



AGENDA

CITY COUNCIL - SPECIAL MEETING (WORKSHOP)

CITY OF BANNING, CALIFORNIA

May 14, 2026
4:00 p.m.
In Chambers

Council Chambers
99 E. Ramsey Street
Banning, CA 92220

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

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Meeting ID: 823 4994 5354
Password: 1913-92220

Per the City of Banning Manual of Procedural Guidelines, matters taken up by the Council before 10 p.m. may be concluded, but no new matters shall be taken up except upon a majority vote of the council members present and voting. Such an extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.

1. CALL TO ORDER

2. WORKSHOP

2.1 Banning's Workout Plan to Sustainability

Recommendation: Staff recommends City Council:

- (1) Formally acknowledge the financial status update presented in this report; and
- (2) Provide direction to staff on the revenue and expenditure options outlined in Milestone 5; and
- (3) Direct staff to return in June with a proposed budget for the City's next fiscal year (July 2026 through June 2027), incorporating Council guidance from this workshop.

3. **PUBLIC COMMENTS - Agenda Items Only**

4. **ADJOURNMENT**

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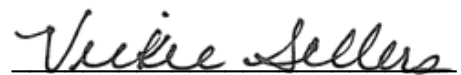
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- Su cámara debe estar apagada a menos que sea reconocido por el alcalde.
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- Los comentarios públicos de lo que atienden por Zoom seguirán inmediatamente los comentarios en persona de los miembros del público en las Cámaras del Consejo.
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Vickie Sellers, Elected City Clerk
Secretaria Municipal Electa

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CONTACT • CONTACTO

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99 East Ramsey Street, Banning, California 92220



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL
FROM: Elizabeth Gibbs, City Manager
PREPARED BY: Elizabeth Gibbs, City Manager
MEETING DATE: May 14, 2026
SUBJECT: Banning's Workout Plan to Sustainability

RECOMMENDATION:

Staff recommends City Council:

- (1) Formally acknowledge the financial status update presented in this report; and
- (2) Provide direction to staff on the revenue and expenditure options outlined in Milestone 5; and
- (3) Direct staff to return in June with a proposed budget for the City's next fiscal year (July 2026 through June 2027), incorporating Council guidance from this workshop.

BACKGROUND:

See attachments

JUSTIFICATION:

See attachments

FISCAL IMPACT:

See attachments

ATTACHMENTS:

1. [Final Draft May 14th workshop.pdf](#)
2. [Final PP May 14th Workshop City-of-Banning-Fiscal-Sustainability.pdf](#)
3. [Banning SP FINAL VERSION - Fnl Fnl.pdf](#)
4. [Revised Fiscal Policies - Final Draft.pdf](#)
5. [Attachment 3.pdf](#)
6. [Surplus Land Workshop SR Attachment 5.13.26.pdf](#)



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Elizabeth Gibbs, City Manager

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BACKGROUND:

This report summarizes where Banning's finances stand today, how we got here, and what options the City Council is considering to get back on solid financial footing. The numbers are serious – but so is this Council's commitment to being honest with residents about what they mean and what comes next.

The City's future success is grounded in being open and transparent about the challenges that we face, finding a purpose and common ground in solving those challenges together, and setting the City on a path that restores and redesigns our future.

While the City Council and the public have received general information about Banning's financial challenges over the past year, verifying the reliability of the City's financial data was extremely challenging due to the lack of accounting activity during the 2024-25 and 2025-26 fiscal years.

The City's fiscal year runs from July 1 through June 30, not January through December. So, FY 2024-25 means July 1, 2024, through June 30, 2025.

Contributing to the challenge of receiving the detailed financial information necessary to make informed decisions was the significant depletion of Finance Department staffing capacity to perform the day-to-day and necessary catch-up work for FY 2024-25 and FY 2025-26.

Due to these challenges, the new temporary staff and outside advisors simply could not propose options to address the City's emerging fiscal situation without current fiscal data on the depth, the causes, and the full extent of the City's financial problems. This Council has invested in acquiring the assistance and expertise of experienced outside firms, retired annuitants, hired a new City Manager and a new Finance Director to "catch up" on the financial books and records, as well as required annual audits and related reporting. We are now prepared to discuss our preliminary findings in greater detail and recommendations going forward in anticipation of the upcoming June budget discussions.

Strategic Plan: Banning 2030—Designing our Future TODAY

While this City Council invested in the resources necessary to "catch up" on the financial books and records, it also concurrently commissioned a comprehensive strategic plan "Banning 2030--Designing our Future TODAY." That strategic plan was comprised of a thorough assessment of the organization that was largely inherited as well as a 5-year plan to improve the City, as an organization, and the entire Banning community.

Amongst all the Strategic Initiatives that your strategic plan calls out, Initiative 4a: "Banning's Workout Plan to Fiscal Sustainability" is arguably the most important to Banning's future. This is because it is focused on the **General Fund** and its fiscal health over the long-term--see Attachment 1 (Strategic Initiative Charter--Banning's Workout Plan to Fiscal Sustainability).

It's the **General Fund** that is the foundation of the City's health and capacity to oversee and provide the necessary services to our residents.

The General Fund is the City's main checking account – it pays for the services residents use every day: police, roads, parks, and most of City Hall. (Cities also have separate, restricted accounts for things like water, sewer, and state/federal grants – but those can only be spent for specific purposes. The General Fund is what's at stake in this report.)

Overview of the Five Milestones

Initiative 4a: Banning's Workout Plan to Fiscal Sustainability is focused on assessing our General Fund's current financial position, examining revenue and expenditure trends to forecast its future position and to discuss options to put the General Fund back on a fiscally sustainable path.

This initiative includes 5 Milestones that will lead to its completion. They include:

- M1. Fiscal Year (FY) 2024-25 books are caught up and our fiscal position is known (June 30, 2025).

- M2. FY 2025-26 fiscal activity is caught up and known, and estimated year-end numbers are updated for FY ending June 30, 2026.
- M3. The Fiscal Management policies are reviewed, updated, and the Council adopts new policies and/or recommits itself to reinstate existing sound fiscal management policies.
- M4. The 10-year fiscal forecast is completed, and FY 2026-27 budget guidance is developed and subsequently implemented with a Proposed Budget for Council consideration in June 2026.
- M5. Council reviews options and decides what actions eliminate current/future negative fund balances with a gradual restoration to healthy fund balances. The Council decisions from this milestone become Banning's Workout Plan to Fiscal Sustainability.

You are going to hear about our progress and findings on each of these milestones. It will also include Council discussion on those findings with direction to staff on moving forward to put the City on a path to realign, design, and restore Banning's fiscal sustainability. Finally, it will reinstate best practices in fiscal management, e.g., revised Fiscal Management policies.

Milestone 1

FY 2024-25 Books

The most alarming finding in our review was the budgeting of massive operating deficits in a way that failed the public agency transparency test. On the surface, the FY 2024-25 and FY 2025-26 General Fund budget appeared to be structurally balanced but in fact it was not. The General Fund operating deficit was hidden in the details of government accounting.

With that said, we are 95 percent complete with closing the books for FY 2024-25. The FY 2024-25 audit is scheduled to begin in June 2026 with the anticipated completion in September 2026. We have completed our bank reconciliations and need to post reconciling items and update our accounting for grants. Thus, the numbers may change some, but it will likely not result in a material difference in the year-ending numbers.

The most important General Fund data point at the end of the fiscal year is the Fund Balance figure. This is generally Assets minus Liabilities and represents available resources for the next fiscal year's budget.

Fund Balance represents something like a household's savings account. It is the cushion against the unexpected to ensure service stability.

The Government Finance Officers Association (GFOA), a national organization that sets standards for city financial management, recommends maintaining a reserve equal to at least two months expenditures of the annual operating budget – approximately 17% - as a cushion for unexpected events and as a set aside for contingencies--within Fund

Balance (savings account). Given the potential for the unexpected i.e., recessions, uninsured lawsuits or disasters, and unexpected revenue reductions in certain areas; we believe a 30% figure is a more appropriate long-term goal.

- **The FY 2024-25 ending Fund Balance is estimated to be \$1.09 million.**
- **The FY 2025-26 General Fund Adopted Budget is \$37.0 million.**
- **Banning's ratio equates to just 2.95%, well short of the GFOA minimums.**

This eliminates any margin for error in budgeting for revenues and expenditures in the subsequent years.

How did the Fund Balance decline? – A six-year look back

Six years ago, the FY 2018-19 ending Fund Balance was \$13.1 million and the following year's General Fund budget was \$19.1 million. This ratio equated to a very healthy 69%, but then the pandemic and its short-term economic impacts hit the City's finances.

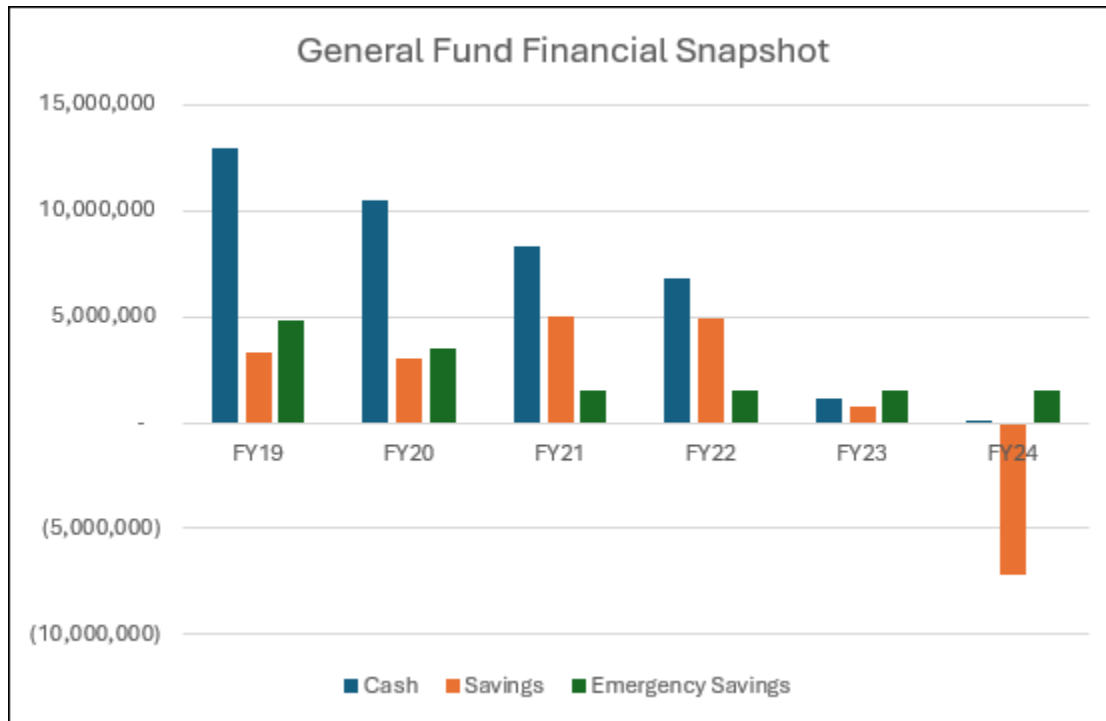
What Happened During the Pandemic: Spending Down the Savings Account and Infusion of the American Rescue Plan Act (ARPA)

To help cities recover from COVID's economic damage, the federal government sent local governments a one-time relief payment through the American Rescue Plan Act (ARPA) – money that was intended to be spent once, not built into the permanent budget. In Banning's case, it appears those one-time federal funds were used to pay for ongoing, everyday costs. That's like using a tax refund to pay your rent every month – it works temporarily, but when the refund runs out, the problem is still there. Best practice calls for one-time funds to be used for one-time purposes.

In his proposed budget for FY 2020-21 and 2021-22, the City Manager at the time called for the use of \$8 million in Fund Balance (savings account) to balance the two-year General Fund budget. We could not find adequate discussion on the risks of this move nor could we find any formal or informal plan to immediately replenish the reduction in Fund Balance.

A review of the budget record suggests these funds (ARPA and Fund Balance) were used to support ongoing operating costs, which had the effect of masking a growing structural imbalance. Going forward, the updated Fiscal Management Policy (Attachment 2) will require transparent accounting for any one-time revenues.

	FY19	FY20	FY21	FY22	FY23	FY24
Cash	12,922,370	10,515,606	8,301,423	6,828,300	1,103,628	116,630
Savings	3,269,500	3,044,388	5,029,615	4,879,118	753,377	(7,207,927)
Emergency Savings	4,785,065	3,525,858	1,500,000	1,500,000	1,500,000	1,500,000
Useable Savings	8,054,565	6,570,246	6,529,615	6,379,118	2,253,377	(5,707,927)



We believe the City has not had a true “structurally balanced budget” for the past 6 years. Yet, it appears there was Council policy requiring it.

Internal Service Fund (ISF) Deficit

To understand the full scope of the City’s financial challenges, it helps to understand how City departments pay for shared services like vehicle maintenance, insurance, and technology. These costs are tracked in separate accounts called Internal Service Funds (ISFs).

Many public agencies use Internal Service Funds (ISFs) to track costs for services provided by one City department to other City departments. The money doesn’t leave City Hall but rather moves between departments and ensures that when you read the budget, every dollar spent is where it appears to be.

Simply put, the City's support departments were not being fully charged for their services, masking the true size of the General Fund deficit. The collective ISF Unrestricted Net Position on June 30, 2024, was **negative \$12.9 million**.

A structural deficit occurs when the City's ongoing, recurring expenses consistently exceed its ongoing, recurring revenues – meaning the shortfall isn't caused by a one-time event, but by a fundamental imbalance in how the City operates year to year.

The treatment of the ISFs was unprecedented and we could not find any robust and transparent discussion on this practice.

Milestone 2 Fiscal Year 2025-26 Books

This covers the current fiscal year that has yet to end. Thus, we focused on cleaning up the books up to January 1, 2026, and based on this activity, estimated the second six months of accounting activity. We are close to getting all our accounting activity current.

Again, based on our first six months of accounting activity and assuming the trends continue for the second six months, we project a **\$13.8 million General Fund operating deficit (expenditures exceeding revenues) by the close of the current fiscal year, June 30, 2026.**

If we started FY 2025-26 with a Beginning Fund Balance of \$1.09 million (see below), our estimated General Fund Ending Fund Balance for FY 2025-26 will be a **negative \$12.7 million.**

	Total
ACFR GF Savings at June 30, 2024	\$ 3,512,392
Unaudited FY25 Net Revenue over Expenses	\$ (2,419,750)
Unaudited GF Savings at June 30, 2025	\$ 1,092,642
Estimated FY26 Net Revenue over Expenses	\$ (13,841,721)
Estimated GF Shortfall at June 30, 2026	\$ (12,749,079)

However, the Council recently approved a development agreement for the Sunset Crossroads project that requires an upfront \$3 million payment. This could improve the Fund Balance (savings account) to **negative \$9.7 million**. That same development

agreement also calls for one-time payments for other Strategic Initiatives, i.e., Animal Shelter, Downtown Improvement Program, etc.

It is important to note that this development agreement has been challenged with a referendum and potential ballot measure.

What is a Referendum? – A Quick Note

A referendum is a process by which residents can petition to require voter approval of a Council action. If successful, the development agreement would go to the ballot and would have to be passed by a majority of the voters before it could take effect.

What do these numbers mean?

It means that we must find monies to eliminate the \$12.7 million Fund Balance (savings account) deficit and find at least another \$6.3 million to reach the minimum GFOA standard of 17% (a total of \$19 million).

It also means that we will have to deal with the structural deficit expected for the upcoming FY 2026-27 budget.

How did FY 2025-26 reach a General Fund \$13.8 million operating deficit?

It appears the 2-year budget (FYs 2024-25 and 2025-26) was put together with aggressive assumptions on revenues that never came to pass. Having said that, it is important to note that with a two-year budget, Finance and departments are having to estimate revenues two years earlier than today. The biggest deviations were in Cannabis Sales Tax, Construction Plan Checking for development and Building Permits. Finance has since recalculated the ISF charges and appropriately increased the ISF charges to the General Fund and other Funds to stop the degradation of those ISF funds. However, the ISF charges will need to be updated to reflect current trends and conditions.

Milestone 3
Review and Update the Fiscal Management Policies from Council

Fiscal management policies are the ground rules for how a government handles its finances responsibly – balancing the needs of today with the financial health of the future. Done well, they can help keep a government agency stable and ensure public services are funded without burying future generations in debt.

This new proposed Policy represents the City Council's direction to staff on how City finances and budgets are developed, managed, and discussed in public — including

transparency standards with the Council and the general public. **The fiscal policies reflected in Attachment 2 will be brought back to Council for formal review and reaffirmation during the FY 2026-27 budget adoption process, ensuring ongoing Council oversight and accountability.**

This new policy is grounded in the lessons learned from recent fiscal challenges. The City seeks to learn from the past and reduce the likelihood of repeating this situation in the future. Notably, the previous Fiscal Management Policy required a structurally balanced budget — yet in practice, this standard was not met for several years. Accordingly, this new policy directs current and future City Managers and Finance Directors to affirm full compliance on an annual basis. In instances where exceptions exist, staff will be required to clearly identify those exceptions and present a corrective plan to achieve compliance.

To ensure the policy remains an active and meaningful governance tool, it will be reviewed publicly on an annual basis so that residents and Council members can track whether the City is adhering to its own fiscal standards. **As part of this commitment, the fiscal policies will be formally presented to the Council during the FY 2026-27 budget adoption process, providing an early and structured opportunity for the Council to evaluate progress, affirm policy direction, and make any necessary adjustments.**

Staff is also recommending enhanced standards and expectations for the City Manager's Budget Message, Budget Planning Workshop, and Fund Balance goals. These elevated standards are intended to reduce the likelihood of repeating the fiscal challenges the City has faced, and to strengthen the Council's understanding of Banning's overall fiscal position.

Milestone 4

The 10-year Fiscal Forecast and FY 2026-27 Budget Guidance

The 10-year fiscal forecast is a work in progress as staff and consultants finalize the books for FY 2025-26.

Attachment 3 includes Banning's Draft General Fund Fiscal Forecast. It takes the data that we have to date and forecasts revenues, expenditures, and Fund Balances trends out for 10 years. The purpose of this exercise is to examine what it will take to become fiscally sustainable and provide timely options to achieve it before we are forced into the difficult conversations that we're having today. It provides a "what if" tool (scenario building) to evaluate various policy choices. We recommend that this exercise become an annual fixture in our budget process.

Draft 10-Year Baseline Financial Forecast

The data and graphical outputs below are from the Baseline Forecast produced by the Forecast Model, and they help to numerically and visually demonstrate key summarized facts.

Initial Takeaways

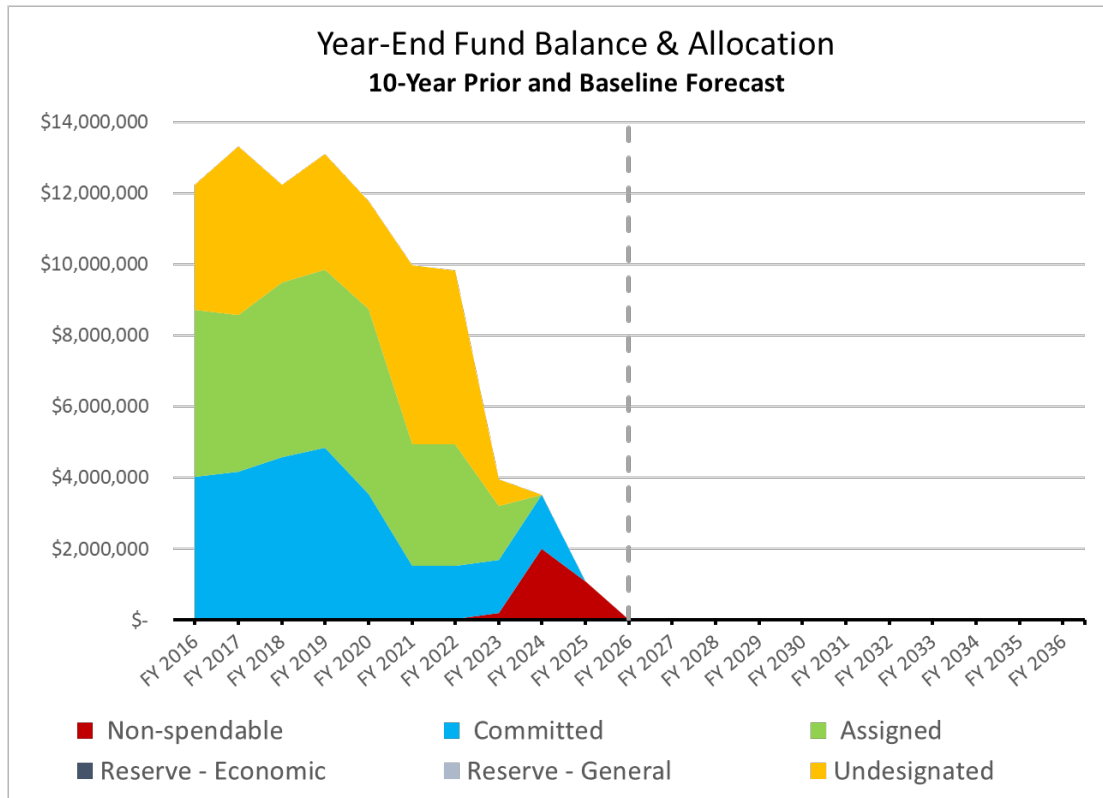
Looking at the prior ten years (FY 2016 to FY 2025)

1. Over the last six years (FY 2020 to FY 2025), the General Fund has maintained an annual operating deficit averaging \$1.9 million. These annual deficits have depleted the Fund Balance from \$13.1 million at the end of FY 2019 to \$1.09 million (unaudited) at the end of FY 2025.
2. During this same period (FY 2020 to FY 2025), the General Fund's structural annual operating deficit has averaged \$3.7 million. The structural operating deficit is the difference between the General Fund's recurring revenues and its recurring expenses. The full import of the structural operating deficit has been masked by the following factors:
 - One-time revenues averaging \$1.8 million annually;
 - Development sensitive revenues (Planning and Building services) surging by \$2.5 million in FY 2024 and FY 2025;
 - The General Fund not contributing its proportionate share of internal service costs (approximately \$2 to \$3 million annually).
3. As a result of the above, in FY 2026, when one-time revenues are minimal, development sensitive revenues have declined by \$2 million, and the General Fund's proportionate share of internal service costs are now included, the potential annual operating deficit has ballooned to \$13.8 million.

BASELINE FORECAST - 10-YEAR HISTORICAL DATA

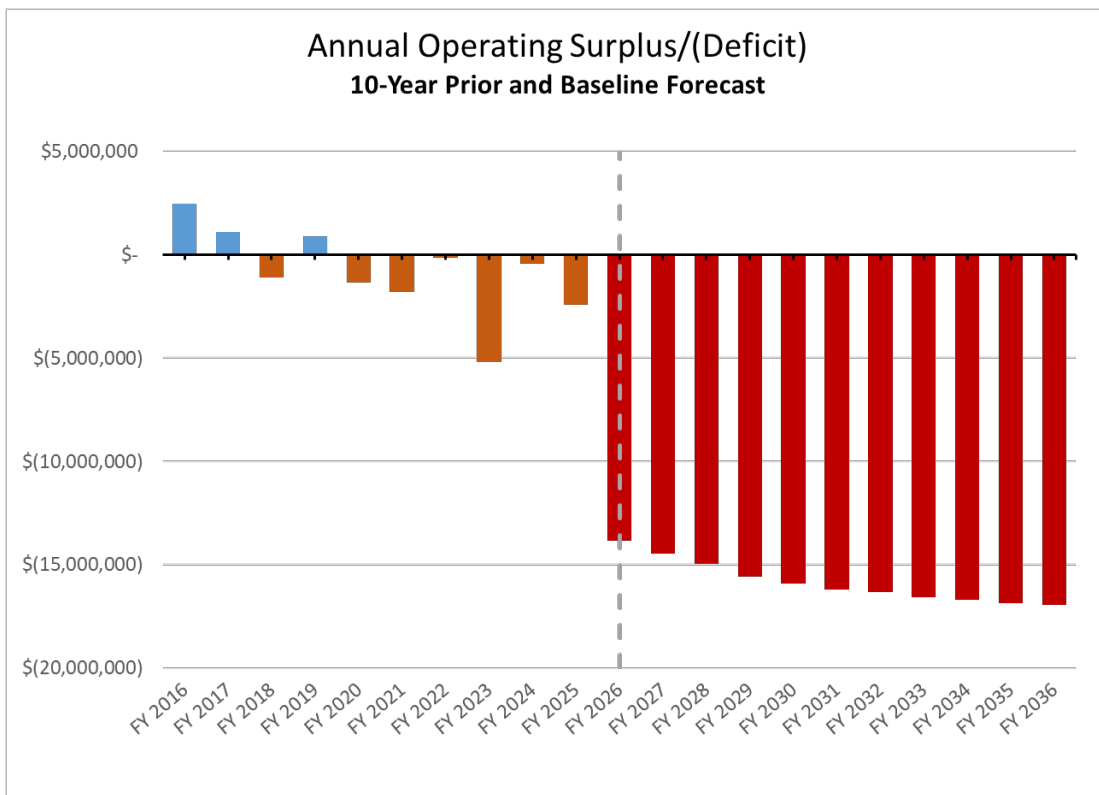
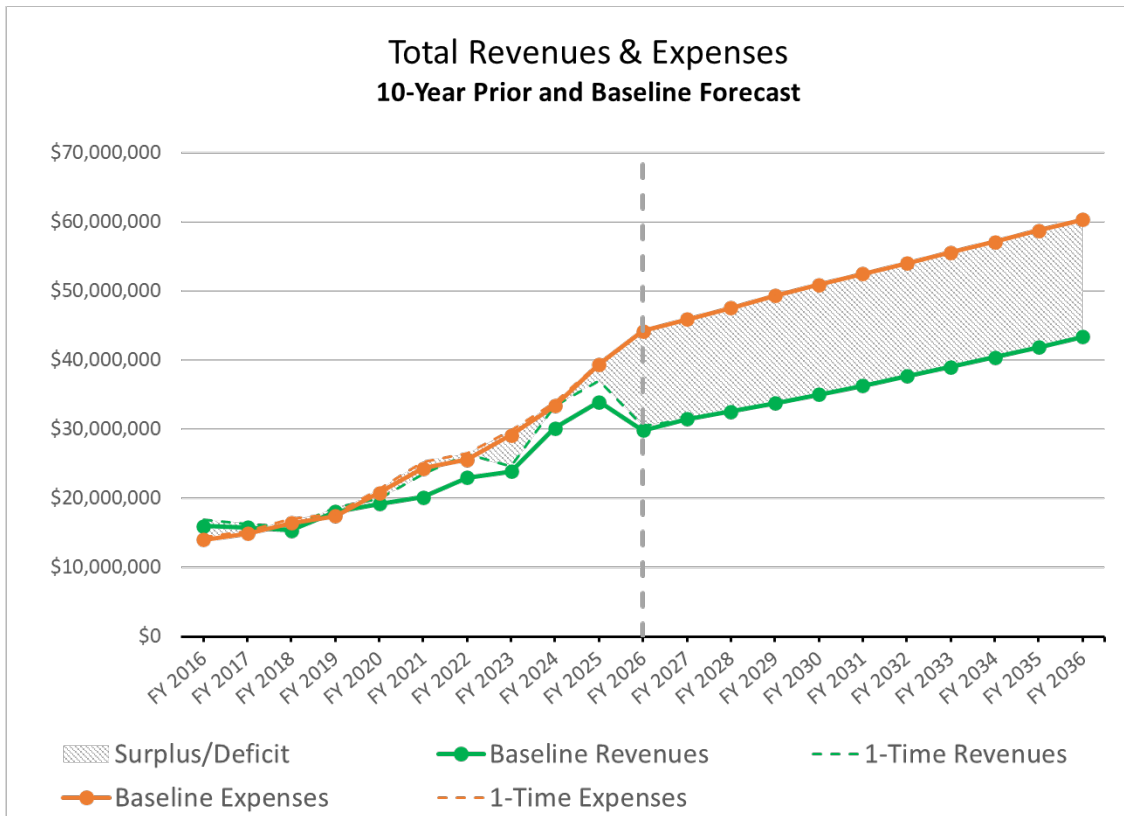
Fiscal Year	Baseline Recurring Revenues	Baseline Recurring Expenses	Structural Operating Surplus (Deficit)	One-Time Revenues (Expenses)	Annual Operating Surplus (Deficit)	Fund Balance End of FY
FY 2016	16,016,227	(14,042,226)	1,974,001	469,537	2,443,538	12,243,467
FY 2017	15,790,419	(14,913,303)	877,116	197,775	1,074,891	13,318,352
FY 2018	15,327,947	(16,420,548)	(1,092,601)	(4,187)	(1,096,788)	12,239,567
FY 2019	18,079,046	(17,456,945)	622,101	263,929	886,030	13,107,599
FY 2020	19,233,112	(20,788,047)	(1,554,935)	190,251	(1,364,685)	11,783,872
FY 2021	20,164,425	(24,312,087)	(4,147,663)	2,323,743	(1,823,920)	9,959,949
FY 2022	23,014,585	(25,604,120)	(2,589,535)	2,449,798	(139,737)	9,820,214
FY 2023	23,870,768	(29,149,261)	(5,278,492)	74,177	(5,204,315)	3,956,052
FY 2024	30,173,537	(33,369,666)	(3,196,130)	2,752,473	(443,657)	3,512,392
FY 2025*	33,931,795	(39,379,963)	(5,448,167)	3,028,417	(2,419,750)	1,092,642
FY 2026*	29,816,677	(44,223,882)	(14,407,205)	565,484	(13,841,721)	(12,749,079)

*Year-end estimates.



Looking ahead at the next ten years (FY 2027 to FY 2036)

1. Because the financial data from Fiscal Years 2025 and 2026 are still being reconciled and finalized, the draft Baseline Forecast is still tentative, and it will change.
2. Notwithstanding the above, the draft Baseline Forecast unsurprisingly shows, if we do nothing, there is a projected structural annual operating deficit of roughly \$14 to \$17 million. The Baseline Forecast is simply projected recurring annual operating revenues against projected recurring annual operating expenses. It does not include any one-time revenues or new revenues. It does not include any reductions in operating expenses, repayment of internal service funds, or new initiatives. The Baseline Forecast simply presents the “what if we make no changes” scenario; and it tells us this scenario is not fiscally possible even for one more year and we must make changes now.
3. The Scenario Forecast is still forthcoming, and it will be shaped by the policy choices made by the City Council. The scenario capacity of the Forecast Model will help the management team and City Council evaluate the long-term fiscal impact of the proposed policy choices currently being formed and discussed. It will help us to more confidently make the tough set of decisions that are required to bring our projected revenues into alignment with projected expenses.



Some key observations from this forecast include:

1. Without audited data, we anticipate small, but likely immaterial changes;
2. The near term requires some difficult policy choices now to avoid more drastic choices later;
3. The City is already modestly funded with equally modest service levels, thus, it has a revenue problem;
4. If Council wishes to pursue some of the Strategic Initiatives in Banning 2030 e.g. Animal Shelter and Control, Homelessness, Information Technology investments, etc., it will require more resources;
5. We will have a difficult next two years absent a short-term aggressive move for more resources;
6. The Sunset Crossroads project and other economic development opportunities are a critical part of Banning's future sustainability.

Milestone 5

Council Decision – Building the Path to Fiscal Recovery

The Council decisions from this milestone become Banning's Workout Plan to Fiscal Sustainability.

Banning's fiscal challenges have two components. There are largely "one-time" and "ongoing" deficits to address.

One-Time Fiscal Deficits

This includes:

- The General Fund (GF) estimated Fund Balance (savings account) on June 30, 2026--**negative \$12.7 million.**
- To meet the GF GFOA Fund Balance (savings account) minimums--need **\$6.3 million.**
- Elimination of the ISF **\$12.9 negative** Net Position.

"Tools" to Address One-Time Fiscal Deficits.

Sale of Land (see Attachment 4)

- This lists potential surplus land that can be monetized over time. Estimated aggregate value of \$5.2 million.

Sunset Crossroads

- The recently approved development agreement calls for an upfront \$3 million payment (see Referendum note in Milestone 2 above). It also calls for one-time payments for other Strategic Initiatives including an animal shelter, downtown improvement program, etc.

Prepayment of Utility Lease Payments

- There is an existing Lease Agreement that calls for annual payments of \$651,000 from the Water and Wastewater Utilities to the General Fund. The Agreement defines the criteria to meet for payment. We can consider an acceleration of lease payments; however, the impact on the Utilities needs to be examined as part of this option.

"Tools" to Address On-Going Fiscal Deficits

One-time revenues should be used for stabilization purposes only and not relied upon to address ongoing structural deficits. While tools such as land sales, development agreement payments, and lease prepayments can assist in addressing immediate fund balance (savings account) deficiencies, they do not provide a sustainable long-term solution for ongoing expenditures.

Accordingly, the City's fiscal strategy must prioritize structural alignment of recurring revenues and expenditures.

- Sales Tax increase—potential for annual recurring revenues of \$4 million
 - A sales tax measure represents a key long-term solution to the City's structural deficit.
 - A 2026 measure is not considered feasible due to the need for polling, community engagement, and stakeholder alignment.
 - Based on current conditions (i.e. public trust), the earliest viable timeline for voter consideration is November 2027 (requiring a unanimous vote of the Council to place on the 2027 ballot), with revenues commencing in April 2028.
 - Without a unanimous vote of the Council for voter consideration in November 2027, Council majority could consider November 2028 with a 4/5ths vote of the Council (revenues commencing in April 2029).

- Community Facilities District (CFDs) Charges
 - This would be a fee paid by property owners towards the cost of public safety and infrastructure maintenance services. Practically speaking, this would only be available for future new developments.
- Sunset Crossroads
 - This new development agreement calls for a “big box” retail center which could produce \$1 to \$1.5 million in annual sales taxes.
 - The agreement also calls for CFDs that amount to \$1 million annually at full project build out (roughly 5 years).
- Other New Development Projects
 - The City is currently in negotiations with a retail developer that would result in additional sales tax; however, it is too early to assess fiscal potential.
 - The City has entered into an Exclusive Negotiating Agreement (ENA) with Hillwood Development to explore industrial, logistics, and commercial development opportunities at Banning Airport – a strategically located asset along the I-10 corridor with strong potential to generate recurring General Fund revenue through ground leases, property taxes, and business activity, and to create significant local employment over the long term.

Your Strategic Plan “Banning 2030--Designing our Future TODAY” calls for a new Economic Development Plan for the City. This review of the City’s finances documents the need for growing Banning’s economy.

Without a healthier economy (e.g. significant growth in economic development), the City will continue to operate on the “razor’s edge” of fiscal sustainability.

Addressing the Financial Challenges Ahead

The model requires the implementation of a multi-phased approach to address the City’s financial challenges that drive essential service delivery. Staff recommends the City Council endorse the following phased approach to fiscal recovery:

Phase 1 – Stabilization Strategy (Immediate Steps – Now through FY 2026-27)

- Implement expenditure reductions, including evaluation of staffing levels and service delivery models
- Utilize one-time revenues (e.g. development agreements, land sales) to stabilize fund balance (savings account)
- Initiate corrective actions for Internal Service funds, including revised cost allocation methodologies
- Establish enhanced financial monitoring and reporting protocols

Phase 2 – Structural Alignment

- Align recurring revenues and expenditures to eliminate structural imbalance
- Implement updated Fiscal Management Policies (Attachment 2)
- Institutionalize annual long-term financial forecasting
- Improve budget transparency and Council oversight

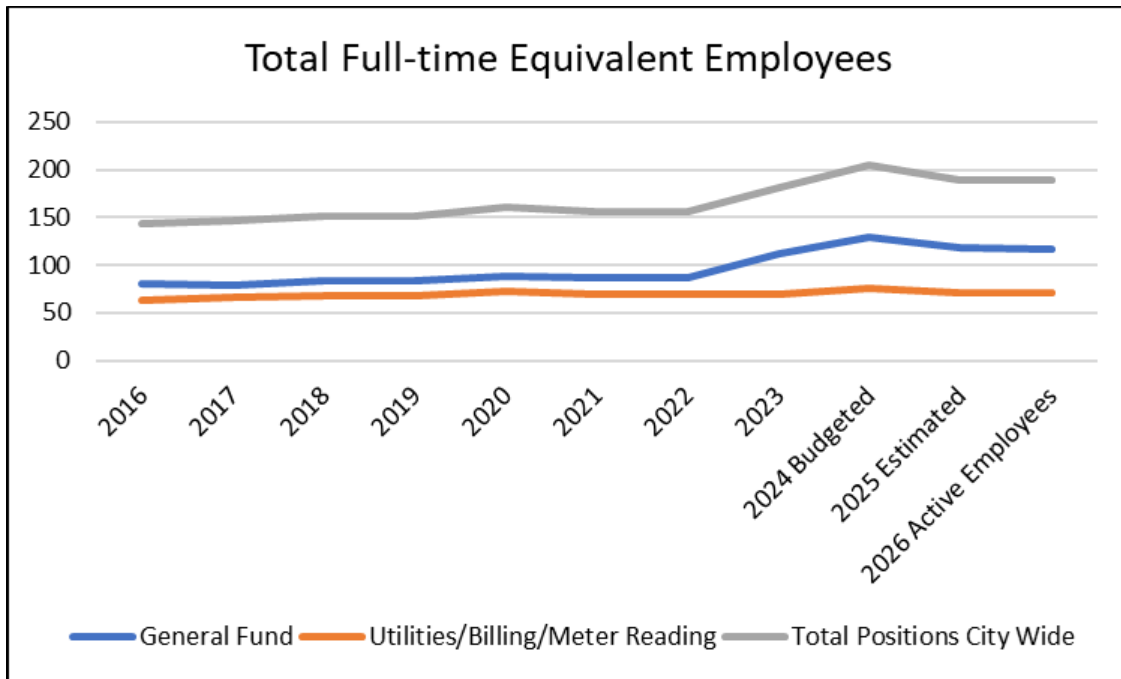
Phase 3 – Long-term Sustainability

- Prepare and pursue a sales tax measure in November 2027 (revenue beginning April 2028)
- Advance economic development initiatives, including Sunset Crossroads and other projects
- Restore General Fund reserves (savings account) toward policy targets (minimum 17%, long-term goal 30%)

Why This Framework Matters for the Workout Plan

Staff wants to be direct with the Council: ***Banning's General Fund is already modestly funded and delivers service levels that, in many areas, are closer to the basic end of the spectrum than what a growing community deserves.*** The 10-year fiscal forecast confirms this. The City does not have the luxury of large, high-cost enhanced programs that can be easily scaled back to generate significant savings without community impact.

As shown in the chart below, the General Fund saw an increase in staffing levels from FY 2021-22 to FY 2023-24.



This means that expenditure reductions referenced below will require difficult trade-offs between basic and enhanced services – and that achieving structural balance through expenditure reductions alone is neither realistic nor advisable without a parallel revenue strategy (i.e. a sales tax measure).

When Council reviews the service reduction scenarios that staff will bring forward in June as part of the FY 2026-27 budget process, those scenarios will be organized around this basic vs. enhanced framework so that the Council can make informed choices about where reductions can be absorbed and where they cannot.

- Given the timing of potential new revenues, the City will need to evaluate service level reductions, including staffing adjustments, to achieve near-term fiscal balance.
- Staff will return to Council in June with detailed service reduction scenarios for consideration as part of the FY 2026-27 budget process.

Expenditure Considerations

Before presenting the full menu of fiscal options, it is important for Council to understand what service levels are at stake when expenditure reductions are considered.

Understanding Basic vs. Enhanced Service Levels

Any meaningful discussion of expenditure reductions must begin with a shared understanding of what the City is obligated to provide versus what it has chosen to provide above that baseline. These two categories are referred to as Basic Service Levels and Enhanced Service Levels. This distinction is critical for Council understanding because it frames the choices ahead: reductions to enhanced services are difficult but discretionary; reductions to basic services carry legal, safety, and community impacts that must be weighed very carefully.

Basic Service Levels

Basic service levels represent the minimum functions a city government is expected or legally required to perform. These are the foundational services that protect public health, safety, and welfare. They are non-discretionary in the sense that eliminating them would expose the City to legal liability, regulatory non-compliance, or an immediate degradation of public safety.

For the City of Banning, basic service levels include the following:

- Public Safety – Police: Reactive patrol and emergency response to calls for service, basic criminal investigations, and maintenance of the essential law enforcement presence required by State law.
- Fire and Emergency Medical Services: Emergency response to fires and medical calls at a level sufficient to meet State and regional mutual aid obligations. Banning contracts for fire suppression services, which represents one of the City's largest General Fund expenditures at approximately \$4.2 million annually.
- Road and Infrastructure Maintenance: Reactive repair of failed road surfaces and drainage infrastructure to keep public rights-of-way safe and passable. Failure to maintain infrastructure can expose the City to lawsuits from individuals injured by deteriorating roads or public property.
- Code Enforcement: Complaint-driven response to health and safety violations, nuisance abatement, and enforcement of minimum habitability and land use standards required under State law.
- Planning and Development Services: Processing of applications, permits, and environmental reviews as required by the State Permit Streamlining Act, CEQA, and the Government Code. These functions are largely fee-supported and legally mandated for timely processing.
- Finance and Administration: Core financial management, payroll, accounts payable, budget preparation, and compliance reporting required by State law, the City Charter, and bond covenants.
- Animal Control: Basic impound services and emergency response to dangerous animal situations, as required under State Food and Agriculture Code obligations.

Enhanced Service Levels

Enhanced service levels are the programs and staffing investments the City has made above and beyond the legal minimum – services that reflect community values, strategic priorities, and quality-of-life expectations. These are the services that make Banning a more livable, competitive, and desirable city. They are also the services most vulnerable to cuts during fiscal stress because they are discretionary.

However, it is essential that Council recognize that many of these services are not luxuries – they directly support economic development, public health outcomes, and long-term fiscal sustainability. Reducing them carries real community cost, even when it is fiscally necessary.

Enhanced service levels currently supported by Banning's General Fund include:

- Community Events and Celebrations: in-kind services to Stagecoach Days, Fourth of July celebration, and other community events funded through the General Fund. This fosters community identity and support local businesses but are discretionary expenditures.
- Recreation and Aquatics Programs: recreation classes, sports leagues, day camps, aquatics programs, and pool operations. These services support youth development, public health, and quality of life. They also generate fee revenue that partially offsets costs, but typically not fully.
- Park Maintenance Above Minimum Safety Standards: Scheduled landscape maintenance, irrigation, field grooming, and aesthetic upkeep beyond what is required to keep parks safe and accessible.
- Proactive Code Enforcement and Neighborhood Improvement: Enforcement beyond complaint response, including proactive sweeps, blight abatement programs, and coordination with property owners. This is a quality-of-life and property-value investment, not a mandated activity at enhanced levels.
- Community Promotion and Economic Development Support: Funding for the Chamber of Commerce, community outreach programs, the Outdoor Equity Grant program, and related economic vitality efforts. These investments support the long-term revenue generation capacity of the City.
- Enhanced Police Services: Dedicated traffic enforcement, overtime for special events, working out-of-class assignments, and specialized patrol functions beyond minimum sworn staffing. These reflect the City's commitment to a higher standard of public safety but represent areas where staffing adjustments may be evaluated.
- Senior Nutrition and Social Programs: County Nutrition Program contributions, senior citizen program funding, and related social service support. These services address a vulnerable population and carry significant community expectations even though they are not legally mandated at the City level.

<u>Summary of Fiscal Deficits and Possible “Tools”</u>	
<u>Current Fiscal Challenges</u>	<u>Estimated Impact</u>
One-Time Fiscal Deficits	
Negative General Fund Balance projected for 6/30/26	\$12.7 million
GFOA Recommended Minimum Fund Balance Shortfall	\$6.3 million
Internal Service Fund (ISF) Negative Balance projected for 6/30/26*	TBD
One-Time Fiscal Solutions (“Tools”)	
Potential Sale of City-Owned Land	Est. \$5.2 million
Sunset Crossroads Development Agreement One-Time Revenue	\$3 million
Utility Lease Prepayments	TBD
Ongoing Fiscal Solutions (“Tools”)	
Possible Sales Tax Measure	Approx. \$4 million annually
Sunset Crossroads Project Recurring Revenue	Approx. \$1.0 to \$1.5 million annually
Sunset Crossroads CFD Recurring Revenue	Approx. \$1.0 million annually
Utility Lease Payments	Approx. \$651,000 annually
Citywide Service Reductions	TBD
<i>*ISF negative net position of \$12.9 million reflects the balance as of June 30, 2024 (most recent audited data available). The projected ISF balance for June 30, 2026, is yet to be determined.</i>	

It is not hard to notice that the total amount of “One-Time Fiscal Deficits” greatly exceeds the potential of “One-Time Fiscal Tools”. Thus, the filling of these “Deficits” will likely need to be addressed gradually over several years, not all at once. This would require finding room in the “Ongoing” strategy to gradually eliminate unacceptably low Fund Balances.

Why Bankruptcy is Not an Option for the City of Banning

As the City Council evaluates the magnitude of the fiscal challenges described in this report, a question that often arises in public discourse is whether municipal bankruptcy – commonly referred to as Chapter 9 bankruptcy – is a viable path forward. Staff wants to be direct: **it is not and should not be considered as a strategy for the City of Banning at this time.**

Chapter 9 of the U.S. Bankruptcy Code allows municipalities to restructure certain debts under federal court supervision. However, it is not a financial reset button – and it comes with severe, long-lasting consequences that would deepen Banning's challenges rather than resolve them.

First, **California law places strict limits on municipal bankruptcy.** Under California Government Code Section 53760, a city must declare a fiscal emergency and make a good faith effort to negotiate with creditors before a bankruptcy filing can even be authorized. This is a high legal bar, and the process itself can take years of costly litigation before any relief is granted.

Second, **bankruptcy does not eliminate the City's structural deficit** – the fundamental imbalance between recurring revenues and recurring expenditures that is at the core of Banning's fiscal crisis. A court can help restructure certain debts, but it cannot generate new tax revenue, restore depleted fund balances, or compel residents to pay more for services. The structural deficit would persist after any bankruptcy proceeding, leaving the City in the same position it is in today – only with a damaged credit rating, severely restricted borrowing capacity, and years of court oversight.

Third, **the cost of bankruptcy itself is substantial.** Cities that have filed for Chapter 9 protection, such as Detroit, Stockton, and San Bernardino, spent tens of millions of dollars in legal and administrative fees during their proceedings. For a city of Banning's size and resources, those costs would be devastating and would consume funds that are urgently needed for basic service delivery.

Fourth, **bankruptcy would severely harm Banning's ability to invest in its own future.** A bankruptcy filing would likely result in credit rating downgrades that could make it prohibitively expensive — or impossible — for the City to issue bonds or borrow funds for infrastructure improvements, economic development, or capital projects for many years. The economic development opportunities that are central to Banning's long-term fiscal sustainability, including the Sunset Crossroads project and other strategic investments, depend on the City maintaining its financial credibility.

Finally, and most importantly, **the City of Banning has not exhausted — or even fully implemented — the legitimate fiscal tools available to it.** The options presented in this report — expenditure reductions, land sales, development revenues, utility lease restructuring, and a future sales tax measure — represent a credible, lawful, and

community-driven path to fiscal recovery. That path is harder and slower than a bankruptcy filing might appear, but it preserves the City's autonomy, its relationships with creditors and partners, and its ability to serve residents through the recovery period.

Staff is confident that with Council leadership, community transparency, and disciplined implementation of the Workout Plan, the City of Banning can work its way back to fiscal sustainability — without surrendering control of its future to a federal bankruptcy court.

A Look Ahead – What's Next?

The next phase of this effort focuses on translating the City's fiscal assessment into actionable and sustainable implementation steps. Staff will finalize the FY 2026-2027 budget with structural adjustments to align ongoing revenues and expenditures with the City's updated fiscal realities. In parallel, staff will develop detailed service reduction scenarios, including potential staffing and service level impacts, to provide the City Council with clear options and associated tradeoffs.

Recognizing that new revenue solutions require time and public support, the City will initiate a structured community engagement and polling process to evaluate a potential revenue measure for the November 2027 ballot. This effort will be critical to ensuring both feasibility and alignment with what residents actually need and are willing to support and will require a unanimous vote from the Council to move forward to the voters.

Staff will also continue refining the City's long-term financial forecast as updated data becomes available, using it as an ongoing decision-making tool to evaluate policy choices and measure progress toward fiscal sustainability.

Finally, the City will implement updated Fiscal Management Policies to strengthen transparency, accountability, and long-term financial discipline, ensuring that the conditions leading to the current structural imbalance are not repeated.

FISCAL IMPACT:

The actions outlined in this report are intended to stabilize the General Fund, eliminate the structural deficit, and restore reserves over time.

Specific fiscal impacts will be refined as part of the FY 2026-2027 budget adoption process and future Council actions.

ATTACHMENTS:

1. Attachment 1. Strategic Initiative Charter--Workout Plan to Fiscal Sustainability
2. Attachment 2. Proposed Fiscal Management Policy
3. Attachment 3. 10-Year General Fund Fiscal Forecast
4. Attachment 4. Surplus Land to Consider for Sale



City of Banning Workout Plan to Fiscal Sustainability

ELIZABETH GIBBS, CITY MANAGER
MAY 14, 2026

What We'll Cover Tonight

01

Why This Moment Matters

02

How We Got Here

03

Where We Stand Today

04

The Road to Recovery

05

Council Direction Needed Tonight

Staff Recommendations

1

Acknowledge Financial
Status

2

Provide Direction

3

Direct June Budget



Why This Moment Matters

Open. Transparent. Solving together.

Banning 2030

5-year improvement roadmap

📄 **Initiative 4a:** Banning's Workout Plan to Fiscal Sustainability



The Five Milestones



FY 2024 25 Books

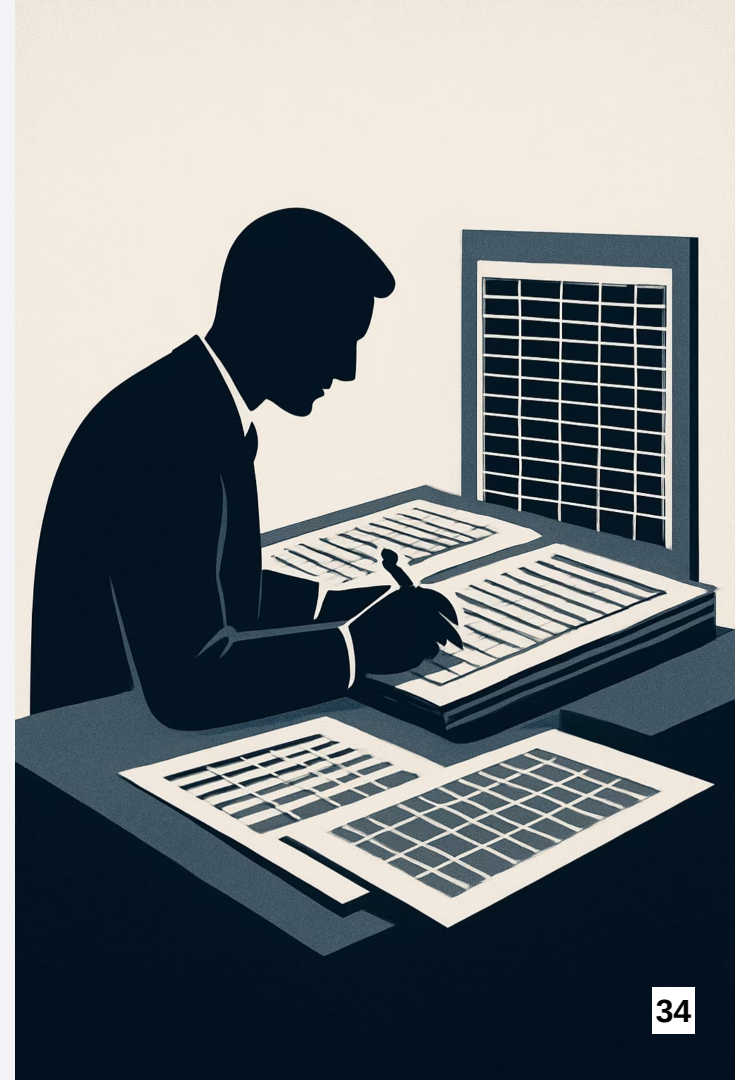
General Fund deficits were hidden in the accounting details.

Structurally balanced on paper

Not balanced in practice

- ISF unrestricted net position was **-\$12.9M**
- Support departments were not fully charged
- This masked the General Fund deficit
- 95% complete closing FY 2024-25 books
- Audit begins June 2026

⊗ Completion expected September 2026



FY 2024 25 Fund Balance

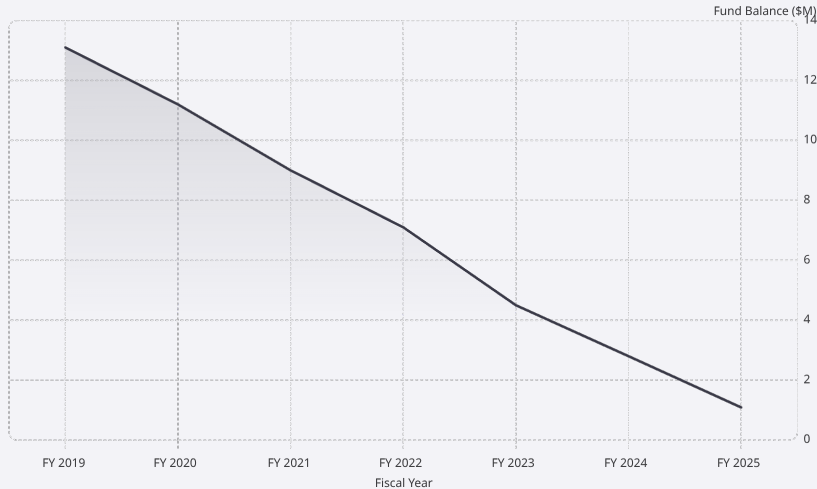
\$1.09M

Ending Fund Balance

Estimated General Fund balance

⊗ 2.95% reserve ratio. No margin for error.

Fund Balance Decline



From Healthy to Critical

- FY 2018-19 ending Fund Balance: **\$13.1 million**
- General Fund budget: **\$19.1 million**
- Reserve ratio: **69%**
- Current reserve: **\$1.09 million**



Down \$12 million+ in six years.

FY 2025 26 Books

- Books cleaned through January 1, 2026
- Second-half activity estimated from that work
- Projected operating deficit: **\$13.8M**
- Projected ending fund balance: **-\$12.7M**
- With Sunset Crossroads: **-\$9.7M**
- GFOA 17% minimum: **\$19M total** needed

⚠️ Referendum could send the agreement to voters.



What Caused the Deficit?

Cannabis Sales Tax

Projections overstated actual collections.

Construction Plan Checking

Permit and development revenue fell short.

ISF Charges Corrected

Higher charges increased General Fund costs.

 Two-year budgeting estimates revenues well before today.



Fiscal Management Policies

- Ground rules for responsible public finances
- Balance short-term needs with long-term stability
- Guide City finances, budgets, and public discussion
- Transparency with the Council and public

Lessons Learned: New Policy



Structurally Balanced Budget

Annual compliance affirmation



Annual Public Review

Reviewed publicly every year



Transparent One - Time Revenues

Clear accounting



Enhanced Fund Balance Goals

Minimum 17%

Milestone 4: The 10-Year Fiscal Forecast

The 10-year fiscal forecast is a work in progress. Draft General Fund Fiscal Forecast: revenues, expenditures, and Fund Balance trends over 10 years.

Purpose

Path to fiscal sustainability

"What If" Tool

Scenario planning for policy choices

Annual Fixture

Recommended as an annual budget step

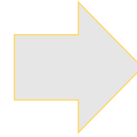


Financial Forecast Model



How does the Forecast Model work?

Relational model that correlates City's historical and current financial data/performance, with regional economic forecast data and various local/state financial projections, to produce a ten-year fiscal outlook for the City's General Fund.

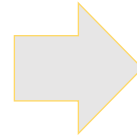


- Moody's Analytics metro forecast data
- California's Long-Term Forecast data
- CalPERS data and projections
- Third-party tax revenue projections
- California DOF economic data
- 10 years of City's general ledger data



What is a "Baseline" Forecast?

Neutral, fiscal assessment and decision-making tool that establishes a common understanding of the City's status quo fiscal outlook.



"If the City makes no changes to its organization, operations or service levels, and there are no significant external economic impacts (other than what's known today), what is the predicted condition of the City's finances over the next ten years?"

Baseline Forecast: How did Banning get here?

Fiscal Years 2020 to 2025

- \$1.9 million – Annual Operating Deficit (average).
- \$3.7 million – Annual Structural Operating Deficit (average)
 - \$1.8 million – annual one-time revenues (average)
 - \$2.5 million – increase in development sensitive revenues in FY 2024 and FY 2025
 - \$2 to \$3 million – annual amount General Fund did not contribute to proportionate share of internal services.

Fiscal Year 2026

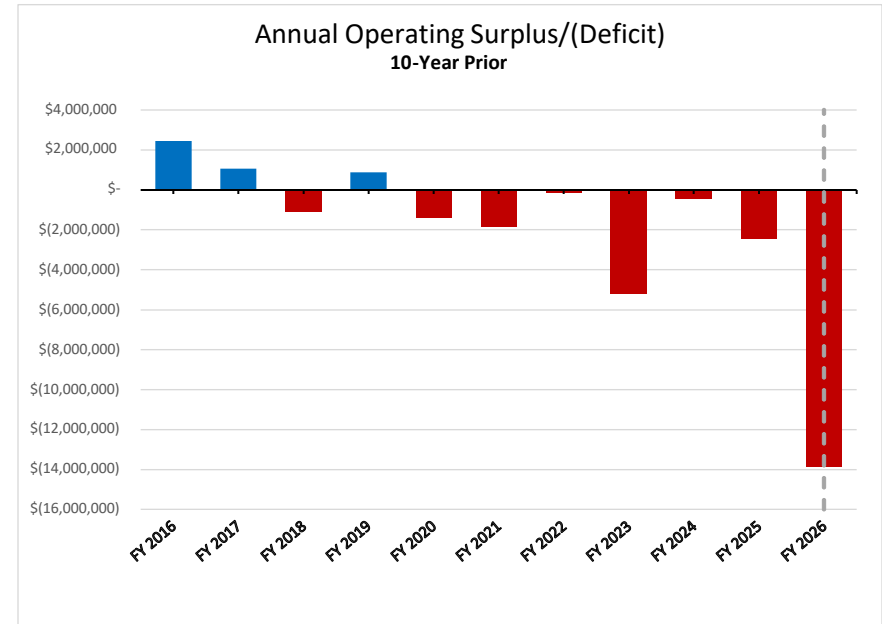
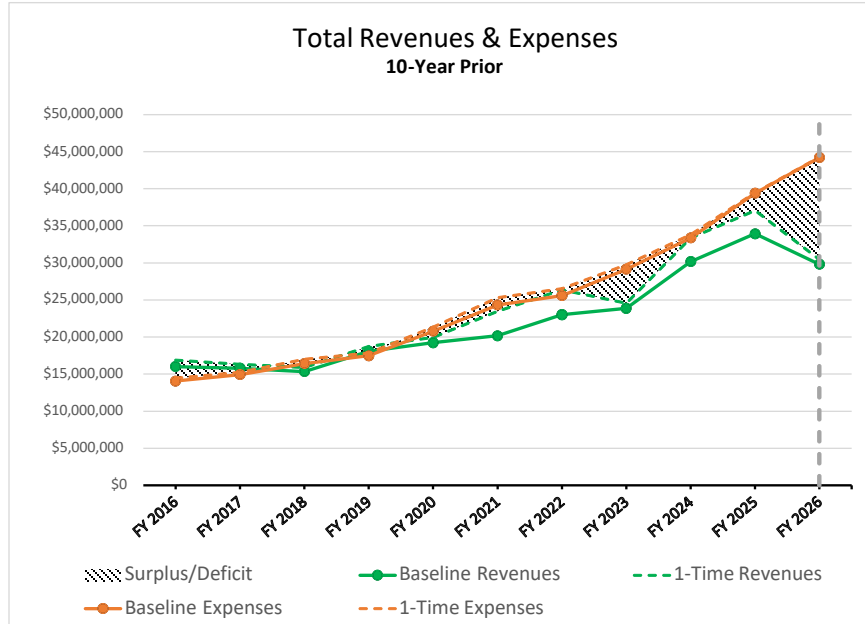
- (\$1.5 million) – Decline from average one-time revenues
- (\$2 million) – Decline in develop. sensitive revenues
- \$4 million – Increase for internal services share

BASELINE FORECAST - 10-YEAR HISTORICAL DATA

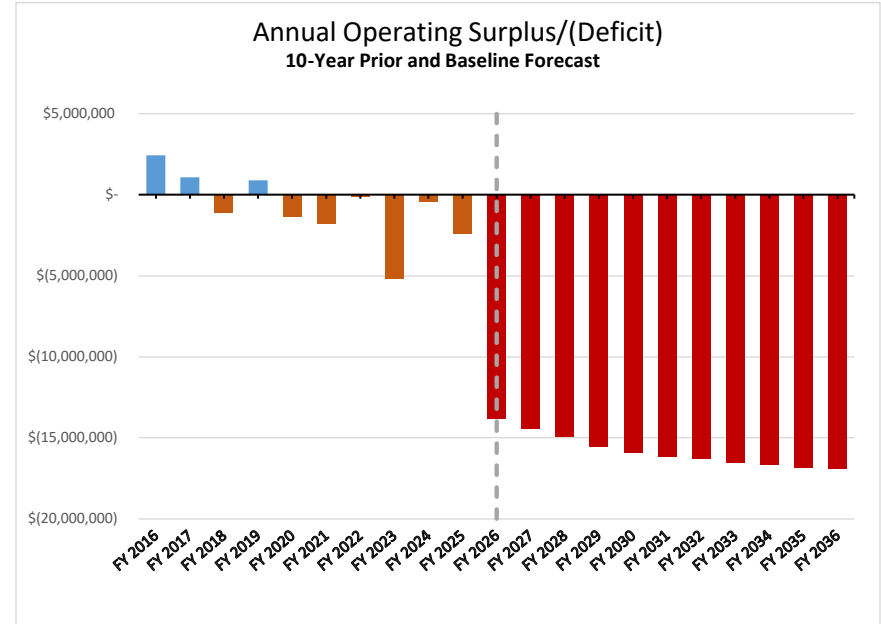
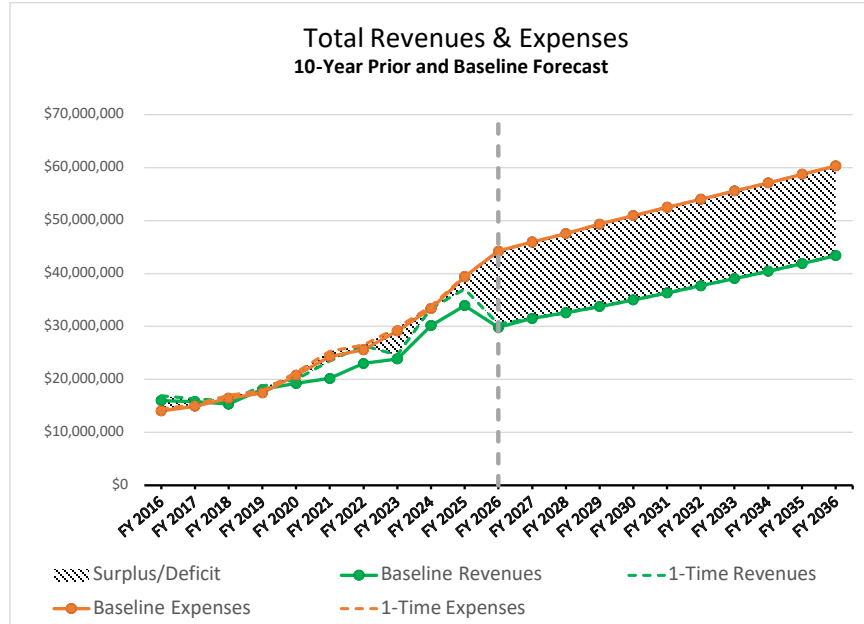
Fiscal Year	Baseline Recurring Revenues	Baseline Recurring Expenses	Structural Operating Surplus (Deficit)	One-Time Revenues (Expenses)	Annual Operating Surplus (Deficit)	Fund Balance End of FY
FY 2016	16,016,227	(14,042,226)	1,974,001	469,537	2,443,538	12,243,467
FY 2017	15,790,419	(14,913,303)	877,116	197,775	1,074,891	13,318,352
FY 2018	15,327,947	(16,420,548)	(1,092,601)	(4,187)	(1,096,788)	12,239,567
FY 2019	18,079,046	(17,456,945)	622,101	263,929	886,030	13,107,599
FY 2020	19,233,112	(20,788,047)	(1,554,935)	190,251	(1,364,685)	11,783,872
FY 2021	20,164,425	(24,312,087)	(4,147,663)	2,323,743	(1,823,920)	9,959,949
FY 2022	23,014,585	(25,604,120)	(2,589,535)	2,449,798	(139,737)	9,820,214
FY 2023	23,870,768	(29,149,261)	(5,278,492)	74,177	(5,204,315)	3,956,052
FY 2024	30,173,537	(33,369,666)	(3,196,130)	2,752,473	(443,657)	3,512,392
FY 2025*	33,931,795	(39,379,963)	(5,448,167)	3,028,417	(2,419,750)	1,092,642
FY 2026*	29,816,677	(44,223,882)	(14,407,205)	565,484	(13,841,721)	(12,749,079)

*Year-end estimates.

Baseline Forecast: How did Banning get here?



Baseline Forecast - What if we don't make changes?





Milestone 5: Path to Recovery

One- Time Deficits

Negative Fund Balance and ISF deficit

Structural Deficits

Recurring revenue gap; permanent solutions needed

Key observations

1. Without audited data, small changes are likely immaterial
2. Near term requires difficult policy choices now
3. City has modest services and a revenue problem
4. Banning 2030 initiatives need more resources
5. Next two years remain difficult without aggressive action
6. Sunset Crossroads is critical to sustainability

Tools for One-Time Deficits

Sale of Surplus Land

Estimated aggregate value: \$5.2 million.

Sunset Crossroads Payment

Upfront \$3 million payment.

Utility Lease Prepayments

Annual payments: \$651,000.



Use one-time revenues for stabilization only.

Ongoing Structural Deficit Tools



Sales Tax Measure

~\$4 million annually

Earliest viable: Nov 2027 ballot

Revenues begin Apr 2028



Community Facilities Districts (CFDs)

Fees for public safety and infrastructure

New developments only



Sunset Crossroads Revenue

\$1M to \$1.5M annual sales taxes

\$1M annual CFD revenue

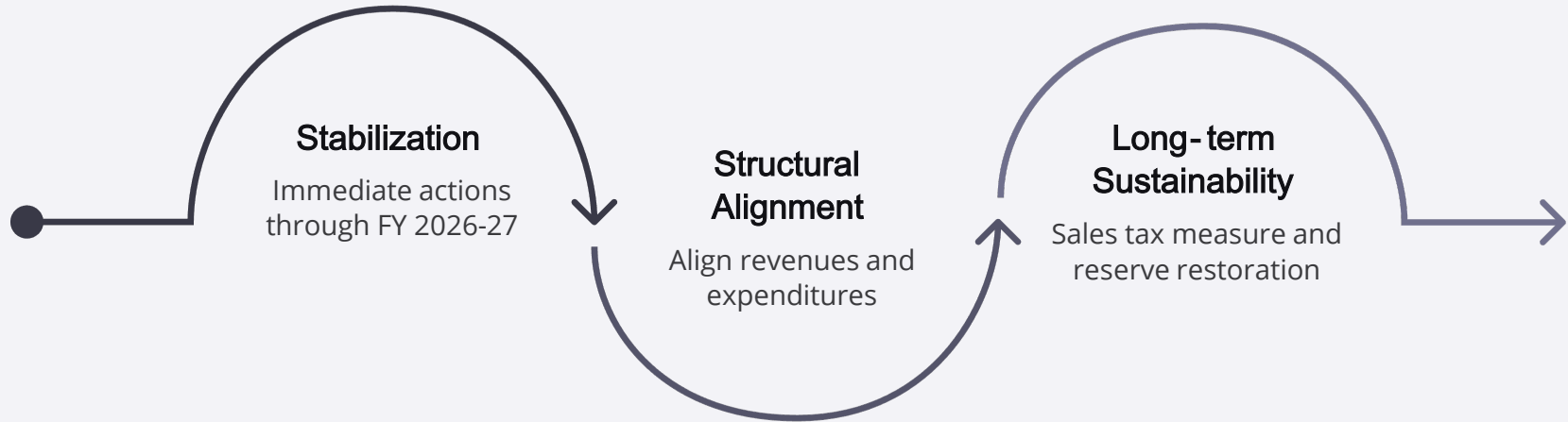


Other New Development

Active negotiations

Fiscal potential TBD

Three-Phase Recovery





Expenditure Cuts Alone Won't Work

Structural balance needs a revenue strategy.

BASIC SERVICES

- Police: patrol, response, investigations
- Fire & EMS: emergency response, contracted suppression
- Roads: repair and drainage
- Code Enforcement: complaint-driven violations
- Planning: permit processing
- Finance: payroll, budget, compliance
- Animal Control: impound and emergencies

ENHANCED SERVICES

- Community events: Stagecoach Days, Fourth of July
- Recreation: classes, leagues, camps, pool
- Park maintenance above minimum safety
- Proactive enforcement and blight abatement
- Economic development and community promotion
- Enhanced police services and overtime
- Senior nutrition and social programs

Staff will bring service reduction scenarios in June.

Fiscal Deficits and Tools

Current Fiscal Challenges	Estimated Impact
Negative General Fund Balance projected 6/30/26	\$12.7 million
GFOA minimum fund balance shortfall	\$6.3 million
ONE-TIME FISCAL SOLUTIONS	
Potential sale of city-owned land	Est. \$5.2 million
Sunset Crossroads development agreement revenue	\$3 million
ONGOING FISCAL SOLUTIONS	
Possible sales tax measure	Approx. \$4 million annually
Utility lease payments	Approx. \$651,000 annually



One-time deficits greatly exceed one-time tools.

Why Bankruptcy Is Not an Option

Staff is direct: Chapter 9 municipal bankruptcy is not a viable strategy for Banning at this time.

1

California law requires fiscal emergency and creditor negotiations; process takes years

2

Bankruptcy cannot generate revenue or restore fund balances

3

Detroit, Stockton, and San Bernardino spent tens of millions in fees

4

Credit downgrades would block borrowing and economic development

 Banning has not exhausted its legitimate fiscal tools.

Path to a Revenue Measure

01

Polling and Research

Resident priorities and support level

03

Stakeholder Alignment

Shared vision with business and civic leaders

02

Community Engagement

Workshops, town halls, stakeholder meetings

04

Council Decision

Unanimous vote for November 2027 ballot

Economic Development: Banning's Engine



Growing the Tax Base

- Need to grow Banning's economy
- Stronger growth means more tax revenue
- City stays on the razor edge

✔ Sunset Crossroads could generate \$2–2.5 million annually.

What's Next: June Budget Process

FY 2026 27 Budget

Finalize structural adjustments.

Service Reductions

Develop staffing and service impact options.

Community Engagement

Begin outreach for possible November 2027 measure.

10-Year Forecast

Refine forecast and update fiscal policies.

Council Direction Requested Tonight

- 1 Formally Acknowledge Financial Status
- 2 Provide Direction on Milestone 5 Options
- 3 Return in June with FY 2026-27 Budget

Tonight's Key Takeaways

1

Why This Moment Matters

Honest, transparent action is needed now.

2

How We Got Here

6 years of structural deficits and masked imbalance.

3

Where We Stand Today

Ending fund balance: \$1.09M, far below minimum.

4

The Road to Recovery

Three-phase framework and credible Workout Plan.

5

Council Direction Requested

Acknowledge the update and direct next steps.

Questions and Discussion

Milestone 1

FY 2024-25 books 95% complete.

Milestone 2

Projected \$13.8M operating deficit.

Milestone 3

Fiscal Management Policies ready for adoption.

Milestone 4

10-year forecast shows \$14–17M deficit.

Milestone 5

Council direction needed on options tonight.

✔ Return in June with FY 2026-27 proposed budget.



Banning 2030

Designing the Future TODAY!



Strategic Plan
February 24, 2026

FOREWORD

The City of Banning is at an inflection point. With the addition of three new council members last winter, the City Council is essentially a “new” governing body. With that newness comes a new set of opinions and experiences and a certain zeal to make things better.

This is the perfect time to set the direction and priorities for the entire City. This Council just finished its one-year anniversary as a team. Thus, the newer members have a year’s worth of interacting with the City organization and their community. They have more informed opinions about the City organization and how everyone might move forward in unison to meet the challenges of today and tomorrow.

Self-Reflection

A Strategic Plan is a powerful tool to do just that! It is structured to be first, self-reflective, where departments discuss their current Strengths and Weaknesses. And next, they look externally and list the future Opportunities and Threats. Taken together, the strengths and opportunities are variables that can make things better for serving their mission. The other two variables are barriers to mission success, and they may threaten the entire organization or impact the greater community. We are calling these four important variables, the SWOTs. These SWOTs can be found as a separate Appendix A in this plan.



Setting Future Direction and Priorities For The Futures

The next step addresses: what is it that we do with this information? The Council thoroughly listened, discussed, and decided which SWOT (policy) issues they wish to tackle and in what (priority) order. These are articulated in terms of Strategic Initiatives. The goal is for these Initiatives to be completed, or at least started in the next five years. And because these are classified as policy issues, there would be the appropriate Council involvement in their various phases of implementation.

And when SWOTs of an administrative nature are not addressed in a timely manner, sometimes they become (policy) issues for the Council. As a result, the Council provided recommendations on these SWOTs as well; however, the City Manager’s judgement is deferred to in tackling and adjusting these priorities. These variables will be addressed as performance goals between the City Manager (CM) and department heads and ultimately between the CM and Council.

Converting Ideas to Action!

As the Council approves this Strategic Plan and “Policy” Initiatives of the City, the CM has provided an Implementation Phase. This Phase takes the top priority (Tier 1) Strategic (Policy) Initiatives and provides more details on how and when the CM might complete these initiatives. We call this document the Strategic Initiative Charter. It is the first step in converting an idea to actionable steps. After review by the City Council, the Charter gives staff the direction and authority to act. As the CM works into the next priority level (Tier 2), it is expected a new Charter will be developed and shared for each Initiative.

Taken together, the Strategic Goals and Implementation Phase will be Banning’s Strategic Plan—**Banning 2030, Designing our Future TODAY!**



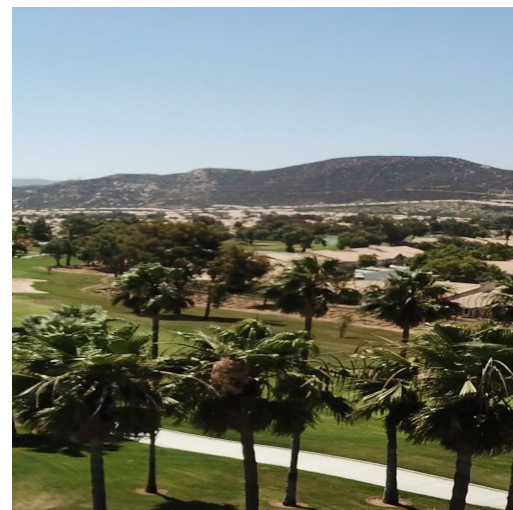
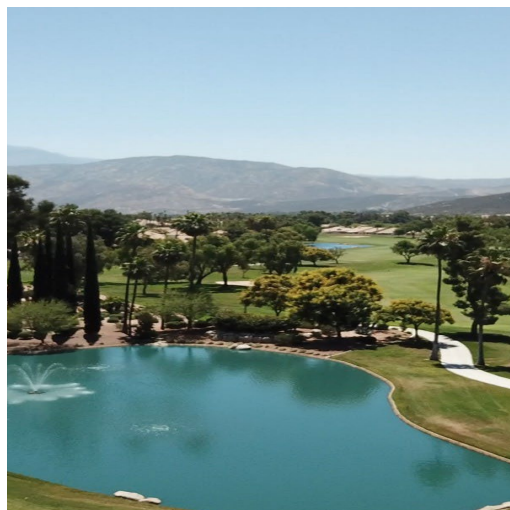
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BANNING VISION STATEMENT



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.





BANNING MISSION STATEMENT



Our mission is to provide our residents with a safe, pleasant, and prosperous environment in which to live, work, and play, in a fiscally responsible, citizen-friendly, and transparent manner.



STRATEGIC PLAN OVERVIEW



Vision Statement



Mission Statement



Strategic Goals

Ensuring Public Safety
Protecting and Improving Quality of Life
Strengthen The Local Economy
Maintain Effective and Efficient Services



Strategic Initiatives

Policy
Administration



Priorities

Tier 1—Now!
Tier 2
Tier3



Implementation Phase

Strategic Initiative Charters



TRANSLATING GOALS TO ACTION



This Plan of action cannot be a “blue sky” exercise. Rather, it must translate Banning’s broad Vision and Mission Statements to more specific Strategic Goals and ultimately to action (i.e., Strategic Initiatives). These planned actions should produce tangible improvements to the City organization and community.

The background and rationale for these Strategic Initiatives can be found in Appendix A. This is where the Banning departmental SWOTs are described (the foundation for Strategic Initiatives).

Given the sheer number, these Policy Initiatives are categorized by Strategic Goals and also prioritized into Tiers.

STRATEGIC INITIATIVES— POLICY



STRATEGIC GOAL 1—ENSURING PUBLIC SAFETY

1st Tier Policy

Related Initiatives

- 1a. Create Banning's Emergency Operation Plan—City Manager
- 1b. Provide One-Time Resources and Independently Evaluate the Police Department—Human Resources and Police



STRATEGIC GOAL 2—PROTECTING AND IMPROVING QUALITY OF LIFE

1st Tier Policy

Related Initiatives

- 2a. Address The Lack of Animal Control and Shelter—City Manager
- 2b. Address Homelessness—City Manager
- 2c. Complete Wastewater Treatment Plan & Recycled Water Upgrades—Public Works
- 2d. Develop Formal Preventative Maintenance Plan (For Streets)—Public Works1

2nd Tier Policy

Related Initiatives

- 2e. Update Integrated Master Plan (IMP) & Evaluate Water/Wastewater User Rate Structure—Public Works
- 2f. Develop a Pavement Management. Plan and Policies (Streets)—Public Works

3rd Tier Policy

Related Initiatives

- 2g. Update Engineering Standards. & Specifications for Development—Public Works
- 2h. Seek Additional Funding for Streets Pavement Mgmt. Plan—Public Works
- 2i. Fund the Updated Parks and Recreation Master Plan—Parks & Recreation
- 2j. Enhance School Partnerships for Parks & Recreation



STRATEGIC GOAL 3—STRENGTHEN LOCAL ECONOMY

1st Tier Policy

Related Initiatives

- 3a. Develop New Economic Development (ED) Plan—City Manager
- 3b. Inventory & Activate Underutilized Land in Downtown—City Manager & Community Development

STRATEGIC GOAL 4—MAINTAIN EFFECTIVE & EFFICIENT SERVICES

1st Tier Policy

Related Initiatives

- 4a. Develop and Implement Banning’s Financial Workout Plan to Sustainability—Finance and City Manager
 - 4b. Do In-Depth Evaluation of the City’s Utility Billing Program and Tools—Finance
 - 4c. Develop & Implement a Proactive Outreach & Hiring Program For Police—Human Resources and Police
 - 4d. Strategic Plan Implementation—City Manager
-

2nd Tier Policy

Related Initiatives

- 4e. Develop New Banning Organizational Culture—City Manager and Human Resources
 - 4f. Assessment of the Risk Management Program—Human Resources
 - 4g. Independent Review of Purchasing Process—Finance
 - 4h. Develop More Accessible Purchasing Process for Small/Local Vendors--Finance
 - 4i. Develop/Implement Banning’s IT Strategic Plan—Finance
 - 4j. Achieve BEU Fiscal Solvency and Sustainability—Public Works and City Manager
 - 4k. Streamline Permitting, Bus. Licensing and Customer Svc. Systems—Community Development
 - 4l. Develop Plan to Enhance Staffing Capacity, Stability, and Institutional Knowledge Retention—Human Resources & Community Development
-

3rd Tier Policy

Related Initiatives

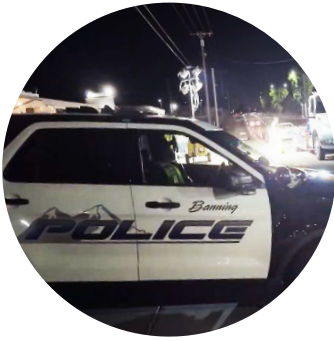
- 4m. Make Cyber Security a Core Priority of the Organization--Finance

STRATEGIC INITIATIVES— ADMINISTRATION



Since the dividing line between Policy related initiatives (within the Council purview) and the Administration related initiatives (within the City Manager purview) is very grey at times, especially when Administrative issues are not properly managed, some initiatives morph into acute challenges for the Council.

Thus, these administrative-related solutions or initiatives became “fair play” for Council and this Strategic Plan. The City Council discussed and recommended priorities for these Strategic Initiatives as well. While their voice on these matters is noted, it is the City Manager that needs discretion and room to tackle these given the myriad variables (e.g., staff capacity, the number of competing priorities, complexity, etc.).



GOAL 1—ENSURING PUBLIC SAFETY

1st Tier Administrative Initiatives

- 1a. Develop a Community Outreach Process—Police

GOAL 2—PROTECTING AND IMPROVING QUALITY OF LIFE

1st Tier Administrative Initiatives

- 2a. Complete Updated Parks and Recreation Master Plan—Parks & Recreation
- 2b. Evaluate Adding More Capacity for Road Maintenance—Public Works



GOAL 3—STRENGTHEN LOCAL ECONOMY

1st Tier Administrative Initiatives

- 3a. Complete Edison's Wholesale Distribution Access Tariff Agreement—Public Works
- 3b. As BEU Becomes Solvent, Ramp Up Capital Needs—Public Works
- 3c. Develop and Implement Water Conservation Program—Public Works

GOAL 4—MAINTAIN EFFECTIVE & EFFICIENT SERVICES



1st Tier Administrative Initiatives

- 4a. Develop a Written Claims and Litigation Strategy—City Attorney
- 4b. Create a Coordinated Program for Performance Management—Human Resources & City Attorney
- 4c. Develop City Employee Transition Plan For Impending Turnover—Human Resources
- 4d. Elevate the Utility Billing Function in Finance—Finance
- 4e. Address the Software Issues and IT Support That is Behind the Current Utility Billing Crisis—Finance
- 4f. Aggressively Recruit and Staff Finance—Accounting with Perm. Staff—Finance & Human Resources
- 4g. Develop and Implement System for Monitoring and Managing Cash Flow—Finance
- 4h. After Completing UB Review (see above) Buy and Implement New UB System—Finance and Public Works

2nd Tier Administrative Initiatives

- 4i. Conduct Outreach to Our Insurance JPAs—Human Resources & City Attorney
- 4j. Develop and Implement Leave Management Program—Human Resources & City Attorney
- 4k. Restructure Vendor Onboarding to Speed the Process—Finance & City Attorney
- 4l. Hexavalent Chromium Compliance Plan Implementation—Public Works

3rd Tier Administrative Initiatives

- 4m. Data Cleansing and Migration Strategy—Finance/IT
- 4n. Consider Changes to the IT Manager Reporting Relationship—City Manager & Finance
- 4o. Convene Interdepartmental Team & Develop a More Responsive Purchasing Process for Emergencies—Finance
- 4p. Replacement of Small Diameter Pipelines and New Potable Wells—Public Works
- 4q. Complete a Facility Condition Assessment—Public Works
- 4r. Address Facility Deferred Maintenance Issues—Public Works
- 4s. Seek Greater GIS Integration with Asset Management Software (AMS)—Public Works
- 4t. More Help in Implementing Newer Stormwater Requirements—Public Works
- 4u. Move Landscape Services to Contractors—Public Works
- 4v. Development of Career Paths—Parks/Recreation & Human Resources
- 4w. Explore and Implement Surge Capacity—Community Development

IMPLEMENTATION PHASE



This Implementation Phase of the Plan is to ensure Banning converts this Strategic Plan to ACTION and that the City Council and staff generally agree on HOW and WHEN to roll out the Strategic Initiatives.

Some of the top priority (1st Tier) Strategic (Policy) Initiatives have already begun, and a Charter was developed for each one (see below). The Charter outlines the How and When along with other important variables. Once this Plan is approved by Council (along with these Charters), staff has the authority to move forward on them.

The City Manager will report out progress on these Initiatives every three months for the first year and every six months thereafter. And as the City Manager wishes to initiate a 2nd or 3rd Tier Strategic (Policy) Initiatives, a Charter will be completed and forwarded to Council as well.

STRATEGIC GOAL 1—ENSURING PUBLIC SAFETY

1st Tier Policy Initiatives

- 1a. Create Banning’s Emergency Operation Plan—City Manager
- 1b. Provide One-Time Resources and Independently Evaluate the Police Department—Human Resources and Police



STRATEGIC GOAL 2—PROTECTING AND IMPROVING QUALITY OF LIFE

1st Tier Policy Initiatives

- 2a. Address The Lack of Animal Control and Shelter—City Manager
- 2b. Address Homelessness—City Manager
- 2c. Complete Wastewater Treatment Plant & Recycled Water Upgrades—Public Works
- 2d. Develop Formal Preventative Maintenance Plan (For Streets)—Public Works

STRATEGIC GOAL 3—STRENGTHEN LOCAL ECONOMY

1st Tier Policy Initiatives

- 3a. Develop New Economic Development (ED) Plan—City Manager
- 3b. Inventory & Activate Underutilized Land in Downtown—City Manager & Community Development



STRATEGIC GOAL 4—MAINTAIN EFFECTIVE & EFFICIENT SERVICES

1st Tier Policy Initiatives

- 4a. Develop and Implement Banning's Financial Workout Plan to Sustainability—Finance and City Manager
- 4b. Do In-Depth Evaluation of the City's Utility Billing Program and Tools-- Finance
- 4c. Develop & Implement a Proactive Outreach & Hiring Program For Police—Human Resources and Police
- 4d. Strategic Plan Implementation—City Manager

Strategic (Policy) Initiatives Charter

1a. Create Banning's Emergency Operations Plan (EOP)

Which Council Strategic (Policy) Initiative does this Charter address?

1a. Create Banning's Emergency Operations Plan (EOP)—City Manager

What is the short title for this Strategic Goal?

Create Banning's Emergency Operations Plan (EOP)

What is your proposed strategy to accomplish this Goal?

Emergencies and disasters (e.g., fires, earthquakes, floods, prolonged power outage during the summer) take different forms that require different responses from impacted public agencies. Some disasters can be addressed within the confines of Banning's capabilities while others may require County, State or Federal resource capabilities.

There is a uniform structure and process for how each level of government requests help and interacts with each other. And with this uniformity comes structures for incident response. Much of this is prescribed in the National Incident Management System (NIMS) and Incident Command System (ICS). This uniformity provides scalability and interoperability for Banning vis-à-vis other public agencies.

The City shall develop a Banning EOP that follows NIMS and is well coordinated with the Riverside County Emergency Management Department; thus, coordinated with other public partners. It will provide the framework to guide the City in responding to various emergencies and when to open the Emergency Operations Center (EOC). It will also provide guidance for Banning residents during emergencies.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

This Strategic Initiative was the only one that did not emanate from the detailed discussions in the SWOTs section. Rather, the City Council added this as part of their day-long Strategic Plan Workshop in November 2025.

The Weakness and Threat is apparent. The City does not have an Emergency Operations Plan that guides the entire City's response through a substantial disaster. Granted, Police and Fire do have their own incident command systems, but there is

currently nothing that guides the entire City and when to seek help from other public agencies.

Who is the project sponsor?

City Manager

Who is the project lead?

Police or Fire Chief. However, there will likely be a contracted project manager for EOP development and training. One of the two Chiefs will be the City lead given their experience in the incident command system.

Other team members and roles?

The City management team (Directors) will be important team members given they guide their department's response to an emergency, and they will likely fulfill a role in the EOP/EOC incident command structure.

Finally, once the EOP is understood and approved by the Council, everyone (all City staff and Council) will have an important role in its implementation.

Who are the stakeholders that can determine success or failure? Why?

Riverside County, the City Council, all City staff and Banning residents will all have an important stake in this Plan.

Can this be accomplished within the current budget?

No

If not, how much will be needed?

Estimated at \$50,000 for development of EOP plus ongoing cost for training.

Funding Source: Cost allocation to all departments.

What are the key milestones with dates leading to completion?

Milestones

Estimated Dates

- | | |
|--|-------------|
| 1. Acquire EOP expertise through the County or from other sources—will likely require Council action | May 1, 2026 |
|--|-------------|

Milestones

Estimated Dates

- | | |
|---|-------------------|
| 2. Project Commences | June 1, 2026 |
| 3. Draft EOP is shared with Council | September 1, 2026 |
| 4. Council adopts Banning's EOP | October 1, 2026 |
| 5. At the completion of item 4, City staff is trained, and the first "tabletop" exercise commences. | February 1, 2027 |

What are the risks associated with this project? How do we manage these risks?

Because this EOP is designed for incidents that rarely occur, there is risk that this Initiative will constantly take a back seat to the plethora of issues being addressed by Banning right now.

To manage this, someone must be picked as the Champion of this project and it must be brought to the forefront whenever possible.

Strategic (Policy) Initiatives Charter

1b. The Banning PD Organizational Assessment and Improvement Initiative

Which Council Strategic (Policy) Initiative does this Charter address?

1b. Provide One-Time Resources and Independently Evaluate the Police Department—Human Resources & Police

What is the short title for this Strategic Goal?

The Banning PD Organizational Assessment and Improvement Initiative

What is your proposed strategy to accomplish this Goal?

To address the systemic issues identified in the Banning Police Department (BPD) SWOT discussion, the City Council has prioritized the allocation of one-time resources for an independent Departmental Assessment. This initiative is designed to provide an objective evaluation of the department's current culture (e.g. norms for behavior and performance at all levels of the department vs. a uniform department-wide best practice one). It will also provide the Chief with actionable strategies to transition the current department culture to a more positive one. Besides establishing desired behaviors and values, it will establish consistent performance expectations across all ranks. Furthermore, the assessment will involve a collaborative review with the Chief, Human Resources (HR), and the City Attorney's Office to establish the department as a desired employer but also mitigate future claims and improve the department's professional environment.

The City has chosen Jacob Green and Associates (JGA), a California-based consulting firm specializing in organizational assessment, executive recruitment, leadership development, facilitated team development, and executive coaching for public sector agencies. JGA was recommended by PERMA the City's Risk Management Authority for General Liability and Workers' Compensation. JGA's work is grounded in a deep understanding of local government and public safety environments, and their approach is guided by a simple principle: Listen First, Design Second. JGA will work collaboratively with BPD and HR to provide objective insight, strengthen organizational alignment, and support informed decision-making.

How does this project address or make a positive impact on the stated SWOTs? How will you know e.g., can you break the Goal down to objectives?

Conducting a formal Organizational Assessment is a powerful strategic move for the Banning Police Department because it directly addresses the "stew" of issues outlined in the Police SWOT discussion. They include negative culture and morale in some parts

of the department, high staff turnover, difficulty in recruitment and substantial claims filed by employees.

Instead of treating symptoms (like high turnover and large claims), an assessment identifies the root causes.

Who is the Project Sponsor?

City Manager

Who is the project lead?

Collaborative effort between Human Resources Director (lead), the Police Chief and the City Attorney (as appropriate).

Other team members?

Police management and possibly other opinion leaders in the department.

Who are the stakeholders that can determine success or failure? Why?

Banning Police Officers Association, Banning Police Management Association, the Council and community.

Can this be accomplished within the current budget?

Yes

If not, how much will be needed?

N/A

What are the key milestones with dates leading to completion?

Milestones

Estimated Dates

1. City Council approves scope of work and contract with Jacob Green and Associates

January 13, 2026

2. Conduct Assessment

60 days after project commenced

Milestones

Estimated Dates

- | | |
|--|---------------------------------|
| 3. Review Assessment Report recommendations and develop proposed Implementation Plan for Police Chief and City Manager | 90 days after project commenced |
|--|---------------------------------|

What are the risks associated with this project? How do we manage these risks?

Addressing identified root causes may require accountability, changes in behavior and practices, and broad organizational buy-in to a new direction. Achieving this level of alignment will require commitment from all employees. In some cases, this transition may present challenges and necessitate difficult but necessary organizational changes.

Strategic (Policy) Initiatives Charter

2a. Re-establish Animal Shelter and Increase Animal Control Services

Which Council Strategic (Policy) Initiative does this Charter address?

2a. Address the Lack of Animal Shelter and Animal Control Services—City Manager

What is the short title for this Strategic Goal?

Animal Shelter Services - Local Restoration and Regional Solutions

What is your proposed strategy to accomplish this Goal?

The City will pursue a phased strategy that addresses Animal Shelter & Control restoration needs in the near-term while evaluating long-term regional Shelter & Animal Control service delivery options.

Animal Shelter

Recognizing that the existing animal shelter facility has been closed for an extended period, the City will first complete a Facility Condition Assessment and Operational Feasibility Analysis. These studies will identify required improvements, regulatory compliance needs, capacity constraints, staffing requirements, and associated capital and ongoing operations and maintenance (O&M) costs necessary to safely reopen the facility. Based on the results of these assessments, the City will develop reopening scenarios that align service levels with available resources and budget capacity.

At the same time, the City will continue discussions with neighboring jurisdictions and regional partners to evaluate the feasibility of forming a Joint Powers Authority (JPA) or similar governance structure. A regional JPA could provide a framework for financing, constructing, and operating a regional animal shelter facility, maximizing economies of scale, improving service consistency, and reducing long-term costs and operational risk for participating agencies. However, the regional approach will take much longer, say 3-5 years.

This dual-track approach allows the City to maintain flexibility, ensure informed decision-making, and present City Council with clear options for both near-term shelter operations and long-term regional solutions. Any decision to reopen the existing facility, participate in a JPA, or pursue a regional facility would be subject to City Council policy direction and approval.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

The SWOT discussion spoke to the lack of Animal Control and Shelter services. This project will provide an Animal Shelter that improves/increases animal control services provided to the community. These services will be able to mitigate a threat to public health and safety.

Who is the project sponsor?

City Council

Who is the project lead?

City Manager

Other team members and roles?

Director of Public Works (building assessment, capital improvements), Animal Control Officers (operations) *and possible JPA participating agencies.*

Who are the stakeholders that can determine success or failure? Why?

The City Council, Non-Profits, Animal Control officers, the Morongo Band of Mission Indians and Banning residents are all stakeholders.

Council provides authority to invest in the required improvements to the City existing facility and ultimately approve participation in a regional solution. Non-profits will provide cost effective support in finding homes for animals and could aid in supporting Animal Shelter operations. Animal Control Officers will provide input on facility needs and operations. Morongo Band of Mission Indians (MBMI) have expressed interest in utilizing the existing facility. If a regional facility is pursued, other JPA agencies would be stakeholders.

Can this be accomplished within the current budget?

No

If not, how much will be needed?

The Facility Assessment and Feasibility Study was recently awarded and has a contract value of \$145,000; \$50,000 was committed by the Morongo Band of Mission Indians.

The construction and operating costs will be refined after the completion of the facilities assessment. The City may be able to find one-time funding for the capital

portion, but ongoing operations will be more difficult. A rough estimate for operations is \$600,000 to \$800,000. The Morongo Band of Mission Indians may participate in it too. The cost for a regional JPA option is not known at this time.

Funding Source: General Fund and possible contributions from partnering agencies (e.g. MBMI, etc.)

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. The Facility Condition & Operational Assessment was started in January 2026	May 2026
2. Determine City fiscal capacity to re-establish the Animal Shelter, including operations	June 2026
3. Outreach with potential JPA partners in a regional solution	Ongoing
4. Assess likelihood and timing of the regional approach and consider implementing the local option.	If local option is pursued, anticipate 18-24 months of design & construction activity
5. Consider the regional solution	3-5 years

What are the risks associated with this project? How do we manage these risks?

Funding: Given the City's General Fund fiscal position, the biggest risk is finding the funds for capital and operations under both scenarios (i.e., local and regional) . However, there is an unquantifiable risk to the City's quality of life with a continued void for these services.

Regional Participation: The success of a JPA would be highly dependent on the sustained commitment and alignment of participating regional partners.

Strategic (Policy) Initiatives Charter

2b. Address Homelessness

Which Council Strategic (Policy) Initiative does this Charter address?

2b. Address Homelessness

What is the short title for this Strategic Goal?

Responding to Homelessness in the City

What is your proposed strategy to accomplish this Goal?

The City will develop and implement a comprehensive Homelessness Response Plan (HRP) informed by best practices from peer agencies that have demonstrated success in managing homelessness through coordinated outreach, services, and enforcement. The program will be built on strong partnerships with Riverside County (e.g., social services, behavioral health, jail/Sheriff), and local and regional non-profits that provide social services, behavioral health support, housing navigation, and re-entry assistance.

As part of this strategy, the City will review and update its anti-camping ordinance to ensure it is clear, enforceable, and aligned with current legal standards and best practices. Ordinance updates will focus on protecting public health and safety, preserving access to public spaces, and supporting consistent enforcement in coordination with outreach and available services.

The strategy will also include coordinated encampment cleanups in coordination with outreach and service providers, to address health, safety, and sanitation concerns in public spaces. These efforts will help reduce impacts on infrastructure and Police responders, improve cleanliness, and support safe and accessible public areas for residents and businesses.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

Through the implementation of a well-designed and coordinated HRP, the City anticipates a measurable reduction in homelessness-related activity. This will result in fewer homelessness-related calls for service to the Police Department, which currently represent the City's highest call volume, thereby allowing law enforcement resources to be more effectively allocated to other citizen calls for services. In addition, a reduction in encampments is expected to decrease the number of hours Public Works staff spend on encampment cleanup and related maintenance activities.

Reduced homelessness activity in the downtown area is also expected to positively influence economic development by improving overall conditions for businesses and increasing investor confidence. A cleaner, safer, and more predictable environment supports private investment, commercial activity, and long-term revitalization efforts.

Finally, decreased homelessness activity in public spaces such as parks, sidewalks, and rights-of-way is expected to reduce community concerns related to health, safety, and accessibility, helping ensure that public spaces remain safe, sanitary, and accessible for all residents and visitors.

Who is the project sponsor?

City Council

Who is the project lead?

City Manager

Other team members and roles?

Director of Public Works (encampment cleanup), Police (Homeless Liaison Officers, Code Enforcement) and Homeless Services Coordinator.

Who are the stakeholders that can determine success or failure? Why?

City Council: Will set policy direction, approve changes to applicable ordinance and authorize additional expenditures.

Riverside County: Due to the lack of City resources and programmatic expertise, the City will rely on coordination with County program (e.g., social services) and additional staff assistance for implementing the City's plan. Additionally, continued communication with the County Sheriff's Office will be critical to ensure that the release of inmates is not done in a manner that encourages falling back into homelessness in the City. An MOU with the County, which has now expired, once provided funding resources to the City to fund additional Police Officers, to mitigate the impacts the jail would have on the City. Continued discussions with the goal of renewing the MOU would be significant to the City's initiative of dealing with the homeless problem.

Non-Profits: Can assist in providing outreach and supportive services.

Can this be accomplished within the current budget?

No

Staff resources dedicated to the development and implementation of the HRP are currently limited, which may impact the City's ability to implement the program as envisioned. Any additional staffing required to support the program would rely on the General Fund, which is anticipated to experience budget reductions as the City works to address its structural deficit.

If not, how much will be needed?

The development of an HRP is likely to range between \$75,000 - \$100,000.

In the absence of a formal Homelessness Response Plan, it is difficult to accurately estimate the total cost required for successful implementation. However, based on comparable programs and preliminary assumptions, a high-level estimate for additional staffing ranges from approximately \$200,000 to \$400,000 annually to support Homeless Services Coordinators and Homeless Liaison Officers.

In addition, the annual cost to contract for encampment cleanup services is estimated to range from approximately \$350,000 to \$500,000 per year, depending on service frequency, scope of work, and site conditions.

Funding Source: General Fund

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. Procurement of services to develop a HRP	July 1, 2026
2. Commence development of HRP	September 1, 2026
3. Draft of HRP Presented to Council	April 1, 2027
4. Approval of HRP	June 1, 2027

What are the risks associated with this project? How do we manage these risks?

Lack of Bandwidth: The City has limited capacity in the City Manager's Office to convene stakeholders and potential partners to develop a Banning HRP. Hence the recommendation to procure services from a consultant to develop the HRP, which will include outreach to both internal and external stakeholders.

Insufficient Funding: The successful implementation of a comprehensive homelessness response requires sustainable funding for outreach, coordination, enforcement, and cleanup activities. Limited or uncertain funding could delay program implementation or reduce effectiveness. Grants could possibly help fill the funding gap.

Lack of coordination or support from Riverside County: The City's ability to address homelessness effectively depends in part on access to County-provided expertise and bandwidth (e.g., social services, behavioral health resources, and housing programs). Limited coordination or inconsistent County participation could reduce program effectiveness. Consistent communication with the County would help mitigate this risk.

County Jail Release Practices: The release of inmates from the Riverside County jail can result in individuals returning to homelessness within City limits, undermining local efforts. Consistent communication with the County would help mitigate this risk.

Strategic (Policy) Initiatives Charter

2c. Complete Wastewater Treatment Plant & Recycled Water Upgrades

Which Council Strategic (Policy) Initiative does this Charter address?

2c. Complete Wastewater Treatment Plant & Recycled Water Upgrades.

What is the short title for this Strategic Goal?

Complete Wastewater Treatment Plant & Recycled Water Upgrades

What is your proposed strategy to accomplish this Goal?

Completion of the design and construction of the new Wastewater Treatment Plant (WWTP) will accomplish the following:

- Modernize the Wastewater Treatment Plant (WWTP).
- Meet Regional Water Quality Control Board's (RWQCB) effluent discharge limits of total nitrogen.
- Produce Title 22–compliant recycled water for irrigation uses.
- Diversify City's water resources.

This initiative represents one of the City's most complex and resource-intensive infrastructure efforts, involving multiple external agencies, consultants, contractors, and regulatory stakeholders over several years including but not limited to:

- Finish the design and environmental documents prior to construction.
- Identify and address any budget shortfalls via raising rates, seeking additional grants, debt service to cover construction costs.
- Obtain RWQCB's discharge and Title 16 Recycled Water permits.
- Complete construction and commission start-up of the new WWTP.
- Produce Recycled Water and implement usage.

How does this project address or make a positive impact on the stated SWOTs? How will you know e.g., can you break the Goal down to objectives?

Alignment with Water & Wastewater SWOTs:

- **Strengths Utilized:** Proactive compliance planning, strong in-house operational capability, effective regulatory partnerships.
- **Weaknesses Addressed:** Impending RWQCB's effluent discharge water quality limits, replacement of aging treatment infrastructure.
- **Opportunities Advanced:** Seek additional grant funds, implementation of recycled water use and future renewable energy (solar panels).
- **Threats Mitigated:** Regulatory enforcement risk, escalating regular and emergency upgrade costs due to end-of-life infrastructure.

Who is the Project Sponsor?

The City Manager.

Who is the project lead?

The Director of Public Works.

Other team members?

The Deputy Director of Water & Wastewater will serve as the principal project manager and will coordinate day-to-day implementation activities. Other members: engineering staff; finance department (budgeting, grants, cash flows); City Attorney; external engineering consultants; construction management team and the WWTP operations staff.

Who are the stakeholders that can determine success or failure? Why?

The success of this project depends on coordination with several key stakeholders, including:

- **Regional Water Quality Control Board (RWQCB):** Permitting authority responsible for approving discharge requirements and compliance.
- **State Agencies and Grant Administrators:** Provide regulatory alignment and critical external funding.
- **City Council:** Provides policy direction, budget authorization, and public accountability.
- **Ratepayers and Recycled Water Users:** Beneficiaries of system reliability, water supply diversification, and cost-effective service delivery.

- WWTP Operations Staff: Essential to successful commissioning, safe operation, and long-term regulatory compliance.

These stakeholders directly influence project outcomes through approvals, funding decisions, implementation support, and operational adoption.

Can this be accomplished within the current budget?

No

If not, how much will be needed?

Current cost estimates indicate an approximate \$30 million funding shortfall. To address this gap, the City may pursue a combination of additional grant funding, debt financing, project phasing or scope adjustments, potential changes to the project delivery method, and future rate considerations. These options will be evaluated and brought forward for City Council direction as the project advances.

Funding Source: Water and Wastewater Funds

What are the key milestones with dates leading to completion? Although milestone dates will be refined and updated throughout the project, approximate milestone completion timelines are as follows:

While milestone dates will be refined and updated as the project advances, particularly due to the design-build delivery method and regulatory coordination, the current target timeline is as follows:

Milestone	Estimated Dates
1. Final Design and CEQA Permitting	December 2026
2. Final Project Financial Plan Approved By Council	December 2026 (Tentative)
3. Construction Commencement	January 2027
4. Process Commissioning and Startup	November 2028
5. Title 22 Recycled Water Certification and RWQCB Compliance	December 2028
6. Project Closeout and Transition to Full Operations	January 2029

Milestone dates are subject to adjustment based on permitting timelines, regulatory agency coordination, and construction sequencing.

What are the risks associated with this project? How do we manage these risks?

This project carries risks typical of large infrastructure upgrades, including CEQA clearance, regulatory approvals, construction cost escalation, schedule delays, and potential changes in treatment requirements. In addition, the project currently faces an estimated \$30 million funding shortfall, which may necessitate project phasing, scope adjustments, future rate considerations, or debt financing to maintain progress. Any resulting rate increases to fund this project will be difficult to accept given modest income levels in our City.

These risks will be managed through early and ongoing coordination with CEQA and regulatory agencies, disciplined cost and schedule controls under the design-build delivery approach, and regular reporting to executive management and City Council. Policy decisions regarding scope, rates, or financing will be elevated to Council as needed to keep the project on track.

Strategic (Policy) Initiatives Charter

2d. Streets Maintenance PMP

Which Council Strategic (Policy) Initiative does this Charter address?

2d. Development of a formal Preventative Maintenance Plan (PMP) for the Streets Maintenance—Public Work.

What is the short title for this Strategic Goal?

Streets Maintenance PMP

What is your proposed strategy to accomplish this Goal?

The intent of this goal is to develop a formal and documented procedure and priority plan for maintenance of City streets and right of way assets. The plan would address the following items:

1. Planning and Prioritizing Citywide Paving Projects.

This will be accomplished utilizing the Cartegraph Asset Management (now called OpenGov Enterprise Asset Management) platform and the 'Scenario Builder' feature to program 5-year repaving/replacement plans. The platform is already set up to recommend preventative measures based on pavement conditions. This would be performed by a Senior Civil Engineer in the Public Works Department, or consulting staff in case of a vacancy.

2. Tracking Citywide Signage and Replacement Needs.

An assessment was conducted and is being entered in the Asset Management System to identify signs that need replacement, and predictions on when signs will need to be replaced. This effort will be supplemented by staff inspection of all signs on a 5-year cycle.

3. Regular Inspections of Citywide Striping by Staff Inspection.

An assessment was conducted and is being entered in the Asset Management System. Bi-annual staff inspections will supplement collected data and maintain fresh striping on City streets.

Due to current vacancies in the Public Works Department, it will be necessary to contract with vendors for the GIS functionality, and to provide support in formalizing the Pavement Management Plan (PMP).

It is anticipated that the necessary annual inspections of signage and striping will take 6 weeks of staff time to perform inspection, log results, and update work orders for maintenance items. With only 3 maintenance workers, there is no staff capacity to accomplish this role. This too would have to be contracted or could be completed by adding one more maintenance worker to an underfunded budget.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

Regular and preventative maintenance of roadway through early and regular applications of slurry asphalt can extend the life of a pavement system by many years. This earlier application is much cheaper than a substantial overlay or reconstruction later. This will assist in stretching limited funding available for roadway maintenance further and maintain a higher pavement condition on city streets. An effective preventative maintenance procedure will also have a mid to long term benefit of making a larger share of funding available for more expensive full reconstruction activities on roadway that are beyond their useful life. By planning and tracking work in the Asset Management platform, regular reporting can be produced showing stabilized or improving pavement condition indices.

Regular assessment and replacement of signage and striping can reduce potential liabilities against the City in auto accident cases. Predictive models on when certain signs may be failing that is supplemented by staff inspection can identify problems early, and for maintenance to be performed.

Who is the Project Sponsor?

Public Works Director

Who is the project lead?

The project lead would be the Deputy Director of Public Works, implemented by the Public Works Operations Manager (currently vacant) and Senior Engineer (currently vacant).

Other team members?

The Senior Engineer and City Engineer would be responsible for the preparation of the 5-year pavement maintenance plan, preparation of scope of work, and oversight of bidding for pavement maintenance work. These positions would also be responsible for maintaining the Asset Management system when work is completed.

The Streets Maintenance Supervisor would have primary responsibility in assigning work, validating inspections, and ensuring that necessary work orders are created and issued to Streets Maintenance staff.

Streets Maintenance Staff would be responsible for the replacement of signage and maintenance work of pavement striping.

Who are the stakeholders that can determine success or failure? Why?

The success of the project is dependent on reliable and continued funding from the State through SB1 funding, as well as continued County Measure A funding. Those are the sole funding sources for pavement maintenance operations, and declining revenues that are not replaced with other sources will contribute to project failure.

Can this be accomplished within the current budget?

No

If not, how much will be needed?

Office work by the Senior Engineer and the Public Works Operations Manager can be accomplished when those positions are filled. The annual inspections and maintenance work by streets maintenance staff will require additional contractor monies or 1 additional streets maintenance work.

The Pavement Management Plan completed by a consultant is estimated at \$150,000 as a 1-time expense.

Funding Source: SB-1, Measure, General Fund

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. Integration of roadway asset data into the City's GIS system and Asset Management platform.	April to June 2026
2. Complete Pavement Management Plan via consultant	April to June 2026
3. Revised PMP street maintenance activities begin	January to March 2027

What are the risks associated with this project? How do we manage these risks?

Changes in funding levels and allocations from the State and County are the greatest risk to the success of the project. Staying informed on legislation to plan for changes is key. Without the extra funds mentioned above, this project will not survive.

Strategic (Policy) Initiatives Charter

3a. Develop New Economic Development Plan (EDP)

Which Council Strategic (Policy) Initiative does this Charter address?

3a. Develop New Economic Development Plan (EDP)—City Manager

What is the short title for this Strategic Goal?

Develop New Economic Development Plan (EDP)

What is your proposed strategy to accomplish this Goal?

This effort will result in a comprehensive Economic Development Plan (EDP) that establishes a clear economic vision, prioritizes key industries and opportunity areas, and aligns City policies and incremental decisions, infrastructure investments, staffing, regulatory and other systems to support sustainable growth. The multiple goals of the EDP will be to pursue the Council's Vision, that we "...promote and support a high quality of life... foster new opportunities..." The EDP is also key for Council pursuit of its mission, that we create "...a prosperous environment to live, work and play..." And it is clear from other parts of this Strategic Plan, the City needs additional revenues to sustain the level of services Banning residents deserve and expect.

This Strategic Initiative will result in the City's Economic Development Policy framework that will create a consistent, Council-endorsed approach to decision-making across all departments and at the Council level. The framework will:

- Define priority industries, corridors, and opportunity sites.
- Align land use, infrastructure, utilities, and permitting processes with economic goals.
- Strengthen the City's role as a "business-friendly, one-stop shop" for business and development.
- Improve organizational capacity, staffing stability, and internal systems.
- Provide clear direction for subsequent initiatives.
- Targeted business attraction, retention, workforce partnerships, and branding

This effort will be aspirational but also grounded with the realities of the marketplace, what the community will support, and it affects the quality of life and ability to provide municipal services.

Finally, this EDP strategy must include a public outreach and educational component or else the final product will not be accepted and supported, especially as it gets implemented.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

The relevant SWOTs are many: there is a significant amount of underutilized land, and the downtown area shows clear opportunities for reinvestment and revitalization; the residential dominance of the City does not provide adequate resources to sustain their City—the major service provider to them; the City's reputation is one of anti-development; the City organization is not sustainable without substantial more resources; the per capita income is low compared to Riverside County and California; while, Banning's unemployment rate is high compared to Riverside County and California; and, a major Interstate Highway runs through our City, which is an asset for certain land uses.

While much of the above variables can be construed as negative factors; they do suggest there is potential for development and growth.

Who is the project sponsor?

City Manager in close coordination with the City Council

Who is the project lead?

Economic Development Manager in close coordination with the City Manager

Other team members and roles?

Multiple departments heads in various stages of the project (i.e. Community Development Director, Public Works Director, Police and Fire Chiefs, Finance Director and Parks & Recreation Director).

City Council, local business and property owners, residents, developers, regional partners, the Morongo Band of Mission Indians and state agencies.

Can this be accomplished within the current budget?

No.

If not, how much will be needed?

\$125,000 - \$200,000

Funding Source: General Fund

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. Procure contracted services to develop EDP	March to June 2026
2. Data collection, market analysis, stakeholder engagement, and system assessments	July to September 2026
3. Draft EDP prepared, internal alignment and policy refinement workshops with stakeholders and Council	October to December 2026
4. Council reviews, refines and adopts EDP	January to March 2027
5. Annual progress reporting and performance monitoring	ongoing

What are the risks associated with this project? How do we manage these risks?

Developing consensus among stakeholders on what is viable, realistic and appropriate economic development will be a challenge. Banning has a history of being a bedroom community and will push back against certain land use changes.

Other residents have desires for certain economic development that will not be realistic for some time in Banning. The public outreach effort needs input on future goals, but it also requires an education component, so residents develop informed expectations.

Strategic (Policy) Initiatives Charter

3b. Inventory and Activate Underutilized Land in the Downtown

Which Council Strategic (Policy) Initiative does this Charter address?

Strengthening and Diversifying the Local Economy – Community & Economic Development

What is the short title for this Strategic Goal?

Inventory and Activate Underutilized Land in the Downtown

What is your proposed strategy to accomplish this Goal?

In conjunction with the development of a new Economic Development (ED) Plan, the City will conduct a comprehensive inventory of underutilized and City-owned land in the downtown core and pursue strategies to sell, lease, or activate these properties in alignment with long-term fiscal and economic objectives.

The strategy includes:

- Creating a parcel-by-parcel inventory of City-owned and underutilized downtown land
- Evaluating highest and best use scenarios aligned with the ED Plan and General Fund Workout Plan
- Identifying targeted incentives and development tools to encourage private investment
- Actively marketing priority sites to developers and regional partners
- Engaging residents and stakeholders through a structured outreach program

This effort recognizes that economic development and the City's fiscal future are inseparably linked, and that land assets must be strategically leveraged to support sustainable revenue generation.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

This project directly addresses several key SWOT findings:

Strengths

- Strategic downtown location and City land ownership
- Proximity to civic uses, transit corridors, and existing infrastructure

Weaknesses

- Underutilized land and fragmented development patterns
- Limited proactive land marketing and activation

Opportunities

- Ability to catalyze downtown revitalization through targeted redevelopment
- Potential to generate new General Fund revenues and economic activity

Threats

- Continued stagnation or loss of investment to competing cities
- Ongoing fiscal pressures without new revenue sources

How success will be measured:

- Completion of a downtown land inventory
- Number of sites marketed, activated, or entitled
- Properties sold and/or leased
- Increase in assessed valuation, sales tax, or other General Fund revenues

Who is the project sponsor?

City Manager

Who is the project lead?

Economic Development Manager

Other team members and roles?

Finance Department (fiscal analysis); Community Development Department (land use, zoning, entitlement support); and Public Works Department (infrastructure feasibility and constraints).

Who are the stakeholders that can determine success or failure? Why?

- City Council – Policy direction and approvals
- City Manager & Executive Team – Strategic alignment and implementation
- Residents and Downtown Businesses – Community support and buy-in
- Developers and Investors – Capital investment and project execution

Their engagement is critical because successful land activation requires policy alignment, market interest, and community trust.

Can this be accomplished within the current budget?

No

If not, how much will be needed?

Estimated additional funding: \$100,000, depending on the level of market analysis, consultant support, and outreach efforts required.

Initial inventory work and internal coordination can be completed using existing staff resources. However, market studies, appraisals, valuation, developer outreach, and incentive structuring may require additional funding.

Funding Source: General Fund

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. Complete inventory of City-owned and underutilized downtown land	June, 2026
2. Council review and policy direction on priority sites	September, 2026
3. Procure services for appraisals, market analysis, etc.	January, 2027
4. Marketing and developer outreach	July, 2027
5. Site disposition, activation and development	Ongoing

What are the risks associated with this project? How do we manage these risks?

Implementation of an economic development strategy involves risks, including limited developer interest due to market conditions, community concerns related to land disposition or change, infrastructure or entitlement constraints, and potential misalignment between fiscal needs and development timing.

These risks will be managed through phased implementation and flexible development tools, early and ongoing community outreach, close coordination with stakeholders, and the use of objective market data to guide informed decision-making.

Strategic (Policy) Initiatives Charter

4a. Banning's Workout Plan to Fiscal Sustainability

Which Council Strategic (Policy) Initiative (SI) does this Charter address?

4a. [Develop & Implement Banning's Financial Workout Plan to Sustainability](#)—Finance and City Manager.

What is the short title for this Strategic Goal?

[Banning's Workout Plan to Fiscal Sustainability](#)

What is your proposed strategy to accomplish this Goal?

Once the clean up the financial "books" is finished by catching up accounting activities to develop the City's current fiscal position (from 7/1/24 to current), largely focused on the General Fund and Internal Service Funds (ISFs); the recommended plan would be to develop a 10-year Fiscal Forecast into the future. From this exercise, options to bring these funds into a sustainable condition can be developed for Council consideration.

The most immediate action would be to bring the FY 25-26 books current in order to review the FY 25-26 budget, mid-year expenditure activity and consider any emergency changes to the budget. The City then should develop a transparent operating and capital budget for Council adoption (FY 26-27) after considering the current and expected 1 and 10-year fiscal estimates.

Creating a robust CFD program is just one of many potential actions towards creating a sustainable position for the City's General and ISF Funds.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

There is no other Strategic Initiative that is so foundational to almost all the other SI's and SWOTs--especially the Weaknesses and Threats. The City cannot assertively address all the proposed SI's until the fiscal position is known, now and into the future. Additionally, the City's fiscal position will be key to other policy decisions (e.g., Council approaches to Economic Development, etc.).

Who is the project sponsor? (Advocate and decision maker, when needed)

City Council

Who is the project lead?

City Manager

Other team members and roles?

Finance Director, accounting staff and contracted assistance are all critical to updating the fiscal data; evaluating the results and implications; forecasting the future; and, facilitating discussions with the Council on options to move forward.

Who are the stakeholders that can determine success or failure? Why?

Outside regulatory and oversight agencies and Banning citizens (see discussion on risks below).

Can this be accomplished within the current budget?

No. This effort was not anticipated in the current budget; however, there is substantial salary savings in the Finance budget that can cover some of these costs

If not, how much will be needed?

The City's current allocation of resources includes approximately \$500,000 for contracts with LSL (the accounting firm that is tasked with cleaning up the books) among other activities; a current contract with Urban Futures for the fiscal forecast and other financial advisory services, Bob Deis with Sloan Sakai, LLP and the City Attorney's office. This figure will increase due to an expanded scope of work with LSL to assume more accounting duties. A part of these costs will be covered with salary savings from vacancies.

Funding Source: Cost allocated to departments Citywide.

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. FY 24-25 books are caught up and fiscal position is known.	April to June 2026
2. FY 25-26 fiscal activity is caught up and known and estimated year-end numbers are updated.	April to June 2026
3. Review and update Fiscal policies with Council.	As part of the 26-27 Budget process. Budget to be adopted prior to July 1, 2026.

Milestones

Estimated Dates

- | | |
|---|---|
| 4. The 10-year fiscal forecast is completed, and FY 26-27 budget is subsequently developed. | The forecast can be completed 30 days after completion of 1 & 2 above. The budget needs to be completed by June 30, 2026. |
| 5. At the completion of item 4, Council reviews options and decides what actions to implement and eliminate current and future negative fund balances. The Council decisions from this milestone become Banning's Workout Plan to Sustainability. | After the completion of item 1 through 4.
June to July 2026 |

What are the risks associated with this project? How do we manage these risks?

There are several potential risks. These include: 1) Outside Agencies withholding funding or otherwise delaying the City's ability to move forward with a Workout Plan; 2) To the extent that the City needs Banning residents to approve options for more resources, they may not approve them; 3) Once the books are caught up and the fiscal condition is known, aggressive budget/service cuts may have to be part of the path to sustainability; 4) Even though this Council largely inherited the current situation, Banning residents may blame the current Council members for the problem; and 5) The City may experience more turnover in key management staff or be unsuccessful in hiring and retaining staff.

Strategies to manage these risks include:

- 1) Being transparent on the enormity and causes of this fiscal crisis as a tool to inform future corrective steps--ensuring they are not repeated:
- 2) Meeting or beating the Milestone Dates above to communicate our seriousness and wherewithal to put the City back onto a sustainable footing;
- 3) Being transparent with our employees and reinforcing our commitment to them; and
- 4) Actively communicate our challenges and plans with Banning residents, especially at each milestone to reinforce each step is part of a coordinated plan--providing the services residents need and deserve. This communication plan needs to be implemented via new avenues and in new ways to ensure resident's understanding and support.

Strategic (Policy) Initiatives Charter

4b. Two Phase Evaluation of City's Utility Billing Program

Which Council Strategic (Policy) Initiative does this Charter address?

4b. Do In-Depth Evaluation of the City's Utility Billing (UB) Program and Its Tools/Systems Used to Complete its Work.

What is the short title for this Strategic Initiative?

Two Phase Evaluation of City's Utility Billing Program.

What is your proposed strategy to accomplish this Goal?

The strategy to ultimately accomplish the underlying purposes of this Initiative (i.e. to ensure the program that is responsible for billing and collecting over half of the City's overall revenues is using best practices, includes two phases). First, is to complete the Strategic Administrative Initiative 4e. Address the Software Issues and IT Support That is Behind the Current Utility Billing (UB) Crisis. After this is completed and systems are stabilized, the overall program evaluation of the UB function as part of this Initiative will be considered, possibly as part of an overall assessment of replacing the Finance–Accounting system as well.

Phase 1—which has already started, includes bringing in Navaline to evaluate the workflow vis-à-vis the latest version of their software. From this assessment the vendor will propose and possibly install the latest version of their software. The Council will be kept apprised of this next step. Once the upgrade is complete and the program is stabilized, staff will report out the results and possible next steps (e.g. Phase 2).

Possible Phase 2—Consider acquiring independent professional assistance who has expertise in the utility billing area that can evaluate the entire UB program—from evaluating the current systems and methods to retrieving usage data; manipulating that data for billing purposes; assessing the customer service component, and its interface with our Finance-Accounting systems.

The consulting firm will then make observations on the current processes, albeit with the latest Navaline software version, and systems by identifying best practices and provide recommendations. The criteria in determining recommendations will be maintaining accuracy of usage data, improving efficiency and timeliness of billings, improving customer service, and ensuring smooth interfacing with our current Finance-Accounting systems.

Given the current financial picture and recent history, the City will seek a possible phasing of consultant's recommendations based on the risk-return tradeoff on options. Another component will include ensuring IT staff become part of this project to enhance their knowledge and support of the Utility Billing system in the future.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

The SWOT discussion highlighted the problematic interface between meter-reading and billing software's (Navaline); the high reliance on slow manual support for the program; the need for additional training in IT systems and Utility Billing best practices and the lack of trust in the program and its output. The SWOT discussion also highlighted that over half of the City's revenues come from this program; thus, when it's not properly working, it can have significant impacts on the City's finances and cash flow.

This Strategic Initiative will be designed to evaluate these issues and enhance expertise in house. It should result in a more efficient, timely and reliable Utility Billing program for the future.

Who is the project sponsor?

City Manager

Who is the project lead?

Finance Director or Deputy Finance Director (positions currently vacant).

Other team members and roles?

The Utility Billing Manager and a senior managers in Public Works (Electric, Water and Wastewater) will be key members of the team.

Who are the stakeholders that can determine success or failure? Why?

The key stakeholders are: Finance—both accounting and Utility Billing staff, the managers of the three utilities, customers and the City Council.

Can this be accomplished within the current budget?

No

If not, how much will be needed?

Phase 1

Staff is currently establishing a purchase order with Navaline experts to assess the current UB workflow to ensure that staff is utilizing the software as efficiently as possible. The estimated cost is \$25,000.

Additionally, staff anticipates that upgrades to the existing utility billing software will be required in order to bring Navaline to the most current and supported version. Estimated cost for the upgrades range \$175,000 to \$200,000 for the first year with an increase in annual cost of about \$75k.

Phase 2 TBD

Funding Source: Cost allocated to utilities

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. Phase 1: Navaline, our current software vendor assesses current UB workflow and system utilization and evaluates value of installing software upgrades	May 2026
2. Phase 1: Based on Navaline evaluation consider installing their upgrades (6-8 months)	January 2027
3. Phase 2: After UB program has stabilized and proficient in use of the Navaline upgrades, evaluate the pros and cons of a programmatic assessment of the UB function.	June 2027
4. Phase 2: Issue RFP, solicit consulting firms with expertise in Utility Billing programs without financial ties to current systems, and pick best firm	July 2027
5. Phase 2: Conduct UB Program Assessment which may recommend a migration to new software.	September 2027
6. Phase 2: Review Assessment Report recommendations and develop proposed Implementation Plan for City Manager and ultimately City Council review and approval.	November 2027

What are the risks associated with this project? How do we manage these risks?

Given the recent history, a two-phase approach will appropriately manage the risk. Milestone 2 will provide a more detailed assessment of upgrading the current software (i.e., with the same vendor, Navaline). This may require hardware upgrades. Staff will report out to Council at this stage.

If it is agreed that there is adequate benefit to complete a more robust assessment of the entire UB program, this would be done at Milestone 3. There is limited risk in conducting and completing this assessment of the Utility System. Future risks cannot be fully evaluated until issues and options are identified and vetted. However, more involvement with IT staff on this project will add to the capacity of managing risk with this software.

Strategic (Policy) Initiatives Charter

4c. Protecting the Pass: The Banning PD's Outreach & Growth Strategy

Which Council Strategic (Policy) Goal does this Charter address?

4c. Develop & Implement a Proactive Outreach and Hiring Program For Police—Police, Human Resources and City Manager

What is the short title for this Strategic Goal?

Protecting the Pass: The Banning PD's Outreach and Growth Strategy

What is your proposed strategy to accomplish this Goal?

1. Complete & Begin Implementing the Recommendations From the PD Assessment Study—the goal here is to articulate that BPD is a desirable employer and workplace.
2. Banning's Targeted Sourcing Channels—start working on developing potential resources for candidates, such as community colleges and high schools.
3. Digital Presence & Modernized Application—Develop a stronger online and visual media presence for our recruitments. Application processes should be updated.
4. Community-Centric Evaluation—Involve the community through job fairs and community meetings.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

A proactive outreach and hiring program acts as a vital bridge between the department's current struggles and its untapped potential. By shifting from a reactive stance to a strategic, proactive one, the department can address its 30% vacancy rate while simultaneously healing internal culture.

Staff is concurrently proceeding with Strategic Initiative 1b. The Police Department Assessment to assist us in making BPD an employer of choice.

Who is the project sponsor?

City Manager

Who is the project lead?

Human Resources Director

Other team members and roles?

Police Chief, Human Resources Manager and Police management

Who are the stakeholders that can determine success or failure? Why?

The Banning Police Officers and Manager's Association(s); their members feel the biggest impact of the staffing shortage. The staffing issues impact morale and efficiency.

The Community: Response times are hindered by lack of staff and the community loses confidence in their department.

Can this be accomplished within the current budget?

Yes

If not, how much will be needed?

What are the key milestones with dates leading to completion?

Milestones	Estimated Dates
1. Kick-off meeting between Police & Human Resources	May 2026
2. Develop materials for recruitments that highlight department and city	August 2026
3. Develop a recruitment advertising plan and include potential job fairs in community	October 2026

What are the risks associated with this project? How do we manage these risks?

We will not be able to determine the risks until we have our preliminary project kick-off meeting (s).

Strategic (Policy) Initiatives Charter

4d. Strategic Plan Implementation—City Manager

Which Council Strategic (Policy) Initiative does this Charter address?

4d. Strategic Plan Implementation—City Manager

What is the short title for this Strategic Goal?

Same

What is your proposed strategy to accomplish this Goal?

There is no other initiative that will be so impactful to the City organization's future but also to the community's future as well.

This Strategic Initiative is focused on 1) keeping this holistic plan together and alive; 2) ensuring that future actions and decisions are in alignment with this plan, and if not, there must be a discussion and reconciliation of the two; and 3) being transparent and bringing the Plan Dashboard in front of the Council consistent what is proposed in the Plan.

How does this project address or make a positive impact on the stated SWOTs? How will you know?

This Initiative impacts and is responsive to ALL the other SWOTs; thus, there are too many to list here. We will know the relative positive impacts as we report out with the Plan Dashboard and our relative progress, found in the Implementation Phase.

Who is the project sponsor?

City Council

Who is the project lead?

City Manager

Other team members and roles?

The City Directors are key team members and project leads on various initiatives, both administrative and policy related.

Who are the stakeholders that can determine success or failure? Why?

The City Council and City Manager are the biggest stakeholders that can maintain future decisions and overall direction consistent with the Plan. These two stakeholders determine the necessary obsession and success of this Plan. Banning residents are also key stakeholders.

Can this be accomplished within the current budget?

No.

If not, how much will be needed?

As this Strategic Plan is tackled over these next five years, the City Manager will need a higher-skilled Assistant City Manager to assist in Plan implementation. And this covers only the overall project (Plan) management. The individual Strategic Initiative Charters identify the resource needs for their respective implementation.

What are the key milestones with dates leading to completion?

The general milestones for Plan implementation include reporting out to the Council every 3 months for the first year and every 6 months thereafter. This reporting out schedule is to assist in discussing progress, bottlenecks, and revisions moving forward. However, individual Strategic Initiatives have their own schedules, milestones, resource needs and completion dates. Please refer to each for details.

What are the risks associated with this project? How do we manage these risks?

The risks from not implementing this Strategic Plan are numerous and substantial, the details of which are in each Strategic Initiative discussion in this section.

However, the risks of not being successful with making substantial change in the City risks creating credibility issues and a loss of confidence in Banning residents, the business community, and potential investors in Banning's future.

This Plan needs to continue to be in the forefront of the Council's agenda for the next five years.

Sample Dashboard Report for periodic reporting to Council

LEGEND



On schedule
Behind schedule
Delayed

Strategic Initiatives Dashboard Report--date

STRATEGIC GOAL 1—ENSURING PUBLIC SAFETY

1st Tier Policy Related Initiatives

- 1a. Create Banning's Emergency Operation Plan—CM
- 1b. Provide One-Time Resources and Independently Evaluate the Police Department—HR & Police

Goal 1

Status Explanation

STRATEGIC GOAL 2—PROTECTING AND IMPROVING QUALITY OF LIFE

1st Tier Policy Related Initiatives

- 2a. Address The Lack of Animal Control and Shelter—CM
- 2b. Address Homelessness—CM
- 2c. Complete Wastewater Treatment Plan & Recycled Water Upgrades—PW
- 2d. Develop Formal Preventative Maintenance Plan (For Streets)—PW

Goal 2

Status Explanation

STRATEGIC GOAL 3—STRENGTHEN LOCAL ECONOMY

1st Tier Policy Related Initiatives

- 3a. Develop New Economic Development (ED) Plan—CM
- 3b. Inventory & Activate Underutilized Land in Downtown—CM & CD

Goal 3

Status Explanation

STRATEGIC GOAL 4—MAINTAIN EFFECTIVE & EFFICIENT SERVICES

1st Tier Policy Related Initiatives

- 4a. Develop and Implement Banning's Financial Workout Plan to Sustainability—Finance & CM
 - Finish Cleaning Up the Books
 - Fiscal Plan to Eliminate Massive Risk Mgmt. And Other Internal Service Fund Deficits
 - Engage Special Tax Consultant to Create CFD Program for Svcs.
 - Review and Update Fiscal Management Policies
 - Develop Transparent Spending Plan i.e., Improved Budget
- 4b. Do In-Depth Evaluation of the City's Utility Billing Function and Tools-- Finance
- 4c. Develop & Implement a Proactive Outreach & Hiring Program For Police—HR & Police
- 4d. Strategic Plan Implementation—CM

Goal 4

Status Explanation

APPENDIX A

Banning's SWOTs Strengths, Weakness, Opportunities and Threats

Please refer to separate Appendix A

This compilation of SWOTs is the basis for the Strategic Plan and its associated Strategic Initiatives. It was this listing and related narrative that was the basis for a day-long City Council Workshop on 11/25/25. The Workshop purpose was to thoroughly understand the SWOTs and develop priorities moving forward to address them.

CITY *of* BANNING

Budgetary and Fiscal Policies

I. PURPOSE

To satisfy our fiduciary responsibilities of being Transparent and Accountable in our use of public resources and to ensure Fiscal Sustainability in supporting our continued delivery of reliable services to our residents and visitors to our City.

II. METHODS FOR COMPLIANCE

City Council Periodic Review

The City Council shall conduct an annual review of this policy document to evaluate its effectiveness, consider any necessary refinements and formally adopt it. As part of this review the City Manager and Finance Director will present an overview of the City's compliance with this Policy and commit to continual compliance.

Budget Development & Operational Policies

Budget Message

1. The City Manager is ultimately responsible for ensuring that a Budget Document is presented to the City Council and the public in a manner that is clear, understandable, and comprehensive to all stakeholders, including City staff, City Council, and residents. The City Manager's Budget Message will highlight key assumptions of the proposed budget, any explicit or implicit policy decisions, and, if the budget is adopted by the City Council, the short and long-term implications to the City's current fiscal position and long-term fiscal sustainability.

The City Manager's Budget Message should include an affirmation that the Proposed Budget conforms with the entirety of these Budgetary and Fiscal Policies. If any exceptions to this policy are proposed, they should be clearly identified, evaluated alongside alternatives, and accompanied by proposed plan to reach full conformance.

Structurally Balanced Budget

2. The City Manager is to propose a "structurally balanced" budget (i.e., ongoing expenditures are funded by ongoing revenues) for the General Fund and all other Funds. To the extent the City Manager requests a deviation from this requirement, it should be clearly highlighted and discussed in the Budget Message. Preferably, any such deviations from policy should be identified and addressed prior to the Budget being presented to the City Council for adoption. The discussion shall outline, the reasons for the exception(s), the short and long-term implications, and how/when the City will return to compliance with this policy.

Budget Controls

3. The City will maintain a budgetary control system to ensure compliance with the adopted budget. The City will prepare quarterly 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.

Mid-Year Budget Review

4. The City will provide a detailed mid-year review that compares the Adopted Budget to actual revenue/expenditure activity. The review will clearly communicate the City's level of conformance with the original Adopted Budget and expected year end fiscal position. This mid-year review will also include presentation of the Audited Annual Comprehensive Financial Report (ACFR) from the previous fiscal year with a layperson's assessment of key findings within the ACFR. At a minimum, this assessment should include material fund balance deviations between budgeted vs. audited actual balances as well as any relevant audit findings identified in the Management Letter, the Single Audit Report, the ACFR auditor's opinion letter or other applicable source.

Budget Planning Workshop

5. The City will conduct an annual City Council workshop with the purpose of reflecting on the City's current and expected long-term fiscal position for the General Fund, Utilities, and other Funds; current service levels and perceived needs of the community; and the parameters for the City Manager's upcoming Proposed Budget. A 5 or 10-year fiscal forecast should be completed and discussed at this workshop.

Other Budget Goals

6. The City will strive to provide adequate maintenance of facilities, plant, and equipment and for the orderly replacement. If this is not occurring, this fact should be communicated with the City Council.
7. The City will project its equipment replacement and maintenance needs for the next several years and will update these projections annually. For this projection, a maintenance and replacement schedule will be developed and followed.
8. During the budget process, the City will reassess services and service levels. Staff may seek citizen input by surveys, public forums, and similar methods to accomplish this evaluation.

Capital Improvement Policies

1. The City will maintain a rolling 5-year capital improvement plan presented annually with the adoption of each annual budget.
2. Capital improvements are to be funded primarily by user fees, service charges, development impact fees, assessments, special taxes, or developer agreements as appropriate.
3. 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.

4. Although the City will strive to finance projects on a pay-as-you-go basis, the City Manager may recommend, and the Council may conclude that issuance of debt is the preferred alternative. This will be based on a study of the economy and other matters discussed below. The City will use the following criteria to evaluate the use of long-term financing vs. pay-as-you-go funding for capital projects:

Factors favoring pay-as-you-go.

- current revenues and excess reserves are available now and into the foreseeable future, or project phasing can be accomplished.
- debt levels adversely affect credit rating or there is unacceptable risk to the budget.
- market conditions are unstable, or marketing difficulties exist for the debt.

Factors favoring long-term financing.

- the most equitable way of financing a project that benefits the entire community would be debt financing (pay-as-you-use) to provide the services in a timely manner.
- 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 assumption for the future revenue projections should include a conservative fiscal forecast (e.g., impacts of recessionary cycles, etc.).
- the facility and underlying fiscal security for 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 balances are insufficient to “pay-as-you-go”.
- the facility is immediately required to meet or relieve capacity needs.
- the life of the asset financed is equal to or longer than the life of the debt service.
- the proposed long-term financing must conform with the Debt Management Policies below.

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 pursued and 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 and other Funds.
3. The City, where allowed by law, will review all fees for licenses, permits, fines, and other miscellaneous charges on a 3–5-year rotating basis. They will be adjusted as necessary after considering inflation, cash flow needs, direct and indirect costs to provide the services, the need to meet Fund Balance policies, 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. The City shall review enterprise rates (i.e., rate studies, cost of service analysis) every 5 to 6 years, or earlier if needed, to ensure revenues are sufficient to cover operations, capital, reserves, and debt obligations.
5. An administrative fee will be charged where allowed by law for administrative services, provided the fee is based on the reasonable estimated costs incurred.
6. All proposed capital projects will have a detailed capital budget specifying total costs and total revenues and shall identify the source of proposed revenues.

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 “pay-as-you-go” financed from current and conservatively expected revenues over the life of the asset.
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 and the bond market concerning its financial condition consistent with best practices and SEC guidelines.
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 the principal amount is over the City Manager’s authorized contract signing level.
5. The City will not obligate the General Fund to secure financing unless the marketability of the issue will be significantly enhanced resulting in lower interest costs, and there is appropriate review of the risk to the General Fund. This assessment of risk should be independently affirmed by the Municipal Financial Advisor.
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 along with the risk of inevitable economic cycles that could impact that reliability.
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. These options should be evaluated with our contracted Municipal Financial Advisors.
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 annual Budget Planning Workshop 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. 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. Any current or expected non-compliance needs to be communicated to Council along with a plan to address it.
12. The City may issue interfund loans, but they must comply with the City of Banning current Interfund Advances or Loan Policy.

Fund Balance Policy For the General Fund

The Fund Balance (like household savings) of the General Fund is a critical buffer for the inevitable emergencies (e.g., recessionary impact on revenues, etc.), for an unexpected crisis, (e.g., uninsured loss, legal and/or court decisions), and to address operating cash flow needs. Because the General Fund is so foundational to the City's ability to provide services, the Policy goals discussed here, and the following section are extremely important.

The City's Fund Balance available for emergencies and to meet cash needs should be a minimum 17% with a target range of 17% to 30% of operating appropriations.

This Fund Balance Policy establishes the desired funding level to ensure fiscal sustainability, protection against the unexpected and to meet cash flow needs. The following section sets out the procedures for reporting fund balance in the General Fund financial statements. The policy also authorizes and directs the Finance Director to prepare financial reports which categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

During the Mid-Year Budget Review, the Budget Planning Workshop, and the Budget presentation to City Council, the Finance Director, in conjunction with the City Manager, will report on the condition of the Fund Balances and provide an assessment of their compliance with this Policy. To the extent there is non-compliance, a plan shall be presented to achieve compliance in a timely fashion. Failure to do so presents an unacceptable risk to the City.

III. ACCOUNTING PROCEDURES FOR POLICY COMPLIANCE

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, will not convert to cash in the following year; thus, cannot be used as an available resource in the budget)
- Restricted Fund Balance (externally enforceable limitations on use)
- Committed Fund Balance (City Council self-imposed limitations on use)
- Assigned Fund Balance (limitations resulting from City Council intended use)
- Unassigned Fund Balance (residual net resources available for use)

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 or other asset that will not

convert to spendable cash in the next year. Restricted fund balance is either imposed by law or constrained by grantors, contributors, contracts, or regulations of other governments. This policy is focused on financial reporting of Fund Balance that can be controlled by City Council decision, the last three components listed above (Committed, Assigned and Unassigned). 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 already 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.

The Finance Director is the subject matter expert and is expected to ensure compliance with the following Fund Balance policy. If noncompliance occurs or is expected to, this fact will be reported to the City Manager. These two are then expected to report out to the Council at the earliest possible time as to why there is noncompliance and propose a plan for eventual compliance.

- General Fund Emergency Contingency

The City's General Fund balance committed for emergency or inevitable economic cycle contingencies is established at a minimum of 17% or up to 30% of operating appropriations. 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.

To the extent the General Fund does not have adequate funds to achieve the minimum 17%, the City Manager will immediately offer a plan with options, to reach that amount. The City Manager will not propose a budget that causes non-compliance with this Policy without a substantive staff report that highlights proposed options to continue compliance vs. options to temporary fall outside this range along with a plan to get back into compliance. This discussion will occur well before the budget is submitted to Council for adoption, preferably during the Budget Planning Workshop.

The status of the General Fund-Fund Balance will be discussed as part of the City Manager's Budget Message, in the Budget document.

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 Finance Director, with concurrence from the City Manager, for the purpose of reporting these amounts in the annual financial statements. A few examples of assigned fund balance follow.

- Continuing Appropriations

This is sometimes called “carryover appropriations” which reflects unspent funds for unfinished capital projects that must be carried forward into the new fiscal year to complete the project.

- Debt Service

Established to provide for future debt service obligations.

Unassigned Fund Balance

These are residual positive net resources of the General Fund more than 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 Policies

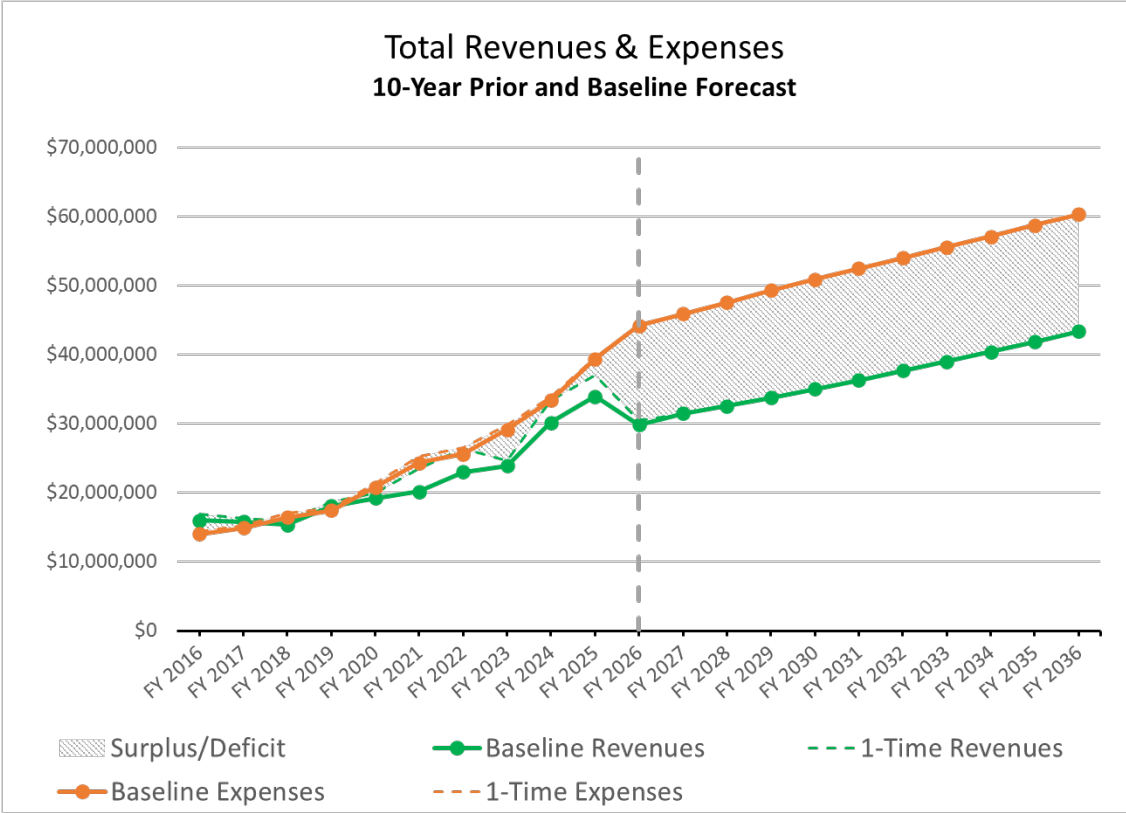
Available Fund Balance is a term used in budgets and essentially is the sum of Committed, Assigned and Unassigned Fund Balance. It is this number that when added to Revenues describes the total Resources available to fund the budget.

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 BUA Water and Wastewater operational funds shall maintain a minimum Available Fund Balance reserve equal to 90 days of the operating and maintenance expenses and debt service payments.
3. The Electric 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 \$1 million minimum Available Fund Balance reserve after fully funding the Accrued Claims Liabilities as determined by the actuary at an 80% confidence factor.

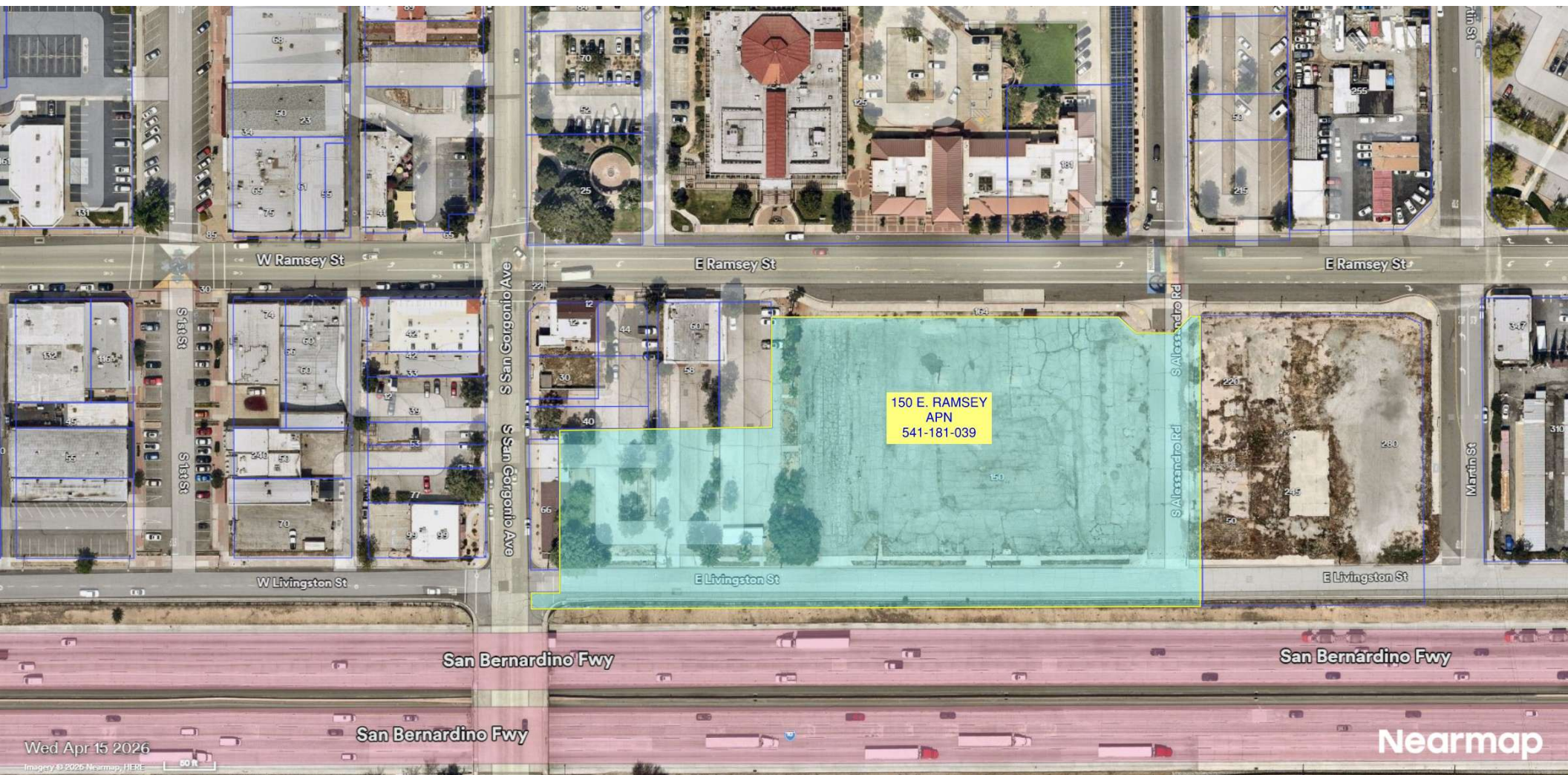
Budget and Budgetary Accounting Policies

The City uses the following procedures in establishing the budget:

1. Before the beginning of the budget cycle, the City Manager facilitates a Budget Planning Workshop to discuss the City's finances, both current and long-term, current service levels, perceived needs of the community and the parameters of the City Manager's upcoming Proposed Budget commencing July 1. The Council will provide general direction.
2. A budget workshop(s) may be conducted every two years or as needed to obtain citizen comments.
3. The budget is subsequently agendized, thoroughly discussed and 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, subject to requests for continuing appropriations. Outstanding encumbrances may be carried forward into the new fiscal year upon the Finance Director's review and 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 appropriations within a fund, or change appropriation transfers between funds.

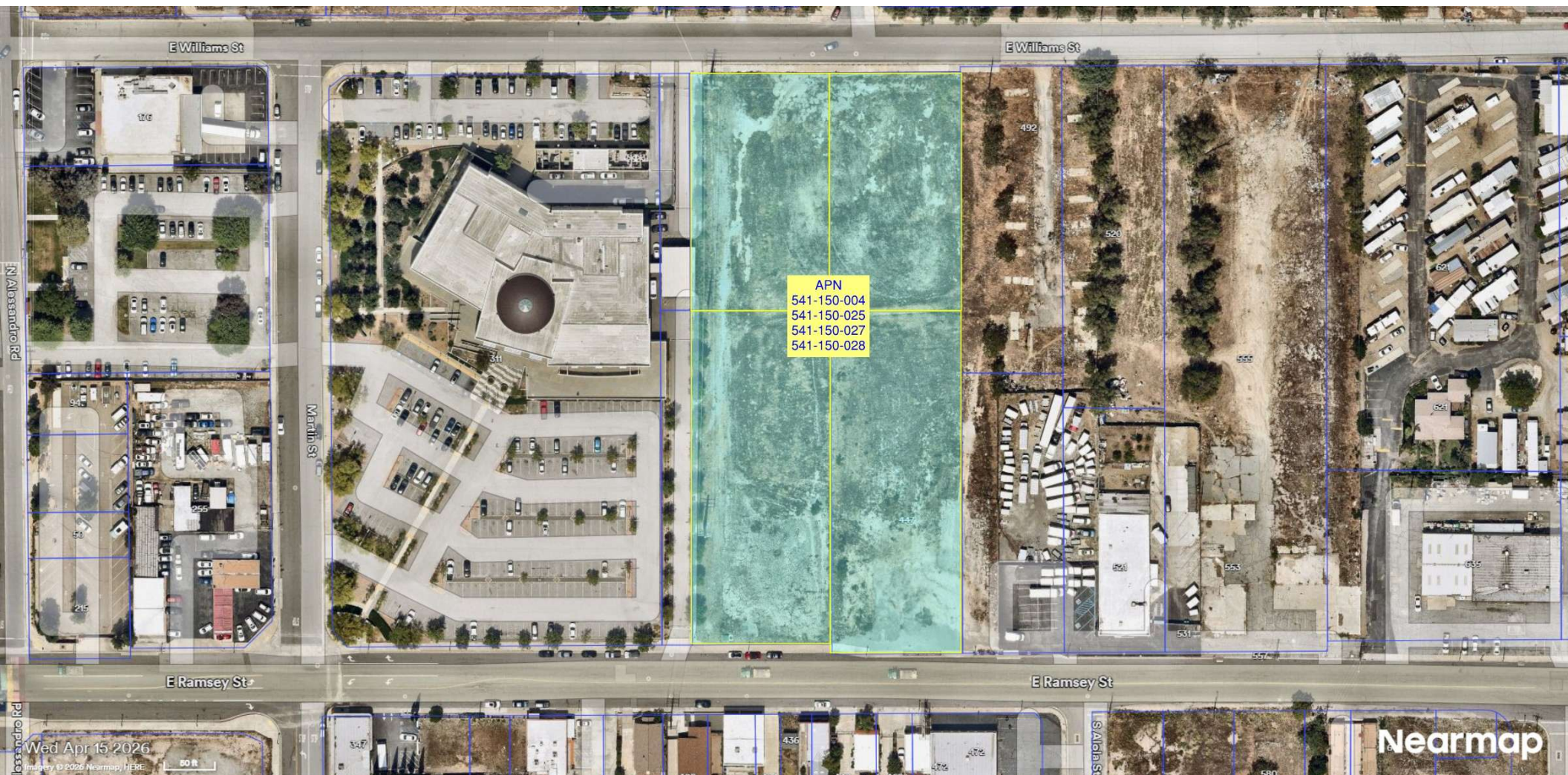


APN/PIN	Site / Location	Acres	General Plan / Zoning	ED Location Tag	Property Description	Surplus Lands Act Completed	Approx. Estimated Value
541181039	150 E. Ramsey St.	3.71	Downtown Retail - General	Downtown/Core	Old San Geronio Inn Site	Yes	\$2,140,000
541181037	E. Ramsey St.	1.48	Downtown Retail - General	Downtown/Core	Adjacent to 150 E. Ramsey	Yes	\$925,000
541150027	E. Williams St.	1.05	Vacant Downtown Commercial Land	Downtown/Core	Adjacent to the Courthouse	Yes	\$578,000
541150025	E. Ramsey St.	1.01	Vacant Downtown Commercial Land	Downtown/Core	Adjacent to the Courthouse	Yes	\$556,000
541150028	E. Williams St.	0.80	Vacant Downtown Commercial Land	Downtown/Core	Adjacent to the Courthouse	Yes	\$440,000
532120011	1909 E. Ramsey St.	0.35	Vacant Commercial Land	Ramsey Corridor	Near Caltrans Yard	Yes	\$175,000
540202002	260 Ramsey St.	0.24	Vacant Downtown Retail - General	Downtown/Core	Adjacent to the Boys & Girls Club	No	\$132,000
540191008	646 W. Ramsey St.	0.21	Vacant Downtown Commercial Land	Downtown/Core	Downtown next to Caboose	Yes	\$116,000
540202001	270 Ramsey St.	0.17	Vacant Downtown Commercial Land	Downtown/Core	Adjacent to the Boys & Girls Club	No	\$94,000
540202003	60 3rd St.	0.10	Vacant Downtown Commercial Land	Downtown/Core	Near Boys & Girls Club	No	\$55,000
							\$5,211,000



Wed Apr 15 2026
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Nearmap





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