

Attachment 5: Revised Measure Z Spending Priorities

Item #	Funding Request	Category	Original Proposal (Funded/Unfunded) / Revised	Year 1 FY 2016/17	Year 2 FY 2017/18	Year 3 FY 2018/19	Year 4 FY 2019/20	Year 5 FY 2020/21	Year 1-5 Totals	Notes
			Beginning Measure Z Fund Balance	\$ -	\$ (0)	\$ 4,003,668	\$ 7,365,757	\$ 1,657,818		
										* Adoption Year (Year 1) anticipates one quarter of revenue (April 2017 -June 2017) and Year 21 anticipates three quarters of revenue (July 2036 - March 2037)
1	General Fund Reserve (15%)	Financial Discipline/ Responsibility	Revised	\$ 5,549,224	\$ -	\$ -	\$ -	\$ -	\$ 5,549,224	
2	General Fund Reserve (20%)	Financial Discipline/ Responsibility	Revised	\$ -	\$ 16,292,387	\$ 3,983,232	\$ 3,440,679	\$ 3,025,485	\$ 26,741,783	Based on 2nd Quarter Financial Report (FY 2016/17)
3	Payoff of the Balloon \$32 million Pension Obligation Bond	Financial Discipline/ Responsibility	Revised	\$ -	\$ 1,900,800	\$ 1,900,800	\$ 1,900,800	\$ 1,900,800	\$ 7,603,200	February 2017 Finance Committee recommendation to utilize Measure Z funding to pay off the BAN. The General Fund portion of the POB costs is approximately 48% of the total. The revised 10-year financing reflects approximately \$40 million in total principal and interest payments. The total amounts presented are the General Fund portion only. City Council approved 10-year financing on April 25, 2017, subject to final City Council approval on May 16, 2017.
4	50% Funding for Workers Comp and General Liability	Financial Discipline/ Responsibility	Revised	\$ -	\$ 3,450,000	\$ -	\$ -	\$ -	\$ 3,450,000	Original request \$8 million; revised request \$3.45 million
5	Additional Sworn Police Positions	Public Safety	Original	\$ -	\$ 3,700,000	\$ 6,500,000	\$ 8,800,000	\$ 11,000,000	\$ 30,000,000	Year 2: Add back 17 sworn officers reduced during FY 2016-18 Two-Year Budget Year 3: Add 16 additional officers Year 4: Add 14 additional officers Year 5: Add 13 additional officers * 60 total sworn positions; all positions have an estimated 5% annual increase for salaries, benefits, etc.
6	Police Officer Lateral Hire Incentives and Recruitment Costs	Public Safety	New	\$ -	\$ -	\$ 344,360	\$ 344,360	\$ 344,360	\$ 1,033,080	Includes hiring and retention bonuses, vacation bank accruals, and testing/background expenditures.
7	Additional Dispatchers	Public Safety	Original	\$ -	\$ 260,000	\$ 480,000	\$ 705,000	\$ 930,000	\$ 2,375,000	Year 2: Add 3 additional dispatchers Year 3: Add 2 additional dispatchers Year 4: Add 2 additional dispatchers Year 5: Add 2 additional dispatchers * 9 total dispatchers are all net "new" positions; all positions have an estimated 5% annual increase for salaries, benefits, etc.
8	Dispatcher Hiring Incentives and Recruitment Costs	Public Safety	New	\$ -	\$ -	\$ 107,533	\$ 107,533	\$ 107,533	\$ 322,600	Includes vacation bank accruals and testing/background expenditures.
9	Civilian Personnel (non-dispatchers)	Public Safety	Original	\$ -	\$ 790,000	\$ 813,700	\$ 838,111	\$ 888,398	\$ 3,330,209	Year 2: Add back all non-sworn FY 2016-18 Two-Year Budget Reductions, including records specialist (2), sr. office specialist (2), assistant range master (0.75), sr. police records specialist (2), background investigator (1.25), custodian (1), general service worker (1), office specialist (1) * 11 total civilian (non-dispatchers); all positions have an estimated 3% annual increase for salaries, benefits, etc.
10	Human Resources - Senior Analyst	Public Safety	New	\$ -	\$ 113,500	\$ 119,175	\$ 125,134	\$ 131,390	\$ 489,199	Total salary and benefits - based on existing position. Final amounts may differ based on starting salary and CalPERS tier. Current costs anticipated 5% annual increases
11	Reinstatement of Fire Squad	Public Safety	Original	\$ 450,000	\$ 792,798	\$ 832,438	\$ 874,060	\$ 917,763	\$ 3,867,058	Approved by City Council in December 2016. Estimates include 5% annual increases (salaries, benefits, etc.).
12	Reinstatement of Captains (Training and Arson)	Public Safety	Original	\$ -	\$ 450,025	\$ 472,526	\$ 496,153	\$ 520,960	\$ 1,939,664	Estimates include 5% annual increases (salaries, benefits, etc.).
13	Reinstatement of Battalion Chief	Public Safety	Original	\$ -	\$ 282,595	\$ 296,725	\$ 311,561	\$ 327,139	\$ 1,218,020	Estimates include 5% annual increases (salaries, benefits, etc.).
14	Revised PD Vehicle Replacement and Maintenance Plan	Public Safety	Revised	\$ -	\$ 2,704,822	\$ 2,745,119	\$ 2,786,221	\$ 2,828,146	\$ 11,064,308	Annual debt services of \$690,000 plus replacement of vehicles each year. Useful life of 3-5 years; 4 year financing (\$2.5 million)
15	Refurbish PD Vehicle (Pilot Program)	Public Safety	New	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$25,000 per vehicle - 2 vehicle pilot program.
16	Revised Fire Vehicle Replacement and Maintenance Plan	Public Safety	Revised	\$ -	\$ 1,690,000	\$ 1,990,000	\$ 3,574,252	\$ 3,894,158	\$ 11,148,410	One-time replacement of 16 vehicle; 10-year financing (\$13.7 million). Additional layering in of vehicle replacement for remainder of vehicles.
17	Fleet Facility Capital Repairs Needed	Public Safety	New	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	Facility improvements to doors, lifts and drive approach.
18	Additional Fleet Mechanics for Police Department (2)	Public Safety	New	\$ -	\$ 181,000	\$ 190,050	\$ 199,553	\$ 209,530	\$ 780,133	Total salary and benefits - based on existing position. Final amounts may differ based on starting salary and CalPERS tier. Current costs anticipated 5% annual increases for first 5-years with 2% increases thereafter.
19	Additional Fleet Mechanics for Fire Department (2)	Public Safety	New	\$ -	\$ 181,000	\$ 190,050	\$ 199,553	\$ 209,530	\$ 780,133	Total salary and benefits - based on existing position. Final amounts may differ based on starting salary and CalPERS tier. Current costs anticipated 5% annual increases for first 5-years with 2% increases thereafter.
20	Funding Gap - Existing Services (based on the FY 16-17 2nd Qtr General Fund Operating Deficit estimate)	Critical Operating Needs	Revised	\$ 3,939,526	\$ 5,482,404	\$ 10,787,847	\$ 17,266,026	\$ 10,734,277	\$ 48,210,080	Based on 5-Year Model and largely associated with union contracts. Model assumes no-raises for SEIU in Year 5.
21	Principal Analyst (City Manager's Office)	Critical Operating Needs	Original	\$ -	\$ 165,000	\$ 173,250	\$ 181,913	\$ 191,008	\$ 711,171	
22	Budget Engagement Commission Support	Critical Operating Needs	Original	\$ 5,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 113,000	Supplies, printing and mailing, video and security staff
23	Contingency Replenishment	Critical Operating Needs	Original	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,000,000	

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24	General Plan Update (Includes Zoning Code Changes)	Critical Operating Needs	New	\$ -	\$ 2,000,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ 5,000,000	* Adoption Year (Year 1) anticipates one quarter of revenue (April 2017 -June 2017) and Year 21 anticipates three quarters of revenue (July 2036 - March 2037) Over the past 20 years, the City's regulatory environment for development has become burdensome. In order to make an investment in the future of Riverside, funding is needed for a General Plan Update, including zoning code, in the near future.
25	New Downtown Main Library	Facility Capital Needs	Revised	\$ -	\$ -	\$ 1,867,412	\$ 2,561,824	\$ 2,561,824	\$ 6,991,059	Estimated \$30 million
26	New Police Headquarters	Facility Capital Needs	Revised	\$ -	\$ -	\$ 2,801,118	\$ 3,842,735	\$ 3,842,735	\$ 10,486,588	Estimated \$45 million - Depending on features, liability costs will increase.
27	Museum Expansion and Rehab	Facility Capital Needs	Revised	\$ -	\$ -	\$ 1,244,941	\$ 1,707,882	\$ 1,707,882	\$ 4,660,706	Estimated \$15 million
28	Parking Garage	Facility Capital Needs	Revised	\$ -	\$ -	\$ 933,706	\$ 1,280,912	\$ 1,280,912	\$ 3,495,529	Estimated \$15 million
29	Future Capital Projects	Facility Capital Needs	New	\$ -	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,000,000	The City has many capital needs moving forward that are not specifically addressed through Measure Z. Funding will be for future facilities (e.g. new park) and major upgrades to existing facilities. Priority for funding will be based on needs assessment and tools, such as the upcoming Parks Master Plan. Total funding over 20-years is estimated to be \$20 million.
30	Annual Allocation for Neighborhood Capital Projects	Facility Capital Needs	Original	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 8,000,000	\$250,000 utilized per Councilmember and the Mayor for capital related projects each year.
31	Annual Deferred Maintenance (Existing Facilities) - Partial Funding	Facility Capital Needs	Original	\$ -	\$ 1,000,000	\$ 1,500,000	\$ 250,000	\$ 1,450,000	\$ 4,200,000	
32	Tree Trimming - Partial Funding	Quality of Life	Original	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ 2,000,000	
33	Ward Action Team - Community Advocate (City Manager's Office)	Quality of Life	Original	\$ -	\$ 165,000	\$ 173,250	\$ 181,913	\$ 191,008	\$ 711,171	Salary and Benefits: Based on Tier 2 employee. 5% increased for first four years. 2% increases thereafter.
34	Ward Action Team - Deputy City Attorney II (City Attorney's Office)	Quality of Life	Revised	\$ 56,250	\$ 225,000	\$ 236,250	\$ 248,063	\$ 260,466	\$ 1,026,028	Approved by City Council in February 2017.
35	Quality of Life Survey	Quality of Life	Original	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 100,000	Quality of life surveys
36	New Enterprise Resource Planning (ERP) System - Partial Funding	Technology	Revised	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 3,000,000	General Fund portion only.
37	Cybersecurity - Partial Funding	Technology	Original	\$ -	\$ -	\$ 500,000	\$ -	\$ 250,000	\$ 750,000	
38	Hardware (servers, storage, and network equipment) - Partial Funding	Technology	Original	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ 1,000,000	
Staff Recommended Revised Measure Z Expenditure Totals				\$ 10,000,000	\$ 47,553,331	\$ 48,710,481	\$ 58,301,234	\$ 54,732,304	\$ 219,297,352	
Estimated 1% Transactions and Use Tax Revenue				\$ 10,000,000	\$ 51,557,000	\$ 52,072,570	\$ 52,593,296	\$ 53,119,229	\$ 219,342,094	Revenue estimates reflect 1% annual increases. Revised totals Received from HdL
Net Savings / (Expense)				\$ (0)	\$ 4,003,669	\$ 3,362,089	\$ (5,707,939)	\$ (1,613,076)	\$ 44,742	
Ending Measure Z Fund Balance				\$ (0)	\$ 4,003,668	\$ 7,365,757	\$ 1,657,818	\$ 44,742	\$ 44,742	