007. The proceeds of the Electric Bonds are being used to (i) finance certain improvements to the City's Electric System; and pay costs of issuance of the Bonds. Debt service costs are funded by net electric revenues. The bonds are scheduled to mature in the year 2038.

Internal Service Funds

(700) Risk Management: Costs associated with liability exposures and employee related cost for worker's comp and unemployment insurance are accounted for here. The Council has adopted a policy of maintaining a minimum fund balance of \$500,000 in this fund to be available for unknown lawsuits and other insurance costs.

(702) Fleet Maintenance: The Fleet Maintenance Division is responsible for the maintenance and repair of all City owned vehicles and equipment. Costs of maintaining and repairing vehicles and equipment are assessed to each division, including an appropriate share of overhead costs.

(703) Information Systems Services: The Information Technology Services Division is responsible for the effective utilization of information technology throughout the City and for implementation of information systems planning consistent with the City's business systems plan.

(761) Utility Billing Services: The Utility Billing Operations is responsible for preparing and collecting bills for electric, water, wastewater and refuse (trash), and also serves as the central revenue collection point for the City. The Utility Meter Services Operations is responsible for meter reading.

Successor Agency Funds

(Fund Descriptions may change subject to the implementation of ABX1 26.)

(805) Redevelopment Obligation Retirement: Is intended as the repository for property taxes received from the County Auditor-Controller to pay enforceable obligations as set forth in the Enforceable Obligation Payment Schedule ("EOPS") or, when effective, the Recognized Obligation Payment Schedule ("ROPS").

(810) Successor Housing Agency (Previously Low/Mod Housing): The Low/Moderate Income Set Aside Operations Fund was used to provide, facilitate and develop housing programs for the rehabilitation or construction of housing for low/moderate income persons.

(830) Debt Service Fund: The Debt Service Fund is the fund which: 1) makes principal and interest payments on agency

debt service, and 2) was used to allocate payment for pass thru's.

(850) Successor Agency Fund (Previously Administration Fund): This fund accounts for costs associated with the administration of the Redevelopment Agency.

(855) Tax Allocation Bonds-2007 Tabs: Proceeds from this bond issue may be used for a variety of improvements. The Agency Board has developed and approved a number of programs intended to upgrade the appearance of the project area, stimulate investment, produce jobs and revitalize the area. As of April 2011, all bond proceeds have been committed to projects and transferred to the City to administer.

(856) Tax Allocation Bonds-2003 Tabs: Proceeds from these bonds may be used for a variety of improvements. The Agency Board has developed and approved a number of programs intended to upgrade the appearance of the project area, stimulate investment, produce jobs and revitalize the area.

(857) Low/Mod Tax Allocation Bonds-2003 Tabs: A portion of the proceeds from the bond sale are to be used exclusively for the rehabilitation and construction of housing for low and moderate-income persons. The essence of the use of these funds is: 1) to result in the fulfillment of the Housing Element and the adopted Redevelopment Implementation Plan Goals and Policies, 2) to improve the visual image of the community and 3) to assist in the removal of blight.

(860) Project Fund: The Redevelopment Projects Fund was budget available to the Redevelopment Agency for focused activities to accomplish the objectives of the Agency.



CITY of BANNING

Glossary of Terms

Accrual Basis of Accounting: A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Appropriation: Legal authorization by the City Council to make expenditures and to incur obligations for specific purposes.

Assessed Valuation: A dollar value that is established for real estate or other property, by Riverside County, as a basis for levying property taxes.

Assessments: Charges made to parties for actual services or benefits received.

Audit: A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriation.

Bond: A Municipal Bond is a written promise from a government to repay a sum of money on a specific date at a specified interest rate. Bonds are most frequently used to finance large capital projects, such as buildings, streets, and bridges.

Budget: A plan for financial operation listing an estimate of proposed appropriations and the proposed means of financing them for a particular time period. Once the budget has been approved by the City Council it then considered the "adopted" budget.

Budget Adjustment: A procedure to revise a budget appropriation or revenue estimate.

Budget Document: The instrument used to present a comprehensive financial plan of operations to the City Council and the public.

Budget Message: The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget and changes from the previous fiscal year.

Building Permit: Fee required for new construction or any alterations or addition to a residence or commercial building. The fee is based on square footage and valuation.

Business License Tax: A fee collected from those conducting business within the City.

Capital or Community Improvements: Capital or community improvements are major construction, acquisition or maintenance/repair projects. Typical examples of major construction would include new street improvement, park development and public buildings. Acquisitions include land. Major maintenance/repairs may include street resurfacing and modifications to public buildings.

Capital Outlay: Expenditure for non-expendable equipment, which has a usable life greater than one year.

Contingency (Operating): Funds set aside by the City within the budget for emergencies and economic uncertainties.

Contingency (Emergency Reserve): Funds set aside by that City within the fund balance for emergencies and economic uncertainties.

CVC Fines: The City's portion of California Vehicle Code (CVC) fines collected upon conviction of a misdemeanor or infraction committed within City boundaries. The majority of the fines are allocated through the Court system.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

Disbursement: Payment for goods and services in cash or by check.

Employee Services: Salaries and fringe benefits earned by employees of the City for work performed.

Encumbrances: The commitment of appropriated funds to purchase goods which have not yet been received, or services that have yet to be rendered.

Enterprise Funds: Funds established to account for the total costs of those governmental facilities and services that operate in a manner similar to private enterprise. These programs are entirely, or predominately, self-supporting, and render services on a user charge basis to the general public.

Expenditure: The cost of goods received or services rendered.

Fiscal Year: A 12-month period of time to which an annual operating budget applies. The City of Banning has specified July 1 through June 30 as its fiscal year.

Fixed Assets: Assets of long-term character such as land, buildings, machinery, furniture and other equipment.

Fund: A self-balancing set of accounts. Governmental accounting information is organized into funds, each with separate revenues, expenditures and fund balances. There are seven major types of funds: General, Special Revenue, Capital, Debt, Internal Service, Enterprise, and Trust & Agency.

Fund Balance: The difference between a fund's assets and liabilities. Portions of the fund balance may be reserved or designated for various purposes, such as contingencies, encumbrances or specific projects.

Function: A group of related programs crossing organization (departmental) boundaries and aimed at accomplishing a broad goal or a major service.

General Fund: The City's major operating fund. The activities budgeted in the General Fund represent the daily on-going services provided to the citizens of Banning. General government services, e.g. Police, Fire, Planning, Code Enforcement, Parks and Recreation expenditures are accounted for in this fund.

Grant: Contributions of gifts or cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is the Community Development Block Grant allocated by the Federal Government.

Internal Service Fund: This fund type is used to account for the payment of goods and services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis. The City of Banning operates five internal service funds: Insurance; Fleet Maintenance; Information Services, Public Works Administration and Utility Billing Administration.

Investment Income: Revenue received as interest from investment of funds not currently required to maintain current operation.

Line-Item Budget: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category. Line item budgets are produced and used internally for budgetary control purposes only.

Modified Accrual Accounting: A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

Operating Budget: The portion of the budget that pertains to the daily operations of the City which provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, materials and capital assets required to maintain service levels.

Ordinance: A formal legislative enactment by the City Council. An ordinance has the full force and effect of law within the City boundaries, unless it is in conflict with any higher form of law, such as a State statute or constitutional provision. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

Program: Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

Redevelopment Agency: An entity created by a legislative body in accordance with state statutes which has elected to exercise the powers granted to it for planning, development, redesign, clearance, reconstruction, or rehabilitation of an area.

Reserve: Used to earmark a portion of the fund balance as segregated for a specific use.

Retained Earnings: The accumulated earnings of an Enterprise or Internal Service Fund which have been retained in the fund and which are not reserved for any specific purpose.

Revenue: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Resolution: A special order of the City Council, which requires less legal formality than an ordinance in terms of public notice and the number of public readings prior to approval. A resolution has lower legal standing than an ordinance. The Budget is approved by resolution, and requires a majority vote of the Council Members present.

Risk Management: An organized attempt to protect a government's assets against accidental loss in the most economical manner.

Subventions: That portion of revenues collected by other government agencies on behalf of the City.

Tax Increment Financing (TIF): Tax increment financing is an economic tool used by redevelopment agencies to finance economic development and rehabilitation costs within a project area. Additional property taxes generated by new development within a district formed are used to finance these development and infrastructure costs. A tax increment (TI) is that portion of property taxed generated by the development above what the taxes would have been had the development not occurred.

Transient Occupancy Tax (TOT): Bed tax imposed on hotels, motels, inns or other lodging facilities. The rate in Banning is 12%.

Self-Insurance: Assuming risk of loss through the maintenance of reserves or some other plan instead of through the purchase of insurance coverage.

User Fees: The payment of a charge or fee for direct receipt of a service by the party benefiting from the service. For example, fees charged to use a community swimming pool rather than a broad-based tax on the community.



CITY of BANNING

Summary of Acronyms

AB – Assembly Bill
ADA – Americans with Disabilities Act
AED – Automatic External Defibrillator
AQMD – Air Quality Management District
ASP – After School Program
BFA – Banning Financing Authority
BPAL – Banning Police Activities League
BTA – Banning Transit Authority
BUA – Banning Utility Authority
BUSD – Banning Unified School District
CAD – Computer Aided Dispatch
CALBO – California Building Officials
CalHome – General home Buyer Assistance Program
CD – Certificate of Deposit
CDBG – Community Development Block Grant
CERT – Computer Emergency Response Team
CFD – Community Facilities District
CIP – Capital Improvement Program
CMTA – California Municipal Treasurers Association
COPS – Citizens Opt for Public Safety
CPR – Cardio Pulmonary Resuscitation
CRA – California Redevelopment Agency
D.O.D. – Department of Defense (Safe Water)
D.O.J. – Department of Justice
DARE – Drug Abuse Resistance Education
DUI – Driving Under the Influence
EMS – Emergency Medical Services
EOC – Emergency Operations Center
EOPS – Enforceable Obligation Payment Schedule
FAA – Federal Aviation Agency
FY – Fiscal Year
GASB – Government Accounting Standards Board
GIS – Geographical Information System
HAZMAT – Hazardous Material
HHW – Household Hazardous Waste
HUD – Housing and Urban Development
HVAC – Heating Ventilating Air Conditioning
ICSC – International Council of Shopping Centers
IT – Information Technology
ITS – Information Technology Services
JPA – Joint Power Authority
LAIF – Local Agency Investment Fund

LF – Landfill
LLC – Limited Liability Company
LMD – Landscape Maintenance District
MIS – Management Information System
MOU – Memorandum of Understanding
NFIRS – National Fire Incident Reporting System
NPDES – National Pollutant Discharge Elimination System
OPEB – Other Post-Employment Benefits
OTS – Office of Traffic Safety
PD – Police Department
PDF – Portable Document Format
PEG – Public Educational & Government
PERS – Public Employees Retirement System
POST – Police Officers Standards and Training
RASP – Risk Assessment of Flood & Coastal Defense for Strategic Planning
RCTC – Corporation for passport services and tourist and business travel visas
RDA – Redevelopment Agency
RMS – Records Management Systems
ROPS – Recognized Obligation Payment Schedule
SCACEO – Southern California Association of Code Enforcement Officers
SCAQMD – South Coast Air Quality Management District
SEMS – Standardized Emergency Management System
TOT – Transient Occupancy Tax
VLF – Vehicle License Lee
WDA – Wastewater District Assessments
WWTP – Wastewater Treatment Plant

