

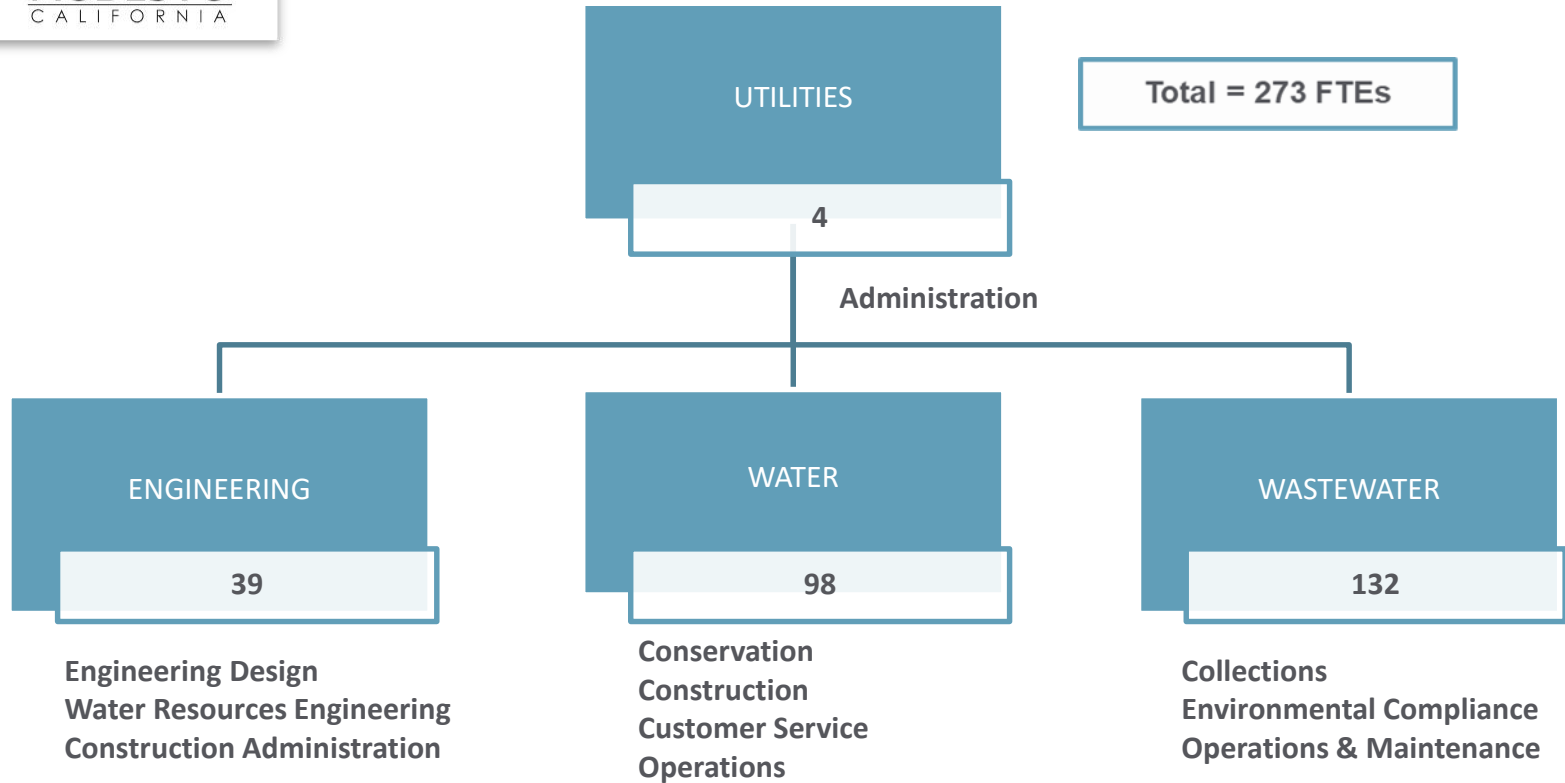


UTILITIES DEPARTMENT FY 2020/21 BUDGET

Will Wong – Director of Utilities



REVIEW OF SERVICE AREAS





OVERVIEW OF DEPARTMENT FUNDING

Utilities Department



Department Expenditure Budget by Fund

	Current FY 19/20	Proposed FY 20/21	CHANGE	COMMENTS
4100	\$80,619,067	\$84,396,858	\$3,777,791	\$2,934,709 – Projected increases for Water Services Approximately \$900K (remaining difference) was entered into CGI as proposed Revenue last FY, but since has been adjusted down on the Pro forma.
4210	\$58,145,744	\$62,160,956	\$4,015,212	\$3,215,004 - Projected increases for Residential, Industrial, and Commercial Sewer Services \$448,592 – Increase for Del Puerto Water District \$161,296 – Increase in Interfund DCA's (Sal, Ben, OH)
4480	\$5,592,427	\$5,673,930	\$81,503	\$66,000 – Projected increases for Storm Drain Fees \$30,000 – Interest increase (\$14,497) – Net decrease in Interfund charges & Traffic Signal Revenue
1300 – Utilities - Construction portion of Fund (CC 42020)	\$2,983,334	\$2,845,898	-137,436	Decrease in Overhead Rate
TOTAL	\$147,340,572	\$155,077,642	\$7,737,070	



Expense Outlook

FUND	FY 19/20	FY 20/21	CHANGE	% INCREASE	COMMENTS
4100	\$58,525,144	\$61,481,640	\$2,956,496	5.0%	\$1,082,870 – Salary & Benefit increases \$1,022,814 – MID TDA increase \$255,560 – ISF increases \$459,735 – Professional Services increases: \$230K-UWMP Conservation Plan, \$132K – SED & Lobbyists, \$80K – Closed CIP, costs moved to Ops (Nitrate Analyzers) \$135,205 – DCA increases (Salary & Overhead increases)
4210	\$32,029,339	\$34,648,705	\$2,619,366	7.9%	\$1,014,076 – Salary & Benefit increases \$529,909 – Electricity increases \$349,200 – ISF increases \$348,006 – Professional Services increases: \$200K – On-Call Contract (was CIP), \$140K – Rate Analysis Prop 218 \$289,479 – DCA increases (Salary & Overhead increases)
4480	\$7,340,630	\$7,454,107	\$113,477	1.5%	\$86,682 – Salary & Benefit increases (\$60,945) – ISF decreases \$87,740 – DCA increases (Salary & Overhead increases)
1300 (CC 42020)	\$2,735,743	\$3,044,758	\$309,015	11.1%	\$216,711 – Salary & Benefit increases \$51,065 – ISF increases \$41,239 – Software & Training increases * Increases covered by Capital Improvement Project accounts
TOTAL	\$100,630,856	\$106,629,210	\$5,998,354	5.9%	



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OVERVIEW OF DEPARTMENT REDUCTIONS

Utilities Department



Review of Reductions

- Potential temporary freeze of vacant positions
 - Water Fund (10 positions) = \$658,143
 - Wastewater Fund (15 positions) = \$1,027,058
 - Potential reduction of discretionary expenses
-



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FY 20-21 DEPARTMENT OUTLOOK

Utilities Department



Impacts to Department Services in FY 20-21 (If Potential Reductions are accepted)

- Water and Wastewater Divisions
 - Utilities leadership positions remain vacant
 - Reduced Administrative functions and support
 - Reduction of level of service in operations and maintenance of infrastructure
 - Increased risks of system failures
 - Engineering Division
 - Reduction of Capital Improvement Projects delivery
 - Negative impacts to completing regulatory-required special studies and plans
 - Lack of resources to analyze and pursue potential funding sources (grants and loans)
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Storm Drain Rates

- No Storm Drain rate increases since 2001
 - Must have positive Proposition 218 vote in order to raise rates
 - Storm Drain fund still required to meet the City's adopted financial policies
 - Fund will not keep up with increasing cost of service City will need to reduce Storm Drain level of service for maintenance to ensure Storm Drain Fund is solvent
 - Will result in potentially more flooded streets.
 - Staff awaiting decision for Senate Bill 231
 - Storm Water considered a "sewage"
 - Could be included in Sewer rates
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FY 20-21 DEPARTMENT PROPOSED ADJUSTMENTS

Utilities Department



Proposed FY 20-21 Adjustments

Water Fund – 4100

Adjustment Type	Position Request	Cost
Reclassification	<u>Water Division Manager</u> : Reclassified from Water Systems Manager, pay grade 450E to 453E	\$13,892
Elimination	Engineering Intern	(\$56,087)
	Total Water Fund Impact	(\$42,195)



Proposed FY 20-21 Adjustments

Wastewater Fund – 4210

Adjustment Type	Position Request	Cost
Reclassification	<u>Wastewater Division Manager</u> : Reclassified from WQC Plant Manager, pay grade 450E to 453E	\$13,892
Reclassification	<u>Water Quality Control Plant Superintendent (Chief Plant Operator)</u> : Reclassified from Senior Utilities Plant Operator, pay grade 133E to 446E	\$49,262
Reclassification	<u>Utility Dispatch Supervisor</u> : Reclassified from Senior Administrative Office Assistant – Confidential, pay grade 419E to 428E	\$20,541
Elimination	Engineering Intern	(\$56,087)
Elimination	Plant Mechanic Trainee	(\$71,349)
	Total Wastewater Fund Impact	(\$43,741)



Proposed FY 20-21 Adjustments

Capital Improvement Support Fund - 1300

Adjustment Type	Position Request	Cost
New Position	<u>Survey Party Chief</u> : New add, pay grade 135E (salary and benefits)	\$117,108
New Position	<u>Construction Inspector</u> : New add, pay grade 132E (salary and benefits)	\$108,751
Elimination	<u>Construction Inspection Supervisor</u> : pay grade 442E (salary and benefits)	(\$145,625)
	Total Capital Improvement Support Fund Impact	<u>\$80,234</u>



Utilities Department
Proposed
Fiscal Year 2020-21
273 272 Full-Time Employees

Director of Utilities

5 Direct Reports

Administration

Engineering Services Division

Engineering Division Manager

Sr. Civil Engineers (4)

Water Services Division

Water Division Manager

Water Superintendents (2)

Wastewater Services Division

Wastewater Division Manager

Wastewater Collections System Manager

Supervisors (3)

Chief Plant Operator/
Wastewater Superintendent

Supervisors (2)

Plant Maintenance Superintendent

Supervisors (3)

Environmental Compliance Manager

Supervisors (2)



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