

# FY 2018-2020 Budget Overview

## RIVERSIDE PUBLIC UTILITIES

City Council  
May 15, 2018

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## DEPARTMENT OVERVIEW

Riverside Public Utilities is responsible for **providing electric and water services** to 109,300 electric and 65,400 water metered customers. Divisions within the department include **Electric, Water, and Central Stores**, which provides warehousing and accounting control of supplies and materials.

### Riverside 2.1 Strategic Goals



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## PERSONNEL



Todd Jorgensen -  
Public Utilities Interim General Manager



FY 2018-19 Budgeted  
Full-Time Equivalent Positions

**641.90**

FY 2019-20 Budgeted  
Full-Time Equivalent Positions

**641.90**

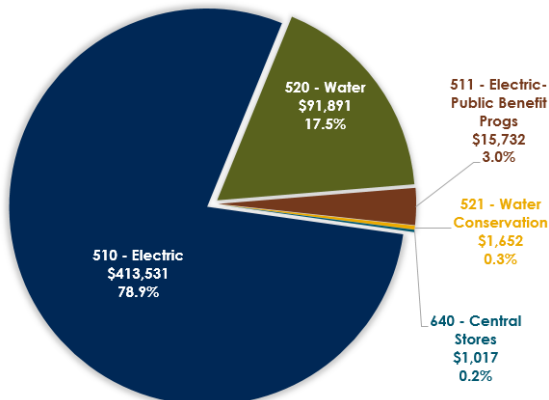


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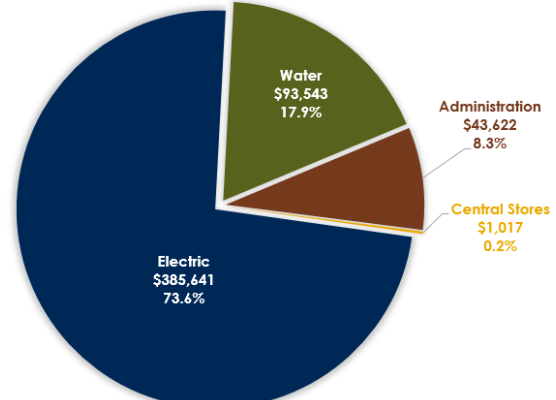
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## PROPOSED EXPENDITURES - FY 2018/19

FY 2018/19 BY FUND  
(in thousands)



FY 2018/19 BY MAJOR DIVISION  
(in thousands)



Total Electric & Water: \$522.8 million

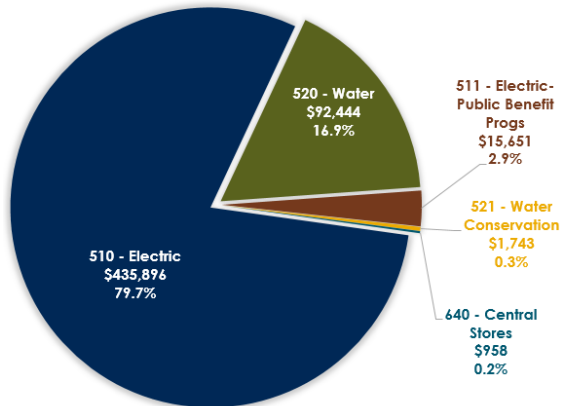
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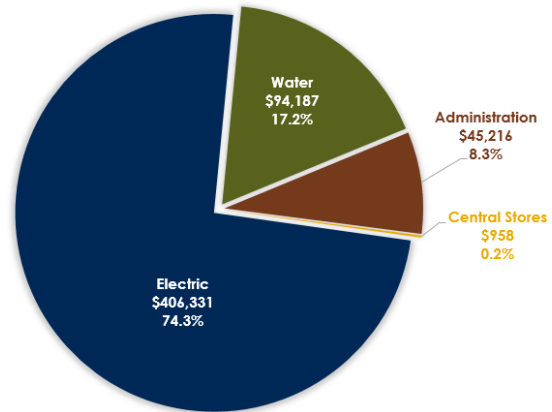
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## PROPOSED EXPENDITURES - FY 2019/20

FY 2019/20 BY FUND  
(in thousands)



FY 2019/20 BY MAJOR DIVISION  
(in thousands)



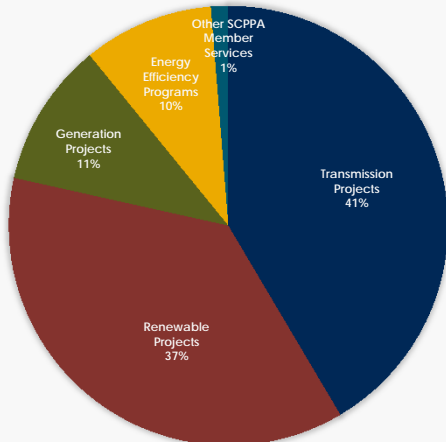
Total Electric & Water: \$545.7 million

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## ELECTRIC – EXPENDITURES THROUGH SCPPA



- Transmission Projects
- Renewable Projects
- Generation Projects
- SCPPA Energy Efficiency Programs
- SCPPA Other Member Services

Total Included in Power Supply Budget

Total Included in Public Benefits Budget

Total Included in Electric Fund Budget

Total SCPPA Budget

% of Electric Budget

	1st Year 2018/19	2nd Year 2019/20	Total
Transmission Projects	\$ 14.3 M	\$ 14.9 M	\$ 29.2 M
Renewable Projects	13.1 M	13.0 M	26.1 M
Generation Projects	3.7 M	3.8 M	7.5 M
Total Included in Power Supply Budget	31.1 M	31.7 M	62.8 M
SCPPA Energy Efficiency Programs	3.4 M	3.4 M	6.8 M
Total Included in Public Benefits Budget	3.4 M	3.4 M	6.8 M
SCPPA Other Member Services	0.4 M	0.5 M	0.9 M
Total Included in Electric Fund Budget	0.4 M	0.5 M	0.9 M
Total SCPPA Budget	\$ 34.9 M	\$ 35.6 M	\$ 70.5 M
% of Electric Budget	8%	8%	

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## PRIMARY CHALLENGES

Primary challenges in this budget cycle include:

1. Rate Proposal in process
2. Prior bond funds depleted
3. Reserves decreasing
4. Regulatory constraints and mandates – higher supply costs
5. Rising personnel and CalPERS costs
6. Significant backlog of capital needs



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## BALANCING MEASURES

Balancing Measure (Water/Electric Utility)	FY 2018/19	5-Year Impact
Increased Revenue – Electric; Includes transmission revenue, cap and trade, excess renewable energy credit sales, and property leases	3,695,379	19,797,820
Increased Revenue – Water; Includes water conveyance, wholesale water sales, and property leases	851,300	12,557,621
Reduce Expenditure – Electric; Eliminate 5 positions	1,030,028	5,650,000
Reduce Expenditure – Electric; Includes professional services, energy charges, greenhouse regulatory fees, various maintenance costs, and other miscellaneous costs	2,715,304	11,710,276
Reduce Expenditure – Water; Includes professional services, production costs, chemical costs, and other miscellaneous costs	411,000	671,000
<b>Total Balancing Measures Incorporated Into FY 2018/19 Budget</b>	<b>8,703,011</b>	<b>50,386,717</b>



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## CAPITAL PROJECTS

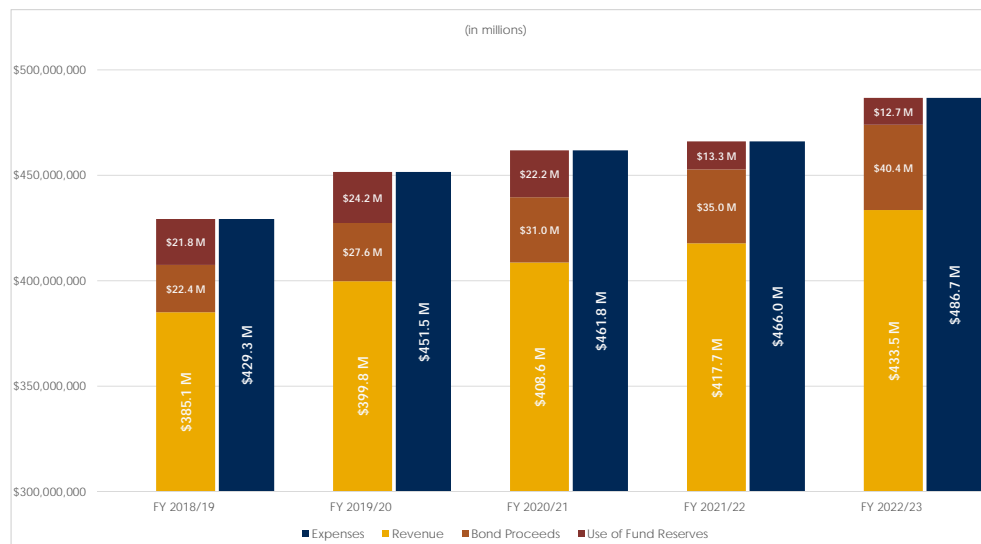
Category	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Total
Electric	32,390,952	34,416,523	38,468,201	42,717,438	48,432,978	196,426,092
Water	22,700,651	18,816,266	33,854,339	23,652,419	30,089,738	129,113,413
<b>Subtotal RPU Projects</b>	<b>\$ 55,091,603</b>	<b>\$ 53,232,789</b>	<b>\$ 72,322,540</b>	<b>\$ 66,369,857</b>	<b>\$ 78,522,716</b>	<b>\$ 325,539,505</b>
City-wide IT Projects	365,520	322,167	113,307	-	-	800,994
<b>Total CIP</b>	<b>\$ 55,457,123</b>	<b>\$ 53,554,956</b>	<b>\$ 72,435,847</b>	<b>\$ 66,369,857</b>	<b>\$ 78,522,716</b>	<b>\$ 326,340,499</b>



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## ELECTRIC FIVE-YEAR PLAN



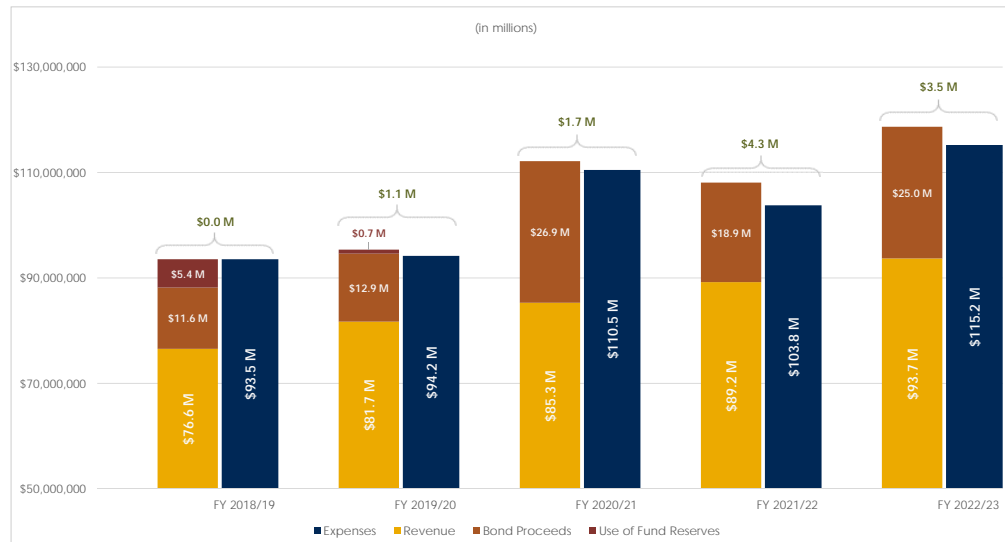
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Source: FY 2018-20 Proposed Biennial Budget, page 68

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## WATER FIVE-YEAR PLAN



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Source: FY 2018-20 Proposed Biennial Budget, page 70

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## BOARD OF PUBLIC UTILITIES RECOMMENDATIONS

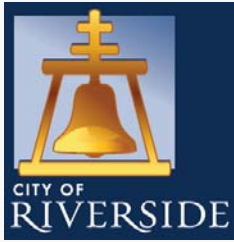
- Budget presented to the Board on April 23, 2018.
- All recommendations accepted with exception of the reduction and/or transfer of 14 positions to City Administration, Human Resources, and Marketing functions, pending consideration of this issue by the RPU Finance/Customer Engagement Committee.
- If elimination and/or transfer of positions does not occur, the following savings may not be realized:

Budget Proposal	2-Year Net Fiscal Impact
Transfer 5 positions to City Communications Division	-0-
Transfer 4 positions to Human Resources Department	-0-
Eliminate AGM – Customer Relations & Marketing	\$458,000
Eliminate AGM – Operations Technology	\$578,000
Eliminate Deputy General Manager	\$649,000
Eliminate Principal Analyst	\$275,000
Eliminate Utilities Customer Communication Specialist	\$173,000
<b>Personnel Savings in FY 2018-20 Two-Year Budget</b>	<b>\$2,133,000</b>
Training, Travel, Professional Services and Advertising Costs	\$400,000
<b>Total Savings in FY 2018-20 Two-Year Budget</b>	<b>\$2,533,000</b>

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# FY 2018-2020 Budget Overview

## PUBLIC WORKS DEPARTMENT

City Council  
May 15, 2018

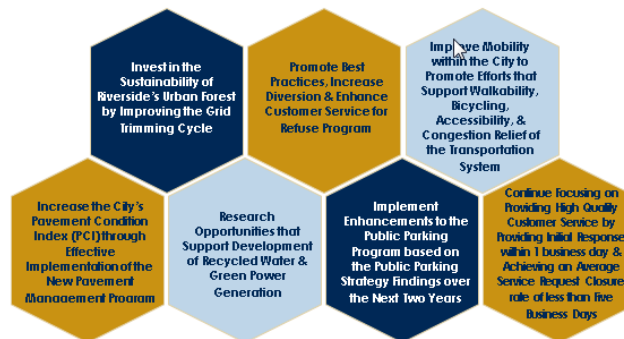
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## DEPARTMENT OVERVIEW

Public Works maintains, operates, and improves the City's infrastructure, including a wastewater treatment plant, sewers, streets, storm drains, traffic signals, urban forestry, and public parking.

The department addresses public health issues through street sweeping, storm drain cleaning, solid waste collection, and wastewater treatment.

### Riverside 2.1 Strategic Goals



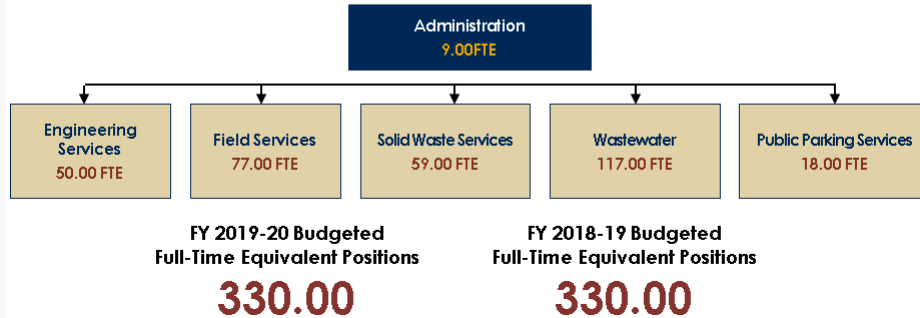
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## PERSONNEL



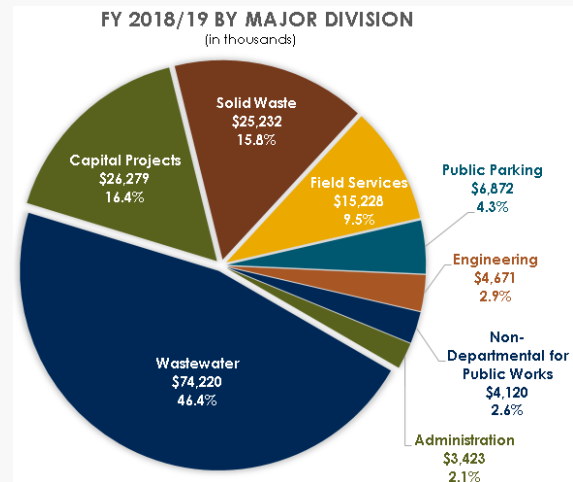
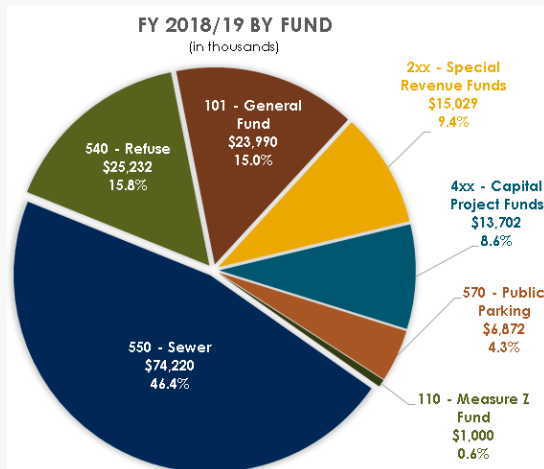
Kris Martinez - Director



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## PROPOSED EXPENDITURES - FY 2018/19



Total Operating & Capital: \$160.0 million

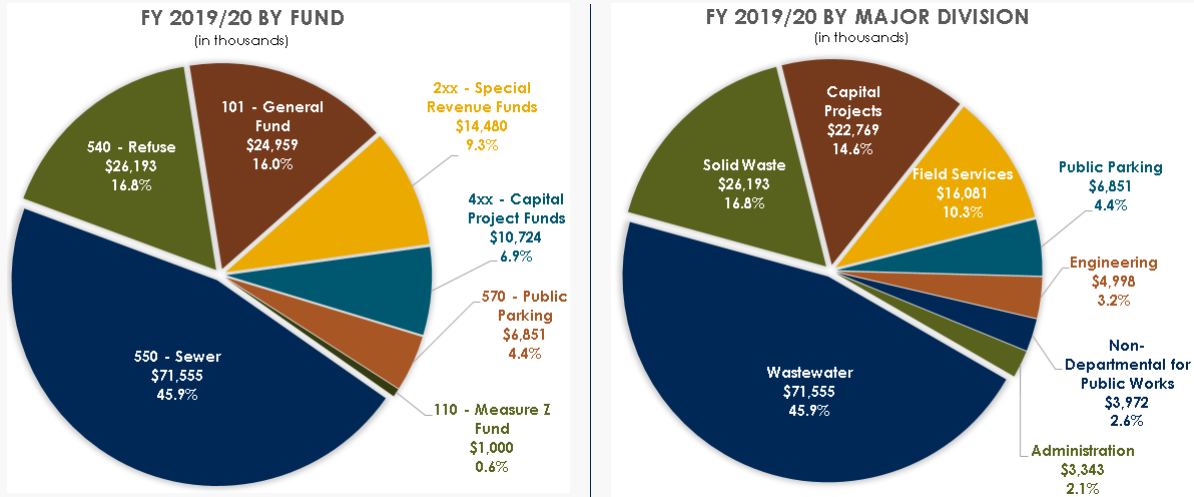
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## PROPOSED EXPENDITURES - FY 2019/20



Total Operating & Capital: \$155.8 million

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## PRIMARY CHALLENGES

Primary challenges in this budget cycle include:

1. Landscape Maintenance
  - a) Limited to basic maintenance
  - b) Ongoing drought
2. Storm Drain Maintenance
  - a) Regulatory Requirements
  - b) Investment in storm water system infrastructure replacement
3. Aging heavy duty trucks and equipment
4. Minimum staffing levels

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## BALANCING MEASURES

Balancing Measures	FY 2018/19	FY 2019/20
2.5% to 3.0% Vacancy Factor in Street Maintenance	126,968	82,668
2.5% to 3.0% Vacancy Factor in City Engineering	156,017	104,848
Potential cost sharing of school crossing guards with AUD and RUD	205,424	423,173
Shift costs of street maintenance to Gas Tax SB1 Funds	500,000	425,980
Increase anticipated revenue for Grading Plan Reviews due to increased volume at One-Stop-Shop	37,000	37,140
Increase anticipated revenue for Inspections due to increased volume at One-Stop-Shop	13,000	11,183
Acquire corporate sponsorships (pilot program)	44,000	44,000
<b>Total Balancing Measures Incorporated Into FY 2018/20 Budget</b>	<b>1,082,409</b>	<b>1,128,992</b>



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## CRITICAL UNFUNDED NEEDS

Unfunded Item	FY 2018/19	FY 2019/20	Proposed Funding Source
Medians Maintenance on Tyler	126,000	-	
Tree Maintenance Inspector (1 full-time)	107,000	117,000	Measure Z
Mobility Planning Staff	775,000	792,000	
Palm Tree Trimming	100,000	100,000	Measure Z
Homeless Camp / Railway Clean-ups (Refuse Fund)	1,095,000	623,000	
Storm drain cleaning along river	100,000	100,000	
Quiet Zone Maintenance	90,000	155,000	
GIS Modernization Plan	78,844	78,844	
Implementation of Trash Capture Policy	370,000	452,000	
Aging / Outdated Equipment	4,082,000	1,293,000	
<b>Total Critical Unfunded Needs</b>	<b>6,923,844</b>	<b>3,710,844</b>	



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## CAPITAL PROJECTS

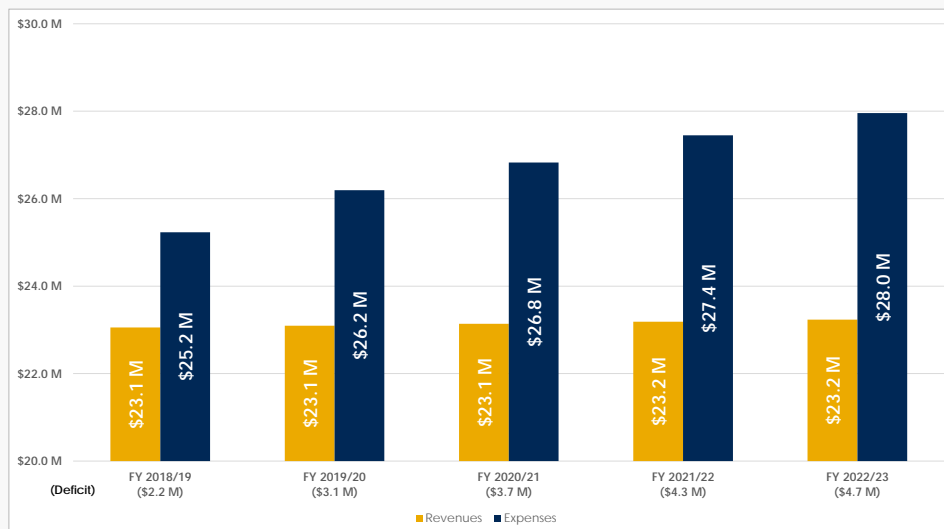
Category	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Total
Railroad-related	1,065,669	757,500	772,700	788,200	804,000	4,188,069
Sewer	1,900,000	650,500	3,000,000	-	-	5,550,500
Storm Drain	1,050,000	100,000	100,000	100,000	100,000	1,450,000
Transportation	18,346,724	16,091,724	15,668,366	15,318,366	15,168,366	80,593,546
<b>Total CIP</b>	<b>\$ 22,362,393</b>	<b>\$ 17,599,724</b>	<b>\$ 19,541,066</b>	<b>\$ 16,206,566</b>	<b>\$ 16,072,366</b>	<b>\$ 91,782,115</b>



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## REFUSE FIVE-YEAR PLAN

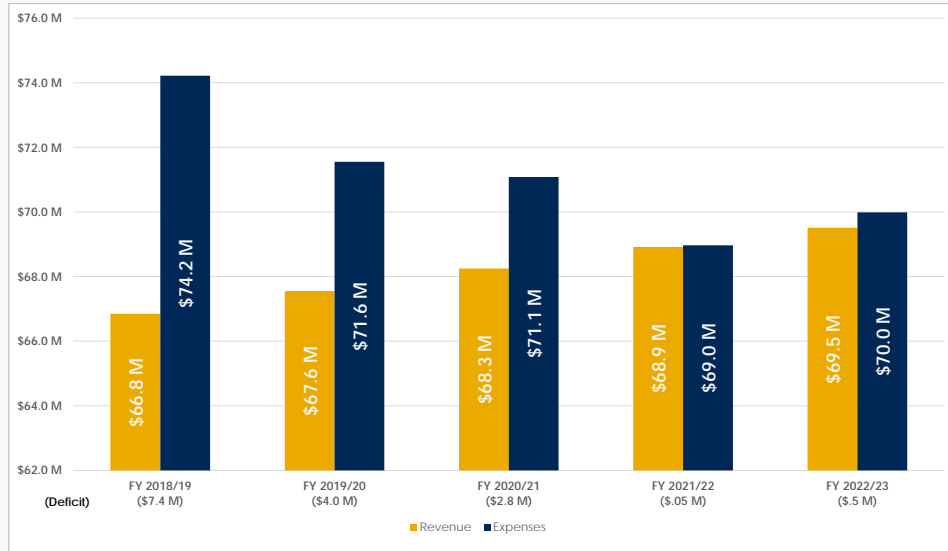


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Source: FY 2018-20 Proposed Biennial Budget, page 72

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## SEWER FIVE-YEAR PLAN

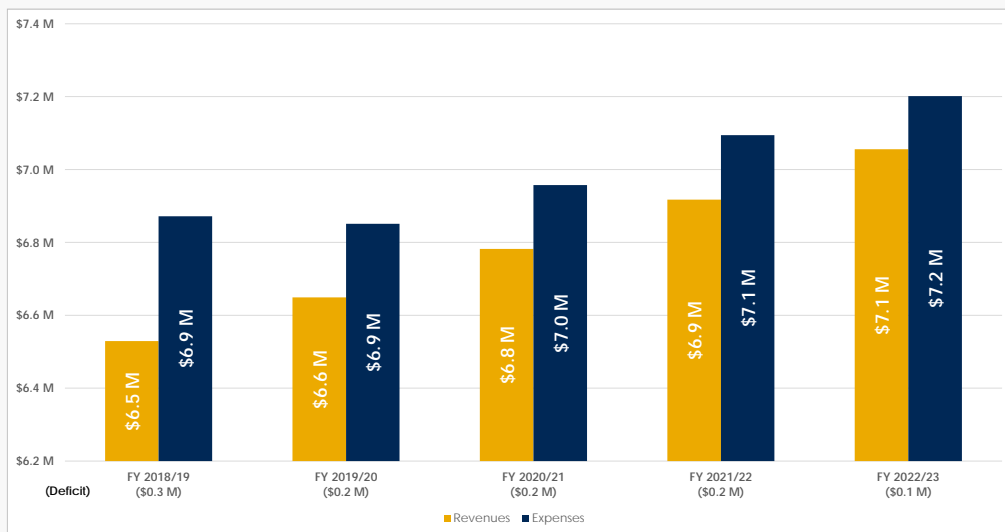


Source: FY 2018-20 Proposed Biennial Budget, page 74

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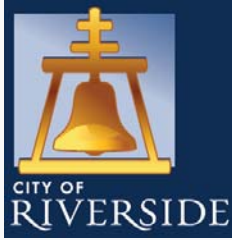
## PARKING FIVE-YEAR PLAN



Source: FY 2018-20 Proposed Biennial Budget, page 76

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# FY 2018-2020 Budget Overview

## GENERAL SERVICES DEPARTMENT

City Council  
May 15, 2018

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## DEPARTMENT OVERVIEW

General Services provides internal services to support City departments. Its primary function is to maintain the City's fleet and buildings and manage construction and repair of City facilities. The Department also manages the Riverside Municipal Airport, Building Services, Capital Projects, Fleet Management Services, Property Services, Publishing Services and monitors the Raincross Group.

### Riverside 2.1 Strategic Goals



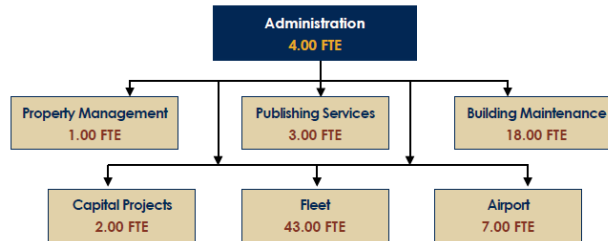
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## PERSONNEL



Carl Carey - Director



FY 2018-19 Budgeted  
Full-Time Equivalent Positions

**78.0**

FY 2019-20 Budgeted  
Full-Time Equivalent Positions

**78.0**

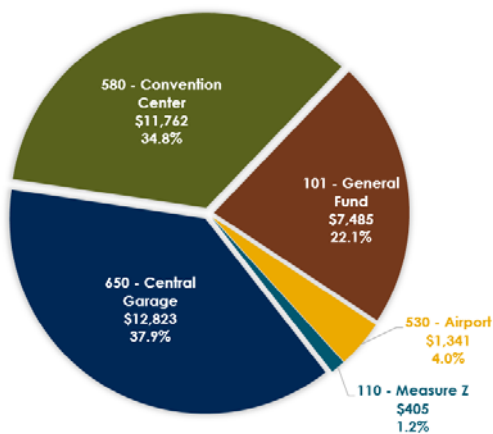


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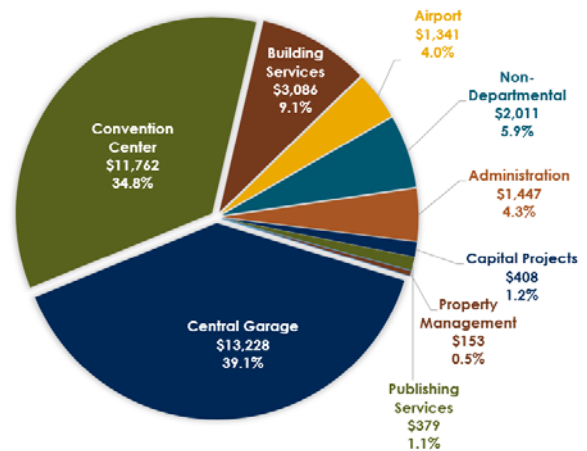
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## PROPOSED OPERATING EXPENDITURES - FY 2018/19

FY 2018/19 BY FUND  
(In thousands)



FY 2018/19 BY SECTION  
(In thousands)



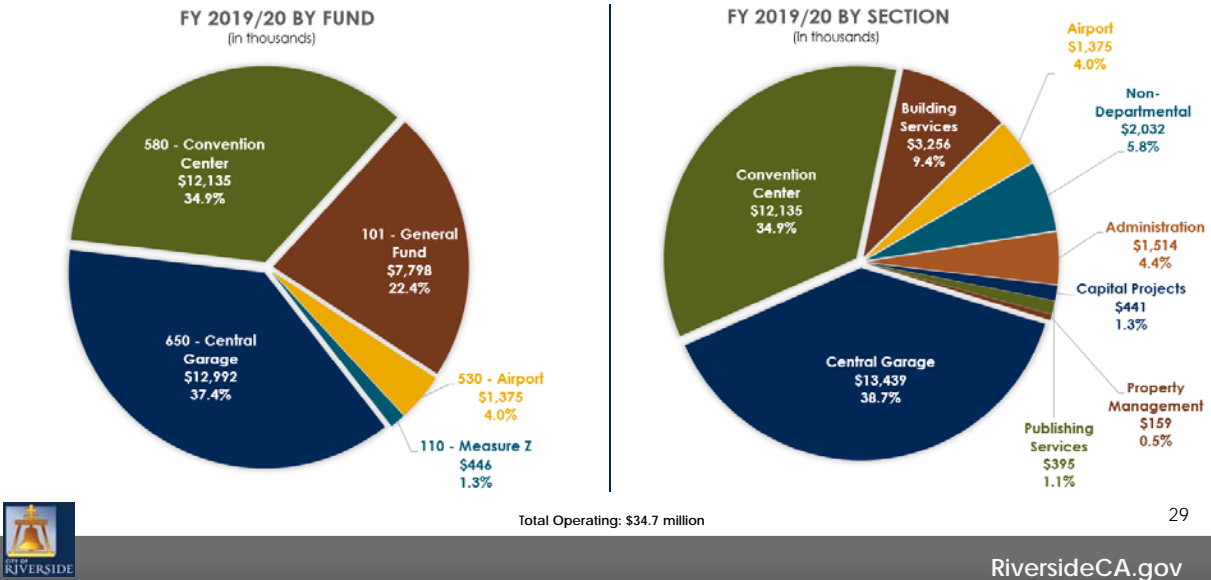
Total Operating: \$33.8 million

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## PROPOSED OPERATING EXPENDITURES - FY 2019/20



## PRIMARY CHALLENGES

Primary challenges in this budget cycle include:

1. Deferred maintenance for municipal buildings and facilities;
2. Limited budget/resources
  - Reactive vs. Proactive
3. Unfunded capital needs
4. Employee recruitment/retention issues due to higher private sector pay for skilled labor



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## BALANCING MEASURES

Balancing Measures	FY 2018/19	FY 2019/20
Eliminate one vacant position (Assistant Director)	166,030	181,976
Miscellaneous professional services contracts	14,000	15,000
<b>Total Balancing Measures Incorporated Into FY 2018/20 Budget</b>	<b>180,030</b>	<b>196,976</b>



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## CRITICAL UNFUNDED NEEDS

Unfunded Item	FY 2018/19	FY 2019/20	Proposed Funding Source
NONE			



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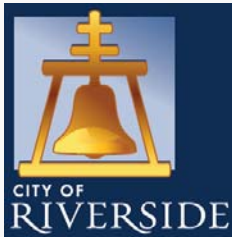
## CAPITAL PROJECTS

Category	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Total
Airport	259,075	-	84,975	41,250	5,500	390,800
Municipal Buildings and Facilities	2,100,000	1,000,000	1,000,000	1,000,000	1,000,000	6,100,000
<b>Total</b>	<b>\$ 2,359,075</b>	<b>\$ 1,000,000</b>	<b>\$ 1,084,975</b>	<b>\$ 1,041,250</b>	<b>\$ 1,005,500</b>	<b>\$ 6,490,800</b>



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## FY 2018-2020 Budget Overview

### RIVERSIDE POLICE DEPARTMENT

City Council  
May 15, 2018

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## DEPARTMENT OVERVIEW

The Police Department is responsible for **public safety and proactive services that will enhance the unity within our community.**

By listening to the citizens of Riverside, the Police Department seeks to **build bridges of trust that encourage mutual respect and positive change in the 21st Century.**



### Riverside 2.1 Strategic Goals



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## PERSONNEL



Sergio Diaz – Police Chief

### Office of the Chief

14.00 FTE



FY 2018-19 Budgeted  
Full-Time Equivalent Positions

**558.80**

FY 2019-20 Budgeted  
Full-Time Equivalent Positions

**575.80**

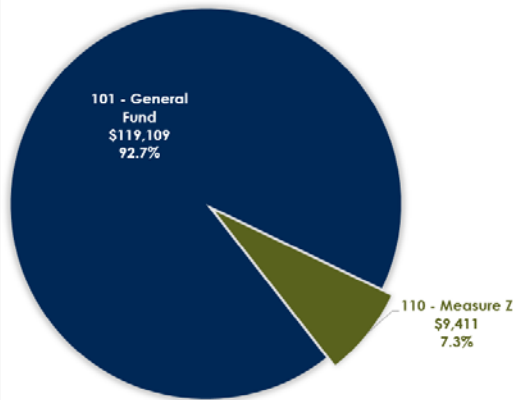


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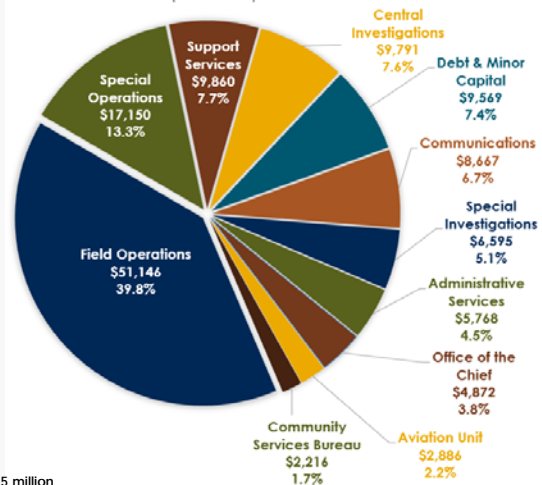
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## PROPOSED OPERATING EXPENDITURES - FY 2018/19

FY 2018/19 BY FUND  
(in thousands)



FY 2018/19 BY SECTION  
(in thousands)



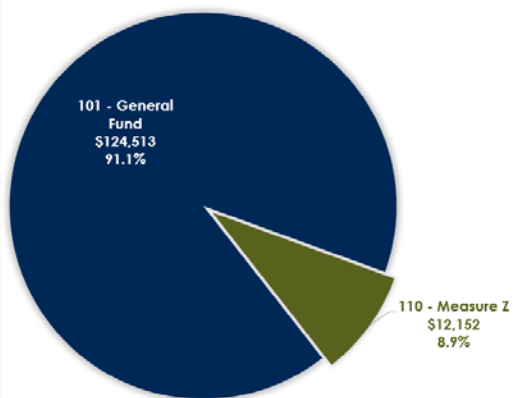
Total Operating: \$128.5 million



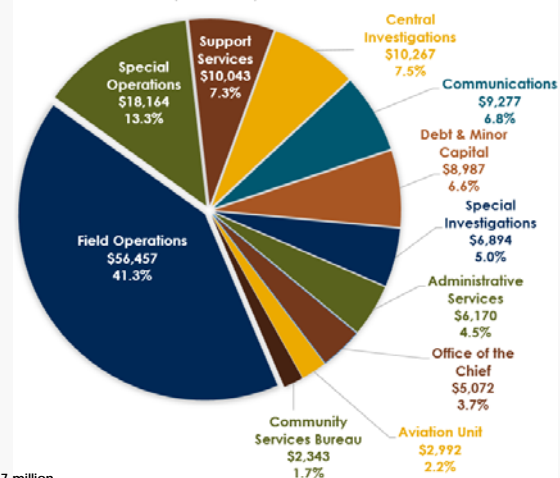
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## PROPOSED OPERATING EXPENDITURES - FY 2019/20

FY 2019/20 BY FUND  
(in thousands)



FY 2019/20 BY SECTION  
(in thousands)



Total Operating: \$136.7 million



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## PRIMARY CHALLENGES

Primary challenges in this budget cycle include:

1. Increase in personnel costs due to retirements
2. Increase in liability insurance
3. Increased non-personnel costs due to the expected increase in electricity rate
4. Reduced costs for travel, vehicle maintenance, and training for non-sworn personnel



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## BALANCING MEASURES

Balancing Measure	FY 2018/19	FY 2019/20
Assistant Police Chief (1 full-time; vacant)	245,470	269,805
Civilian Positions	-	273,236
<b>Total Balancing Measures Incorporated Into FY 2018/20 Budget</b>	<b>245,470</b>	<b>543,041</b>



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## CRITICAL UNFUNDED NEEDS

Unfunded Item	FY 2018/19	FY 2019/20	Proposed Funding Source
NONE			



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## CAPITAL PROJECTS

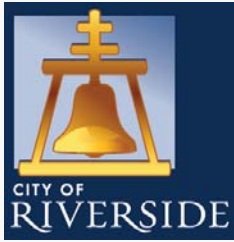
### New Police Headquarters

1. Approved with the Measure Z spending plan
2. Total project cost: \$35 million



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## FY 2018-2020 Budget Overview

### RIVERSIDE FIRE DEPARTMENT

City Council  
May 15, 2018

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## DEPARTMENT OVERVIEW

The Riverside Fire Department (RFD) is responsible for providing **fire suppression, emergency medical services (EMS), hazardous materials mitigation, and rescue** services of all types. Deployed from **fourteen fire stations** strategically spanning the City's 81 square miles, RFD responds to over **36,000 emergency calls annually**.

### Riverside 2.1 Strategic Goals



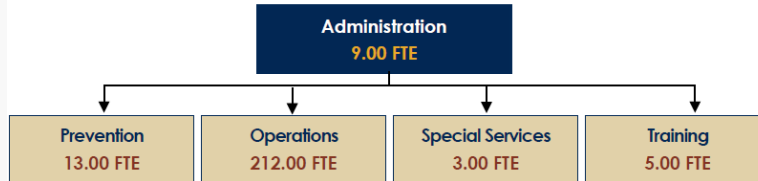
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## PERSONNEL



Michael Moore – Fire Chief



FY 2018-19 Budgeted  
Full-Time Equivalent Positions  
**247.0**

FY 2019-20 Budgeted  
Full-Time Equivalent Positions  
**247.0**

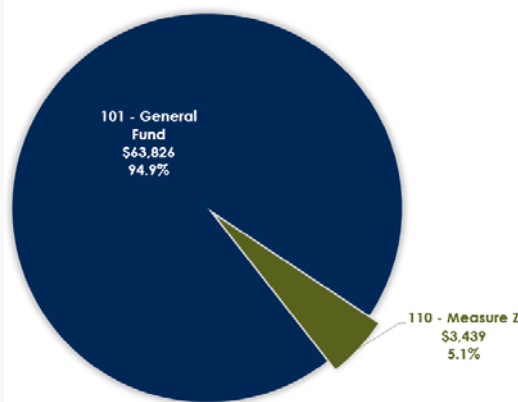


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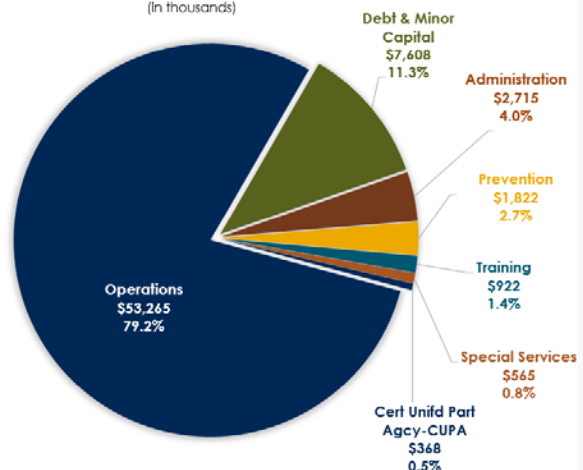
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## PROPOSED EXPENDITURES - FY 2018/19

FY 2018/19 BY FUND  
(in thousands)



FY 2018/19 BY SECTION  
(in thousands)



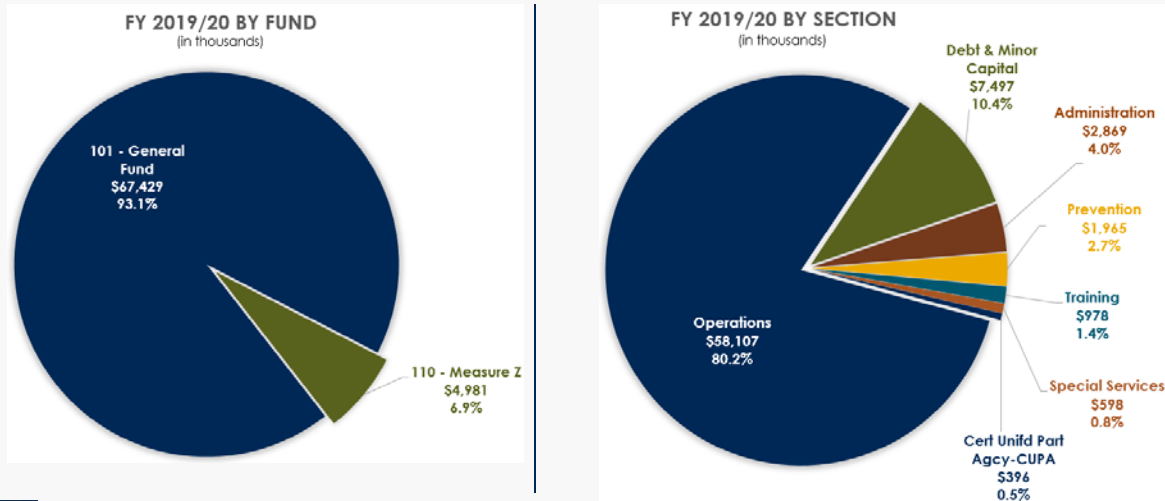
Total Operating: \$67.3 million

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## PROPOSED OPERATING EXPENDITURES - FY 2019/20



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## PRIMARY CHALLENGES

Primary challenges in this budget cycle include:

1. Increased personnel costs and limited funding for new staff.
2. Maintaining a safe working environment for fire fighters in terms of fire station facility maintenance, staffing levels on fire trucks in line with National Fire Protection Association (NFPA) standards, reliable equipment, and safety gear.



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## BALANCING MEASURES

Balancing Measure	FY 2018/19	FY 2019/20
Meridian Automatic Aid Agreement	115,000	115,000
Courier service for fire stations	27,450	27,450
Shift costs EMS Training System to service agreement with Rancho Santiago Community College District	25,500	25,500
Shift costs for departmental training to service agreement with Rancho Santiago Community College District	15,111	15,111
<b>Total Balancing Measures Incorporated Into FY 2018/20 Budget</b>	<b>183,061</b>	<b>183,061</b>



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## CRITICAL UNFUNDED NEEDS

Unfunded Item	FY 2018/19	FY 2019/20	Proposed Funding Source
Firefighters (6 full-time)	594,432	594,432	
Administrative Support (1 full-time)	125,899	125,899	
Handheld Radios	2,403,727	-	Measure Z
Safety Clothing (Turnouts)	100,000	-	
Technology	42,923	61,000	
<b>Total Critical Unfunded Needs</b>	<b>3,266,981</b>	<b>781,331</b>	



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## RECOMMENDATION

That the City Council receive and provide input on the proposed Fiscal Year 2018-2020 Two-Year Budget, Fiscal Year 2018-2020 Capital Improvement Program Budget, Fiscal Year 2018-2023 Capital Improvement Program Plan, General Fund balancing measures, and critical unfunded needs for the Riverside Public Utilities, Public Works, General Services and Raincross Group, Police, and Fire departments.



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