

CITY OF RIVERSIDE
SOLID WASTE FUND 540
FY 2018-23 BASELINE FIVE-YEAR PLAN

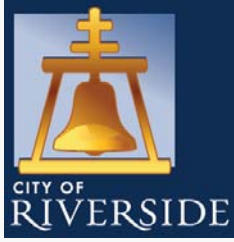
CATEGORY		DESCRIPTION	2016-17 ACTUALS	2017-18 PROJECTED	2018-19		2019-20		2020-21		2021-22		2022-23	
					PRELIM.	%	PRELIM.	%	PROJ.	%	PROJ.	%	PROJ.	%
USER FEES	No planned rate increases for years identified and limited growth impacts	Curbside Residential	10,497,086	10,693,224	10,869,486	1.6%	10,869,486	0.0%	10,869,486	0.0%	10,869,486	0.0%	10,869,486	0.0%
		City Addl Automated Waste	222,968	236,400	210,913	-10.8%	210,913	0.0%	210,913	0.0%	210,913	0.0%	210,913	0.0%
		Driveway Residential Service	100,419	99,396	104,517	5.2%	104,517	0.0%	104,517	0.0%	104,517	0.0%	104,517	0.0%
		Backyard Residential Service	26,260	26,280	25,540	-2.8%	25,540	0.0%	25,540	0.0%	25,540	0.0%	25,540	0.0%
		Disabled Residential Service	135,689	137,448	136,956	-0.4%	136,956	0.0%	136,956	0.0%	136,956	0.0%	136,956	0.0%
		Mobile Home Park Service	22,210	23,316	23,386	0.3%	23,386	0.0%	23,386	0.0%	23,386	0.0%	23,386	0.0%
		Private Hauler Multi Family Units	54,255	54,780	57,319	4.6%	57,319	0.0%	57,319	0.0%	57,319	0.0%	57,319	0.0%
		City Multi Family Units	425,705	438,072	401,075	-8.4%	401,075	0.0%	401,075	0.0%	401,075	0.0%	401,075	0.0%
		Outside Contract - Hauler	4,010,415	4,055,928	4,153,259	2.4%	4,153,259	0.0%	4,153,259	0.0%	4,153,259	0.0%	4,153,259	0.0%
		Administrative Fees - Refuse	5,755,930	5,271,516	5,385,406	2.2%	5,385,406	0.0%	5,385,406	0.0%	5,385,406	0.0%	5,385,406	0.0%
	City Sale Addl Auto Container	22,257	22,056	16,000	-27.5%	16,000	0.0%	16,000	0.0%	16,000	0.0%	16,000	0.0%	
TOTAL USER FEES			21,273,192	21,058,416	21,383,857	1.5%	21,383,857	0.0%	21,383,857	0.0%	21,383,857	0.0%	21,383,857	0.0%
FINES	Increases based on approved rate structure	Parking Fines Street Sweeping	1,223,499	1,258,548	1,207,200	-4.1%	1,250,000	3.5%	1,293,750	3.5%	1,339,031	3.5%	1,385,897	3.5%
		TOTAL FINES			1,223,499	1,258,548	1,207,200	-4.1%	1,250,000	3.5%	1,293,750	3.5%	1,339,031	3.5%
MISC. REVENUE	Based on historical trends and market for recycled materials	Interest from Investments	66,121	77,592	40,000	-48.4%	40,000	0.0%	40,000	0.0%	40,000	0.0%	40,000	0.0%
		GASB31 Adjustments	(49,436)	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Refunds and Reimbursements - Collections	149,500	420,000	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Refunds and Reimbursements - Sweeping	40,524	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Misc. Receipts	(10,202)	412,656	45,000	-89.1%	45,000	0.0%	45,000	0.0%	45,000	0.0%	45,000	0.0%
		Settlement Recovery	308	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Curbside Material Revenue	334,334	512,280	312,120	-39.1%	312,120	0.0%	312,120	0.0%	312,120	0.0%	312,120	0.0%
		City - Recycle Fee	70,260	78,563	65,458	-16.7%	65,458	0.0%	65,458	0.0%	65,458	0.0%	65,458	0.0%
TOTAL MISCELLANEOUS REVENUE			601,410	1,501,091	462,578	-69.2%	462,578	0.0%	462,578	0.0%	462,578	0.0%	462,578	0.0%
TOTAL REVENUES			23,098,101	23,818,055	23,053,635	-3.2%	23,096,435	0.2%	23,140,185	0.2%	23,185,466	0.2%	23,232,332	0.2%
PERSONNEL	Based on Partnership Compensation Model and Memorandums of Understanding	Salaries	2,808,336	2,955,173	3,363,961	13.8%	3,580,541	6.4%	3,680,205	2.8%	3,714,629	0.9%	3,732,234	0.5%
		Overtime	467,560	484,795	428,183	-11.7%	459,987	7.4%	493,034	7.2%	527,545	7.0%	564,473	7.0%
		Payoffs	8,216	35,291	65,031	84.3%	68,933	6.0%	73,069	6.0%	77,453	6.0%	82,101	6.0%
		CalPERS	691,358	958,280	905,991	-5.5%	1,038,796	14.7%	1,161,013	11.8%	1,266,054	9.0%	1,353,304	6.9%
		Medical and Other Insurance	710,724	785,699	966,657	23.0%	968,795	0.2%	957,504	-1.2%	995,520	4.0%	1,029,252	3.4%
		Other	187,677	32,399	52,771	62.9%	93,676	77.5%	70,248	-25.0%	68,151	-3.0%	65,652	-3.7%
TOTAL PERSONNEL			4,873,871	5,251,637	5,782,594	10.1%	6,210,728	7.4%	6,435,073	3.6%	6,649,352	3.3%	6,827,016	2.7%

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CATEGORY		DESCRIPTION	2016-17 ACTUALS	2017-18 PROJECTED	2018-19		2019-20		2020-21		2021-22		2022-23	
					PRELIM.	%	PRELIM.	%	PROJ.	%	PROJ.	%	PROJ.	%
NON-PERSONNEL	Includes increases based on historical CPI, internal policies, and historical trends	Professional Services	81,452	80,766	119,700	48.2%	119,700	0.0%	119,700	0.0%	119,700	0.0%	119,700	0.0%
		Prof Services Internal	115,523	92,019	47,000	-48.9%	52,000	10.6%	52,000	0.0%	52,000	0.0%	52,000	0.0%
		Prof Services Regulatory	24,502	50,900	265,891	422.4%	221,436	-16.7%	221,436	0.0%	221,436	0.0%	221,436	0.0%
		Telephones	593	602	700	16.3%	700	0.0%	700	0.0%	700	0.0%	700	0.0%
		Cell Phones	8,136	8,587	12,539	46.0%	12,539	0.0%	12,539	0.0%	12,539	0.0%	12,539	0.0%
		Water	2,965	3,191	5,600	75.5%	5,700	1.8%	5,700	0.0%	5,700	0.0%	5,700	0.0%
		Electric	23,647	21,752	30,000	37.9%	32,000	6.7%	32,000	0.0%	32,000	0.0%	32,000	0.0%
		Other Utilities	-	-	150	14900.0%	150	0.0%	150	0.0%	150	0.0%	150	0.0%
		Refuse/Disposal Fees	3,492,025	4,078,766	3,742,196	-8.3%	3,816,949	2.0%	3,893,288	2.0%	3,971,155	2.0%	4,050,580	2.0%
		Motor Pool Equipment Rental	105,118	100,326	108,944	8.6%	114,385	5.0%	114,385	0.0%	114,385	0.0%	114,385	0.0%
		Street Sweeper Supplies	48,658	50,000	74,500	49.0%	74,500	0.0%	74,500	0.0%	74,500	0.0%	74,500	0.0%
		Signing Supplies	-	-	500	50000.0%	500	0.0%	500	0.0%	500	0.0%	500	0.0%
		Maint/Repair Bldgs & Improv	4,044	6,435	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Maintenance & Repair General	295,783	1,003,509	224,500	-77.6%	240,050	6.9%	240,050	0.0%	240,050	0.0%	240,050	0.0%
		All Other Equipment Maint/Repair	16,947	29,938	44,000	47.0%	44,000	0.0%	44,000	0.0%	44,000	0.0%	44,000	0.0%
		Central Garage Charges	2,109,363	2,281,906	2,310,225	1.2%	2,425,736	5.0%	2,535,803	4.5%	2,535,803	0.0%	2,535,803	0.0%
		Advertising Expenses	5,940	19,101	28,000	46.6%	28,000	0.0%	28,000	0.0%	28,000	0.0%	28,000	0.0%
		Periodicals and Dues	7,767	2,854	700	-75.5%	700	0.0%	700	0.0%	700	0.0%	700	0.0%
		General Office Expenses	11,028	10,127	13,050	28.9%	13,050	0.0%	13,050	0.0%	13,050	0.0%	13,050	0.0%
		Postage	214	786	450	-42.7%	450	0.0%	450	0.0%	450	0.0%	450	0.0%
		Central Printing Charges	-	-	150	1500.0%	150	0.0%	150	0.0%	150	0.0%	150	0.0%
		Outside Printing Charges	2,460	1,656	4,000	141.5%	4,000	0.0%	4,000	0.0%	4,000	0.0%	4,000	0.0%
		Software Purchasing Licensing	1,096	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Computers-Software	183,725	183,725	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Computer Equip Purc Undr \$5000	2,137	2,616	5,000	91.1%	5,000	0.0%	5,000	0.0%	5,000	0.0%	5,000	0.0%
		Janitorial Supplies	5,170	3,145	3,600	14.5%	3,600	0.0%	3,600	0.0%	3,600	0.0%	3,600	0.0%
		Clothing/Linen/Safety Supplies	31,544	39,082	38,098	-2.5%	38,098	0.0%	38,098	0.0%	38,098	0.0%	38,098	0.0%
		Chemical Supplies	-	-	425	42500.0%	425	0.0%	425	0.0%	425	0.0%	425	0.0%
		Motor Fuels & Lubricants	514,539	521,467	530,962	1.8%	553,460	4.2%	579,080	4.6%	579,080	0.0%	579,080	0.0%
		Maintenance Tools/Supplies	334	127	5,227	4015.7%	5,227	0.0%	5,227	0.0%	5,227	0.0%	5,227	0.0%
		Work Boot Reimbursement	2,228	11,861	7,650	-35.5%	7,650	0.0%	7,650	0.0%	7,650	0.0%	7,650	0.0%
		Special Department Supplies	641,260	572,419	643,800	12.5%	643,900	0.0%	643,900	0.0%	643,900	0.0%	643,900	0.0%
		Travel & Meeting Expenses	1,091	-	2,525	252500.0%	2,525	0.0%	2,525	0.0%	2,525	0.0%	2,525	0.0%
		Training	1,754	1,362	13,593	898.0%	13,593	0.0%	13,593	0.0%	13,593	0.0%	13,593	0.0%
		Liability Insurance	89,453	90,862	188,382	107.3%	160,800	-14.6%	118,445	-26.3%	123,962	4.7%	123,962	0.0%
TOTAL NON-PERSONNEL			7,830,495	9,269,887	8,472,057	-8.6%	8,640,973	2.0%	8,810,644	2.0%	8,894,028	0.9%	8,973,453	0.9%
SPECIAL PROJECTS	Includes increases based on historical CPI, internal policies, and historical trends	CURE	118,583	240,650	317,020	31.7%	317,878	0.3%	318,832	0.3%	319,791	0.3%	320,751	0.3%
		Residential Hauler	4,391,808	4,140,000	4,216,248	1.8%	4,300,573	2.0%	4,386,584	2.0%	4,474,316	2.0%	4,563,802	2.0%
		KRCB	151,244	135,445	139,622	3.1%	140,302	0.5%	144,511	3.0%	148,846	3.0%	153,311	3.0%
		TOTAL SPECIAL PROJECTS	4,661,635	4,516,095	4,672,890	3.5%	4,758,753	1.8%	4,849,927	1.9%	4,942,953	1.9%	5,037,864	1.9%

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CATEGORY		DESCRIPTION	2016-17 ACTUALS	2017-18 PROJECTED	2018-19		2019-20		2020-21		2021-22		2022-23	
					PRELIM.	%	PRELIM.	%	PROJ.	%	PROJ.	%	PROJ.	%
EQUIP.	One-year increase to acknowledge increasing facility maintenance needs	Automotive Equipment	346,335	1,624,849	1,434,000	-11.7%	1,434,000	0.0%	1,434,000	0.0%	1,434,000	0.0%	1,434,000	0.0%
		Machine and Equipment	99,857	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		TOTAL EQUIP AND CAPITAL OUTLAY	446,191	1,624,849	1,434,000	-11.7%	1,434,000	0.0%	1,434,000	0.0%	1,434,000	0.0%	1,434,000	0.0%
DEBT SERVICE	Annual principal & interest payments	Uncollected Bad Debt	31,477	42,035	64,000	52.3%	64,000	0.0%	64,000	0.0%	64,000	0.0%	64,000	0.0%
		Principal	73,164	-	172,117	17211700.0%	146,463	-14.9%	77,339	-47.2%	78,982	2.1%	80,877	2.4%
		Bond Cost of Issuance	26,695	32,046	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Interest	22,115	-	26,814	0.0%	20,939	-21.9%	16,046	-23.4%	14,402	-10.2%	12,428	-13.7%
		Sp Items-Pens Oblig Bonds	60,011	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		TOTAL DEBT SERVICE	213,462	74,081	262,931	254.9%	231,402	-12.0%	157,385	-32.0%	157,384	0.0%	157,305	-0.1%
CHARGES AND TRANSFERS	Preliminary Cost Allocation Plan and Utilization Charges; amounts will be adjusted as departments' budgets are finalized.	General Fund Allocations	479,314	453,594	1,361,742	200.2%	1,450,429	6.5%	1,519,809	4.8%	1,581,375	4.1%	1,620,965	2.5%
		Charges from 101	1,116,714	1,164,887	1,004,716	-13.7%	1,028,983	2.4%	1,051,397	2.2%	1,074,509	2.2%	1,098,335	2.2%
		Charges from 510	1,434,914	1,405,410	1,605,062	14.2%	1,669,327	4.0%	1,699,013	1.8%	1,729,292	1.8%	1,760,178	1.8%
		Charges from 550	52,472	54,740	56,810	5680900.0%	57,946	2.0%	59,105	2.0%	60,287	2.0%	61,492	2.0%
		Charges from 570	862,788	896,231	909,592	1.5%	947,107	4.1%	986,179	4.1%	1,026,873	4.1%	1,069,258	4.1%
		Interfund Charges 101	-	-	2,500	250000.0%	2,500	0.0%	2,500	0.0%	2,500	0.0%	2,500	0.0%
		Charges to 101	(30,527)	(32,801)	-	-100.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Charges to 260	(376,367)	(317,208)	(267,208)	-15.8%	(167,000)	-37.5%	(92,000)	-44.9%	(17,000)	-81.5%	-	-100.0%
		Charges to 550	(36,055)	(36,055)	(37,087)	2.9%	(37,087)	0.0%	(37,807)	1.9%	(37,807)	0.0%	(37,807)	0.0%
		Interfund Services to 101	(12,544)	(12,254)	(21,955)	2195600.0%	(22,624)	3.0%	(23,302)	3.0%	(24,001)	3.0%	(24,721)	3.0%
		Interfund Services to 520	(147)	-	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		Interfund Services to 540	(53,756)	(19,218)	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
		TOTAL CHARGES TO/FROM AND TRANSFERS		3,436,806	3,557,326	4,614,172	29.7%	4,929,581	6.8%	5,164,894	4.8%	5,396,028	4.5%	5,550,200
TOTAL EXPENDITURES AND TRANSFERS-OUT			21,462,460	24,293,875	25,238,644	3.9%	26,205,437	3.8%	26,851,923	2.5%	27,473,745	2.3%	27,979,838	1.8%
WORKING CAPITAL		Beginning Working Capital	\$ 3,547,352	\$ 5,182,993	4,707,173	-9.2%	2,522,164	-46.4%	(586,838)	-123.3%	(4,298,576)	632.5%	(8,586,855)	99.8%
		Surplus/Deficit	1,635,641	(475,820)	(2,185,009)	359.2%	(3,109,002)	42.3%	(3,711,738)	19.4%	(4,288,279)	15.5%	(4,747,506)	10.7%
		Ending Working Capital	5,182,993	4,707,173	2,522,164	-46.4%	(586,838)	-123.3%	(4,298,576)	632.5%	(8,586,855)	99.8%	(13,334,361)	55.3%
WORKING CAPITAL		24.1%	19.4%	10.0%	-48.4%	-2.2%	-122.4%	-16.0%	614.9%	-31.3%	95.2%	-47.7%	52.5%	



FY 2019-23 Budget Outlook for Solid Waste Fund (540)

Public Works Department

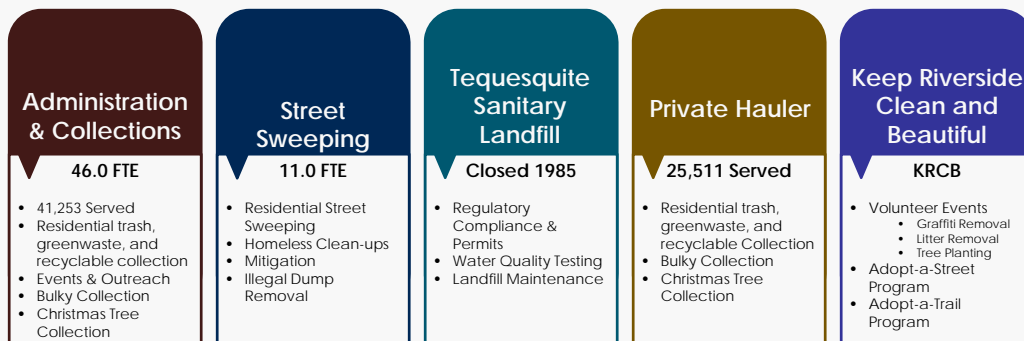
Budget Engagement Commission

April 5, 2018

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DIVISION OVERVIEW

The Solid Waste Division is committed to providing quality residential and commercial trash, recycling and street sweeping services



BACKGROUND – PERFORMANCE AUDIT

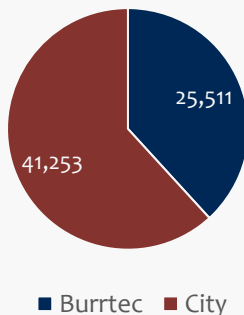


3

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BACKGROUND

- Residential Service
 - Contract expires December 31, 2018
- Commercial Service
 - Contracts expire June 30, 2023
 - Athens, Burrtec & CR&R
 - Same contract terms/ approved rates

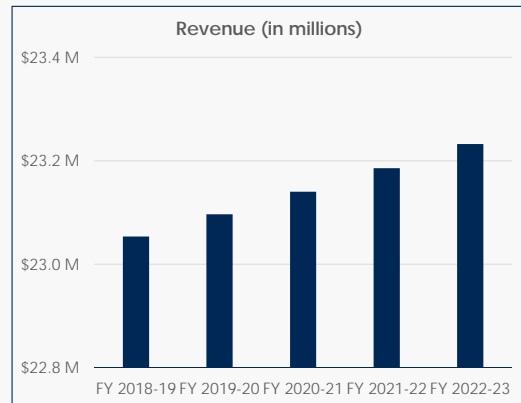


4

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REVENUE ASSUMPTIONS

- Revenue sources
 - Rates
 - Residential - CPI *only* increases have been in place for past 10 years
 - Commercial – CPI with one time increase in 2013 for processing costs
 - Other
 - Sweeping parking fines expected to increase approx. \$40,000 annually
 - Recycling revenue unknown



NO FUTURE RATE INCREASES APPROVED



5

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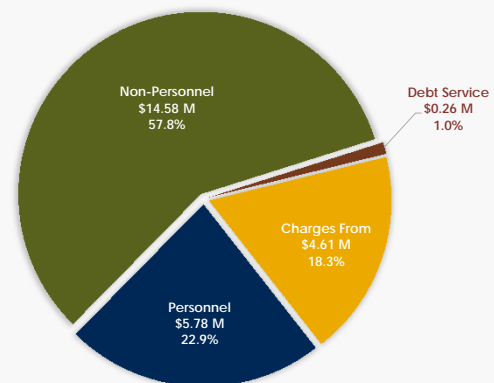
EXPENSE ASSUMPTIONS

- Increased overtime due to increase in requests for service, residential events and homeless clean-ups
- Increased General Fund Allocations due to re-evaluation of costs for departmental services
- Increased Disposal Costs (CPI)
- Increased costs for maintaining Landfill due to equipment replacement and regulatory compliance measures
- Increased Liability Insurance

Reduction Efforts:

- Reviewed Discretionary Funding
- Vendors asked to reevaluate contract pricing

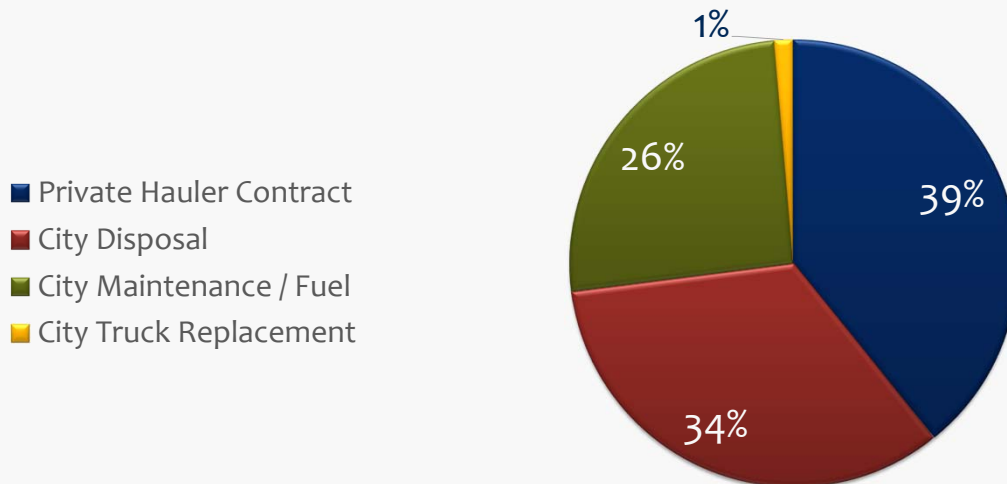
FY 2018-19 BASELINE EXPENSES



6

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MAJOR NON-PERSONNEL CATEGORIES



7

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CHALLENGES

- Anticipated contract cost increases
- Disposal cost increases
- Technology needs
- Increasing requests for service
 - Homeless camp/railway cleanups
- Increasing state mandates
 - Programs / aging vehicles



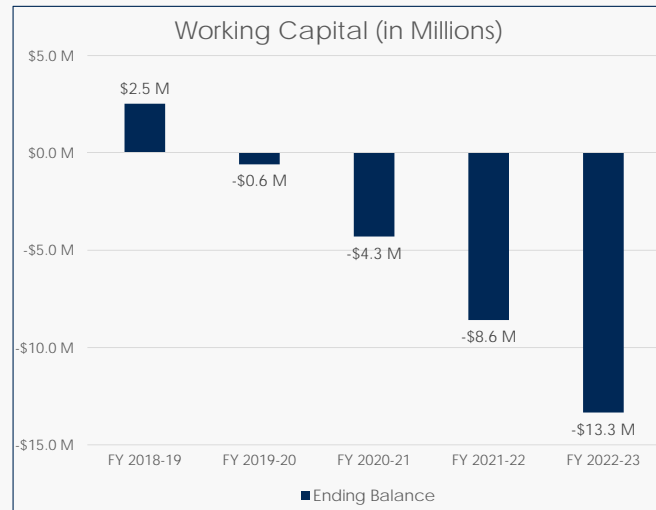
8



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WORKING CAPITAL OVERVIEW

- Assuming no change in rates or operations, the Fund begins a negative fund balance trend at the end of Year 2 (FY 2019/20), increasing significantly by end of Year 5
- Expenses are outpacing revenues, primarily due to regular increases in expenditures without a matching increase in rates



9

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BALANCING MEASURES

- Complete **Performance Audit** and evaluate / implement recommendations for City Council approval
- Defer/modify equipment purchases
 - \$600,000 reduction
- Apply 3% vacancy factor
 - \$100,000 reduction



10

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