

Public Utilities

Fiscal Year 2021 Proposed Budget

May 6, 2020

City Council Budget Review Committee Hearing



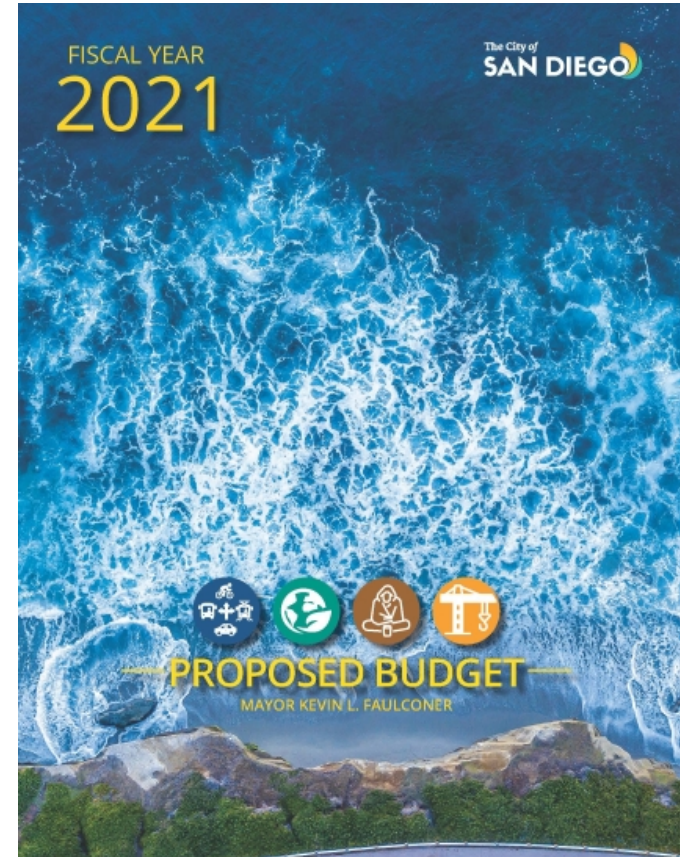
The Public Utilities Department provides water and wastewater collection for City of San Diego customers as well as wastewater treatment and disposal services for City of San Diego customers and our regional partners.

Mission Statement:

To provide reliable water utility services that protect the health of our communities and the environment.

Vision:

A world-class water utility for a world-class city.



Department Highlights

- ❖ Continue Department' s efforts to optimize operations
 - ❖ Focus on preventative vs corrective maintenance

- ❖ Infrastructure projects:

Number of miles estimated to complete	FY20	FY21
Sewer Main Repair/Rehab/Replace	40	40
Water Main Repair/Rehab/Replace	35	35

- ❖ Pure Water Phase One

- ❖ Resume bid openings in Fall 2020 and begin construction in Spring 2021
- ❖ Conduct assessment of the City' s dam infrastructure to determine needs to ensure safety and state regulations

Department Impacts from COVID-19

- ❖ No impacts to core water and wastewater services
 - ❖ Closed public access to reservoirs (recreation programs)
 - ❖ Continue to monitor and evaluate revenue impacts as additional data becomes available



FY 2021 Proposed Budget Overview – Expenditures

General Fund Expenditures

Department/Program	FY 2020 Adopted		FY 2021 Proposed		Change from FY 2020 Adopted to FY 2021 Proposed	
	FTE	Budget	FTE	Budget	FTE	Budget
PUD - Lakes & Recreation Program	0.00	\$2,712,536	0.00	\$2,009,354	0.00	(\$703,182)
TOTAL	0.00	\$2,712,536	0.00	\$2,009,354	0.00	(\$703,182)

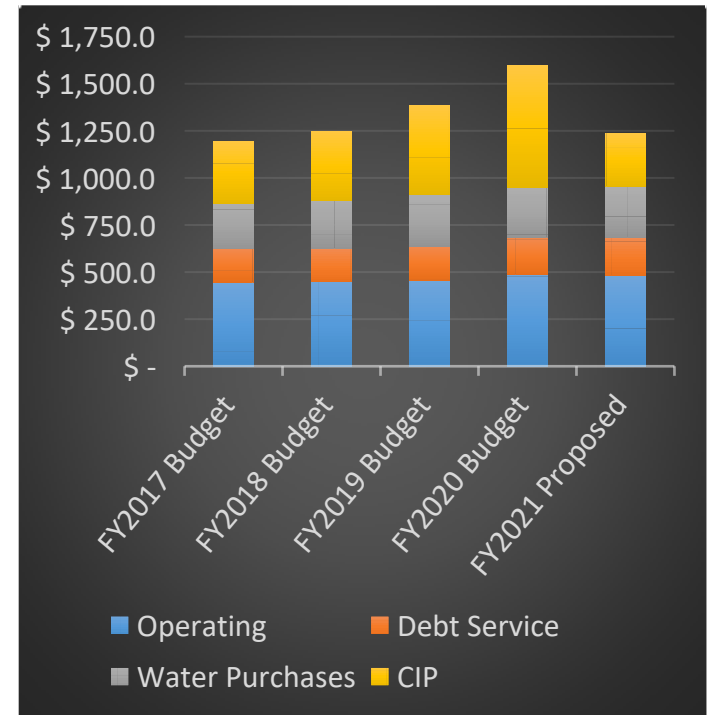
Enterprise Fund Expenditures

Fund Name	FY 2020 Adopted		FY 2021 Proposed		Change from FY 2020 Adopted to FY 2021 Proposed	
	FTE	Budget	FTE	Budget	FTE	Budget
Municipal Sewer Revenue Fund	422.34	\$134,722,429	417.95	\$134,087,354	(4.39)	(\$635,075)
Metropolitan Sewer Utility Fund	486.38	239,732,321	484.91	235,659,013	(1.47)	(4,073,308)
Water Utility Operating Fund	808.83	570,305,118	806.57	581,086,474	(2.26)	10,781,356
TOTAL	1,717.55	\$944,759,868	1,709.43	\$950,832,841	(8.12)	\$6,072,973



FY 2021 Proposed Budget Overview - Expenditures

	FY 2020 Adopted Budget	FY 2021 Proposed Budget	Variance	Percentage Change
Operating				
- Water	213.7	212.8	(0.9)	0%
- Metro	166.4	163.4	(3.0)	-2%
- Muni	101.7	101.1	(0.6)	-1%
- General Fund	2.7	2.0	(0.7)	-26%
Total Operating	484.5	479.3	(5.2)	-1%
Capital Improvement Program (CIP)				
- Water	339.8	153.4	(186.4)	-55%
- Metro	228.0	28.4	(199.6)	-88%
- Muni	76.5	108.2	31.7	41%
Total CIP	644.3	290.0	(354.3)	-55%
Debt Service				
- Water	87.8	99.4	11.7	13%
- Metro	73.4	72.3	(1.1)	-1%
- Muni	33.0	33.0	0.0	0%
Total Debt Service	194.1	204.7	10.6	5%
Water Purchases	268.8	268.8	-	0%
Grand Total	1,591.7	1,242.8	(348.9)	-22%



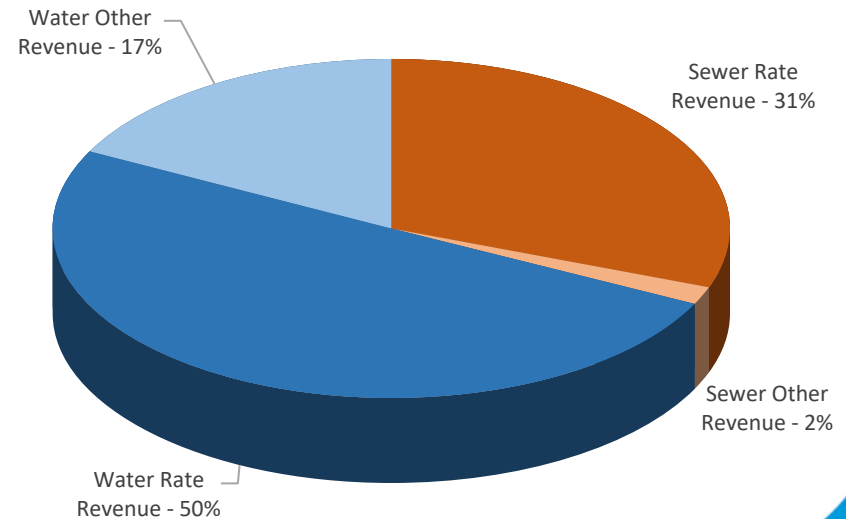
NON-GENERAL FUNDS REVENUES SUMMARY

Fund Name	FY 2020 Adopted	FY 2021 Proposed	Change from FY 2020 Adopted to FY 2021 Proposed
Municipal Sewer Revenue Fund	\$280,616,100	\$284,445,800	\$3,829,700
Metropolitan Sewer Utility Fund	312,796,522	107,204,622	(205,591,900)
Water Utility Operating Fund	995,843,291	819,377,791	(176,465,500)
TOTAL	\$1,589,255,913	\$1,211,028,213	\$(378,227,700)

PUD Enterprise Fund Revenues

- ❖ Total Revenue of \$1.21B
 - ❖ Water Rates - \$607.7M
 - ❖ Other Water Revenue - \$211.7M
 - ❖ Sewer Rates - \$371.1M
 - ❖ Other Sewer Revenue - \$20.6M

- ❖ Decrease from FY 2020 is the result of projected decreases in revenue from new bonds/loans.





GENERAL FUND

Budget Reduction Proposals

Significant Budget Adjustments	FTE	Expenditures	Revenue
Reduction of City Reservoir Services: Increased closure of City reservoirs for recreation	0.00	(\$400,000)	-
Reduction of Wastewater Pumping Services: Wastewater disposal contractual services at City reservoirs	0.00	(\$140,000)	-
Reduction of Water Contact and Waterfowl Hunting Programs: Elimination of Water Contact program at El Capitan Reservoir and the Waterfowl hunting season at Barrett Reservoir	0.00	(\$178,033)	(\$69,532)



Budget Reduction Proposals – Service Level Impact

Reservoir	Activities	Current Service Level (FY 20)	Proposed Service Level (FY21)
Barrett	Fishing and Hunting (waterfowl)	Closed 1 st Wednesday of each month	Closed ALL year for ALL activities
El Capitan	Fishing & Boating, Waterskiing & PWC	Closed 1 st Friday of each month	Fishing & Boating – No change Waterskiing & PWC – Closed All Year
Hodges	Fishing & Boating, SUP & Windsurfing, Public Access	Closed 3 rd Wednesday of each month	No change in current service level
Miramar	Fishing & Boating, Public Access	Closed 1 st Tuesday of each month	No change in current service level
Murray	Fishing & Boating, Public Access	Closed 2 nd Tuesday of each month	No change in current service level
Otay	Fishing & Boating	Closed 2 nd Wednesday of each month	No change in current service level
San Vicente	Fishing & Boating, Waterskiing	Closed 2 nd Friday of each month	No change in current service level
Sutherland	Fishing & Boating, Shore Fishing, Hunting (turkey)	Closed 3 rd Friday of each month	Closed ALL year for ALL activities