



Parks and Recreation Commission

Budget Overview and Developer Impact Fees (DIF)

January 8, 2020

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Introduction

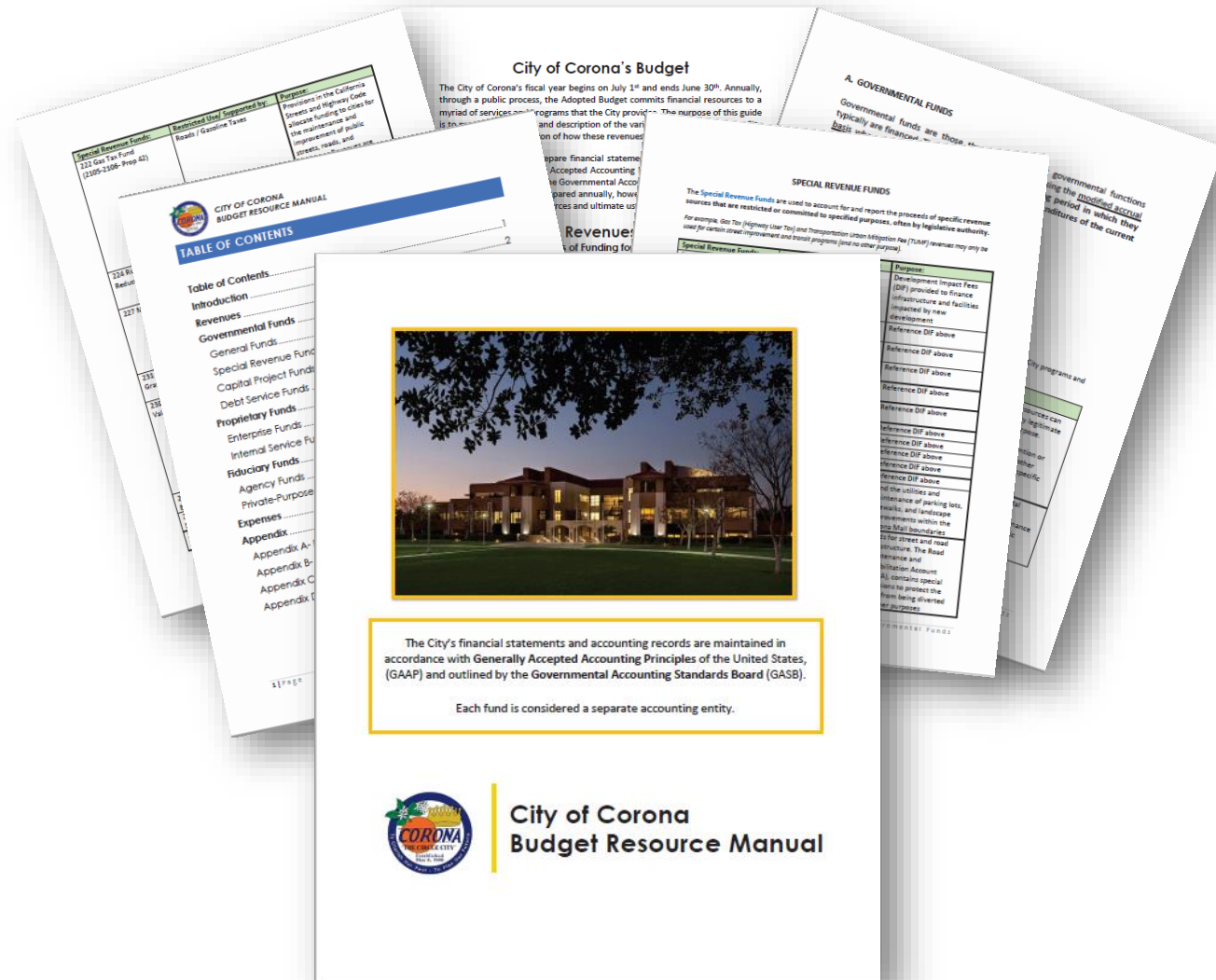
Budget Process

- **Budget = Spending plan for money coming in and money going out**
- **City of Corona's Fiscal Year is July 1 – June 30**
- **Budget Planning Calendar:**
 - ❖ **Jan/Feb** **Departments preparing information for submittal**
 - ❖ **March** **CM/Finance review of Department submittals**
 - ❖ **Mar – May** **Budget Workshops**
 - ❖ **June** **Budget Adoption**
 - ❖ **July** **Start of new fiscal year**



Budget Resource Manual, Budget Presentations, Operating and Capital Budgets, and AB1600 Reports

- ❖ Budget Resource Manual can be found on City's website at www.CoronaCa.Gov/Businesses/Finance
- ❖ Budget workshop presentations can be found on the City's website at www.CoronaCa.Gov/Businesses/Finance
- ❖ Operating budgets, capital budget, and AB1600 reports (Annual Report of Development Impact Fees) can be found on the City's website at <https://www.coronaca.gov/government/departments-divisions/finance/budget-annual-reports>



Fund Accounting

What is fund accounting?

Fund accounting is a system to segregate financial resources to demonstrate legal compliance.

What is a fund?

A fund is a separate accounting entity.

- Each fund's operations are detailed in a set of self-balancing accounts comprised of its assets, liabilities, fund equity, revenues, and expenses.
- Funds are divided into various types according to legal restrictions or use.

Fund Accounting – Fund Types

Fund Types

❖ Governmental

- **General Fund**
- **Special Revenue Funds**
- Capital Project Funds
- Debt Service Funds

❖ Proprietary

- Enterprise Funds
- Internal Service Funds

❖ Fiduciary

- Agency Funds
- Private Purpose Trust Funds

Fund Balance and Reserves

- ❖ Excess revenue over expenditures
- ❖ Emergency or one-time expenditures
- ❖ Not meant to fund continuing operational activities

Where Does the Revenue Come From?

Governmental Funds

- Primarily supported by taxes and user fees:
 - Property Taxes, Sales Tax, Transient Occupancy Tax, Business License Tax
 - Franchise Fees, Building Fees, Facility Rentals, Recreation Revenues, Services to Other Funds, Developer Impact Fees, Trash/Recycling Fees
 - Funding from other governments – Fire Mutual Aid, State and Federal Grants

Proprietary Funds

- Primarily supported by user fees and internal service charges:
 - Utility Fees (Water, Water Reclamation, Electric), Bus Fares, Airport Tie-Downs and Rentals
 - Funding from other governments – State and Federal Grants

Fiduciary Funds

- Activities include special taxes and assessments, Successor Agency, and AB109 PACT Fund
- Custodial in nature; assets belong to designated owners

Expenditure Budget/Appropriations

Operating Budgets

- Appropriated expenditures expire at the end of the fiscal year, except:
 - Grants that cross fiscal years
 - Encumbered purchase orders for activities that cross more than one fiscal year

Capital Improvement Plan Budgets

- Multi-year budgets - expenditures continue from one year to the next until project completion or direction to close

Developer Impact Fees

Special Revenue Funds – Developer Impact Fees (DIF)

Developer impact fees are to finance infrastructure and facilities impacted by new development. Funding is one-time in nature and will significantly decrease as build-out occurs.

Can be used for...

- New facilities
- Items that enhance/expand the use of existing facilities or broadens the audience

Cannot be used for...

- Routine maintenance
- Repairs, rehabilitation, or replacement of existing features

Special Revenue Funds – Developer Impact Fees (DIF)

Public Meeting Facilities – Fund 215

DESCRIPTION	Actuals FY 2018-19	Budgeted FY 2019-20	Forecast FY 2020-21
BEGINNING FUND BALANCE	\$ 112,176	\$ 293,532	\$ 308,425
REVENUES	186,745	79,588	102,763
EXPENDITURES			
Administrative Services Charge	469	474	479
Capital Improvement Projects			
Vicentia Activity Center	4,920	27,389	
Parks Facilities/Amenities Inventory		30,000	
Citywide Facilities Inventory		4,000	
Citywide Fee Review		2,832	
TOTAL EXPENDITURES	5,389	64,695	479
Ending Fund Balance	\$ 293,532	\$ 308,425	\$ 410,709
Less Loans Receivable (Long Term)		(23,739)	(23,739)
Less CFD deposit		(31,828)	(31,828)
Fund Balance (Estimated Fiscal Year End)		\$ 252,858	\$ 355,142

Ending fund balance:
Assumes 100% of
revenue received and
100% of expenditure
budget utilized or
carried over to next year.

Available cash balance 11/30/19

\$ 180,859

Based on actual revenues received through 11/30/19

Special Revenue Funds – Developer Impact Fees (DIF)

Aquatics Center – Fund 216

DESCRIPTION	Actuals FY 2018-19	Budgeted FY 2019-20	Forecast FY 2020-21
BEGINNING FUND BALANCE	\$ 173,671	\$ 293,502	\$ 224,700
REVENUES	120,003	45,474	65,683
EXPENDITURES			
Administrative Services Charge	172	174	176
Capital Improvement Projects			
Aquatic Improvements		107,375	
Citywide Facilities Inventory		5,645	
Citywide Fee Review		1,082	
TOTAL EXPENDITURES	172	114,276	176
Ending Fund Balance	\$ 293,502	\$ 224,700	\$ 290,207
Less Loans Receivable (Long Term)		(14,700)	(14,700)
Less CFD deposit		(19,710)	(19,710)
Fund Balance (Estimated Fiscal Year End)		\$ 190,290	\$ 255,797

Ending fund balance:
Assumes 100% of
revenue received and
100% of expenditure
budget utilized or
carried over to next year.

Available cash balance 11/30/19

\$ 148,406

Based on actual revenues received through 11/30/19

Special Revenue Funds – Developer Impact Fees (DIF)

Parks and Open Space – Fund 217

DESCRIPTION	Actuals FY 2018-19	Budgeted FY 2019-20	Forecast FY 2020-21
BEGINNING FUND BALANCE	\$ 5,117,370	\$ 7,713,605	\$ 3,345,777
REVENUES	2,651,974	235,568	382,273
<i>76.3% To Park Bond Loan</i>	Included above	(179,738)	(291,674)
EXPENDITURES			
Administrative Services Charge	13,330	8,388	8,472
Capital Improvement Projects			
Auburndale Amenities		630,640	
City Park Basketball/Volleyball	42,408		
Citywide ADA Improvements		225,000	
Griffin Park Enhancements		296,596	
Lincoln Park Playground Equipment		200,000	
Mountain Gate Playground Equipment		80,000	
Parks Basic Amenities		949,488	
Parks Enhanced Amenities		598	
Parks Facilities/Amenities Inventory		30,000	
Parks Facility Improvements		612,723	

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Special Revenue Funds – Developer Impact Fees (DIF)

Parks and Open Space – Fund 217

DESCRIPTION	Actuals FY 2018-19	Budgeted FY 2019-20	Forecast FY 2020-21
BEGINNING FUND BALANCE	\$ 5,117,370	\$ 7,713,605	\$ 3,345,777
REVENUES	2,651,974	235,568	382,273
76.3% To Park Bond Loan	Included above	(179,738)	(291,674)
EXPENDITURES			
Parks Hardscape Improvements		1,285,189	
Parks Lighting Improvements		105,036	
TOTAL EXPENDITURES	55,738	4,423,658	8,472
Ending Fund Balance	\$ 7,713,605	\$ 3,345,777	\$ 3,427,903
Less Loans Receivable (Long Term)		(989,829)	(989,829)
Less CFD deposit		(1,302,904)	(1,302,904)
Fund Balance (Estimated Fiscal Year End)		\$ 1,053,044	\$ 1,135,170

Ending fund balance:
Assumes 100% of
revenue received and
100% of expenditure
budget utilized or
carried over to next year.

Available cash balance 11/30/19

\$ 986,762

Based on actual revenues received through 11/30/19

Park Bond Loan/ Park Improvements

General Fund

Park Bond Loan Repayment / Park Improvements

DESCRIPTION	Budgeted FY 2019-20	Forecast FY 2020-21
BEGINNING BALANCE	\$ -	\$ 179,738
REVENUE ESTIMATES	179,738	291,674
<i>76.3% OF REVENUE IN FUND 217</i>		
EXPENDITURES		
To Be Determined	N/A	-
TOTAL EXPENDITURES	N/A	-
ENDING BALANCE	\$ 179,738	\$ 471,413

Year-to-date actuals 11/30/19

\$ 175,825

QUESTIONS?



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