

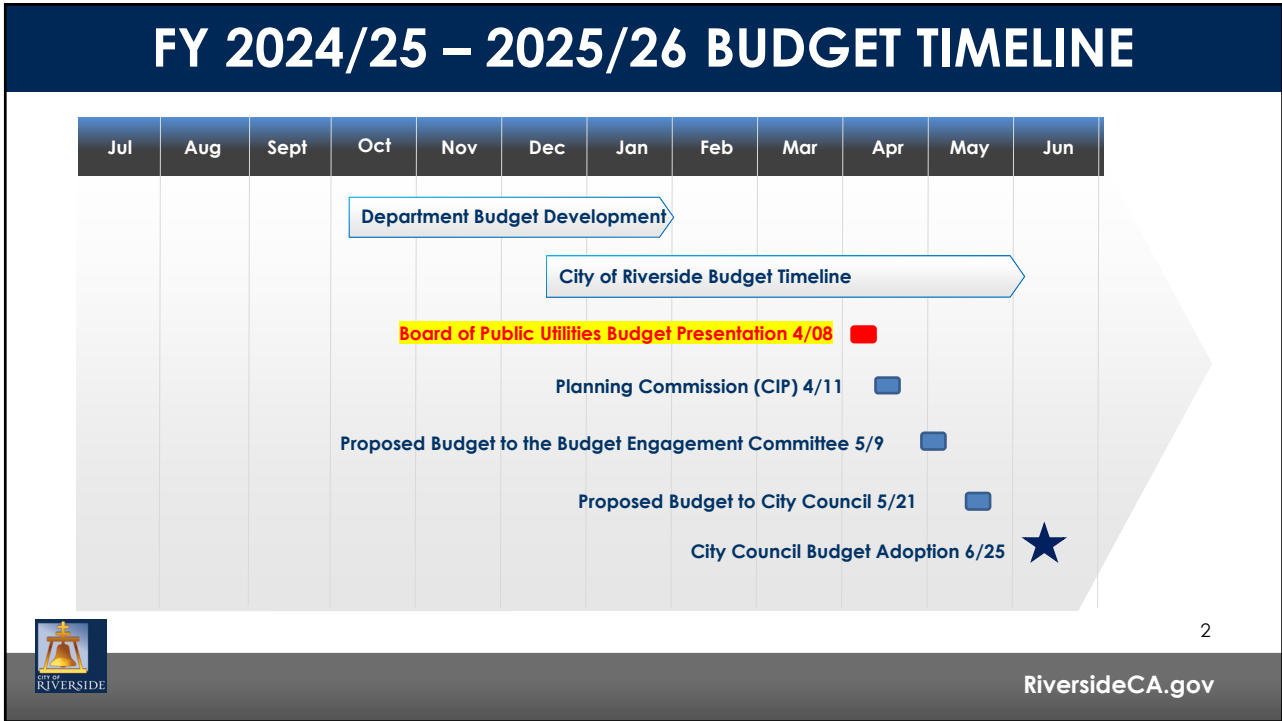
RIVERSIDE PUBLIC UTILITIES FISCAL YEAR 2024-25 & 2025-26 BUDGET

Riverside Public Utilities

Board of Public Utilities
April 8, 2024

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DEPARTMENT OVERVIEW

1. Riverside Public Utilities is responsible for providing electric and water service to customers with a service area population of approximately 314,000, encompassing 82 square miles.
2. Electric Utility
 - a. 112,751 metered customers
 - b. 473 employees
3. Water Utility
 - a. 66,441 metered customers
 - b. 165 employees



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DEPARTMENT MISSION AND VISION

Our Mission –

The City of Riverside Public Utilities Department is committed to the highest quality water and electric services at the lowest possible rates to benefit the community.

Our Vision –

Our customers will recognize Riverside Public Utilities as a unique community asset with a global reputation for innovation, sustainability and enhanced quality of life.

RPU's Mission Statement, Vision and Core Values as with the Utility 2.0 strategic plan by the Board on 2/13/2017 and City Council on 3/14/2017

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DEPARTMENT CORE VALUES

1. Safety
2. Honesty and Integrity
3. Teamwork
4. Professionalism
5. Quality service
6. Creativity and Innovation
7. Inclusiveness and Mutual Respect
8. Community Involvement
9. Environmental Stewardship



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RIVERSIDE 2025 STRATEGIC PLAN

City Council Strategic Policy –

Priorities and policy direction of the City Council to advance Riverside's potential and frame the work efforts of staff for the next five years; includes Vision, Cross-Cutting Threads, Strategic Priorities, Goals and Indicators.

Operational Workplan –

Activities carried out by City staff to implement the City Council Strategic Policy and metrics to track trendlines of progress toward achieving priorities; includes Actions and Performance Metrics.



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STRATEGIC PRIORITIES

-  1. Arts, Culture & Recreation
-  2. Community Well-Being
-  3. Economic Opportunity
-  4. Environmental Opportunity
-  5. High Performing Government
-  6. Infrastructure, Mobility & Connectivity

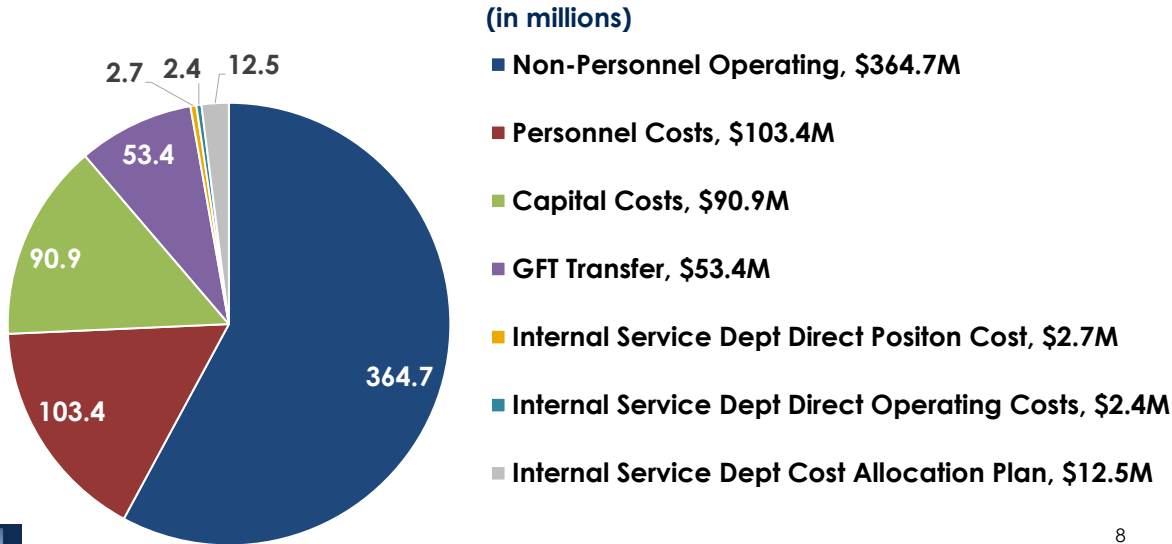


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2024-25 EXPENSE BUDGET




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| INTERNAL SERVICE DEPARTMENT POSITIONS | | | |
|---------------------------------------|--|------|-------------------|
| Department | Position | FTE | FY 2024/25 Budget |
| Human Resources | Principal HR Analyst Senior HR Analyst (2) Organization Development & Training Manager HR Analyst | 5.00 | \$716,234 |
| Finance | Revenue Representative Sr Procurement & Contract Specialist (2) | 3.00 | \$341,797 |
| Innovation & Technology | Chief Innovation Security Officer | 0.50 | \$103,491 |

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| INTERNAL SERVICE DEPARTMENT POSITIONS | | | |
|---------------------------------------|--|------|-------------------|
| Department | Position | FTE | FY 2024/25 Budget |
| City Clerk | Deputy City Clerk | 0.68 | \$63,045 |
| General Services | Equipment Operator II Building Maintenance Specialist (2) | 2.25 | \$250,189 |
| Community & Economic Development | Real Property Assistant | 1.00 | \$104,512 |
| City Manager/Office of Communications | Web Designer Communications Tech Graphics Tech Project Assistant Project Manager Administrative Analyst (0.5) | 5.50 | \$573,859 |

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INTERNAL SERVICE DEPARTMENT POSITIONS

| Department | Position | FTE | FY 2024/25 Budget |
|---------------------------------------|---|--------------|--------------------|
| Public Works | Tree Inspector (0.25) Urban Forestry Manager (0.25) Senior Office Specialist (.07) Construction Inspector II Power Line Clearance Overtime | 1.57 | \$470,478 |
| City Manager/Office of Sustainability | Principal Project Manager (2 @ 0.25) | 0.5 | \$87,826 |
| Total | | 20.00 | \$2,711,431 |



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INTERNAL SERVICE DEPARTMENT OPERATING COSTS

| Department | Non-Personnel | FY 2024/25 Budget |
|-------------------------|---|--------------------|
| Finance | Credit Card Fees incurred from RPU customer payments; Annual Consolidated Financial Audit | \$1,255,860 |
| Police | Aviation | \$127,407 |
| City Manager | Intergovernmental Relations | \$100,000 |
| General Services | Corporation Yard Building Occupancy | \$167,690 |
| Parks & Recreation | Casa Blanca Resource Center Landscaping | \$1,733 |
| Innovation & Technology | Software Licenses | \$763,834 |
| Total | | \$2,416,524 |


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| INTERNAL SERVICE DEPARTMENT OPERATING COSTS | | | |
|--|---|--|--------------------------|
| Department | Service/Function | Determined by | FY 2024/25 Budget |
| Mayor | Legislative and Citywide Support | Net Expenditures/Agenda Items | \$399,543 |
| City Council | Legislative and Citywide Support | Net Expenditures/Agenda Items | \$640,956 |
| City Manager | Citywide Support, Public Relations, Intergovernmental Relations | Net Expenditures/Agenda Items/Number of Citywide FTEs | \$1,536,721 |
| City Clerk | Records Management, Elections, Legislative Support | DocuTrust Invoices; Net Expenditures; Number of Agenda Items | \$116,324 |
| City Attorney | Direct Support | Attorney Work Hours by Section | \$692,642 |
| Human Resources | Citywide Support | Number of Citywide FTEs | \$1,724,768 |



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| INTERNAL SERVICE DEPARTMENT OPERATING COSTS | | | |
|--|--|--|--------------------------|
| Department | Service/Function | Determined by | FY 2024/25 Budget |
| General Services | Building Maint., Publishing, Property Management, Capital Projects | Net Expenditures by Section; Print Shop Invoices; Support Hours: RPU Capital Projects Managed by GS | \$1,466,124 |
| Finance | Purchasing, Treasury and Debt, Accounting, Budget, Payroll, Administration | Net Expenditures by Section; Number of Accounting Transactions; Number of Purchase Orders; Number of Citywide FTEs | \$2,189,574 |
| Innovation & Technology | Client Services & Cybersecurity, Software Maint. IT General Support | Number of Citywide FTEs | \$3,395,581 |
| Community & Economic Development | Property Services | Property Services Support Hours | \$318,274 |
| Non-Departmental | City Hall Occupancy, RPU employee parking | Parking; Building Occupancy | \$33,973 |
| Total | | | \$12,514,480 |



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MAJOR HIGHLIGHTS

1. Planned use of reserves according to approved five-year rate plan:
 - a. The increased expenses are greater than the revenues generated in the first 2 years for Electric and 1 year for Water creating the need to use reserves.
 - b. As the rates increase over the five-year plan, the projected revenue will start to match expenses and begin to rebuild the depleted reserve accounts.
2. Regulatory constraints and mandates, including the latest renewable percentage, have caused increased supply costs.
3. Significant unfunded capital needs due to aging infrastructure and equipment.



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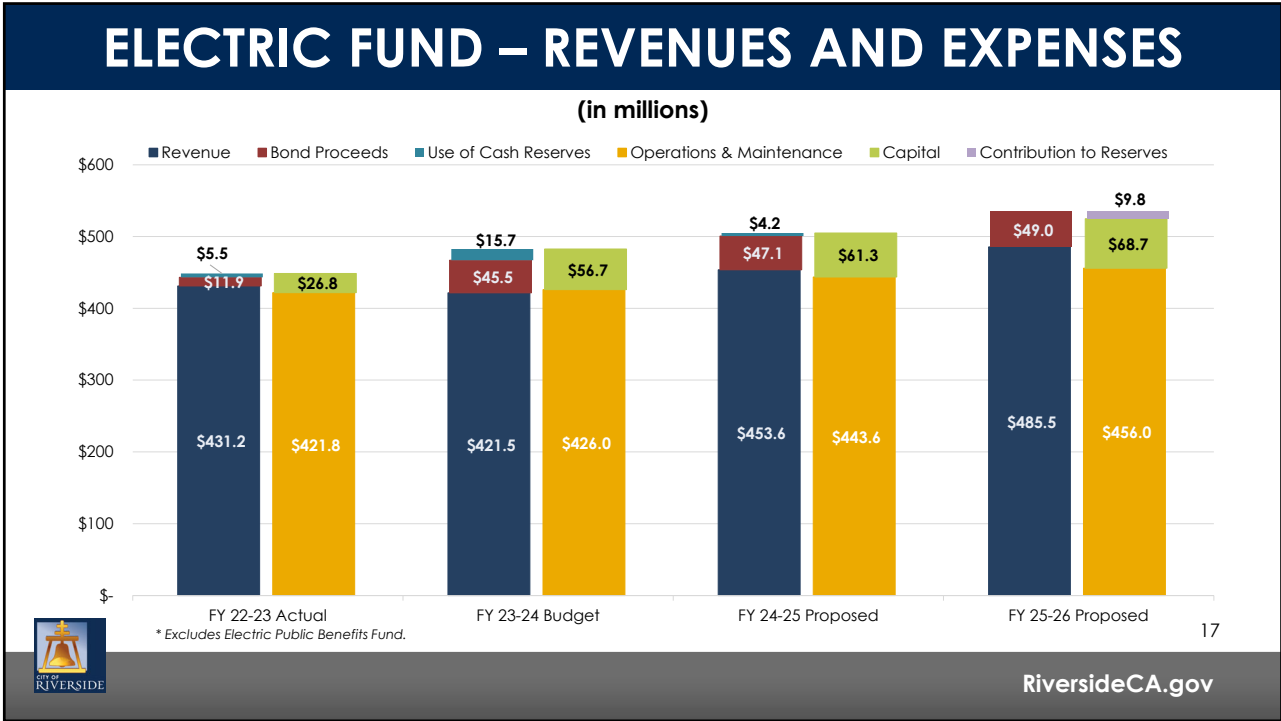
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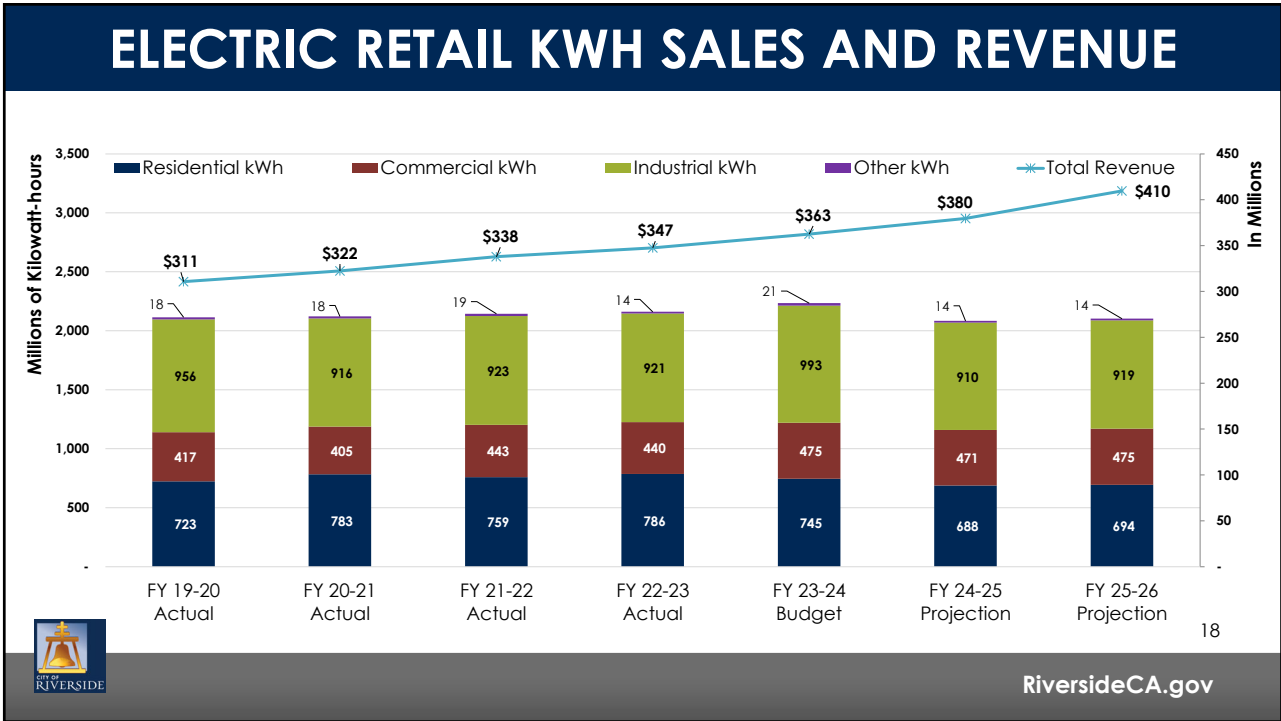
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ELECTRIC REVENUES: SUMMARY

(in millions)

| | Projected | |
|--------------------------------|-----------------|-----------------|
| | 24-25 | 25-26 |
| Operating | \$ 444.6 | \$ 481.5 |
| Non-Operating | 21.6 | 17.7 |
| Sources of Funds | 55.0 | 42.2 |
| Total, Revenues | \$ 521.2 | \$ 541.4 |
| Percentage Increase/(Decrease) | | 3.88% |



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ELECTRIC REVENUES: OPERATING

(in millions)

| Operating Revenues | Actual | Budget | Projected | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 22-23 | 23-24 | 24-25 | 25-26 |
| Retail Sales | \$ 347.5 | \$ 362.5 | \$ 379.6 | \$ 409.6 |
| Transmission Revenue | 35.2 | 29.2 | 26.3 | 27.0 |
| Cap and Trade Revenue | 18.3 | 8.3 | 15.3 | 20.5 |
| Excess Renewable Credits | - | - | - | - |
| Other Operating Revenue | 8.1 | 7.3 | 10.8 | 10.7 |
| Public Benefits Program Revenue | 10.3 | 11.8 | 12.6 | 13.7 |
| Subtotal, Operating Revenues | \$ 419.4 | \$ 419.1 | \$ 444.6 | \$ 481.5 |
| Percentage Increase/(Decrease) | | -0.07% | 6.08% | 8.30% |



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ELECTRIC REVENUES: NON-OPERATING


(in millions)

| Non-Operating Revenues | Actual 22-23 | Budget 23-24 | Projected | |
|---|-----------------|-----------------|----------------|----------------|
| | | | 24-25 | 25-26 |
| Interest Income | \$ 6.0 | \$ 7.3 | \$ 12.9 | \$ 8.7 |
| Capital Contributions | 9.9 | 3.0 | 4.8 | 5.0 |
| Other Nonoperating Revenues | 6.2 | 3.9 | 3.9 | 4.0 |
| Subtotal, Non-Operating Revenues | \$ 22.1 | \$ 14.2 | \$ 21.6 | \$ 17.7 |
| Percentage Increase/(Decrease) | | -35.75% | 52.11% | -18.06% |



*Capital Contributions includes non-cash
 ** Interest income includes adjustments for fair market value of investments in FY 22-23

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ELECTRIC REVENUES: OTHER SOURCES


(in millions)

| Sources of Funds | Actual 22-23 | Budget 23-24 | Projected | |
|--|---------------------|---------------------|---------------------|---------------------|
| | | | 24-25 | 25-26 |
| Proceeds from Debt Service | \$ 11.9 | \$ 45.5 | \$ 47.1 | \$ 49.0 |
| Contributions from Rates/Reserves | 2.0 | 19.3 | 7.9 | - |
| Contributions to Reserves | - | - | - | (6.8) |
| Subtotal, Sources of Funds | \$ 13.9 | \$ 64.8 | \$ 55.0 | \$ 42.2 |
| Percentage Increase/(Decrease) | | 366.19% | -15.12% | -23.27% |
| Total Operating, Non-Operating and Other Sources of Funds | \$ 455.4 | \$ 498.1 | \$ 521.2 | \$ 541.4 |
| Percentage Increase/(Decrease) | | 9.38% | 4.64% | 3.88% |



* Proceeds from Debt Service in Projected 24-25 does not include \$47.0 million in funding for current RTRP multi-year capital project budget.

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PUBLIC BENEFITS CHARGE

1. Mandated State Charge – implemented by AB 1890 (1996) as part of the restructuring of California's electric utility industry
2. 2.85% min. charge on all electricity sales which can only be used to fund the following:
 - a. Energy Efficiency
 - b. Research, Design & Development (RD&D)
 - c. Low-Income Assistance
 - d. Renewable Energy

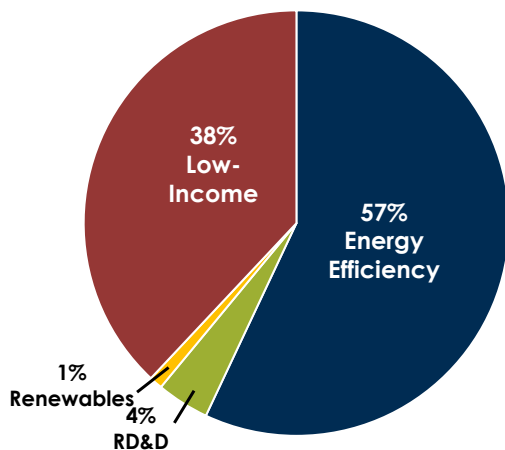


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PUBLIC BENEFIT FUND – FY 2024-25 / 2025-26



- 1. Energy Efficiency**
 - a. 30 residential and commercial rebates
 - b. Direct installations, audits, and performance-based programs
- 2. Low-Income**
 - a. Sharing Households Assist Riverside's Energy (SHARE) Program
 - b. Energy Saving Assistance Program (ESAP)
- 3. Renewables**
Solar Rebates (closed 12/2017, ongoing funding to complete projects)
- 4. Research, Design & Development**
Custom Energy Technology and Energy Innovation Grants



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ELECTRIC EXPENSES: SUMMARY

(in millions)

| | Projected | |
|--------------------------------|-----------------|-----------------|
| | 24-25 | 25-26 |
| Personnel | \$ 76.9 | \$ 80.0 |
| Non-Personnel | 338.1 | 345.7 |
| CIP | 61.3 | 68.7 |
| General Fund Transfer | 44.9 | 47.0 |
| Total, Expenses | \$ 521.2 | \$ 541.4 |
| Percentage Increase/(Decrease) | | 3.88% |


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ELECTRIC EXPENSES: PERSONNEL

(in millions)

| Personnel | Actual | Budget | Projected | |
|-------------------------------------|----------------|----------------|----------------|----------------|
| | 22-23 | 23-24 | 24-25 | 25-26 |
| Salaries | \$ 45.9 | \$ 49.9 | \$ 54.5 | \$ 56.2 |
| Overtime | 3.7 | 6.1 | 5.3 | 5.5 |
| CalPERS | 3.4 | 9.5 | 8.6 | 9.7 |
| Benefits | 12.4 | 8.5 | 8.5 | 8.6 |
| Subtotal, Personnel Expenses | \$ 65.4 | \$ 74.0 | \$ 76.9 | \$ 80.0 |
| Percentage Increase/(Decrease) | | 13.15% | 3.92% | 4.03% |


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ELECTRIC EXPENSES: NON-PERSONNEL

(in millions)

| Non-Personnel | Actual 22-23 | Budget 23-24 | Projected | |
|---|-----------------|-----------------|-----------------|-----------------|
| | | | 24-25 | 25-26 |
| Power Supply | \$ 249.8 | \$ 225.0 | \$ 237.1 | \$ 246.3 |
| Operating and Maintenance | 19.0 | 23.9 | 25.0 | 24.3 |
| Debt Service | 45.3 | 58.5 | 59.7 | 58.4 |
| Public Benefits Program | 6.8 | 15.4 | 16.3 | 16.7 |
| Subtotal, Non-Operating Expenses | \$ 320.9 | \$ 322.8 | \$ 338.1 | \$ 345.7 |
| Percentage Increase/(Decrease) | | 0.59% | 4.74% | 2.25% |


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ELECTRIC EXPENSES: CIP & GFT

(in millions)

| Other Uses of Funds | Actual 22-23 | Budget 23-24 | Projected | |
|---|-----------------|-----------------|-----------------|-----------------|
| | | | 24-25 | 25-26 |
| Capital Improvement Plan (CIP) | \$ 26.8 | \$ 56.7 | \$ 61.3 | \$ 68.7 |
| General Fund Transfer (GFT) | 42.3 | 44.6 | 44.9 | 47.0 |
| Subtotal, Other Uses of Funds | \$ 69.1 | \$ 101.3 | \$ 106.2 | \$ 115.7 |
| Percentage Increase/(Decrease) | | 46.60% | 4.84% | 8.95% |
| Total Personnel, Non-Personnel and Other Uses of Funds | \$ 455.4 | \$ 498.1 | \$ 521.2 | \$ 541.4 |
| Percentage Increase/(Decrease) | | 9.38% | 4.64% | 3.88% |


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ELECTRIC PROPOSED CAPITAL IMPROVEMENT PLAN

(in millions)

| | Proposed | | -----Planning Purposes----- | | | Total |
|--|----------------|----------------|-----------------------------|----------------|----------------|-----------------|
| | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | |
| Overhead | \$ 10.0 | \$ 10.4 | \$ 10.4 | \$ 11.0 | \$ 11.0 | \$ 52.8 |
| Underground | 12.1 | 16.3 | 14.9 | 15.7 | 15.7 | 74.7 |
| Substation | 15.3 | 17.6 | 15.9 | 16.6 | 18.3 | 83.7 |
| Recurring / Obligation to Serve | 16.6 | 16.6 | 17.7 | 18.8 | 18.8 | 88.5 |
| System Automation | 7.3 | 7.8 | 8.2 | 8.3 | 7.7 | 39.3 |
| Total | \$ 61.3 | \$ 68.7 | \$ 67.1 | \$ 70.4 | \$ 71.5 | \$ 339.0 |



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ELECTRIC CAPITAL IMPROVEMENT PLAN

(in millions)

| | Actual | | Budget | | Projected | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 22-23 | 23-24 | 23-24 | 24-25 | 25-26 | 25-26 |
| Revenues and Sources of Funds | | | | | | |
| Revenues from Rates | \$ 5.0 | \$ 8.2 | \$ 8.2 | \$ 9.4 | \$ 14.7 | \$ 14.7 |
| Bond Proceeds | 11.9 | 45.5 | 45.5 | 47.1 | 49.0 | 49.0 |
| Development Activity | 9.9 | 3.0 | 3.0 | 4.8 | 5.0 | 5.0 |
| Total | \$ 26.8 | \$ 56.7 | \$ 56.7 | \$ 61.3 | \$ 68.7 | \$ 68.7 |
| Expenses and Uses of Funds | | | | | | |
| Overhead | \$ 2.4 | \$ 8.2 | \$ 8.2 | \$ 10.0 | \$ 10.4 | \$ 10.4 |
| Underground | 6.0 | 14.1 | 14.1 | 12.1 | 16.3 | 16.3 |
| Substation | 4.1 | 13.0 | 13.0 | 15.3 | 17.6 | 17.6 |
| Recurring/Obligation to Serve | 8.8 | 14.4 | 14.4 | 16.6 | 16.6 | 16.6 |
| System Automation | 5.5 | 7.0 | 7.0 | 7.3 | 7.8 | 7.8 |
| Total | \$ 26.8 | \$ 56.7 | \$ 56.7 | \$ 61.3 | \$ 68.7 | \$ 68.7 |



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ELECTRIC CIP – APPROVED RATE PLAN

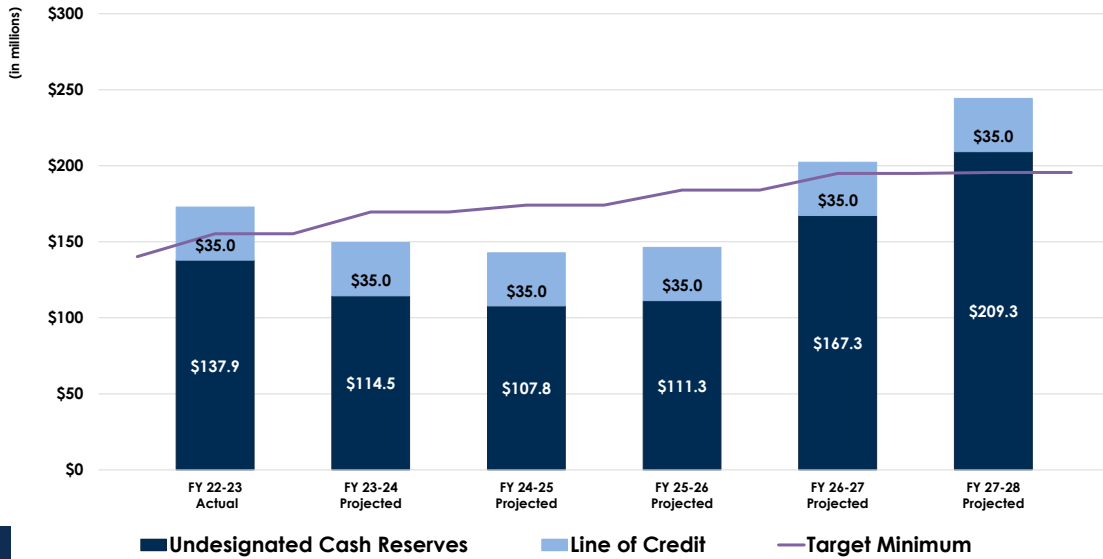
BUDGET vs ACTUAL (in millions)

| | FY 20-21 | | FY 21-22 | | FY 22-23 | | FY 23-24 | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Budget | Actual | Budget | Forecast | Budget | Actual | Budget | Forecast |
| Overhead | \$ 4.9 | \$ 2.5 | \$ 5.0 | \$ 4.3 | \$ 5.1 | \$ 2.4 | \$ 8.2 | \$ 9.8 |
| Underground | 4.8 | 1.4 | 5.3 | 4.4 | 7.8 | 6.0 | 14.1 | 8.6 |
| Substation | 9.7 | 9.0 | 9.8 | 10.1 | 5.9 | 4.1 | 13.0 | 3.7 |
| Recurring / Obligation to Serve | 13.8 | 10.8 | 19.8 | 13.6 | 15.2 | 8.8 | 14.4 | 10.6 |
| System Automation | 8.5 | 7.9 | 8.4 | 6.8 | 6.8 | 5.5 | 7.0 | 4.9 |
| Total | \$ 41.7 | \$ 31.6 | \$ 48.3 | \$ 39.2 | \$ 40.8 | \$ 26.8 | \$ 56.7 | \$ 37.6 |

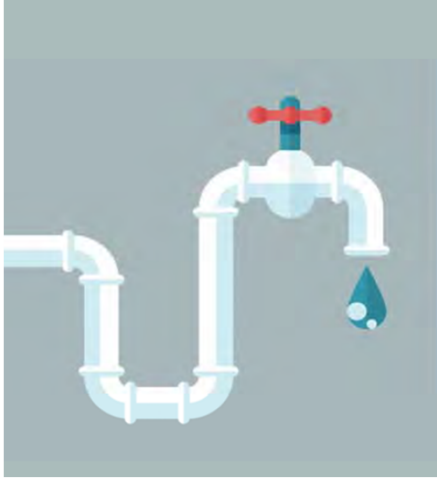
* Budgets and Actuals do not include capital costs related to RTRP.
 ** Budgets do not include carryovers.




ELECTRIC UNDESIGNATED CASH RESERVES



WATER



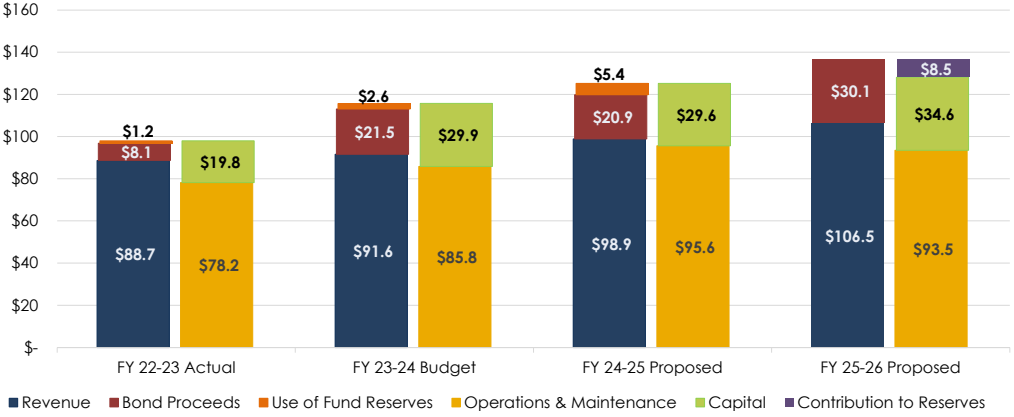

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WATER FUND – REVENUES AND EXPENSES

(in millions)



| Year | Revenue | Bond Proceeds | Use of Fund Reserves | Operations & Maintenance | Capital | Contribution to Reserves |
|-------------------|---------|---------------|----------------------|--------------------------|---------|--------------------------|
| FY 22-23 Actual | \$88.7 | \$8.1 | \$1.2 | \$78.2 | \$19.8 | |
| FY 23-24 Budget | \$91.6 | \$21.5 | \$2.6 | \$85.8 | \$29.9 | |
| FY 24-25 Proposed | \$98.9 | \$20.9 | \$5.4 | \$95.6 | \$29.6 | |
| FY 25-26 Proposed | \$106.5 | \$30.1 | | \$93.5 | \$34.6 | \$8.5 |

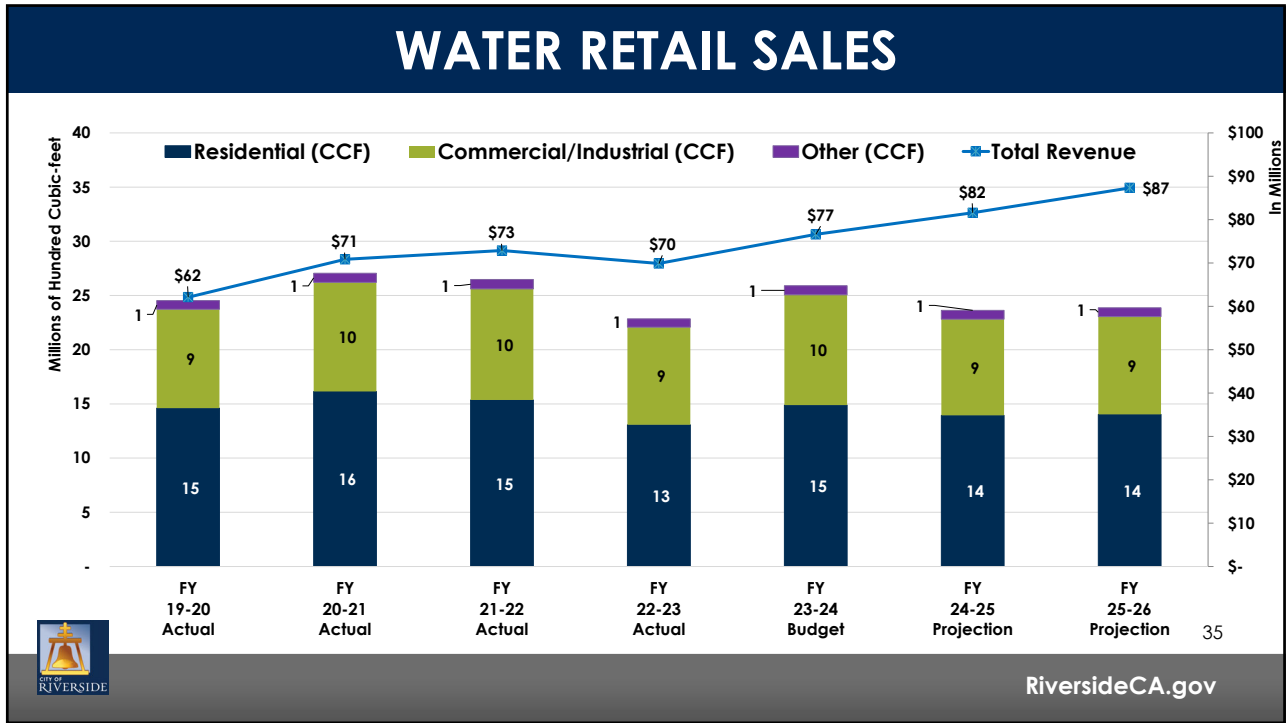


* Excludes Water Conservation Fund

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WATER REVENUES: SUMMARY

(in millions)

| | Projected | |
|------------------------|-----------------|-----------------|
| | 24-25 | 25-26 |
| Operating | \$ 91.9 | \$ 98.0 |
| Non-Operating | 8.5 | 10.1 |
| Sources of Funds | 26.4 | 21.6 |
| Total, Revenues | \$ 126.8 | \$ 129.7 |

2.29%


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WATER REVENUES: OPERATING

(in millions)

| Operating Revenues | Actual 22-23 | Budget 23-24 | Projected | |
|-------------------------------------|-----------------|-----------------|----------------|----------------|
| | | | 24-25 | 25-26 |
| Retail Sales | \$ 69.9 | \$ 76.6 | \$ 81.6 | \$ 87.3 |
| Wholesale Sales | 1.6 | 2.5 | 2.3 | 2.4 |
| Water Conveyance Revenue | 3.4 | 3.5 | 3.6 | 3.7 |
| Other Operating Revenue | 2.7 | 2.7 | 2.9 | 3.0 |
| Water Conservation Revenue | 1.1 | 1.4 | 1.5 | 1.6 |
| Subtotal, Operating Revenues | \$ 78.7 | \$ 86.7 | \$ 91.9 | \$ 98.0 |
| Percentage Increase/(Decrease) | | 10.17% | 6.00% | 6.64% |


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WATER REVENUES: NON-OPERATING


(in millions)

| Non-Operating Revenues | Actual 22-23 | Budget 23-24 | Projected | |
|---|-----------------|-----------------|---------------|----------------|
| | | | 24-25 | 25-26 |
| Interest Income | \$ 3.6 | \$ 1.9 | \$ 2.1 | \$ 3.5 |
| Capital Contributions | 2.3 | 1.0 | 1.0 | 1.0 |
| Other Non-Operating Revenues | 5.2 | 3.4 | 5.4 | 5.6 |
| Subtotal, Non-Operating Revenues | \$ 11.1 | \$ 6.3 | \$ 8.5 | \$ 10.1 |
| Percentage Increase/(Decrease) | | -43.24% | 34.92% | 18.82% |

*Capital Contributions includes non-cash

** Interest income includes adjustments for fair market value of investments in FY 22-23

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WATER REVENUES: OTHER SOURCES

(in millions)

| Sources of Funds | Actual 22-23 | Budget 23-24 | Projected | |
|--|--------------------|---------------------|---------------------|---------------------|
| | | | 24-25 | 25-26 |
| Proceeds from Debt Service | \$ 8.1 | \$ 21.5 | \$ 20.9 | \$ 30.1 |
| Contributions from Rates/Reserves | 1.1 | 2.9 | 5.5 | - |
| Contributions to Reserves | - | - | - | (8.5) |
| Subtotal, Sources of Funds | \$ 9.2 | \$ 24.4 | \$ 26.4 | \$ 21.6 |
| Percentage Increase/(Decrease) | | 165.22% | 8.20% | -18.18% |
| Total Operating, Non-Operating and Other Sources of Funds | \$ 99.0 | \$ 117.4 | \$ 126.8 | \$ 129.7 |
| Percentage Increase/(Decrease) | | 18.59% | 8.01% | 2.29% |



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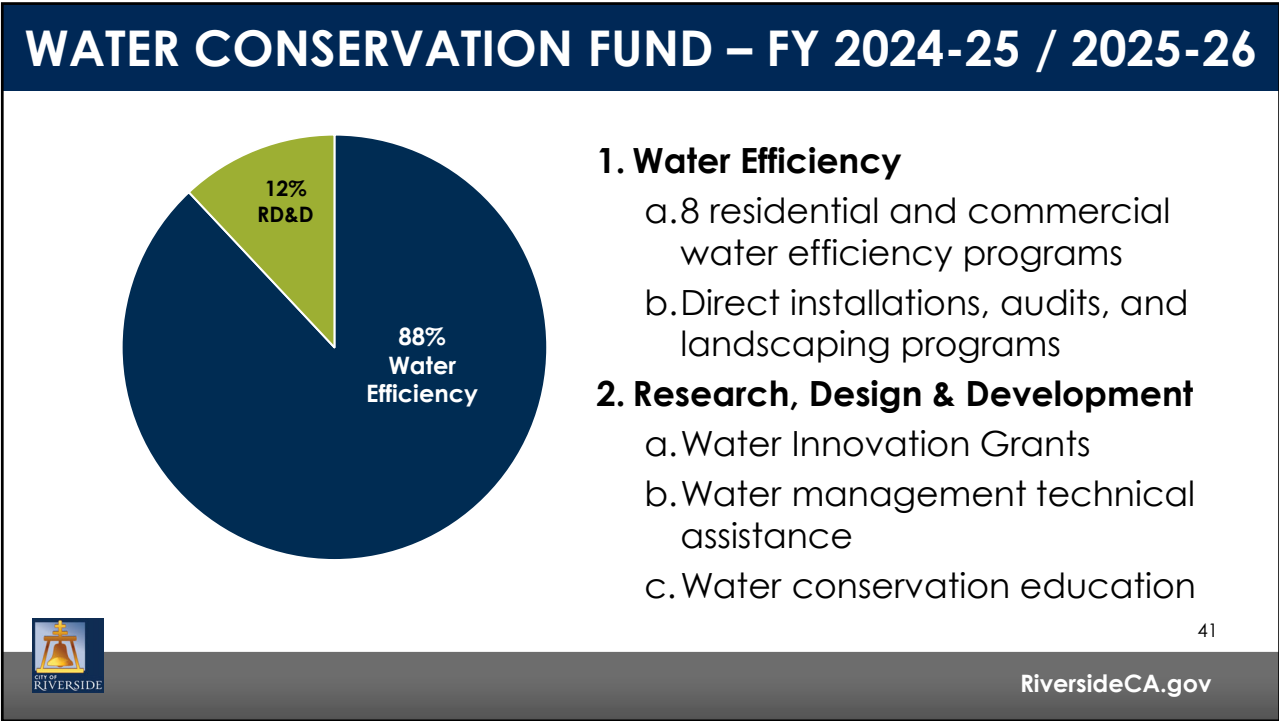
WATER CONSERVATION CHARGE OVERVIEW

1. On May 25, 2004, the City Council adopted the Water Conservation and Reclamation Surcharge - a 1.5% surcharge on all water sales.
 - a. On April 22, 2014, the Surcharge was renewed for an additional 10 years.
 - b. On March 19, 2024, the Surcharge renewal was discussed at City Council and continued to **April 16, 2024**.

2. Surcharge can be used to fund the following:
 - a. Conservation, education, and water use efficiency programs; and
 - b. Research, development, and demonstration programs to advance science and technology with respect to water conservation.


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WATER EXPENSES: SUMMARY

(in millions)

| | Projected | |
|--------------------------------|-----------------|-----------------|
| | 24-25 | 25-26 |
| Personnel | \$ 26.5 | \$ 27.4 |
| Non-Personnel | 62.2 | 58.5 |
| CIP | 29.6 | 34.6 |
| General Fund Transfer | 8.5 | 9.2 |
| Total, Expenses | \$ 126.8 | \$ 129.7 |
| Percentage Increase/(Decrease) | | 2.29% |



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WATER EXPENSES: PERSONNEL

(in millions)

| Personnel | Actual 22-23 | Budget 23-24 | Projected | |
|-------------------------------------|-----------------|-----------------|----------------|----------------|
| | | | 24-25 | 25-26 |
| Salaries | \$ 16.6 | \$ 16.3 | \$ 17.8 | \$ 18.2 |
| Overtime | 2.0 | 2.7 | 2.7 | 2.8 |
| CalPERS | 1.1 | 3.1 | 2.8 | 3.2 |
| Benefits | 4.8 | 3.2 | 3.2 | 3.2 |
| Subtotal, Personnel Expenses | \$ 24.5 | \$ 25.3 | \$ 26.5 | \$ 27.4 |
| Percentage Increase/(Decrease) | | 3.27% | 4.74% | 3.40% |


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WATER EXPENSES: NON-PERSONNEL

(in millions)

| Non-Personnel | Actual 22-23 | Budget 23-24 | Projected | |
|---|-----------------|-----------------|----------------|----------------|
| | | | 24-25 | 25-26 |
| Production Costs | \$ 7.1 | \$ 7.8 | \$ 8.7 | \$ 8.5 |
| System Operations | 17.6 | 19.6 | 26.7 | 21.6 |
| Debt Service | 20.8 | 24.5 | 25.2 | 26.8 |
| Water Conservation Programs | 1.0 | 1.7 | 1.6 | 1.6 |
| Subtotal, Non-Operating Expenses | \$ 46.5 | \$ 53.6 | \$ 62.2 | \$ 58.5 |
| Percentage Increase/(Decrease) | | 15.27% | 16.04% | -5.95% |


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WATER EXPENSES: CIP & GFT

(in millions)

| Other Uses of Funds | Actual | | Budget | | Projected | |
|---|----------------|-----------------|---------|-----------------|-----------------|-------|
| | 22-23 | 23-24 | 23-24 | 24-25 | 25-26 | 25-26 |
| Capital Improvement Plan (CIP) | \$ 19.8 | \$ 29.9 | \$ 29.9 | \$ 29.6 | \$ 34.6 | |
| General Fund Transfer (GFT) | 8.2 | 8.6 | | 8.5 | 9.2 | |
| Subtotal, Other Uses of Funds | \$ 28.0 | \$ 38.5 | | \$ 38.1 | \$ 43.8 | |
| Percentage Increase/(Decrease) | | | 37.50% | -1.04% | 14.96% | |
| Total Personnel, Non-Personnel and Other Uses of Funds | \$ 99.0 | \$ 117.4 | | \$ 126.8 | \$ 129.7 | |
| Percentage Increase/(Decrease) | | | 18.59% | 8.01% | 2.29% | |


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WATER PROPOSED CIP FY 2025-2029

(in millions)

| | Proposed | | -----Planning Purposes----- | | | Total |
|--------------------------------|----------------|----------------|-----------------------------|----------------|----------------|-----------------|
| | 24-25 | 25-26 | 26-27 | 27-28 | 28-29 | |
| Water Supply | \$ - | \$ 8.5 | \$ 4.5 | \$ - | \$ - | \$ 13.0 |
| Well Projects | 3.8 | 1.8 | 6.2 | 1.3 | 6.1 | 19.2 |
| Transmission Pipelines | 5.9 | 2.5 | 11.2 | 15.5 | 11.2 | 46.3 |
| Distribution Pipelines | 14.1 | 15.1 | 16.8 | 16.9 | 21.9 | 84.8 |
| Distribution Facilities | 1.6 | 1.5 | 1.9 | 2.2 | 1.3 | 8.5 |
| Treatment Plants | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 1.5 |
| Reservoir Projects | 0.3 | 0.2 | 0.4 | 0.3 | 0.2 | 1.4 |
| System Automation | 3.6 | 4.7 | 3.1 | 0.2 | 0.2 | 11.8 |
| Total | \$ 29.6 | \$ 34.6 | \$ 44.4 | \$ 36.7 | \$ 41.2 | \$ 186.5 |


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WATER CAPITAL IMPROVEMENT PLAN

(in millions)

| | Actual | | Budget | | Projected | | | |
|--------------------------------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|
| | 22-23 | | 23-24 | | 24-25 | 25-26 | | |
| Revenues and Sources of Funds | | | | | | | | |
| Revenues from Rates | \$ | 6.0 | \$ | 7.4 | \$ | 7.7 | \$ | 3.5 |
| Bond Proceeds | | 11.9 | | 21.5 | | 20.9 | | 30.1 |
| Contribution in Aid | | 1.0 | | 1.0 | | 1.0 | | 1.0 |
| Transfers from Reserves | | - | | - | | - | | - |
| Total | \$ | 18.9 | \$ | 29.9 | \$ | 29.6 | \$ | 34.6 |
| Expenses and Uses of Funds | | | | | | | | |
| Water Supply | \$ | 2.6 | \$ | - | \$ | - | \$ | 8.5 |
| Well Projects | | 3.3 | | 1.2 | | 3.8 | | 1.8 |
| Transmission Pipelines | | 1.6 | | 9.8 | | 5.9 | | 2.5 |
| Distribution Pipelines | | 10.8 | | 13.2 | | 14.1 | | 15.1 |
| Distribution Facilities | | - | | 1.3 | | 1.6 | | 1.5 |
| Treatment Plants | | - | | 0.4 | | 0.3 | | 0.3 |
| Reservoir Projects | | - | | - | | 0.3 | | 0.2 |
| System Automation | | 0.6 | | 4.0 | | 3.6 | | 4.7 |
| Total | \$ | 18.9 | \$ | 29.9 | \$ | 29.6 | \$ | 34.6 |



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WATER CIP – APPROVED RATE PLAN

BUDGET vs ACTUAL

(in millions)

| | FY 20-21 | | FY 21-22 | | FY 22-23 | | FY 23-24 | |
|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Forecast |
| Water Supply | \$ 2.8 | \$ 0.2 | \$ - | \$ 0.3 | \$ - | \$ 2.6 | \$ - | \$ 9.6 |
| Well Projects | 3.4 | 1.2 | 1.2 | 2.2 | 5.1 | 3.3 | 1.2 | 3.7 |
| Transmission Pipelines | 10.3 | 3.5 | 6.2 | 5.4 | 6.3 | 1.6 | 9.8 | 7.6 |
| Distribution Pipelines | 8.3 | 7.8 | 9.1 | 10.4 | 10.6 | 10.8 | 13.2 | 12.4 |
| Distribution Facilities | 1.2 | 2.3 | 1.3 | 2.7 | 1.5 | - | 1.3 | 1.8 |
| Treatment Plants | - | - | - | - | - | - | 0.4 | 0.1 |
| Reservoir Projects | 0.6 | - | - | - | 0.6 | - | - | - |
| System Automation | 4.0 | 0.4 | 3.7 | 0.6 | 5.0 | 0.6 | 4.0 | 4.7 |
| Total | \$ 30.6 | \$ 15.4 | \$ 21.5 | \$ 21.6 | \$ 29.1 | \$ 18.9 | \$ 29.9 | \$ 39.9 |

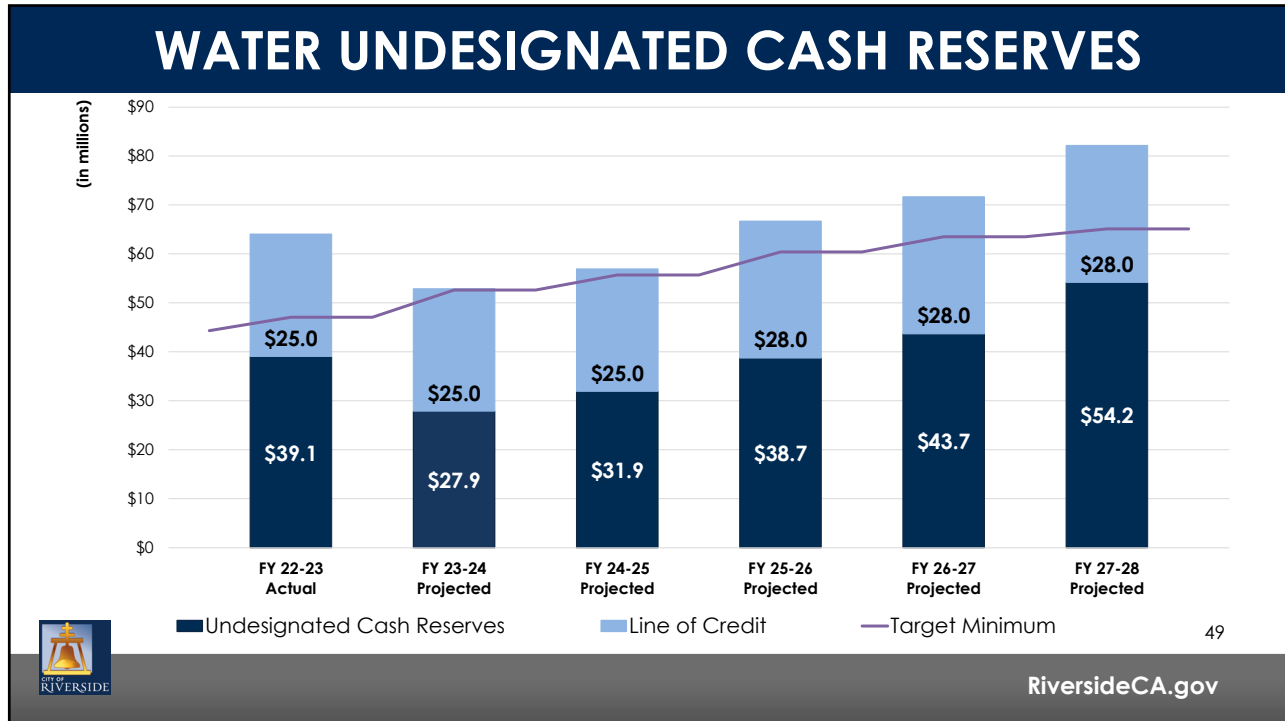


* Budgets do not include carryovers or miscellaneous Agency funding.

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STRATEGIC PLAN ALIGNMENT

No. 5 High Performing Government

Goal 5.3. Enhance communication and collaboration with community members to improve transparency, build public trust and encourage shared decision making.

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation

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RECOMMENDATIONS

That the Board of Public Utilities recommend that City Council:

1. Approve the Electric Funds (including the Public Benefits Fund) proposed FY 2024/25 budget totaling \$466.2M in revenues, \$459.9M in operating expenditures and \$61.3M in capital improvements and proposed FY 2025/26 budget totaling \$499.2M in revenues, \$472.7M in operating expenditures and \$68.7M in capital improvements. The difference between revenues and expenditures including capital improvements to be funded by bond proceeds and reserves;



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RECOMMENDATIONS

3. Authorize the use of the Designated Electric Fund Dark Fiber Reserve for dark fiber leasing operating expenses in the amount of \$0.6M for Fiscal Year 2024/25 and \$0.7M for Fiscal Year 2025/26; and
4. Approve the Water Funds (including Water Conservation Fund) proposed for FY 2024/25 budget totaling \$100.4M in revenues, \$97.2M in operating expenditures and \$29.6M in capital improvements and proposed FY 2025/26 budget totaling \$108.1M in revenues, \$95.2M in operating expenditures and \$34.6M in capital improvements. The difference between revenues and expenditures including capital improvements is expected to be funded by bond proceeds and reserves.



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