



Western Riverside Council of Governments Technical Advisory Committee

AGENDA

**Thursday, May 21, 2020
9:30 a.m.**

**Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501**

**WRCOG's OFFICE IS CURRENTLY CLOSED TO THE PUBLIC DUE TO COVID-19
AND STAFF ARE WORKING REMOTELY.**

**Members of the public are encouraged to participate in this meeting via Zoom
(see meeting information below).**

**Join Zoom Meeting
[Click Here](#)**

**Meeting ID: 839 6590 0920
Password: 313223**

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SPECIAL NOTICE – COVID-19 RELATED PROCEDURES IN EFFECT

Due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19), Governor Newsom has issued Executive Order N-29-20 (issued March 17, 2020) in which Section 3 supersedes Paragraph 11 of Executive Order N-25-20 (issued on March 12, 2020). This new order states that WRCOG does not need to make a physical location available for members of the public to observe a public meeting and offer public comment. The Order allows WRCOG to hold Committee meetings via teleconferencing and allows for members of the public to observe and address the meeting telephonically or electronically.

To follow the new Order issued by the Governor, the Technical Advisory Committee meeting scheduled for

Thursday, May 21, 2020 at 9:30 a.m. will be held via teleconference and any members of the public can attend electronically. Members of the public may send public comments by emailing snelson@wrcog.us, or calling (951) 405-6703 before or during the meeting, prior to the close of public comment.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Suzy Nelson prior to 9:30 a.m. on May 19, 2020, at (951) 405-6703 or at snelson@wrcog.us.

The Technical Advisory Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

1. CALL TO ORDER (Chris Lopez, Chair)

2. ROLL CALL

3. PUBLIC COMMENTS

At this time members of the public can address the Technical Advisory Committee regarding any items with the subject matter jurisdiction of the Committee that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Committee in writing and only pertinent points presented orally.

4. CONSENT CALENDAR

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Committee request specific items be removed from the Consent Calendar.

A.	Summary Minutes from the April 16, 2020, Technical Advisory Committee Meeting are Available for Consideration.	P. 1
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Requested Action: 1. *Approve the Summary Minutes from the April 16, 2020, Technical Advisory Committee meeting.*

B.	Finance Department Activities Update	Andrew Ruiz, WRCOG	P. 5
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Requested Action: 1. *Receive and file.*

C.	3rd Quarter Draft Budget Amendment for Fiscal Year 2019/2020	Andrew Ruiz, WRCOG	P. 11
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Requested Action: 1. *Recommend that the Executive Committee approve the 3rd Quarter Draft Budget Amendment for Fiscal Year 2019/2020.*

D.	Regional Streetlight Program Activities Update	Daniel Soltero, WRCOG	P. 23
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Requested Action: 1. *Receive and file.*

E.	Climate Resiliency Challenge Update	Casey Dailey, WRCOG	P. 27
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Requested Action: 1. *Receive and file.*

F.	International City / County Management Association Activities Update	AJ Wilson, ICMA	P. 29
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Requested Action: 1. Receive and file.

5. REPORTS / DISCUSSION

A.	Report from the League of California Cities	Erin Sasse, League of California Cities	P. 31
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Requested Action: 1. Receive and file.

B.	Draft Fiscal Year 2020/2021 Agency Budget	Andrew Ruiz, WRCOG	P. 47
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Requested Action: 1. Recommend that the Executive Committee approve the draft Fiscal Year 2020/2021 Agency Budget substantially as to form.

C.	Future Forward Series Presentation: COVID-19 Fiscal Impacts Analysis	Elisa Laurel, WRCOG	P. 83
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Requested Action: 1. Receive and file.

D.	Santa Ana Municipal Separate Storm Sewer System (MS4) Permit Compliance Program Update	Darcy Kuenzi, Riverside County Flood Control	P. 111
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Requested Action: 1. Receive and file.

6.	REPORT FROM THE EXECUTIVE DIRECTOR	Rick Bishop
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7.	ITEMS FOR FUTURE AGENDAS	Members
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8.	GENERAL ANNOUNCEMENTS	Members
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Members are invited to announce items / activities which may be of general interest to the Technical Advisory Committee.

9.	NEXT MEETING:	The Technical Advisory Committee is DARK in the month of June. The next Technical Advisory Committee meeting is scheduled for Thursday, July 16, 2020, at 9:30 a.m., via Zoom platform.
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10.	ADJOURNMENT
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1. CALL TO ORDER

The meeting of the Technical Advisory Committee was called to order at 9:30 a.m. by Chair Chris Lopez on the virtual platform, Zoom.

2. ROLL CALL

Members present:

Todd Parton, City of Beaumont
Bonnie Johnson, City of Calimesa
Chris Mann, City of Canyon Lake
Jacob Ellis, City of Corona
Bryan Jones, City of Eastvale
Chris Lopez, City of Hemet, Chair
Rod Butler, City of Jurupa Valley
Grant Yates, City of Lake Elsinore
Armando Villa, City of Menifee
Mike Lee, City of Moreno Valley
Kim Summers, City of Murrieta
Andy Okoro, City of Norco
Clara Miramontes, City of Perris
Al Zelinka, City of Riverside
Aaron Adams, City of Temecula
Danielle Coats, Eastern Municipal Water District
Mathew Evans, March Joint Powers Authority
Craig Miller, Western Municipal Water District

Staff present:

Steve DeBaun, Legal Counsel
Rick Bishop, Executive Director
Barbara Spoonhour, Deputy Executive Director - Operations
Andrew Ruiz, Chief Financial Officer
Casey Dailey, Director of Energy & Environmental Programs
Chris Gray, Director of Transportation & Planning
Princess Hester, RCHCA Director of Administration
Tyler Masters, Program Manager
Cameron Brown, Program Manager
Don Ries, Program Manager
Elisa Laurel, Program Manager
Janis Leonard, Administrative Services Manager
Anthony Segura, Senior Analyst
Ivana Medina, Staff Analyst
Justin White, Staff Analyst
Kyle Rodriguez, Staff Analyst
Rachel Singer, Staff Analyst
Daniel Soltero, Staff Analyst
Suzy Nelson, Administrative Assistant
Diana Vaca, Technician

Guests present:

Rafael Guzman, City of Riverside
Erin Sasse, League of California Cities
A.J. Wilson, International City / County Management Association (ICMA)
Arnold San Miguel, Southern California Association of Governments
Darci Kuenzi, County of Riverside Flood Control and Water Conservation District
Kenneth Phung, City of Perris
Nadia Ibarra, South Coast Air Quality Management District
Edgar Prado, Member of the Public

3. PUBLIC COMMENTS

AJ Wilson shared that the ICMA's website (<https://icma.org/>) has information regarding the nationwide coronavirus crisis response. It is available to all city and county managers, no matter if you are a member of ICMA or not.

4. MINUTES *(Lake Elsinore / Temecula) 18 yes; 0 no; 0 abstain; Item 4.A was approved. The Cities of Banning, San Jacinto, and Wildomar, the County of Riverside, and the Morongo Band of Mission Indians were not present.*

A. Summary Minutes from the January 16, 2020, Technical Advisory Committee Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the January 16, 2020, Technical Advisory Committee meeting.*

B. Summary Minutes from the March 26, 2020, Technical Advisory Committee Special Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the March 26, 2020, Technical Advisory Committee Special meeting.*

(Lake Elsinore / EMWD) 18 yes; 0 no; 0 abstain; Item 4.B was approved. The Cities of Banning, San Jacinto, and Wildomar, the County of Riverside, and the Morongo Band of Mission Indians were not present.

5. REPORTS / DISCUSSION

A. Report from the League of California Cities

Erin Sasse provided an update on current activities in the legislature. The CARES Act is still being cleaned up since it does not allow for smaller cities to receive any financial assistance due to smaller populations. H.R. 6467 creates a path for the other 99.2% of the California cities that were shut out of the CARES Act to receive direct federal aid. The League's Divisional meeting for May 11, 2020, has been cancelled. The weekly OES calls for the region have now been pushed to bi-weekly, and also allow all local government officials to join in.

Action: 1. *Received and filed.*

B. Energy & Environmental Department Activities Update

Kyle Rodriguez provided an update on the 2nd Annual SoCal AltCar Conference, Expo, and Ride & Drive taking place. This year's event will be held on October 28, 2020, at the Bourns Technology Center located by the University of California, Riverside. This event helps increase awareness and

knowledge of alternative fuel vehicle choices available and includes discussions with leading policymakers, sustainability directors, fleet managers on the importance of advanced technology in transportation, and more.

Daniel Soltero provided a status update on the Regional Streetlight Program's Operation & Maintenance (O&M) responses for January and February 2020. There were 261 streetlight O&M responses across participating jurisdictions. The most common streetlight issues recorded were lamp burnouts in jurisdictions where the retrofit may not have been completed. The 2nd most common response was for power issues arising from the customer-side and on the SCE-side. Furthermore, there were 24 responses for extraordinary streetlight maintenance, which includes nine pole knockdowns, replacement of four felled poles, and seven bid jobs requested by the jurisdiction.

The City of Menifee is currently conducting its streetlight retrofit and has converted 60%, or 4,000, of its streetlights to LED fixtures. The City of Perris is anticipated to start its LED retrofit project in April 2020. WRCOG is coordinating with jurisdictions that may conduct a 2nd SCE True-Up to acquire remaining poles in the field and convert them to LED technology.

Action: 1. *Received and filed.*

C. Finance Department Activities Update

Andrew Ruiz provided an update on the Fiscal Year 2020/2021 Agency Budget development process. Due to the recent events nationwide, WRCOG has taken a conservative approach in its budget due to uncertain long-term impacts of COVID-19. Overall, the Agency's budget will be cut by approximately 30%, and staff will continue updating the committees throughout the development process as the virus runs its course.

Staff is also taking into consideration Agency liabilities such as pension obligations to CalPERS, including reducing its Unfunded Accrued Liability by lowering its term to 15 years, and establishing a Section 115 Trust investment account to make additional annual payments.

Action: 1. *Received and filed.*

D. TUMF Program Activities Update

Chris Gray provided an update on current TUMF activities and the unforeseen economic impacts of COVID-19. As staff has been analyzing the anticipation of possible changes, the TUMF Program is continuing as normal during the office closure. Staff is working remotely, and fee payments are being processed through the online portal, either through e-check, wire transfer, or credit card. Developers can still make payments by mailing checks to the WRCOG office. In the month of March, the Program has collected \$3.7M. So far, WRCOG has collected \$35M in overall Program revenues during this fiscal year.

WRCOG's subregion experienced a significant downturn between 2007 and 2010; unemployment increased from 5% in 2006 to 14% by 2010. At that time, WRCOG adopted a policy to allow jurisdictions to discount fees by 50%. Allowing this change, 10 of the 17 jurisdictions opted to discount fees. Permit activity showed no statistical changes in development. Many of the permits issued in 2012 were never used and had to be refunded in later years. A total of \$29M in TUMF revenue was not collected by local jurisdictions because of the last fee reduction.

Action: 1. *Received and filed.*

E. Western Community Energy Activities Update

Barbara Spoonhour reported that Western Community Energy (WCE) launched in April, servicing the Cities of Norco, Perris, and Wildomar. WCE will begin servicing the Cities of Eastvale, Jurupa Valley, and Hemet in May 2020. WCE's Board adopted rates and has met the goal of a 2% reduction in a customer's total utility bill; WCE customers will save a combined total of \$6M annually. WCE offers two product choices – Choice Plan, which equals 37% renewable energy, and Choice Plan Plus which equals 100% green energy.

If additional jurisdictions would like to join WCE, for a 2022 launch, jurisdictions would need to join WCE and adopt the CCA ordinance by December 31, 2020.

Action: 1. *Received and filed.*

F. Riverside County Habitat Conservation Agency Activities Update

Princess Hester provided information on the Riverside County Habitat Conservation Agency (RCHCA), which formed in 1996 as a Joint Powers Authority consisting of the Cities of Corona, Hemet, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Perris, Riverside, Temecula, and Wildomar, and the County of Riverside. RCHCA is responsible for administration and operation of over 40,000 acres of conserved lands and ecosystems to protect the endangered Stephens' Kangaroo Rat (SKR).

In May 2019, the consolidation of RCHCA staff and operations under WRCOG were completed. The merger creates a succinct Agency and streamlines governmental processes.

In 2020, RCHCA's focus is on species recovery, working to demonstrate that species population has increased and that there is a low level of threats, and supporting federal reclassification of SKR from "endangered" to "threatened." RCHCA is working to develop a Trails Concept Design Plan to allow for low impact recreational opportunities as a deterrence of unwanted access and activities detrimental to sensitive habitat.

Action: 1. *Received and filed.*

6. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that WRCOG has created a weekly newsletter called "The Briefing," which includes status updates on programs within the Agency, as well as any COVID-19 updates. A monthly virtual webinar series on innovating through disruption called, "Future Forward," has launched. Staff is excited to host its first webinar on April 30, 2020, with Teifion Rice-Evans, Managing Principal at Economic Planning Systems, as the guest speaker.

7. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

8. GENERAL ANNOUNCEMENTS

There were no general announcements.

9. NEXT MEETING

The next Technical Advisory Committee meeting is scheduled for Thursday, May 21, 2020, at 9:30 a.m., and will either be held as a Zoom meeting or at WRCOG's office located at 3390 University Avenue, Suite 200, Riverside, depending on the status of COVID-19.

10. ADJOURNMENT

The meeting of the Technical Advisory Committee adjourned at 10:31 a.m.



Western Riverside Council of Governments

Technical Advisory Committee

Staff Report

Subject: Finance Department Activities Update

Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740

Date: May 21, 2020

The purpose of this item is to provide an update on the Agency financials through March 2020.

Requested Action:

1. Receive and file.

Fiscal Year 2019/2020 Agency Audit

WRCOG's annual Agency audit is tentatively scheduled to begin the week of June 15, 2020. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott, LLC, (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit; in July or August, RAMS will return to finish its second round, which is known as "fieldwork."

Fiscal Year 2020/2021 Agency Budget Development Process

Staff has begun the process of creating the Fiscal Year 2020/2021 Agency Budget and will provide presentations to the various WRCOG committees in May 2020. The Executive Committee will review and consider approving the final draft Budget during its June 2020 meeting.

Financial Report Summary Through March 2020

The Agency Financial Report summary through March 2020, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Prior Action:

May 7, 2020: The Finance Directors Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

1. Financial Report summary through March 2020.

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Item 4.B

Finance Department Activities
Update

Attachment 1

Financial Report summary through
March 2020

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**Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending March 31, 2020**

Total Agency			
Revenues	Approved Budget 6/30/2020	Thru Actual 3/31/2020	Remaining Budget 6/30/2020
Member Dues	\$ 311,410	311,410	-
General Assembly Revenue	300,000	3,000	297,000
Interest Revenue - Other	25,000	115,323	(90,323)
PACE Residential Revenue	212,500	97,495	115,005
Other HERO Revenue	680,000	333,492	346,508
Statewide HERO Revenue	570,000	302,782	267,218
Gas Company Revenue	108,400	45,099	63,301
SoCal Edison Revenue	54,219	41,612	12,607
PACE Commercial Revenue	399,425	334,425	65,000
PACE Residential Recording Rev	111,800	70,074	41,726
Statewide HERO Recording fee Rev	441,200	198,647	242,553
PACE Commercial Recording Rev	17,500	62,478	(44,978)
Regional Streetlights Revenue	187,511	314,886	(127,375)
NW Clean Cities - Member Dues	128,000	250,270	(122,270)
Solid Waste	107,313	112,970	(5,657)
Statewide Used Oil Grant Revenue	377,654	377,654	-
CAP Grant Revenue	125,000	430,260	(305,260)
Adaptation Grant Revenue	125,000	85,394	39,606
LTF Revenue	800,250	800,250	-
RIVTAM Revenue	140,000	137,500	2,500
TUMF Admin Commerical	47,284	59,412	(12,129)
TUMF Admin Retail	109,687	146,928	(37,241)
TUMF Admin Industrial	502,285	220,417	281,869
TUMF Admin Single Family	1,121,669	667,811	453,858
TUMF Admin Multi-Family	199,074	260,520	(61,446)
Commerical/Service	1,134,806	1,425,893	(291,087)
Retail	2,632,497	3,526,278	(893,780)
Industrial	12,054,852	5,290,002	6,764,850
Single Family	26,920,065	16,027,474	10,892,592
Multi-Family	4,777,779	6,252,480	(1,474,701)
Total Revenues & Carryover	\$ 55,365,007	\$ 38,302,236	\$ 17,322,446
Overhead Transfer In	1,996,602	1,497,452	499,151
Total Revenues & Overhead	57,361,609	39,799,687	17,821,597

Expenses	Approved Budget 6/30/2020	Thru Actual 3/31/2020	Remaining Budget 6/30/2020
Salaries & Wages - Fulltime	\$ 1,939,032	1,584,535	354,497
Fringe Benefits	921,389	691,042	230,347
CalPERS OPEB Paydown	200,000	150,000	50,000
Overhead Allocation	1,877,020	1,407,765	469,255
General Legal Services	391,684	175,737	215,947
Audit Svcs - Professional Fees	30,500	21,700	8,800
Bank Fees	40,150	9,200	30,950

Commissioners Per Diem	62,550	34,550	28,000
Office Lease	465,000	249,748	215,252
WRCOG Auto Fuels Expenses	1,500	767	733
Parking Validations	10,046	11,755	(1,709)
Staff Recognition	800	184	616
Coffee and Supplies	2,500	2,417	83
Event Support	174,934	124,639	50,295
Program/Office Supplies	18,173	15,012	3,161
Computer Equipment/Supplies	4,500	3,209	1,291
Computer Software	84,500	57,092	27,408
Rent/Lease Equipment	30,000	12,651	17,349
Membership Dues	32,715	4,700	28,015
Subscription/Publications	3,225	2,484	741
Meeting Support Services	10,752	841	9,911
Postage	5,664	2,918	2,746
Other Expenses	1,250	1,192	58
Storage	10,000	3,752	6,248
COG HERO Share Expenses	10,000	1,949	8,051
Printing Services	7,500	7,869	(369)
Computer Hardware	9,500	1,471	8,029
Misc. Office Equipment	1,000		1,000
Communications - Regular Phone	16,000	14,526	1,474
Communications - Cellular Phones	17,500	6,000	11,500
Communications - Computer Services	57,500	26,063	31,437
Communications - Web Site	5,650	5,650	-
Equipment Maintenance - General	10,000	4,588	5,412
Equipment Maintenance - Comp/Software	21,000	13,212	7,788
Insurance - Errors & Omissions	11,500	6,579	4,921
Insurance - Gen/Busi Liab/Auto	92,500	82,402	10,098
WRCOG Auto Insurance	2,000		2,000
Recording Fee	260,741	105,992	154,749
Seminars/Conferences	11,230	1,558	9,672
General Assembly Expenses	300,000	106,018	193,982
Travel - Mileage Reimbursement	20,070	9,289	10,781
Travel - Ground Transportation	5,410	913	4,497
Travel - Airfare	12,250	1,888	10,362
Lodging	8,123	1,932	6,191
Meals	8,370	5,037	3,333
Other Incidentals	6,537	922	5,615
Training	9,250	4,895	4,355
Supplies/Materials	21,800	18,519	3,281
Staff Education Reimbursement	7,500		7,500
Advertising Media - Newspaper Ad	10,000	1,020	8,980
Advertisement Radio & TV Ads	72,000	22,000	50,000
Consulting Labor	2,177,945	1,142,323	1,035,622
Computer Equipment/Software	3,000		3,000
Office Move	200,000	160,682	39,318
TUMF Project Reimbursement	45,000,000	21,807,341	23,192,659
Transfer Out to Reserves	220,000		220,000
Total Expenses	\$ 54,868,890	28,128,529	26,959,480



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: 3rd Quarter Draft Budget Amendment for Fiscal Year 2019/2020

Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740

Date: May 21, 2020

The purpose of this item is to request approval of WRCOG's 3rd Quarter Draft Budget Amendment for Fiscal Year 2019/2020.

Requested Action:

1. Recommend that the Executive Committee approve the 3rd Quarter Draft Budget Amendment for Fiscal Year 2019/2020.

Administration

Administration Department expenditures exceeded the budgeted amount by \$878, primarily due to the purchase of computer equipment and supplies. The expenditures will be offset by a reduction in computer services expenditures.

Net Expenditure increase to the Administration Department: \$0

Transportation & Planning Department

Transportation & Planning Department expenditures exceeded the budgeted amount by \$392, primarily due to parking validations for the Fellowship Program. The expenditures will be offset by a decrease in other budgeted expenditures.

Net Expenditure increase to the Transportation & Planning Department: \$0

Energy Department

Energy Department expenditures exceeded the budgeted amount by \$11,617, primarily due to costs associated with the Southern California Edison partnership in the amount of \$9,032. These costs will be offset by a decrease in other budgeted expenditures. Additionally, the Gas Company partnership had additional costs in the amount of \$893 and the Streetlights Program had additional costs of \$1,692. These costs will be offset by a decrease in other budgeted expenditures.

Net Expenditure increase to the Energy Department: \$0

Environment Department

Environment Department expenditures exceeded the budgeted amount by \$11,497 primarily due to additional materials for the Used Oil program in the amount of \$5,636 and \$5,861 in the Solid Waste Program. The Used Oil program will offset its additional expenses by reducing its advertising expenditures.

The Solid Waste program also received an additional \$5,657 in revenues, which will offset most of the additional expenses. The remaining expenses will be offset by a decrease in other budgeted expenditures

Net Expenditure increase to the Environment Department: \$5,657

Net Revenue increase to the Environment Department: \$5,657

Prior Action:

May 7, 2020: The Finance Directors Committee recommend that the Executive Committee approve the 3rd Quarter Draft Budget Amendment for Fiscal Year 2019/2020.

Fiscal Impact:

For the 3rd Quarter of Fiscal Year 2019/2020, there will a total net increase in expenditures of \$5,657 along with a total increase in revenues of \$5,657.

Attachment:

1. 3rd Quarter Draft Budget amendment for Fiscal Year 2019/2020.

Item 4.C

3rd Quarter Draft Budget
Amendment for Fiscal Year
2019/2020

Attachment 1

3rd Quarter Draft Budget amendment
for Fiscal Year 2019/2020

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Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020

Thru 3/31/2020 Actual	Approved 6/30/2020 Budget	Amendment Needed 3/31/2020
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Program: Administration

Computer Equipment/Supplies	1,596	1,000	(596)
Subscription/Publications	1,009	1,000	(9)
Other Household Exp	273	-	(273)
Communications - Computer Services	21,563	55,000	878
Total net (increase)/decrease			-

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020**

Thru 3/31/2020 Actual	Approved 6/30/2020 Budget	Amendment Needed 3/31/2020
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Program: Solid Waste

Solid Waste Revenues	112,970	107,313	5,657
SW/WMRD - GENERAL LEGAL SVS	1,213	1,136	(77)
SWMD - Event Support	12,000	27,982	204
SW WMRD-Meals	705	500	(205)
Consulting Labor	5,579	-	(5,579)
Total net (increase)/decrease			-

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020



Thru 3/31/2020 Actual	Approved 6/30/2020 Budget	Amendment Needed 3/31/2020
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Program: Used Oil

Event Support	82,147	78,783	(3,364)
Supplies/Materials	17,272	15,000	(2,272)
Advertisement Radio & TV Ads	22,000	72,000	5,636
Total net (increase)/decrease			-

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020

Thru 3/31/2020 Actual	Approved 6/30/2020 Budget	Amendment Needed 3/31/2020
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Program: Edison Partnership

Salaries & Wages-SCE Implmntn	14,954	10,686	(4,268)
Fringe Benefits	4,527	4,256	(271)
Overhead Allocation	15,762	11,269	(4,493)
General Legal Services	-	501	501
Parking Validations	81	500	419
Event Support	42	5,000	4,958
Meeting Support Services	-	1,000	1,000
Seminars/Conferences	-	675	675
Meals	-	500	500
Training	-	750	750
Supplies/Materials	74	500	229
Total net (increase)/decrease			-

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020

Thru 3/31/2020 Actual	Approved 6/30/2020 Budget	Amendment Needed 3/31/2020
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Program: Gas Company Partnership

Overhead Allocation	32,666	32,234	(432)
General Legal Services	461	-	(461)
Event Support	986	6,000	893
Total net (increase)/decrease			-

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020**

Thru 3/31/2020 Actual	Approved 6/30/2020 Budget	Amendment Needed 3/31/2020



Program: Streetlights

Event Support	1,614	-	(1,614)
Meeting&Support	-	1,098	1,098
Meals	327	250	(77)
Supplies/Materials	257	1,500	594
Total net (increase)/decrease			-

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2020**



Thru 3/31/2020 Actual	Approved 6/30/2020 Budget	Amendment Needed 3/31/2020
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Program: Local Transportation Fund

Travel - Mileage Reimbursement	1,692	1,570	(122)
Tranportation Planning Consulting Labor	135,817	337,328	122
Total net (increase)/decrease			-

Thru	Approved	Amendment
3/31/2020	6/30/2020	Needed
Actual	Budget	3/31/2020

Program: Fellowship

Fellowship

General Legal Services	-	2,000	270
Parking Validations	735	500	(235)
Event Support FELLOWSHIP	785	750	(35)

Total net (increase)/decrease -



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Regional Streetlight Program Activities Update

Contact: Daniel Soltero, Staff Analyst, dsoltero@wrcog.us, (951) 405-6738

Date: May 21, 2020

The purpose of this item is to provide an update on the Regional Streetlight Program Operations & Maintenance services.

Requested Action:

1. Receive and file.

Background

The Regional Streetlight Program provides 11 participating jurisdictions with streetlight retrofit, and Operations & Maintenance (O&M) services. In 2017, WRCOG released a Request for Proposals to solicit proposals for these services, and in 2018, Siemens was selected as the provider. As jurisdictions have taken ownership of its streetlights, it is also required to maintain them should any issues arise such as lamp burnouts, damaged equipment, or a pole knockdown. One of the main reasons for selecting Siemens as the O&M provider for the subregion is improved level of service when compared to the previous owner and operator of the streetlights, Southern California Edison (SCE).

There are 10 participating jurisdictions in the Program that are utilizing Siemens O&M services. In 2018, the City of Murrieta was the first jurisdiction to acquire its streetlights, and the only jurisdiction to initiate Siemens' services that year. In 2019, nine more jurisdictions have acquired streetlights and are utilizing Siemens' services. Each jurisdiction utilizing Streetlight Program services is provided with access to the Maintenance Portal which shows all the work orders for that jurisdiction. The portal shows all open, pending, or closed work orders, response dates and times, as well as brief descriptions of the issue and work conducted.

Regional O&M Update for Q1 2020

Staff continues to provide an O&M update to WRCOG's committees to provide information on the number of streetlight issues within its boundaries, average response times to routine and extraordinary maintenance calls, and information related to the most common types of streetlight maintenance requests.

WRCOG staff will be submitting monthly O&M briefs to City Managers and streetlight champions of jurisdictions that are utilizing Siemens which will summarize the previous month's streetlight maintenance activities. Additionally, WRCOG staff will also provide quarterly streetlight O&M reports, which will summarize all maintenance work orders for those months, show response times, and include an analysis of the types of work orders or streetlight issues occurring.

Update: From January 1, 2020, to March 31, 2020, Siemens responded to a total of 358 work orders across the subregion. As jurisdictions have converted its streetlights to LED fixtures, WRCOG staff have noticed a reduction in the most common issue seen in 2019: lamp issues from the existing HPS/LPS lamps. While lamp

issues such as bulb burnouts on old lamps or LED driver malfunction on new fixtures continue to make up the majority of work orders, the number of lamp issues across the subregion has decreased by 51%. Additionally, the number of all streetlight work orders, including lamp issues, has decreased by an average of 45% across the subregion as jurisdictions convert its streetlights to LED fixtures. This decrease in all work orders can be attributed to LED streetlight fixtures being more operationally efficient and less prone to maintenance visits. Moreover, the second most common response was for power issues arising on the customer-side and SCE-side of the streetlight system. Power issues on the customer-side accounted for 8% of all work orders which mostly arose from wire breakdown requiring a splice repair, and power issues from the utility-side accounted for 10% of all work orders and are forwarded to SCE. On average, response times to routine maintenance callouts have been 4.71 workdays.

Extraordinary Maintenance: In addition to routine maintenance, Siemens also recognizes that there will be situations that will have to be addressed on a case-by-case basis, known as extraordinary maintenance. Extraordinary maintenance items accounted for nearly 9% of all work orders, and typically includes emergency response to pole knockdowns, pole replacements, and working on jurisdiction-requested work. In the first quarter of 2020, Siemens responded to 14 pole knockdowns and replaced 10 felled poles. Additionally, Siemens provided other extraordinary maintenance services for specifically requested work which included one pole relocation, nine conduit repairs, and two streetlight banner installations. Response times for pole knockdowns is typically within a few hours, and pole replacements are occurring on average 13 workdays from the initial knockdown response date.

Furthermore, WRCOG staff and Siemens are finalizing a Standard Operating Procedure (SOP) for routine and extraordinary maintenance response types. The SOP will describe the general steps taken by Siemens staff and technicians when responding to streetlight work orders such as outages or day-burning streetlights, and extraordinary maintenance call-outs such as pole knockdowns. The Siemens SOP is focused for technicians in the field to make sure a consistent response occurs and to clarify pole knockdown procedures related to public safety. The Siemens SOP is anticipated to be completed and shared with jurisdictions utilizing their services by the end of May 2020.

Night Surveys: Siemens is currently conducting and scheduling a quarterly review of streetlight system operations, otherwise known as a night survey, in jurisdictions utilizing its services. This involves technicians driving throughout each jurisdiction at night to identify any streetlights that are not functioning properly or have another visible issue that requires a maintenance response. Any streetlights that are identified during the night survey with any type of issue are then scheduled to be visited by a Siemens technician in the following days and/or week. Any streetlight issues identified during the night survey that are not owned and maintained by the jurisdiction are forwarded to SCE.

Pole Replacement Update

In November 2019, participating jurisdictions in the Program were informed of a delay in replacing poles that had been knocked down. The delay was due to a pole-vendor delay, as well as the various timelines in which jurisdictions received pole data from SCE and submitted that information to Siemens in order to make a bulk order purchase. In December 2019, Siemens received its streetlight pole order and started scheduling the replacement work in jurisdictions with a backlog of pole knockdowns. Replacement work started in December 2019 and continued into early February 2020 to replace over 18 poles across the subregion.

To date, Siemens has received pole data from each jurisdiction which allows them to place pole orders as soon as needed for replacement work. Additionally, jurisdictions interested in maintaining its own stock of poles in case of future pole knockdowns can work with Siemens to achieve this, as this will further improve replacement timelines.

Prior Action:

May 14, 2020: The Public Works Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.

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Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Climate Resiliency Challenge Update

Contact: Casey Dailey, Director of Energy & Environmental Programs, cdailey@wrcog.us,

Date: May 21, 2020

The purpose of this item is to provide an update on the proposal submitted by WRCOG in response to the California Resilience Challenge grant opportunity that provides local government agencies funding for local and regional climate initiatives.

Requested Action:

1. Receive and file.

Background

The California Resilience Challenge (CRC) is a statewide effort with the goal to build local and regional climate resiliency efforts that can address increasing climate threats in California such as wildfire, drought, flood, and extreme heat events. The CRC is led by the Bay Area Council Foundation that was founded in 1945 and is a business-sponsored public policy advocacy organization for the nine-county Bay Area. As part of this grant process, the CRC has a grant fund in excess of \$2 million, for a maximum funding opportunity of not-to-exceed \$200,000 per application. The source of this funding includes donations from businesses, utilities, nongovernmental organizations, and foundations. Donors of the grant fund can be identified at www.ResilientCal.org/leadership.

Award Receipt: California Resiliency Challenge

In February 2020, the WRCOG Executive Committee adopted a resolution authorizing the submittal of a proposal to the California Resilience Challenge 2020 Grant Program. Shortly thereafter, WRCOG began coordinating with its grant writing assistance consultants to prepare a submittal in response to the Request for Proposals (RFP) released by the Bay Area Council Foundation for the California Resilience Challenge. WRCOG's proposal consisted of a subregional Energy Resilience Plan in response to climate change impacts such as wildfires, extreme heat, and flooding specifically after wildfires. Many of WRCOG's member agencies are impacted by one or a few of the eligible climate change impacts (wildfires, extreme heat, drought, flooding). Additionally, in 2018 extreme heat coupled with drought created high fire-risk conditions which led investor-owned utilities to shut off power to thousands of customers across the state in an attempt, known as Public Safety Power Shutoffs (PSPS), to lower the risk of starting a wildfire. These factors were considered as primary reasons to develop an energy resiliency plan for the subregion.

On April 30, 2020, the Bay Area Council Foundation informed WRCOG staff of its award in the maximum allowed amount of \$200,000 to WRCOG in response to the submitted proposal. WRCOG's goal for the CRC grant is to develop a regional energy resiliency plan and/or component that can also be included in WRCOG's existing efforts to develop a Regional Climate Adaption and/or Resiliency Template General Plan Element that will incorporate adaptation and resiliency strategies for battling the climate challenges. Additionally, WRCOG plans to coordinate with agencies that have experience in energy resilience projects such as the University of

California Riverside's Center for Environmental Research and Technology (UCR CE-CERT) and Southern California Edison (SCE). WRCOG plans to coordinate with its member jurisdictions throughout the process as staff work to gather information on energy resilience solutions and next steps.

Next Steps: WRCOG will coordinate internally and with project partners on collecting necessary information for energy resiliency solutions. This information will be used to develop a recommendation to develop a Request for Proposals (RFP) to identify a technical and project consultant to develop the regional energy resiliency plan. In addition to the release of an RFP for project support, WRCOG is also invited to an online webinar hosted by the Bay Area Council to present its project scope to various energy stakeholders and how its project will support the subregion in community resiliency. The estimate date for the webinar is scheduled for June 2020.

Prior Actions:

February 3, 2020: The Executive Committee adopted Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.

January 8, 2020: The Administration & Finance Committee recommended that the Executive Committee adopt Resolution Number 01-20; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing submittal of a proposal to the California Resilience Challenge 2020 Grant Program.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: International City / County Management Association Activities Update

Contact: AJ Wilson, California Senior Advisor, International City / County Management Association, ajwcm@aol.com, (760) 723-8623

Date: May 21, 2020

The purpose of this item is to provide the Committee with an update of International City / County Management Association (ICMA) activities.

Requested Action:

1. Receive and file.

Annual Conference in Toronto is Converted to a Virtual Conference

The ICMA Annual Conference which was scheduled to be held in Toronto, Canada in September will not be held as a regular on-site conference. There are plans being put together that will hold sessions that would have appeared in Toronto to be transmitted to participants in a virtual program format. At this point this will include Keynote Speakers and working sessions.

Mr. Wilson will be providing more information as the plans are more clearly defined. In the meantime, ICMA services are available to support your efforts.

Coronavirus Information

Coronavirus guidance is now available on the ICMA website at <https://icma.org/>. While regular features of the ICMA website are still limited to ICMA member access, the special section with information on coronavirus responses and related developments in Washington, D.C., are available to all city and county managers even if they are not a member of ICMA.

ICMA Connect

A new service has been added to the website called ICMA CONNECT. It offers the opportunity to find out what is happening in other cities and states. While the California League of Cities support provides us access to information about California developments there has been some excellent information on revising labor agreements, and specialty efforts for providing special local government services such as libraries that could be of value to your efforts.

CALICMA / CCMF Support for Manager's Families

There are obviously pressures on the families of city and county managers that are having effects during this crisis. In most cases managers have little time to give the attention that these issues may demand. And our families try very hard to handle their own "stuff" and not bring additional demands and pressures on the

managers. To provide assistance for such personal support CAL-ICMA and The City Management Foundation (CCMF) have developed support resources. These efforts are being coordinated by the Senior Advisors in each area of the state. Mr. Wilson provides that role for Riverside County managers and their family members. If needed, please contact Mr. Wilson either on behalf of your family or have them contact him directly.

Senior Advisor Support

As your Senior Advisor, Mr. Wilson is available for personal discussions, resource identification, and general briefings for your employees who may be ICMA members or MMASC members. Please contact Mr. Wilson at (714) 323-9116 or ajwcm@aol.com.

Prior Action:

January 16, 2020: The Technical Advisory Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Report from the League of California Cities

Contact: Erin Sasse, Regional Public Affairs Manager, League of California Cities,
esasse@cacities.org, (951) 321-0771

Date: May 21, 2020

The purpose of this item is to provide an update of activities undertaken by the League of California Cities.

Requested Action:

1. Receive and file.

This item is reserved for a presentation by Erin Sasse, Regional Public Affairs Manager for the League of California Cities.

Prior Action:

March 26, 2020: The Technical Advisory Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachments:

1. COVID-19 Fiscal Impact Action Alert.
2. Support Local Recovery Form.
3. The Heroes Act Summary.

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Item 5.A

Report from the League of California
Cities

Attachment 1

COVID-19 Fiscal Impact Action Alert

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ACTION ALERT!!

COVID-19 Fiscal Impact on California Cities State and Federal Assistance Needed

BACKGROUND:

Cities remain on the front line helping residents stay safe and in their homes, delivering emergency services, and supporting their local businesses and community organizations. As emergency costs continue to grow, city revenues to fund local services are plummeting. COVID-19 is having devastating impacts on city budgets and services statewide.

California cities are projecting a nearly \$7 billion general revenue shortfall over the next two fiscal years. This shortfall will grow by billions of dollars if stay-at-home orders to protect public health extend into the summer months and beyond.

Ninety percent of cities project that shortfalls will impact core city services, including police, fire, emergency management, and planning and housing, and anticipate lay-offs or furloughs, which will further impact core services for residents.

The League requests that the state:

1. Establish at least a \$7 billion city revenue stabilization fund for direct aid to all cities to address the general revenue shortfall over the next two fiscal years;
2. Allocate a share of the State's \$8.4 billion CARES Act funding for cities with populations under 500,000 to support COVID-19 expenses; and
3. Create a COVID-19 financing vehicle that all cities can access to support immediate cash flow needs.

ACTION:

All California cities, regardless of population, urgently need funding to help us continue to fight COVID-19 and protect our residents through the summer months and beyond. No city can be left behind. Cities can help in the following ways:

- 1) Send a formal city letter to the Governor and copy your Assembly Member and Senator as soon as possible. *(See attached sample letter)*
- 2) Call your Assembly Member and Senator to inform them of the impacts facing your city. Please refer to the talking points on the next page for additional guidance.

TALKING POINTS:

California's 482 cities are on the front lines of the COVID-19 pandemic, protecting residents and incurring additional expenses as they work to prevent further transmission.

- Since the beginning of this outbreak, cities have been taking actions to protect their communities – buying personal protective equipment, installing public sanitation stands, disinfecting public facilities, and enacting emergency orders. These actions have saved lives and serve as a model for the country. But, these actions come at a cost.
 - Nine out of 10 cities are buying personal protective equipment.
 - Nine out of 10 cities report increased spending to disinfect and sanitize public facilities.
 - 12 percent of cities report spending more than \$500,000 to address the outbreak in their communities.
- Cities understand that their small businesses need to stay alive in order for communities to recover and reopen. They're working hard to help their businesses with relief funds, fundraisers, and interactive maps showing which businesses are open on their websites and social media.

A new data analysis from the League shows that California cities face significant revenue shortfalls and are already reducing or eliminating core services as a result of the pandemic.

- All California cities, big and small, are feeling the severe financial impacts of this pandemic. With city budgets hit so hard, residents are going to feel that impact in their everyday lives.
- Cities are facing a nearly \$7 billion revenue shortfall over the next two years. This shortfall grows by billions of dollars if stay-at-home orders to protect public health extend into the summer months and beyond.
- Cities need immediate assistance from the state and federal government in order to fill the gap.
- With businesses shut down throughout the state, revenues are coming in well below expected city budgets. City leaders have fewer dollars to pay for essential services that residents rely on, like police, fire, and trash collection.
 - Nine out of 10 of cities may cut staff or decrease city services to residents, and nearly 3 in 4 cities report they may have to take both actions.
 - Police services will be adversely affected in 8 out of 10 cities.
 - Eight out of 10 cities report projected cuts to parks and recreation services.
 - In 8 out of 10 cities, public works services will be impacted.
 - More than half of cities' fire services will be adversely affected.
- Cities whose economies depend most on tourism and recreation-based activities are most severely impacted by this crisis.

- Cities anticipate \$2.9 billion loss in sales taxes and a \$1.3 billion loss in transient (hotel) occupancy taxes (TOT).
- Up to 57 percent of the shortfall is attributable to a decline in sales tax revenue, and 27 percent is attributed to the decline in transient (hotel) occupancy tax (TOT) revenue.

Cities can't wait. They need fiscal assistance now from the state and federal government. And no city can be left behind.

- The road to recovery will be long and hard. As state and federal governments help stabilize businesses and schools, it is important that they also provide relief for cities and its residents so they can continue to respond to, and recover from, this global health crisis.
- We are calling on the Governor and Legislature to immediately:
 - Establish at least a \$7 billion city revenue stabilization fund for direct aid to all cities;
 - Allocate a share of the State's \$8.4 billion CARES Act funding for cities with populations under 500,000; and
 - Create a COVID-19 financing vehicle that all cities can access to support immediate cash flow needs.

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Item 5.A

Report from the League of California
Cities

Attachment 2

Support Local Recovery Form

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Cities are bracing for a nearly **\$7 billion general revenue shortfall** over the next two fiscal years. All cities, regardless of size and geography, are impacted. This will mean cuts and furloughs to city staff and a reduction to core services to the public. **Together, we must fight to support local recovery. Californians depend on it.**

Join the coalition!

Yes, I/we want to join the Support Local Recovery coalition with the League of California Cities to call on the state to secure \$7 billion in direct and flexible funding to support critical local services and secure CARES Act funding for all cities for COVID-19 related expenditures, and the federal government to secure \$500 billion in direct and flexible funding for all cities nationwide to support critical local services.

Please select a category:

Organization

Individual

Elected

Please complete the following information:

Organization/Company (if applicable)

First Name

Last Name

Title/Occupation

Mailing Address

City

State

Zip

Email

Phone

Signature

Date

By completing this form, you agree to be listed as a supporter in campaign materials. You will be signed up to receive email updates and can unsubscribe anytime. Note: Title and organization are for identification purposes only.

Please email this completed form to: supportlocalrecovery@cacities.org

For more information, please call Bismarck Obando at (916) 607-0873 or email supportlocalrecovery@cacities.org.

www.supportlocalrecovery.org

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Item 5.A

Report from the League of California
Cities

Attachment 3

The Heroes Act Summary

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THE HEROES ACT

A Bold Response to the Coronavirus Pandemic and the Economic Collapse



State and Local Coronavirus Relief Funds

The Heroes Act creates new State and Local Coronavirus Relief Funds through the Department of the Treasury to help first responders, frontline health workers, transit employees, teachers, and other workers providing vital services. Funds can be used for COVID-related expenses, to replace foregone revenues not projected on January 31, 2020, or to respond to negative economic impacts of COVID. Funds are available until expended, providing flexibility over the next several years.

States – \$500 billion

- \$250 billion awarded within 30 days of enactment to the 50 states and DC
 - \$51 billion divided equally among 50 states and DC
 - \$49 billion awarded based on the state's share of COVID cases
 - \$150 billion awarded based on the state's share of population
- \$250 billion awarded by May 3, 2021 to the 50 states and DC
 - \$51 billion divided equally among 50 states and DC
 - \$199 billion based on the state's share of unemployed individuals

Local governments – \$375 billion

- \$250 billion awarded within 30 days of enactment to all municipalities and counties
 - \$125 billion to municipalities using a modified CDBG formula
 - \$87.5 billion to entitlement municipalities (generally defined as those with populations of at least 50,000)
 - \$37.5 billion to non-entitlement municipalities (generally defined as those with populations of less than 50,000). These funds will be awarded to states, which must make awards to non-entitlement cities based solely on population within 30 days of receipt.
 - \$125 billion to counties based on population
- \$125 billion awarded one year after the date of enactment to all municipalities and counties
 - \$62.5 billion to municipalities using a modified CDBG formula
 - \$43.75 billion to entitlement municipalities (generally defined as those with populations of at least 50,000)
 - \$18.75 billion to non-entitlement municipalities (generally defined as those with populations of less than 50,000). These funds will be awarded to states, which must make awards to non-entitlement cities based solely on population within 30 days of receipt.
 - \$62.5 billion to counties based on population

THE HEROES ACT

A Bold Response to the Coronavirus Pandemic and the Economic Collapse



Territories – \$20 billion

- \$10 billion divided equally among the five territories within 30 days of enactment
- \$10 billion awarded based on the territory's share of population within 30 days of enactment

Tribes – \$20 billion

- Entire amount awarded within 30 days of enactment, based on the share of increased aggregate expenditures of each tribal government

Oversight – \$35 million for the Treasury Office of the Inspector General

Improvements to the CARES Act Coronavirus Relief Fund:

- Makes the District of Columbia whole by increasing its award so that it is treated as a state, not a territory
- Clarifies that only federally recognized tribal governments are eligible for payments in CARES and the HEROES Act
- Expands the use of funds to cover lost, delayed, or decreased revenue stemming from the COVID public health emergency



Western Riverside Council of Governments

Technical Advisory Committee

Staff Report

Subject: Draft Fiscal Year 2020/2021 Agency Budget

Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740

Date: May 21, 2020

The purpose of this item is to present the Agency's preliminary draft Budget for Fiscal Year 2020/2021 and seek input from Committee members.

Requested Action:

1. Recommend that the Executive Committee approve the draft Fiscal Year 2020/2021 Agency Budget substantially as to form.

WRCOG's annual Budget is adopted every June by its General Assembly. Due to COVID-19, this year's General Assembly has been cancelled and the Executive Committee will be asked at its June 1, 2020, meeting to act on behalf of the General Assembly to adopt the Agency budget. Before adoption, the draft Budget is vetted through WRCOG's committees for comment and direction. The Budget is assembled by the Agency Departments: Administration, Energy, Environmental, and Transportation & Planning. The General Fund is comprised of the Administration, Energy, and Environmental Departments, while TUMF is part of the Special Revenue Fund. Each Department contains its own programs and has its own source of funds. Once the draft Budget has been vetted through the committees, it is presented to the General Assembly for adoption.

Budget Review and Adoption Schedule

The preliminary draft Budget for Fiscal Year (FY) 2020/2021 will be presented according to the following schedule:

- May 4, 2020: Executive Committee
- May 7, 2020: Finance Directors Committee
- May 13, 2020: Administration & Finance Committee
- **May 21, 2020: Technical Advisory Committee**
- June 1, 2020: Final approval by the Executive Committee and adoption by the General Assembly

FY 2020/2021 Agency Budget Development Process and COVID-19

While it is too early to determine the long-term effects of COVID-19 and how long it will take to return to normal, WRCOG has taken a conservative approach in its budget development due to the uncertain long-term impacts of COVID-19. Overall, the Agency's budget will be cut by approximately 30%, but will be continually updated throughout the development process. While certain programs will be financially impacted more than others, staff is also taking into consideration its liabilities such as its pension obligations to CalPERS, as those are anticipated to increase as well. More information on impacts to WRCOG will be discussed during the presentation.

FY 2020/2021 Preliminary Draft Budget

The preliminary draft FY 2020/2021 Budget (Attachment 1) is presented by departments (Administration, Energy, Environmental, and Transportation & Planning) with each department displaying its own programs.

The “Administration Total” tab includes the default Administration Program. The majority of the revenues for the Administration Program is generated from member dues. Budgeted expenditures include salaries and benefits of Administration employees, including the Executive Director and the staff in the Government Relations, Administrative Services, and Fiscal divisions. The Administration Program also includes WRCOG’s lease and audit, bank, legal, IT, and consulting fees. Expenditures have historically exceeded revenues in this Program so the Agency charges overhead to the remaining departments to balance the budget. The overhead is determined during the creation of the Budget and is simply the amount necessary to have revenues equal expenditures. Departments will show the amount of overhead it is paying in the General Operations line item. The amount provided by the various departments will then be transferred out to the Administration Program to balance its budget. Total revenues and transfers in for the Administration Department equal \$2,872,930 against \$2,872,930 in expenditures.

The Energy Department includes the following Programs: PACE Residential, PACE Commercial, Streetlights, WREP Partnership, and Regional Energy Network (REN).

The PACE residential Program has continued to decline in revenues and volumes in FY 2019/2020. WRCOG anticipates a continued decrease in the PACE residential Program and has budgeted for a 60% decrease in sponsor revenues for FY 2020/2021. However, PACE administrative revenues are anticipated to increase. PACE administrative revenues include the selling of delinquencies, processing of refunds, and annual fees tied to the assessment. In prior years, WRCOG has experienced excess revenues from its PACE Programs, specifically the CA HERO Program, which have been used to build Agency reserves and fund other Agency and member activities (such as BEYOND, Fellowship, Grant Writing, Experience, Streetlights, CCA development, etc.). At the end of FY 2019/2020, WRCOG anticipates minimal carryover revenues, which will be used to fund the development of a Regional Energy Network (REN) and to continue to build PACE reserves. For FY 2020/2021, WRCOG’s PACE Programs will have a balanced budget with an anticipated fund balance carryover that will be used towards the PACE reserves.

With the addition of commercial PACE providers to the Program, WRCOG has seen some growth in revenues in FY 2019/2020; however, with the potential impacts of COVID-19, staff has budgeted for a 50% decrease in revenues for FY 2020/2021.

The WREP Partnership will continue to focus on supporting municipal facilities with energy efficiency retrofits and providing sustainable best practices to the community. The WREP budget was approved in early 2020, and only SoCal Gas will continue to support the Partnership on its energy initiatives for the calendar year as Southern California Edison has dropped out of the Partnership. Staff have been working on the next evolution of the WREP Partnership over the past year into what is being called a Regional Energy Network, or REN. A REN would be a scaled-up version of WREP, which means it would be able to offer energy efficiency programs, such as energy upgrades towards local government buildings, financing mechanisms for energy upgrades, and workforce development programs. The California Public Utilities Commission recently voted in favor of forming new RENs, so things are looking promising that WRCOG will be creating its own REN Program sometime in 2021.

The Regional Streetlight Program will continue in FY 2020/2021 through the Operations & Maintenance fees built into the purchasing of streetlights.

Total budgeted Energy Departmental revenues equal \$2,439,335 against \$2,368,216 in expenditures, which represents a 12% decline compared to last fiscal year.

The Environmental Department includes the Solid Waste, Clean Cities, and Used Oil Programs, which receive local, federal, and state funding to provide services to WRCOG’s member agencies. The Environmental

Department revenues remain relatively unchanged with the exception of an additional household hazardous waste grant for FY 2020/2021. Total budgeted Environmental Department revenues equal \$814,366 against \$814,366 in expenditures, which represents a 17% increase compared to last fiscal year.

The Transportation & Planning Department includes the following Programs: Transportation Uniform Mitigation Fee (TUMF); the Grant Writing Program, which is funded by the Agency's Carryover Funds; Local Transportation Funding (LTF); CAP Grant, Adaptation Grant; and RivTAM project. The Planning Department will continue to administer the Fellowship and Experience Programs with previously allocated carryover funds from excess PACE revenues.

The majority of revenues received in the Transportation Department come from the TUMF Program, which WRCOG anticipates receiving approximately \$32M in revenues from Development Impact Fees in FY 2020/2021, which is approximately a 35% reduction in revenues from FY 2019/2020. Specifically, the industrial and single-family residential land use types have seen a decline this past fiscal year, but the reduction is also an overall reduction in anticipation of potential COVID-19-related impacts. Total budgeted Transportation & Planning revenues equal \$32,339,600 against \$32,339,600 in expenses, which represents a 35% decrease compared to last fiscal year.

WRCOG also supports two other entities, Western Community Energy (WCE) and the Riverside County Habitat Conservation Authority (RCHCA). WCE is a Community Choice Aggregation Program, which has now launched and will be self-sustaining going into FY 2020/2021. WCE will also pay back WRCOG's General Fund for the upfront costs expended toward the Program development, which is anticipated to be over \$2M. Total budgeted overhead transfers from WCE and RCHCA equal \$693,000.

Update on FY 2019/2020 Fiscal Goals

Lastly, WRCOG set three fiscal-related goals going into FY 2019/2020: Reduce CalPERS Unfunded Liability; sublease office space; and expand commercial PACE (C-PACE). A status on each of these is provided below.

The CalPERS Unfunded Accrued Liability (UAL) is a liability of retirement contributions that public agencies are expected to pay back over a certain period to CalPERS. Staff worked through its committees and ultimately received direction to reduce its UAL term to 15 years and to establish a Section 115 Trust as a separate investment account to make additional contributions to the UAL. Due to COVID-19, CalPERS does expect some impacts to the UAL contributions; however, it is too early to tell the long-term impacts. CalPERS has indicated it will be working on fiscal impact reports in the coming months.

WRCOG moved to Citrus Tower in December 2017 and was unable to utilize the 12,700 square feet that was on the 4th floor, so staff worked through its committees and received direction to relocate its offices to the second floor of the same building where there was approximately 4,000 square feet less. Staff is also subleasing approximately 1,500 square feet to DTA. This additional space provides revenue to help cover the office lease, but also gives WRCOG the option to grow into its existing space if the Agency grows outside of its current area. Overall, the move will save the Agency approximately \$1M during the life of the lease.

Since 2018, staff has actively sought to add additional Commercial PACE (C-PACE) providers to operate within the WRCOG statewide PACE footprint. In addition to Greenworks Lending, staff have onboarded Clean Fund, Twain Financial Partners, and Lord Capital PACE, and are in the process of onboarding Lever Capital. Apart from Clean Fund, all these providers can operate statewide through the WRCOG PACE Program. C-PACE is distinguished from residential PACE in that the financing can be used for new commercial construction, seismic strengthening and refinancing; these attributes are making C-PACE a more attractive financing option. Additionally, the project size for many C-PACE assessments exceed \$1M and staff is now seeing project sizes in excess of \$20M. As more commercial banks and developers become aware of the benefits of C-PACE, staff thinks this will result in significant increases in activity and, therefore, revenue to WRCOG. As noted earlier, with COVID-19, C-PACE is expected to decline going into FY 2020/2021.

Total Agency revenue for FY 2020/2021, plus transfers from other departments for overhead, is projected to be \$40,442,624 against total Agency expenditures of \$40,371,508. This represents a total decrease of

approximately 30% in WRCOG's Budget compared to FY 2019/2020.

In summary, programs have been reviewed and reasonable declines have been anticipated in programs that will be impacted by COVID-19. Also, while PACE has continued to decline in the past few years, the necessary adjustments have been made to keep the Budget balanced. Staff have also worked diligently on making sound long-term financial decisions, such as reducing administrative costs by moving to a smaller space and also making commitments to reduce long-term retirement obligations by paying it down faster. Staff has also worked to add new programs and has been able to recover start-up costs on launched programs. Throughout the fiscal year staff will closely monitor the financial impacts of COVID-19 and make the necessary adjustments to ensure the budget remains balanced.

Prior Actions:

May 13, 2020: The Administration & Finance Committee recommended that the Executive Committee approve the draft Fiscal Year 2020/2021 Agency Budget substantially as to form.

May 7, 2020: The Finance Directors Committee recommended that the Executive Committee approve the draft Fiscal Year 2020/2021 Agency Budget.

Fiscal Impact:

All known and expected revenues and expenditures impacting the Agency have been budgeted for Fiscal Year 2020/2021 but will be continually updated throughout the Budget process.

Attachment:

1. Draft Agency Budget for Fiscal Year 2020/2021.

Item 5.B

Draft Fiscal Year 2020/2021 Agency
Budget

Attachment 1

Draft Agency Budget for Fiscal Year
2020/2021

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Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Total Agency Budget

	Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
Revenues and Transfers in			
Member Dues	311,410	311,410	311,410
General Assembly Revenue	-	300,000	300,000
Interest Revenue - Other	83,587	25,000	25,000
Operating Transfer In	1,234,219	1,996,602	2,208,432
Clean Cities	246,910	210,500	175,000
Solid Waste	112,970	107,313	112,970
Used Oil	377,654	377,654	376,396
HHW Grant	-	-	60,000
Gas Company Revenue	45,099	108,400	108,400
Regional Streetlights Revenue	301,710	187,511	201,915
WRCOG HERO	114,591	247,800	136,290
PACE Residential	46,193	76,500	78,000
PACE Commercial	321,903	436,925	200,000
CA HERO	789,088	1,671,200	1,464,730
Commerical/Service	59,098	47,284	41,137
Retail	103,026	109,687	89,632
Industrial	213,414	502,285	236,729
Single Family Residential	588,028	1,121,669	652,270
Multi-Family	241,077	199,074	267,415
Commercial/Svcs - Admin Portion	1,418,348	1,134,806	987,281
Retail - Admin Portion	2,472,618	2,632,497	2,151,178
Industrial - Admin Portion	5,121,936	12,054,852	5,681,507
Single Family Residential - Admin Portion	14,112,676	26,920,065	15,654,486
Multi Family - Admin Portion	5,785,859	4,777,779	6,417,964
LTF Revenue	800,250	775,000	676,500
Revenue - RIVTAM	137,500	140,000	50,000
Grant Revenue	-	-	125,000
CAP Grant Revenue	182,167	17,631	260,000
Adaptation Grant Revenue	106,100	125,000	409,894
Local Jurisdiction Match	-	-	100,000
Program Carryover	620,000	620,000	250,000
Fund Balance Carryover	175,000	175,000	730,000
Total Revenues and Transfers in	\$ 36,122,431	\$ 57,409,446	\$ 40,539,536
Expenses			
Salaries	1,175,371	1,939,032	2,053,769
Benefits	748,567	921,389	1,027,040
Overhead	1,267,285	1,877,020	1,443,294
Legal	149,509	391,684	285,600
Advertising Media	19,820	82,000	65,667
Audit Svcs - Professional Fees	21,700	30,500	35,000
Auto Fuels Expense	730	1,500	1,500
Auto Insurance	4,264	2,000	4,500

Auto Maintenance Expense	-	500	500
Bank Fees	9,200	40,150	33,885
Coffee and Supplies	2,178	2,500	3,000
COG HERO Share Expenses	1,441	10,000	5,000
Commissioner Per Diem	31,500	62,550	62,500
Communications - Web Site	5,650	8,000	8,000
Communications - Cellular Phones	4,343	17,500	13,500
Communications - Computer Services	25,063	57,500	53,000
Communications - Regular Phone	11,788	16,000	16,000
Computer Equipment/Supplies	3,209	8,631	13,000
Computer Hardware	1,471	9,500	10,000
Computer Maintenance	13,212	21,000	21,000
Computer Software	57,092	84,500	80,500
Consulting Labor	873,175	2,177,945	2,268,780
Equipment Maintenance - General	4,055	10,000	8,000
Event Support	119,147	174,934	165,736
Fund Balance Carryover	160,000	220,000	449,795
General Assembly Expenses	-	300,000	300,000
General Supplies	27	2,590	1,500
Insurance - Gen/Busi Liab/Auto	84,320	104,000	115,500
Lodging	1,932	8,373	3,800
Meals	4,678	8,370	7,900
Meeting Support Services	185	9,698	9,250
Membership Dues	2,100	32,715	32,750
Misc. Office Equipment	-	1,000	1,000
Office Equipment Purchased	135,408	200,000	
Office Lease	219,684	465,000	465,000
OPEB Repayment	110,526	110,526	110,526
Other Expenses	1,440	7,850	9,750
Parking Cost	-	10,000	20,000
Parking Validations	9,474	15,900	15,827
Postage	2,052	5,600	5,350
Printing Services	7,869	7,500	5,000
Program/Office Supplies	8,631	18,173	14,700
Recording Fee	92,812	260,741	173,525
Rent/Lease Equipment	9,828	30,000	20,000
Seminar/Conferences	1,558	11,230	10,650
Staff Education Reimbursement	-	7,500	7,500
Staff Recognition	184	800	1,000
Storage	3,752	10,000	9,500
Subscriptions/Publications	1,984	3,225	4,250
Supplies/Materials	15,121	22,800	75,478
Training	4,895	8,500	10,000
Travel - Airfare	1,683	12,250	4,250
Travel - Ground Transportation	837	5,410	2,300
Travel - Mileage Reimbursement	8,453	19,320	11,250
TUMF Project Reimbursement	20,139,433	45,000,000	30,892,416
Total Expenses	\$ 25,578,638	\$ 54,865,406	\$ 40,468,538



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Administration

	Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
Revenues and Transfers in			
Member Dues	311,410	311,410	311,410
General Assembly Revenue	-	300,000	300,000
Other Reimbursements			
Interest Revenue - Other	83,587	25,000	25,000
Fund Balance Carryover	125,000	125,000	100,000
Operating Transfer In	1,234,219	1,996,602	2,208,432
Total Revenues and Transfers in	\$ 1,754,216	\$ 2,758,012	\$ 2,944,842
Expenses			
Salaries	369,792	464,260	535,629
Benefits	467,047	500,925	570,265
General Legal Services	26,768	75,000	75,000
Audit Svcs - Professional Fees	21,700	30,500	35,000
Bank Fees	1,873	2,000	2,385
Commissioners Per Diem	29,700	60,000	60,000
Parking Cost	-	10,000	20,000
Office Lease	219,684	465,000	465,000
WRCOG Auto Fuels Expenses	730	1,500	1,500
WRCOG Auto Maintenance Expense	-	500	500
Parking Validations	6,903	10,000	10,000
Staff Recognition	184	800	1,000
Coffee and Supplies	2,178	2,500	3,000
Event Support	15,656	50,000	45,000
Program/Office Supplies	8,611	15,000	12,000
Computer Equipment/Supplies	1,596	1,000	2,000
Computer Software	-	20,000	20,000
Rent/Lease Equipment	9,828	30,000	20,000
Membership Dues	1,785	30,000	30,000
Subscription/Publications	1,009	1,000	2,000
Postage	679	2,500	1,500
Other Household Exp	273	-	1,500
Storage	-	-	1,500
Printing Services	7,302	500	1,000
Computer Hardware	1,471	8,000	8,500
Communications - Regular Phone	11,788	16,000	16,000
Communications - Cellular Phones	2,666	8,500	7,500
Communications - Computer Services	21,563	55,000	50,000
Communications - Web Site	5,650	8,000	8,000
Equipment Maintenance - General	4,055	10,000	8,000
Equipment Maintenance - Comp/Software	13,212	20,000	20,000
Insurance - Errors & Omissions	-	11,500	15,000
Insurance - Gen/Busi Liab/Auto	79,928	82,000	92,000
WRCOG Auto Insurance	4,264	2,000	4,500

Seminars/Conferences	570	3,000	3,000
General Assembly Expenses	-	300,000	300,000
Travel - Mileage Reimbursement	343	2,000	1,000
Travel - Ground Transportation	433	1,500	500
Travel - Airfare	1,404	2,000	500
Lodging	-	1,000	500
Meals	1,637	2,500	2,500
Other Incidentals	267	1,000	2,000
Training	4,208	5,000	7,500
OPEB Repayment	110,526	110,526	110,526
Staff Education Reimbursement	-	7,500	7,500
Consulting Labor	102,595	200,000	200,000
Computer Equipment/Software	-	3,000	5,000
Fund Balance Carryover			159,037
Office Equipment Purchased	135,408	200,000	
Total Expenses	\$ 1,695,286	\$ 2,833,011	\$ 2,944,842



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Energy and Environment

	Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
Total Environment			
Revenues and Transfers in			
Clean Cities	246,910	210,500	175,000
Solid Waste	112,970	107,313	112,970
Used Oil	377,654	377,654	376,396
HHW Grant	-	-	60,000
Fund Balance Transfers	-	-	90,000
Total Revenues and Transfers in	\$ 737,534	\$ 695,467	\$ 814,366
Expenses			
Salaries	132,545	197,629	250,856
Benefits	41,686	60,061	84,238
Overhead	83,007	113,320	88,047
Legal	1,581	2,000	4,500
Parking Validations	235	1,250	1,627
Event Support	96,789	111,402	105,500
Program/Office Supplies	-	2,223	2,000
Postage	63		750
Meeting Support Services	185	6,600	6,500
Other Expenses	210	500	1,000
Cellular Phones	227	1,000	1,000
Storage	3,752	10,000	8,000
Printing Services	-	5,000	2,000
Insurance - Gen/Busi Liab/Auto	275	2,000	2,000
Travel - Mileage Reimbursement	2,107	4,500	2,500
Travel - Ground Transportation		1,100	500
Travel - AirFare	-	750	500
Meals	866	2,100	2,000
Other Incidentals	21	1,100	500
Supplies/Materials	14,236	16,600	69,728
General Supplies	-	590	500
Computer Supplies	881	881	1,000
Consulting Labor	36,759	68,611	109,205
Subscriptions/Publications	-	250	250
Membership Dues	-	1,500	1,500
Training	-	500	500
Seminars/Conferences	210	2,000	2,000
Advertising Media	19,820	82,000	65,667
Total Expenses	435,454	695,467	814,366



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Clean Cities

Revenues and Transfers in

Clean Cities - AB2766	109,350	128,000	95,000
Clean Cities - Non-AB	41,850		35,000
Clean Cities - Federal	95,710	82,500	45,000
Fund Balance Carryover	-	-	75,000
Total Revenues	\$ 246,910	\$ 210,500	\$ 250,000

Expenses

Salaries	42,941	57,920	78,388
Benefits	12,998	17,035	27,343
Overhead	45,831	57,555	55,546
Parking Validations	23	500	500
Event Support	2,642	3,500	5,000
Program/Office Supplies	-	629	500
Postage	63	-	500
Meeting Support Services	-	600	500
Travel - Mileage Reimbursement	387	1,000	500
Travel - Ground Transportation	-	350	100
Meals	146	600	500
Other Incidentals	-	600	500
Supplies/Materials	908	1,600	1,500
Consulting Labor	31,180	68,611	78,623
Total Expenses	\$ 137,119	\$ 210,500	\$ 250,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Solid Waste

Revenues

Member Dues	112,970	107,313	112,970
Fund Balance Carryover	-	-	15,000
Total Revenues	\$ 112,970	\$ 107,313	\$ 127,970

Expenses

Salaries	26,235	40,199	44,329
Benefits	7,520	11,274	15,409
Overhead	12,000	18,000	12,000
Legal	1,213	-	2,500
Parking Validations	213	500	500
Event Support	12,000	29,119	15,000
General Supplies	-	590	500
Computer Supplies	881	881	1,000
Subscriptions/Publications	-	250	250
Meeting Support Services	185	1,000	1,000
Postage	1	-	250
Other Expenses	210	500	1,000
Cellular Phones	227	1,000	1,000
Seminars/Conferences	185	500	500
Travel - Mileage Reimbursement	661	1,000	500
Travel - Ground Transportation	-	250	150
Travel - AirFare	-	750	500
Meals	705	500	500
Other Incidentals	21	500	-
Training	-	500	500
Consulting Labor	5,579	-	30,582
Total Expenses	\$ 67,834	\$ 107,313	\$ 127,970



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Used Oil

Revenues

Used Oil Grants	377,654	377,654	376,396
Total Revenues	\$ 377,654	\$ 377,654	\$ 376,396

Expenses

Salaries	63,369	99,510	117,339
Benefits	21,168	31,752	40,514
Overhead	25,176	37,765	20,500
Legal	368	2,000	2,000
Parking Validations	-	250	627
Event Support	82,147	78,783	85,500
Program/Office Supplies	-	1,594	1,500
Membership Dues	-	1,500	1,500
Meeting Support Services	-	5,000	5,000
Storage	3,752	10,000	8,000
Printing Services	-	5,000	2,000
Insurance - Gen/Busi Liab/Auto	275	2,000	2,000
Seminars/Conferences	25	1,500	1,500
Travel - Mileage Reimbursement	1,059	2,500	1,500
Travel - Ground Transportation	-	500	250
Meals	15	1,000	1,000
Supplies/Materials	13,327	15,000	20,000
Advertising Media	19,820	82,000	65,667
Total Expenses	\$ 230,501	\$ 377,654	\$ 376,396

Program: HHW Grant

Revenues

HHW Grant	-	-	60,000
Total Revenues	\$ -	\$ -	\$ 60,000

Expenses

Salaries			10,800
Benefits			972
Supplies and Materials	-	-	48,228
Total Expenses	\$ -	\$ -	\$ 60,000



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Total Energy

Revenues and Transfers in

Gas Company Revenue	45,099	108,400	108,400
Regional Streetlights Revenue	301,710	187,511	201,915
WRCOG HERO	114,591	247,800	136,290
PACE Residential	46,193	76,500	78,000
PACE Commercial	321,903	436,925	200,000
CA HERO	789,088	1,671,200	1,464,730
Grant Revenue	-	-	125,000
Fund Balance Transfers	50,000	50,000	250,000
Total Revenues and Transfers in	\$ 1,668,584	\$ 2,778,336	\$ 2,564,335

Expenses

Salaries	212,837	374,906	373,455
Benefits	92,594	139,544	139,761
Overhead	590,942	873,700	625,618
Legal	113,420	242,684	153,500
Consulting Labor	116,747	479,486	655,330
Bank Fee	1,638	21,638	16,500
Parking Validations	264	2,150	1,200
Postage	1,267	2,700	2,450
Commissioners Per Diem	1,800	2,550	2,500
Celluar phone	891	4,500	1,000
COG HERO Share Expenses	1,441	10,000	5,000
Communication - Comp Scvs	3,500	2,500	3,000
Computer Maintenance	-	1,000	1,000
Computer Software	-	5,000	2,000
Computer Supplies	-	2,500	1,500
Computer/Hardware	-	1,500	1,500
Event Support	2,635	9,500	11,237
General Supplies	27	2,000	1,000
Insurance - Gen/Busi Liab/Auto	2,173	3,500	3,500
Meeting Support Services	-	2,848	2,500
Program/Office Supplies	21	950	700
Recording Fee	92,812	260,741	173,525
Other Expenses	461	4,500	4,000
Misc. Office Equipment	-	1,000	1,000
Membership Dues	100	1,000	1,000
Seminar/Conferences	48	4,000	3,000
Subscriptions/Publications	-	500	500



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Energy and Environment

	Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
Lodging	148	3,880	1,750
Meals	600	2,050	1,800
Supplies/Materials	257	3,700	3,250
Training	688	3,000	2,000
Travel - Airfare	279	8,500	2,500
Travel - Ground Transportation	146	1,900	750
Travel - Mileage Reimbursement	2,897	6,750	3,250
Fund Balance Carryover	-	60,000	290,758
Total Expenses	1,240,630	2,546,677	2,493,334



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: WRCOG HERO

Revenues

WRCOG HERO Revenue	57,539	142,500	78,375
WRCOG HERO Recording Revenue	57,052	105,300	57,915
Total Revenues	\$ 114,591	\$ 247,800	\$ 136,290

Expenses

Salaries	8,693	25,469	18,598
Benefits	5,200	7,796	7,818
Overhead	33,336	50,000	24,000
Legal	42,590	60,000	40,000
Bank Fee	-	5,000	-
Parking Validations	-	500	-
General Supplies	-	500	500
Computer Supplies	-	500	-
Computer Software	-	2,500	-
Meeting Support Services	-	250	-
Postage	-	250	-
Cellular phone	354	2,000	-
PACE Residential Recording	5,983	34,906	20,000
Seminar/Conferences	-	500	-
Travel - Mileage Reimbursement	70	2,000	250
Travel - Ground Transportation	-	500	-
Travel-AirFare	-	1,500	-
Lodging	-	630	-
Meals	-	500	-
Other Incidentals	230	1,500	1,500
Training	-	1,000	-
Consulting Labor	6,570	50,000	23,624
Total Expenses	\$ 103,027	\$ 247,800	\$ 136,290



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Gas Company Partnership

Revenues

Gas Company Revenue	45,099	108,400	108,400
Total Revenues	\$ 45,099	\$ 108,400	\$ 108,400

Expenses

Salaries	31,917	44,680	44,014
Benefits	9,866	15,469	13,981
Overhead	33,806	38,000	39,618
Legal	461	-	500
Parking Validations	46	-	50
Event Support	1,020	8,000	8,237
Program/Office Supplies	-	200	200
Meeting Support Services	-	500	500
Postage	-	250	250
Travel - Mileage Reimbursement	594	750	500
Travel - Ground Transportation	8	-	-
Meals	-	300	300
Supplies/Materials	-	250	250
Total Expenses	\$ 77,717	\$ 108,400	\$ 108,400



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Streetlights

Revenues

Regional Streetlights Revenue	301,710	187,511	201,915
Fund Balance Transfer			50,000
Total Revenues	\$ 301,710	\$ 187,511	\$ 251,915

Expenses

Salaries	27,071	63,814	69,600
Benefits	14,792	22,186	21,382
Overhead	40,000	60,000	60,000
Legal	1,692	8,362	1,500
Streetlights Bank Fees	1,638	1,638	1,500
Parking Validations Street Light	43	150	150
Event Support	1,614	-	2,000
Program/Office Supplies	21	750	500
Meeting&Support	-	1,098	1,000
POSTAGE	74	200	200
Seminars/Conferences	48	500	500
Travel - Mileage Reimbursement	590	1,500	750
Travel-Ground Transportation	-	150	100
Meals	327	250	500
Supplies/Materials	257	1,500	1,500
Consulting Labor	19,567	25,000	90,733
Total Expenses	\$ 107,734	\$ 187,099	\$ 251,915



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual	Budget	Proposed
2/29/2020	6/30/2020	6/30/2021

Program: Resiliency Grant

Revenues

Grant Revenue	-	-	125,000
Total Revenues	\$ -	\$ -	\$ 125,000

Expenses

Consulting Labor	-	-	125,000
Total Expenses	\$ -	\$ -	\$ 125,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: REN

Transfers In

Fund Balance Carryover	50,000	50,000	200,000
Total Transfers In	\$ 50,000	\$ 50,000	\$ 200,000

Expenses

Salaries	-	-	10,883
Benefits	-	-	3,562
General Legal Services	737	1,000	2,500
Travel - Mileage Reimbursement	-	-	250
Travel - Ground Transportation	121	250	150
Lodging	148	250	250
Meals	208	500	500
Consulting Labor	35,647	48,000	181,905
Total Expenses	\$ 36,861	\$ 50,000	\$ 200,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual	Budget	Proposed
2/29/2020	6/30/2020	6/30/2021

Program: Spruce

Revenues

Recording Revenue

Total Revenues

	1,062	-	1,000
\$	1,062	\$	1,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: California First

Revenues

Residential Sponsor Revenue	7,014	20,000	13,000
Residential Recording Revenue	3,688	4,000	4,000
Total Revenues	\$ 10,702	\$ 24,000	\$ 17,000

Expenses

Salaries	1,461	2,962	5,925
Benefits	464	691	1,514
Overhead	8,000	12,000	4,000
Legal	-	2,000	1,000
PACE Residential Recording	1,013	4,000	3,383
Consulting Labor	810	2,347	1,178
Total Expenses	\$ 11,748	\$ 24,000	\$ 17,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: PACE Funding

Revenues

Residential Sponsor Revenue	28,728	50,000	35,000
Residential Recording Revenue	5,701	2,500	25,000
Total Revenues	\$ 34,429	\$ 52,500	\$ 60,000

Expenses

Salaries	1,457	2,962	19,940
Benefits	464	691	9,023
Overhead	16,000	24,000	12,000
Recording Fee-PACE	8,902	8,902	10,342
Travel - Airfare	-	1,000	-
Consulting Labor-PACE	4,995	14,945	8,695
Total Expenses	31,818	52,500	60,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Greenworks Lending

Revenues

Commercial Sponsor Revenue	62,478	100,000	100,000
Commercial Recording Revenue	-	20,000	
Total Revenues	\$ 62,478	\$ 120,000	\$ 100,000

Expenses

Salaries	8,980	18,146	-
Benefits	4,776	7,161	-
Overhead	46,464	69,700	-
Recording Fee	303	5,000	5,000
Consulting Labor	-	11,694	25,000
Total Expenses	\$ 60,523	\$ 111,701	\$ 30,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Twain

Revenues

PACE Commercial Sponsor Revenue	259,425	259,425	100,000
Commercial Recording Revenue	-	5,000	-
Total Revenues	\$ 259,425	\$ 264,425	\$ 100,000

Expenses

Salaries	-	-	22,446
Benefits	-	-	7,045
Overhead	-	-	36,000
Legal	6,429	8,822	8,000
Recording Fee	-	5,000	5,000
Consulting Labor	-	22,500	21,509
Total Expenses	\$ 6,429	\$ 36,322	\$ 100,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Energy and Environment

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: CA HERO

Revenues

HERO Sponsor Revenue	285,696	680,000	272,000
HERO Administrative Revenue	320,530	570,000	1,024,250
CA-HERO Recording fee Revenue	182,862	421,200	168,480
Total Revenues	\$ 789,088	\$ 1,671,200	\$ 1,464,730

Expenses

Salaries	133,257	216,872	182,049
Benefits	57,032	85,550	75,436
Overhead	413,336	620,000	450,000
Legal	60,894	150,000	100,000
Bank Fees	-	15,000	15,000
Commissioners Per Diem	1,800	2,550	2,500
Parking Validations	175	1,500	1,000
Event Support	-	1,500	1,000
General Supplies	27	1,500	500
Computer Supplies	-	2,000	1,500
Computer Software	-	2,500	2,000
Membership Dues	100	1,000	1,000
Subscriptions/Publications	-	500	500
Meeting Support Services	-	1,000	1,000
Postage	1,193	2,000	2,000
Other Expenses	-	500	500
COG HERO Share Expenses	1,441	10,000	5,000
Computer/Hardware	-	1,500	1,500
Misc. Office Equipment	-	1,000	1,000
Cellular Phone	537	2,500	1,000
Communications Computer Servic	3,500	2,500	3,000
Computer Maintenance	-	1,000	1,000
Insurance - Gen/Busi Liab/Auto	2,173	3,500	3,500
Recording Fee	76,611	185,433	129,800
Seminar/Conferences	-	3,000	2,500
Travel - Mileage Reimbursement	1,643	2,500	1,500
Travel - Ground Transportatoin	17	1,000	500
Travel - Airfare	279	6,000	2,500
Lodging	-	3,000	1,500
Meals	65	500	500
Statewide Other Incidentals	230	2,500	2,000
Training	688	2,000	2,000
Supplies/Materials	-	1,950	1,500
Consulting Labor	49,158	275,000	177,686
Fund Balance Carryover	-	60,000	290,758
Total Expenses	\$ 804,154	\$ 1,668,855	\$ 1,464,730



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Transportation and Planning

	Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
Total Transportation and Planning			
Revenues and Transfers in			
Commerical/Service	59,098	47,284	41,137
Retail	103,026	109,687	89,632
Industrial	213,414	502,285	236,729
Single Family Residential	588,028	1,121,669	652,270
Multi-Family	241,077	199,074	267,415
Commercial/Svcs - Admin Portion	1,418,348	1,134,806	987,281
Retail - Admin Portion	2,472,618	2,632,497	2,151,178
Industrial - Admin Portion	5,121,936	12,054,852	5,681,507
Single Family Residential - Admin Portion	14,112,676	26,920,065	15,654,486
Multi Family - Admin Portion	5,785,859	4,777,779	6,417,964
LTF Revenue	800,250	775,000	676,500
Revenue - RIVTAM	137,500	140,000	50,000
CAP Grant Revenue	182,167	17,631	260,000
Adaptation Grant Revenue	106,100	125,000	409,894
Local Jurisdiction Match	-	-	100,000
Program Carryover	620,000	620,000	250,000
Fund Balance Carryover			290,000
Total Revenues and Transfers In	\$ 31,962,097	\$ 51,177,631	\$ 34,215,995
Expenses			
Salaries	460,198	902,237	893,829
Benefits	147,240	220,858	232,776
Overhead	593,336	890,000	729,629
Legal	7,739	72,000	52,600
Bank Fees	5,690	16,512	15,000
Parking Validations	2,073	2,500	3,000
Event Support	4,068	4,032	4,500
Supplies/Materials	628	2,500	2,500
Computer Supplies	732	1,000	1,000
Computer Software	57,092	59,500	58,500
Membership Dues	215	215	250
Subscriptions/Publications	975	1,475	1,500
Postage	43	400	650
Other Household Expenses	210	250	250
Printing Services	567	2,000	2,000
Communications - Cellular Phones	559	3,500	4,000
Computer Equipment	-	250	2,500
Insurance - Gen/Busi Liab/Auto	1,944	5,000	3,000
Seminars/Conferences	730	2,230	2,650



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Transportation and Planning

	Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
Travel - Mileage Reimbursement	3,106	6,070	4,500
Travel - Ground Transportation	258	910	550
Travel-Airfare	-	1,000	750
Lodging	1,784	3,493	1,550
Meals	1,575	1,720	1,600
Other Incidentals	-	500	500
Meeting Support Services	-	250	250
Consulting Labor	617,075	1,429,848	1,304,245
TUMF Project Reimbursement	20,139,433	45,000,000	30,892,416
Fund Balance Carryover	160,000	160,000	-
Total Expenses	\$ 22,207,268	\$ 48,790,250	\$ 34,215,995



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Transportation and Planning

	Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
Program: TUMF			
Revenues			
Commerical/Service	59,098	47,284	41,137
Retail	103,026	109,687	89,632
Industrial	213,414	502,285	236,729
Single Family Residential	588,028	1,121,669	652,270
Multi-Family	241,077	199,074	267,415
Commercial/Svcs - Admin Portion	1,418,348	1,134,806	987,281
Retail - Admin Portion	2,472,618	2,632,497	2,151,178
Industrial - Admin Portion	5,121,936	12,054,852	5,681,507
Single Family Residential - Admin Portion	14,112,676	26,920,065	15,654,486
Multi Family - Admin Portion	5,785,859	4,777,779	6,417,964
Fund Balance Carryover			160,000
Total Revenues	\$ 30,116,080	\$ 49,500,000	\$ 32,339,600
Expenses			
Salaries & Wages Fulltime	186,929	367,183	372,246
Fringe Benefits	80,365	126,255	105,847
Overhead Allocation	493,336	740,000	550,000
General Legal Services	7,279	65,000	50,000
Bank Fees	5,690	16,512	15,000
Parking Validations	873	1,500	1,500
Event Support	975	975	1,000
General Supplies	606	1,000	1,000
Computer Supplies	732	1,000	1,000
Computer Software	57,092	59,500	58,500
Membership Dues	215	215	250
Subscriptions/Publications	975	1,475	1,500
POSTAGE	43	50	50
Other Household Expenses	210	250	250
Printing Services	567	2,000	2,000
Cellular Phone	559	3,000	3,000
Computer Equipment	-	250	2,500
Insurance - Gen/Busi Liab/Auto	1,944	5,000	3,000
Seminar/Conferences	150	1,500	1,500
Travel - Mileage Reimbursement	1,110	2,500	1,500
Travel - Ground Transportation	127	500	250
Travel-AirFare	-	1,000	750
Lodging	292	2,000	800
Meals	1,120	1,120	1,000
Other Incidentals	-	500	500
Outside Consultants	117,568	419,715	272,241
TUMF Project Reimbursement	20,139,433	45,000,000	30,892,416
Fund Balance Carryover	160,000	160,000	-
Total Expenses	\$ 21,258,189	\$ 46,980,000	\$ 32,339,600



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Transportation and Planning

Actual	Budget	Proposed
2/29/2020	6/30/2020	6/30/2021

Program: Grant Writing

Carryover

Program Carryover

Total Carryover

330,000	330,000	150,000
\$ 330,000	\$ 330,000	\$ 150,000

Expenses

Salaries

Benefits

Consulting Labor

Total Expenses

5,063	11,754	17,984
2,728	4,089	7,310
44,248	314,157	\$ 124,706
\$ 52,040	\$ 330,000	\$ 150,000



Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021

Transportation and Planning

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Transportation Planning

Revenues

LTF Revenue	800,250	775,000	676,500
Fund Balance Carryover	-	-	130,000
Total Revenues	\$ 800,250	\$ 775,000	\$ 806,500

Expenses

Salaries	81,157	226,413	256,794
Benefits	43,256	72,799	84,874
Overhead	100,000	150,000	150,000
Legal	461	5,000	2,500
Parking Validations	465	500	500
Event Support	2,307	2,307	2,500
Postage	-	250	500
Communications - Cellular Phones	-	500	1,000
Seminars/Conferences	580	580	1,000
Travel - Mileage Reimbursement	1,650	1,570	1,000
Travel - Ground Transportation	131	260	150
Lodging	1,493	1,493	750
Meals	167	250	250
Supplies/Materials	-	1,000	1,000
Consulting Labor	48,763	337,328	303,682
Total Expenses	\$ 280,429	\$ 800,250	\$ 806,500



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Transportation and Planning

<u>Actual</u> <u>2/29/2020</u>	<u>Budget</u> <u>6/30/2020</u>	<u>Proposed</u> <u>6/30/2021</u>
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Program: RivTAM

Revenues

Revenue - RIVTAM	137,500	140,000	50,000
Total Revenues	\$ 137,500	\$ 140,000	\$ 50,000

Expenses

Salaries	-	-	17,984
Benefits	-	-	4,495
Consulting Labor	78,561	140,000	27,522
Total Expenses	\$ 78,561	\$ 140,000	\$ 50,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Transportation and Planning

Actual	Budget	Proposed
2/29/2020	6/30/2020	6/30/2021

Program: CAP Grant

Revenues

CAP Grant Revenue	182,167	17,631	260,000
Total Revenues	\$ 182,167	\$ 17,631	\$ 260,000

Expenses

Salaries	6,167	17,631	20,924
Benefits	4,088	6,133	7,186
Consulting Labor	59,080	101,236	231,890
Total Expenses	\$ 69,335	\$ 125,000	\$ 260,000



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Transportation and Planning

Actual 2/29/2020	Budget 6/30/2020	Proposed 6/30/2021
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Program: Adaptation Grant

Revenues

Adaptation Grant Revenue	106,100	125,000	409,894
Total Revenues	\$ 106,100	\$ 125,000	\$ 409,894

Expenses

Salaries	53,843	5,877	27,849
Benefits	10,443	2,044	8,744
Overhead	-	-	29,629
Consulting Labor	268,521	117,079	343,672
Total Expenses	\$ 332,807	\$ 125,000	\$ 409,894



**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2021**

Transportation and Planning

Actual	Budget	Proposed
2/29/2020	6/30/2020	6/30/2021

Program: Fellowship

Carryover

Local Jurisdiction Match	-	-	100,000
Program Carryover	290,000	290,000	100,000
Total Carryover	\$ 290,000	\$ 290,000	\$ 200,000

Expenses

Salaries	127,038	273,378	180,049
Benefits	6,360	9,539	14,320
Legal	-	2,000	100
Parking Validations	735	500	1,000
Event Support	785	750	1,000
Ofc Exp General Supplies	21	500	500
Meeting Support Services	-	250	250
Postage	-	100	100
Seminars/Conferences	-	150	150
Travel Mileage Reimbursement	346	2,000	1,500
Travel - Ground Transportation	-	150	150
Meals	287	350	350
Consulting Labor	333	333	532
Total Expenses	\$ 135,906	\$ 290,000	\$ 200,000



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Future Forward Series Presentation: COVID-19 Fiscal Impacts Analysis

Contact: Elisa Laurel, Program Manager, elaurel@wrcog.us, (951) 405-6705

Date: May 21, 2020

The purpose of this item is to provide an update on a recent analysis produced by Economic Planning System, Inc. (EPS) on the near-term fiscal impacts jurisdictions within Western Riverside County will be facing due to the COVID-19 public health crisis.

Requested Action:

1. Receive and file.

WRCOG has commenced an assessment of the fiscal implications of the current public health crisis-driven economic downturn on Western Riverside County jurisdictions. The COVID-19-driven public health crisis has required the curtailment of a broad range of activities and has already had a major economic impact on U.S. and global economies.

The curtailments on movement and gatherings and the associated closure of businesses has had an immediate and major impact on the retail, hospitality, and leisure sectors and workers. Other industry sectors and connected businesses are also facing losses of business and downturns. While the duration of the health crisis and associated economic impacts are uncertain, a scenario-based approach will be utilized to evaluate the potential level and timing of impacts on the tax revenues that typically accrue to Western Riverside County jurisdictions.

The assessment will be conducted in two phases. Phase 1 is now complete and identifies the expected level and timing of impacts on the two tax revenues that will be most directly affected, including sales and use tax revenues and transient occupancy taxes. Phase I also identified the scale of job losses in the retail and hospitality sectors as well as the potential increases in the warehouse and distribution sectors. Before September 30, 2020, Phase 2 will build on the Phase I work with feedback and will involve additional analysis, looking in more detail at a broader range of public revenues, the different ways in which they may be affected, and the implications for the Western Riverside County jurisdictions' overall fiscal health.

Phase 1 findings of this assessment were presented on April 30, 2020, as part of WRCOG's Future Forward webinar series. Teifion Rice-Evans, Managing Principal at EPS, provided an in-depth overview of the near-term fiscal impacts jurisdictions within Western Riverside County will be facing due to the current COVID-19 pandemic. Mr. Rice-Evans' presentation marked the first episode of WRCOG's launch of its Future Forward Series. The Future Forward Series is a monthly virtual broadcast dedicated to innovating through disruptive times. Its content aims to feature thoughtful leadership and meaningful information to the Western Riverside County subregion and in some cases to the greater Inland Empire area. Each episode is broadcasted on the last Thursday of every month from 9:00 a.m. – 10:00 a.m.

Mr. Rice-Evans will be providing a presentation on the major highlights produced from Phase 1 of its economic analysis.

Prior Action:

None.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

1. COVID-19 PowerPoint presentation slides.

Item 5.C

Future Forward Series Presentation:
COVID-19 Fiscal Impacts Analysis

Attachment 1

COVID-19 PowerPoint presentation
slides

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FUTURE FORWARD SERIES

COVID-19: ECONOMIC & FISCAL VULNERABILITIES AND IMPACTS

Focus on the Inland Empire and Western Riverside County

Teifion Rice-Evans, Managing Principal

April 30, 2020



Economic & Planning Systems, Inc.
The Economics of Land Use

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PRESENTATION OVERVIEW

KEY SECTIONS

1. COVID-19 and the Economy
2. Uncertainty and Control
3. Where We Stood
4. Economic Vulnerabilities
5. Fiscal Vulnerabilities
6. Scenarios and Forecasts
7. Implications

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COVID-19 AND THE ECONOMY



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UNIQUE AND UNIVERSAL IMPACT

COVID-19 has affected every State in the U.S.

- There is no escaping the virus and its impact

Relative Ease of Transfer and Difficulty to Detect

- Makes Social Distancing and Stay-at-Home necessary

Strikes at the Heart of the Economy

- Large and immediate impact on economic activity in the U.S., unprecedented in last 100 years

"The best way to send information is wrap it up in a person." Robert Oppenheimer



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SOCIAL DISTANCING AND THE ECONOMY

Human interaction is critical to most economic activity

Social distancing affects economy in fundamental ways:

- It restricts access to the physical spaces where most goods and services are produced and consumed
- By limiting economic activity, it reduces business and household income, creating a downward ripple effect on spending and incomes
- About 70% of US GDP is directly tied to consumer spending, 20% of which is discretionary
- Due to the interconnected ecosystem that is our economy, halts in production in one sector create “supply-chain” and production challenges in others



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UNCERTAINTY AND CONTROL



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UNCERTAINTY IS THE ONLY CERTAINTY



- Path of the pandemic and public health crisis are **uncertain**
- Duration of stay-at-home orders (and any relapses) are **uncertain**
- Economic and fiscal future directly tied to these **uncertainties**

LENGTH AND SEVERITY OF CRISIS WILL DETERMINE OUTCOMES

Economic recovery depends on length and severity of public health threat

- Models vary on spread, duration, and fatality
- Economic “Bounce-back” could be quick if virus is neutralized
- Full recovery may not occur until vaccine and / or remedy available
- Structural damage to the economy more likely the longer our behavior/ movements are limited – by public health guidelines or personal health decisions
- Desire to open up economy could lead to experimental adjustments in social distancing/ sheltering-in-place

(Will discuss potential timeframes for recovery in subsequent sections)

LEVEL OF CONTROL

There is much that is out of the hands of local governments

Virus Evolution and Control

- Infections and spread of virus
- Availability and level of testing – infection and antibody
- Vaccine development, antibody resilience, and “herd immunity”
- Seasonal effects on virus and resurgence

Federal/ State Government and Individual Responses

- Federal/ State public health policies and “re-opening”
- Success of current (and future?) Federal Stimulus packages
- Individual Household Behavior and Decisions

WHERE WE STOOD



PREVAILING WINDS

Technology, Globalization, and Other Economic Trends

*Many consider us to be in midst of "5th Industrial Revolution":
Age of Automation, E-Commerce, and Autonomous Vehicles*

- Rise of E-Commerce and "Internet of Things"
- Contraction of Brick and Mortar Retail
- New types of jobs lost to automation
- Continued globalization and interconnected Supply Chains
- Strong international competition for manufacturing
- Fast growth and large demand for Logistics Centers
- Search for high quality of life and affordable housing

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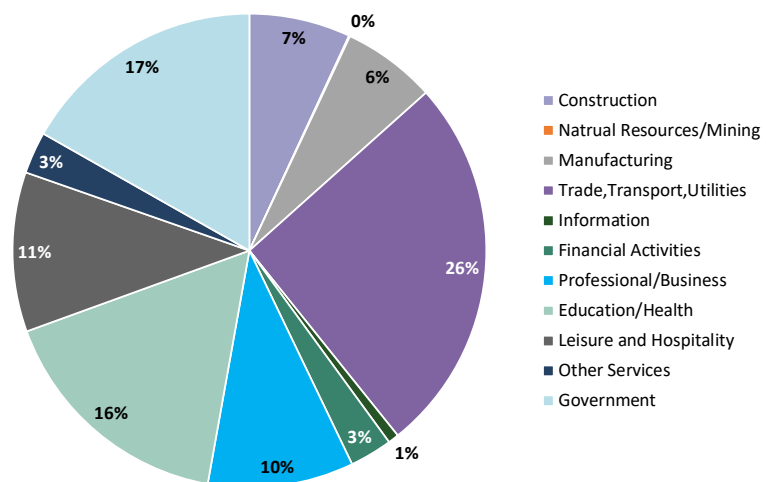
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INLAND EMPIRE EMPLOYMENT AS OF FEBRUARY 2020

Total Jobs = 1.55 million

Strong concentrations in:

- Retail Trade
- Leisure and Hospitality
- Transportation and Warehousing
- Prof. and Admin. Services
- Construction & Mfg
- Education/ Health Services
- Government



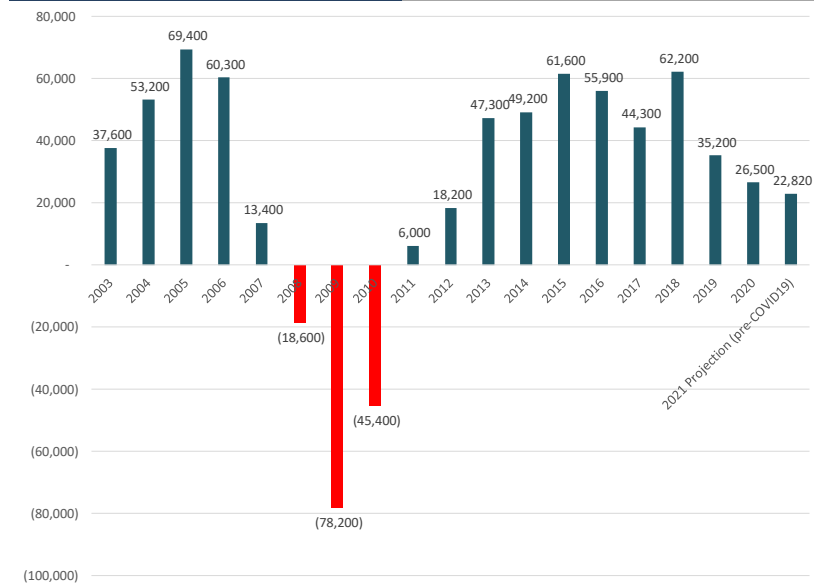
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Sources: CA Economic Development Department; Beacon Economics, LLC.

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INLAND EMPIRE TREND – ALL EMPLOYMENT



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Sources: Bureau of Labor Statistics Current Employment Survey; State of California Employment Development Department, Employment Projections

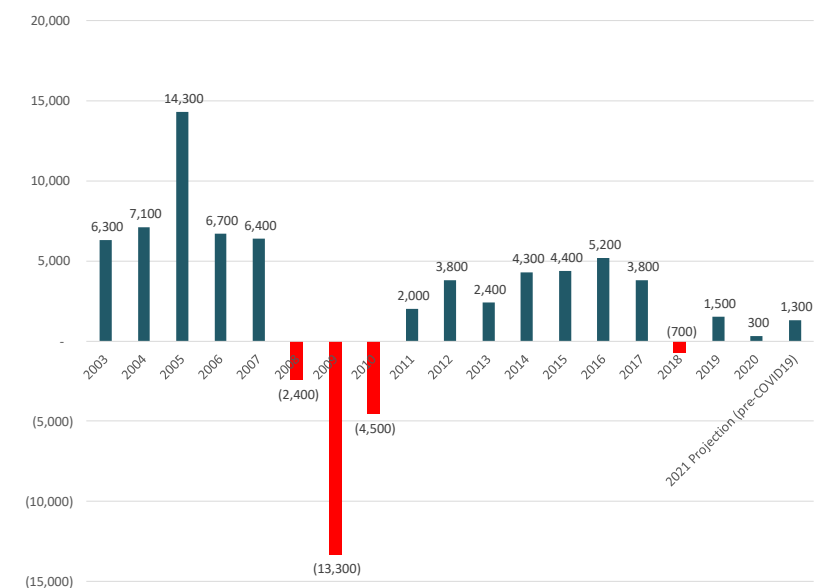
Total Jobs = 1.55 million

- Job Gains to end of 2019 = 350,000 jobs
- Job Losses prior Recession = 145,000 jobs
- 2011 – 2015 to return to same job levels

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INLAND EMPIRE TREND – RETAIL



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Sources: Bureau of Labor Statistics Current Employment Survey; State of California Employment Development Department, Employment Projections

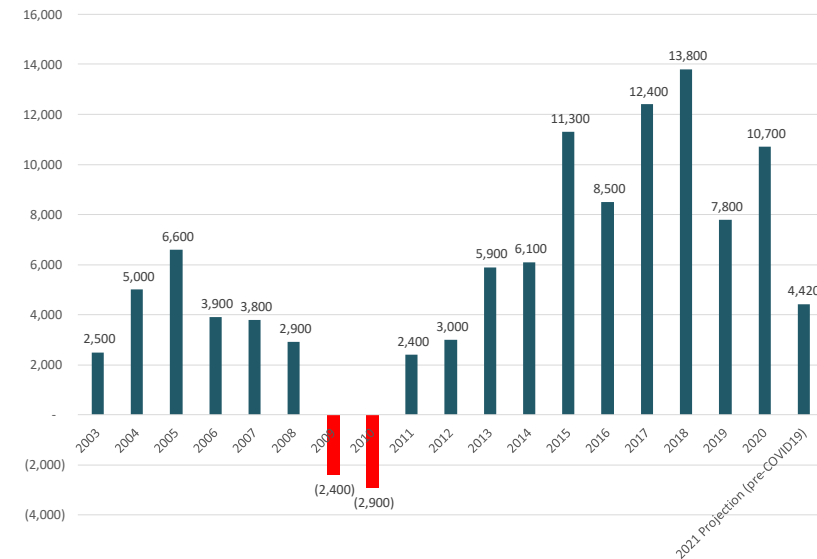
Retail Jobs = 180,000

- Job Gains to end of 2019 = 25,000 jobs
- % of Total Job Gains = 7%
- Job Losses prior Recession = 20,000 jobs
- 2011 – 2016 to return to same job levels

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INLAND EMPIRE TREND – LOGISTICS



**Logistics Jobs
= 215,000**

- Job Gains to end of 2019 = **85,000 jobs**
- % of Total Job Gains = **25%**
- Job Losses prior Recession = **5,000 jobs**
- **2011 – 2012 to return to same job levels**

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Sources: Bureau of Labor Statistics Current Employment Survey; State of California Employment Development Department, Employment Projections

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PRE-COVID 19 CONDITIONS

As Dr. John Husing with Economic & Politics pointed out in his pre-COVID report, there were positive trends:

- Inland Empire job growth was strong
- Unemployment rates were low
- Poverty Levels were falling with Job Creation
- Growth in Professional Services Jobs as well as Logistics

And issues being worked on:

- Expanding the Job Base and changing Jobs-Housing Balance
- Retaining and Providing Middle Class Jobs
- Enhancing Adult Educational Attainment
- Addressing Housing Affordability

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ECONOMIC VULNERABILITY



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THERE HAVE BEEN LOSSES

Economic Impact has been immediate

- 26 million in new unemployment benefit claims in U.S. and counting (in 5 weeks to 4/23/2020)
- Pace of Job Losses faster than any other Recession
- Inland Empire Unemployment goes from 4.0 % to 5.2 % between mid-February and mid-March (prior to main job losses)
- Leisure and hospitality industry accounted for 2/3rds of CA Job Losses

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DIFFERENT MEASURES OF ECONOMIC VULNERABILITY

Different National Studies have looked at economic vulnerability in terms of:

- High-Risk Occupations
- High-Risk Industries
- Ability to Work from Home

Applied High-Risk Industries approach – industry sectors and sub-sectors where social proximity is required:

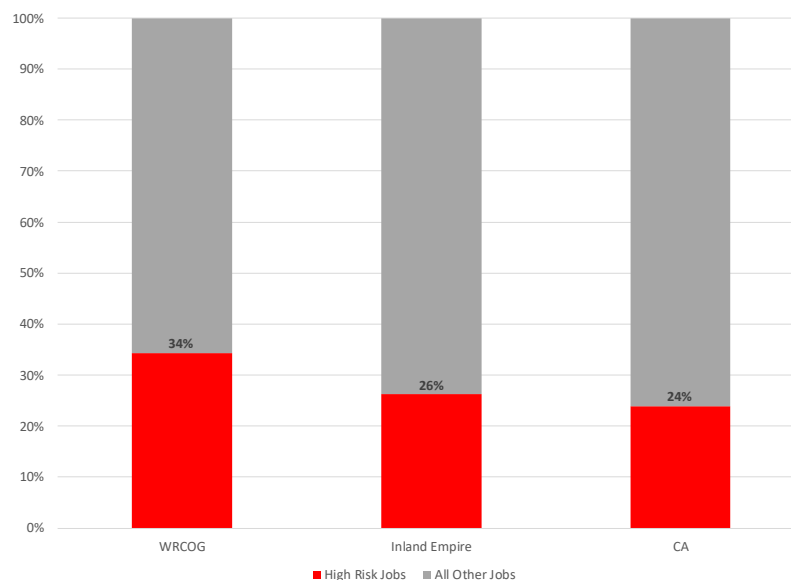
- Leisure and Hospitality
- Retail Trade
- Selected Services (Child Care, Personal Services, Certain Transportation Services)

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JOBS IN SECTORS AT IMMEDIATE RISK



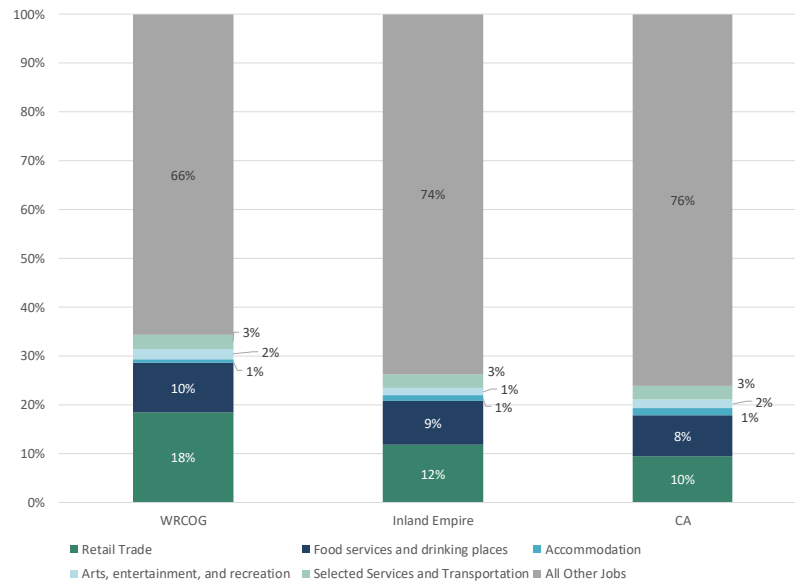
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Sources: Bureau of Labor Statistics Current Employment Survey; Pew Charitable Trust; WRCOG

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JOBS IN SECTORS AT IMMEDIATE RISK



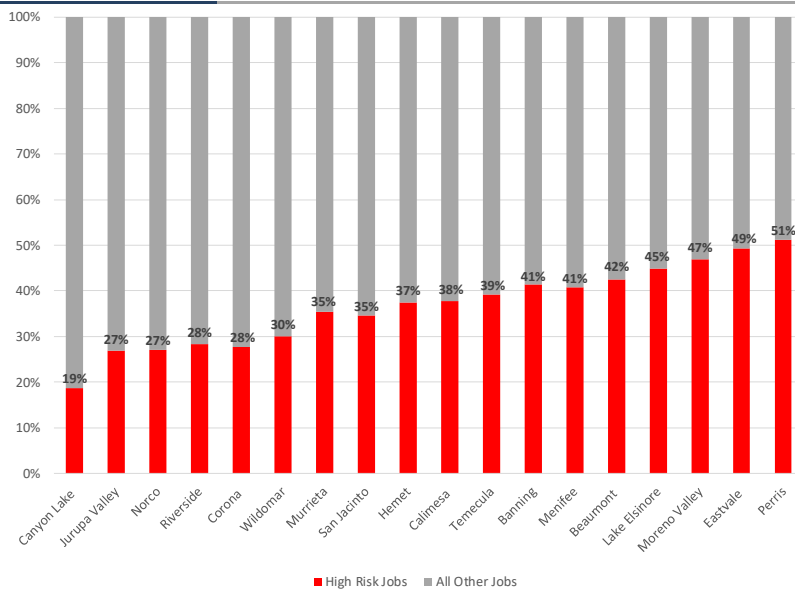
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Sources: Bureau of Labor Statistics Current Employment Survey; Pew Charitable Trust; WRCOG

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JOBS IN SECTORS AT IMMEDIATE RISK BY CITY



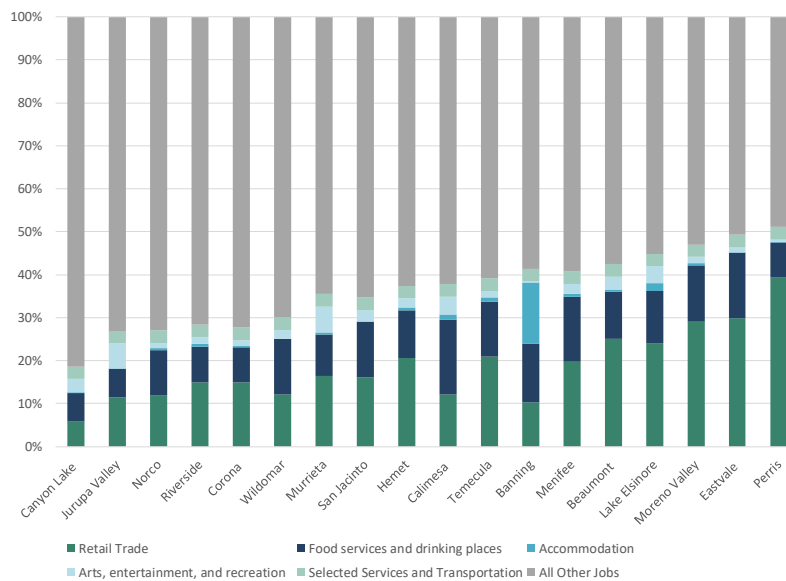
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Sources: Bureau of Labor Statistics Current Employment Survey; Pew Charitable Trust; WRCOG

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JOBS IN SECTORS AT IMMEDIATE RISK BY CITY



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Sources: Bureau of Labor Statistics Current Employment Survey; Pew Charitable Trust; WRCOG

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FISCAL VULNERABILITY



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THERE WILL BE LOSSES ... THERE WILL BE DISRUPTIONS...

Ongoing Government Operations

- General Fund Revenues
- Gas Taxes
- Enterprise Funds
- Additional Expenditures on COVID-19 response
- Pension Fund Performance implications

Infrastructure/ Capital Improvement Financing

- Development Impact Fees
- Land Secured Financing/ Community Facilities Districts (CFDs)
- Municipal Bond Market

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FISCAL VULNERABILITY INDICATORS

Focus on City General Fund Revenues

- Property Taxes and Property Taxes In-Lieu of Vehicle License Fees
- Sales and Use Taxes
- Transient Occupancy/ Lodging Taxes
- Franchise Fees
- User Utility Taxes
- Business Taxes

Source

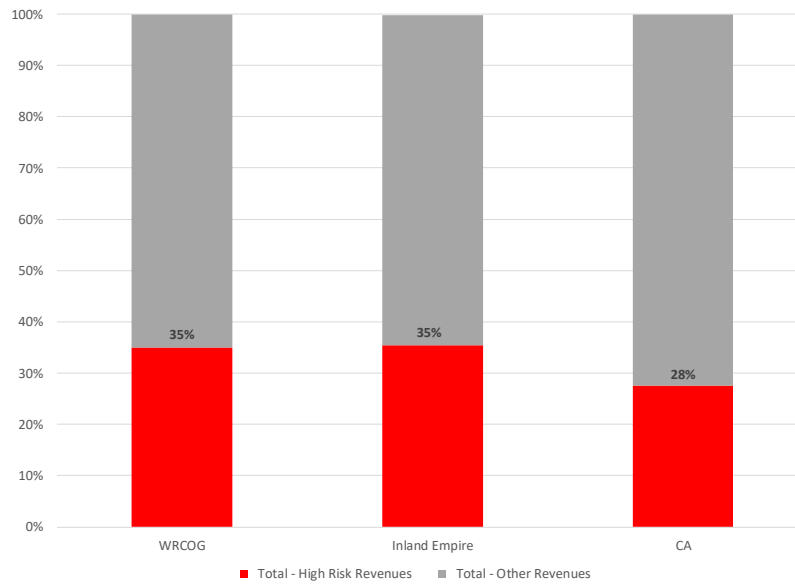
- California Department of Tax and Fee Administration (CDTFA)

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CITY GENERAL REVENUES AT IMMEDIATE RISK



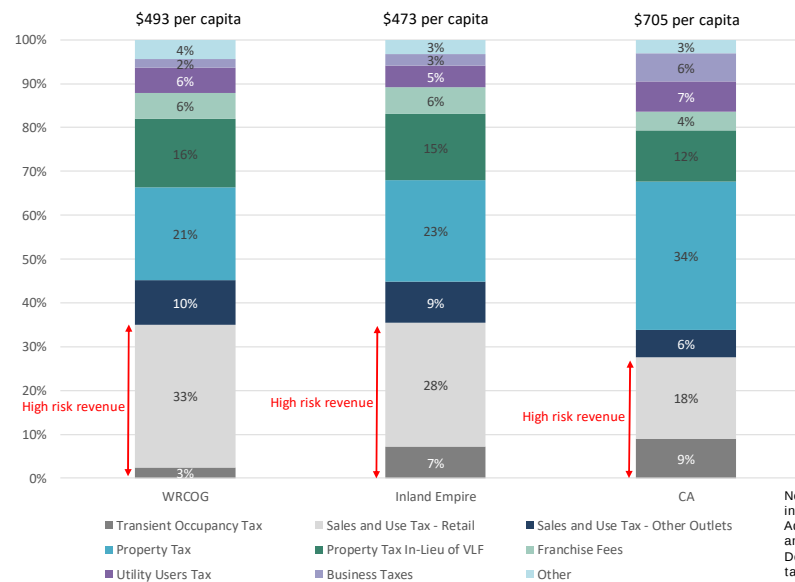
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Sources: State of California Controller's Office; WRCOG

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CITY GENERAL REVENUES AT IMMEDIATE RISK



Note: "Other" varies by location and includes Construction taxes, Admissions taxes, In-Lieu Local Sales and Use taxes, Interest, Penalties, Delinquent taxes, and other unspecified taxes reported to the state.

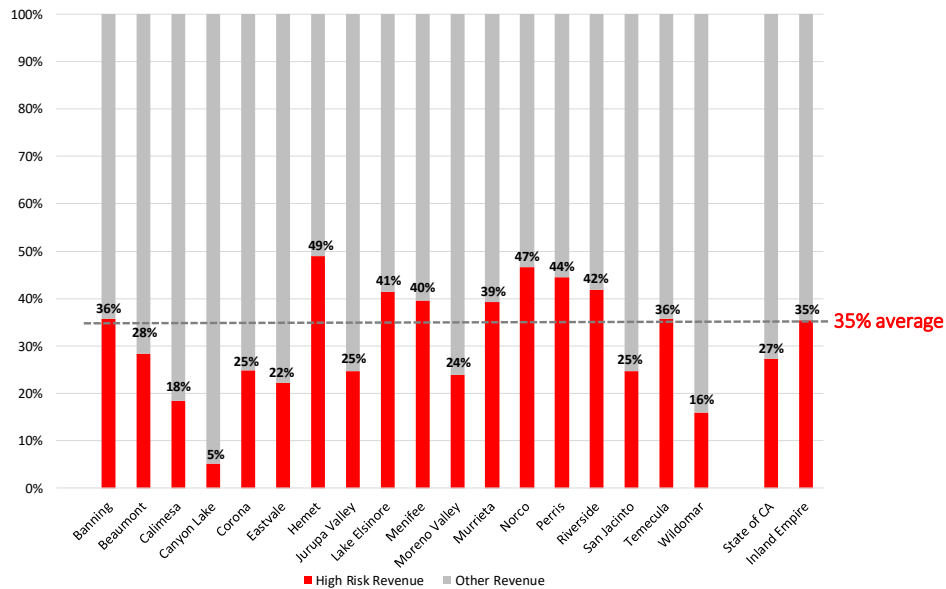
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Sources: State of California Controller's Office; WRCOG

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GF REVENUES AT IMMEDIATE RISK BY WRCOG JURISDICTION



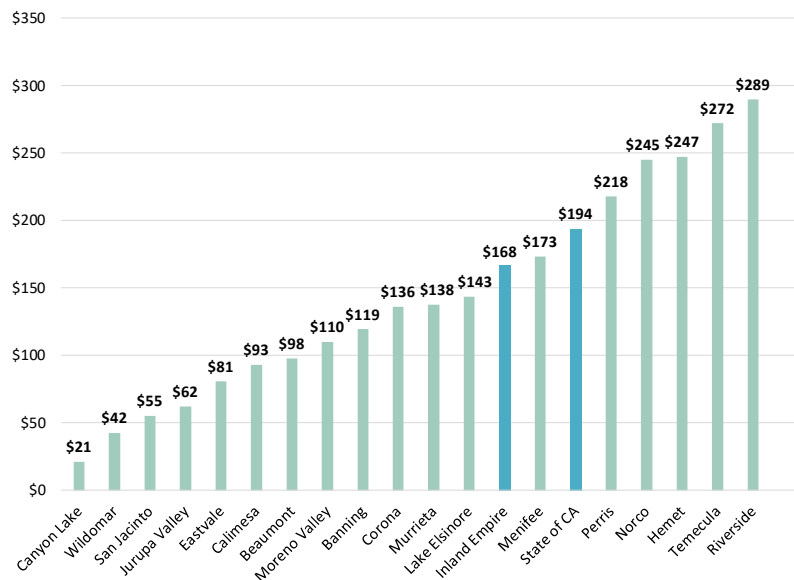
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Sources: State of California Controller's Office; WRCOG

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GF REVENUES AT IMMEDIATE RISK PER CAPITA BY WRCOG JURISDICTION



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Sources: State of California Controller's Office; WRCOG

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SCENARIOS AND FORECASTS



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CALIFORNIA CITIES REVISING BUDGET ESTIMATES

Real Time Announcements of Budget Challenges and Forecasts

City of Los Angeles

- Revised 2019/20 budget forecast shows loss of \$234 million
- New 2020/21 budget forecasts reduces revenues between \$194 and \$598 million



City of Sacramento

- Expecting \$30 million loss for FY 2019/20 due to COVID-19
- Forecasting additional \$60 million loss for FY 2020/21

City of San Diego

- Expecting \$109 million loss for FY 2019/20 due to COVID-19
- Forecasting additional \$145 million loss for FY 2020/21

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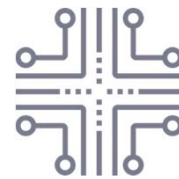
RECESSION AND RECOVERY

Downturns vary by depth and duration, and pace of recovery:

- Natural to look to prior Downturns/ Recessions for clues
- **BUT** they are all unique
- Great Recession – Unique in its origins and threat to the whole financial system
- Over 10 Other Recessions since Great Depression all different

COVID-19 is different:

- Sharpest and fastest downturn in a 100 years
- Not the result of economic causes
- Job losses immediate
- Path from here dependent on path of pandemic and medical options and responses



DEBATE ON THE FUTURE

- **AGREED**
Loss in jobs and economic production has been sharp and immediate and losses in municipal revenues have begun and will continue
- **AGREED**
There are ongoing painful losses in income to households and revenues to businesses that will further multiply through the economy
- **NOT AGREED**
The length of the downturn and the pace of recovery



FORECASTING SCENARIOS

BEST CASE SCENARIO – the “V” Scenario.

- Fast fall, quick recovery
- Assumes U.S. infections are plateauing and return to work can be safely managed
- Recognizes underlying strength of U.S. economy and scale of stimulus
- Envisions more limited structural damage due to fast return

ALTERNATIVE SCENARIO – the “U” or “W” Scenarios

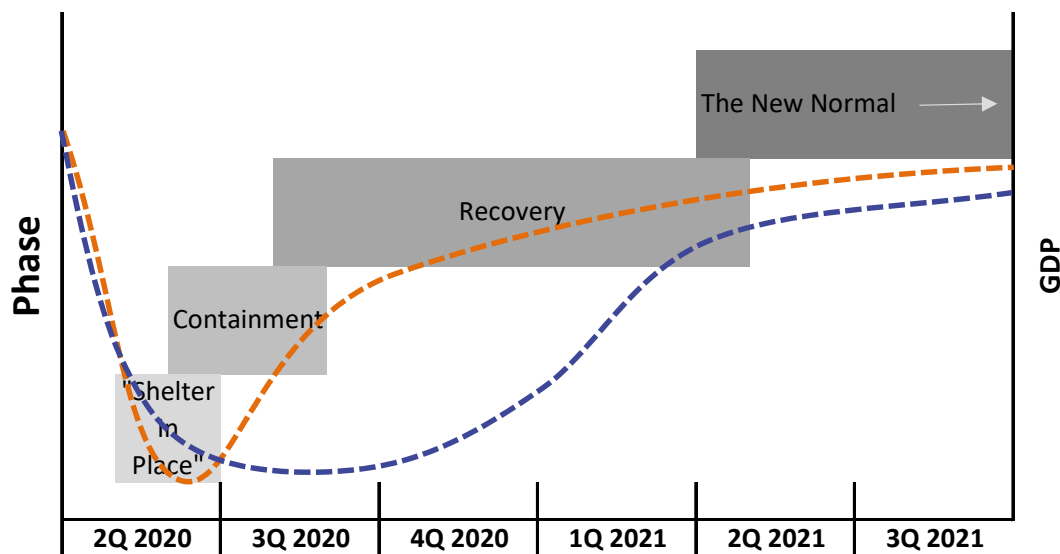
- Fast fall, gradual recovery
- Assumes difficulties combatting virus leads to slower return to “normal”
- Structural problems emerge as downturn becomes recession
- W Scenarios reflect stop-and-start return as attempts made to open economy
- Different perspective on length of the “U” – e.g. the “bathtub”

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CRISIS AND RECOVERY TIMELINE



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FISCAL IMPLICATIONS OF ECONOMIC SCENARIOS

Optimistic Scenario

- Economy bounces back in Q3 2020
- Economy recovered end of Q4 2020

Alternative Scenario

- No gains in Q3 2020
- Modest recovery thru end of Q2 2021

	2 nd Half, FY 2019 / 2020	1 st Half, FY 2020 / 2021	2 nd Half, FY 2020 / 2021
Retail Sales Tax			
Optimistic	-10%	-7.5%	0%
Alternative	-10%	-17.5%	-10%
TOT			
Optimistic	-25%	-30%	-7.5%
Alternative	-25%	-40%	-25.0%

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THINKING ABOUT THE FUTURE –IMPLICATIONS



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IMMEDIATE QUESTIONS

HOW LONG WILL THIS LAST? HOW DO WE MAKE IT THROUGH THIS?

- **Businesses** – When will my customers start spending again? Can I hold on in the meantime? Will my stimulus funding application provide support? When can we return to work? Will I need to re-design my workplace? How much production can be achieved?
- **Households** – When can I return to work? Will my job still be available? Will my income return to normal? Is it safe to return to work? When can my children return to school? When will my stimulus check arrive?
- **Cities** – How do we support our communities? How do we provide essential services? How do we address falling revenues? Will Federal stimulus dollars be directly available? How can we manage the current situation and avoid moving backwards and undoing all the recent progress and plans?

STRUCTURAL QUESTIONS – PART 1

WILL THERE BE LONGER TERM STRUCTURAL IMPACTS FROM THIS PANDEMIC? IS THERE A “NEW NORMAL”?

MOST EXPECTED

*Pandemic accelerates technology-driven **emerging patterns of work and consumption.***

- Remote work and telecommuting
- E-Commerce: (Amazon prime, “click and collect,” curbside pick-up)
- Remote social interaction and entertainment (On-Demand content, online learning, legal, medical, accounting services, real estate closings, online notaries)

STRUCTURAL QUESTIONS – PART 2

WILL THERE BE LONGER TERM STRUCTURAL IMPACTS FROM THIS PANDEMIC?
IS THERE A “NEW NORMAL”?

MORE UNCERTAIN

*Pandemic could cause **major shifts in lifestyles, cities, and economies:***

- **Consumer Preferences** – Preference for remote living; housing, workspaces, city design, modes of transportation
- **Globalization and Trade** – Changes in level of globalization, supply-chain connections, and attitudes to international travel and immigration
- **Role of Government** – Confidence in and changes in our expectations of the role of government in managing crises/ addressing impacts

POTENTIAL IMPLICATIONS FOR WESTERN RIVERSIDE COUNTY

WHAT CAN WE EXPECT FOR WESTERN RIVERSIDE COUNTY POST-PANDEMIC?

Continued and Accelerated Shifts in Economy

- Prepare for further reductions in amount of “brick-and-mortar” retail and jobs
- Expect continued demand for e-commerce-related activity: major logistics centers, “last mile” distribution centers, “gig economy” workers
- Assume continued trends of automation and increasing demand for high-skill, high-wage jobs and low-skill, low wage jobs.

POTENTIAL IMPLICATIONS FOR WESTERN RIVERSIDE COUNTY

WHAT POLICIES SHOULD WE PURSUE POST-PANDEMIC?

Stay the Course

Continued focus on:

- Expanding the job base and reducing jobs-housing imbalance
- Attracting businesses providing higher-paying jobs
- Building the Innovation Economy
- Enhancing adult education attainment
- Investing in infrastructure
- “Quality of life” issues for existing residents and to attract skilled labor force
- Working on Digital Divide

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POTENTIAL IMPLICATIONS FOR WESTERN RIVERSIDE COUNTY

SOME THOUGHTS ON THE IMMEDIATE AND BUILDING FISCAL CHALLENGES?

Respond to immediate impacts and realities with eye on the future

- Recognize expected immediate/ short term losses
- Strategic use of available of funds and staffing
- Apply for stimulus funds where possible
- Recognize limited control and limited influence of local government actions on broader economic conditions
- Keep an eye on re-emergence and longer-term goals

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QUESTIONS AND DISCUSSION



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FUTURE FORWARD SERIES

Presentation Title:

COVID-19: ECONOMIC & FISCAL VULNERABILITIES AND IMPACTS

Focus on the Inland Empire and Western Riverside County

Prepared for:

Western Riverside Council of Governments (WRCOG)

Prepared by:

Teifion Rice-Evans, Managing Principal + Kate Traynor, Senior Associate
triceevans@epsys.com; 510-612-0729

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PUBLIC PRIVATE PARTNERSHIPS (P3)
PARKS & OPEN SPACE ECONOMICS



Western Riverside Council of Governments Technical Advisory Committee

Staff Report

Subject: Santa Ana Municipal Separate Storm Sewer System (MS4) Permit Compliance Program Update

Contact: Darcy Kuenzi, Government Affairs Officer, Riverside County Flood Control and Water Conservation District, dkuenzi@rivco.org, (951) 955-1200

Date: May 21, 2020

The purpose of this item is to provide a presentation from the Watershed Protection Division of the Riverside County Flood Control and Water Conservation District regarding the status of National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Programs within the Santa Ana Region of Riverside County.

Requested Action:

1. Receive and file.

Background

The Santa Ana NPDES MS4 Permit requires City Managers from Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Norco, Perris, Riverside and San Jacinto, as well as the County Executive Officer to meet at least twice annually to discuss Santa Ana NPDES MS4 compliance programs. These meetings are integrated into the WRCOG Technical Advisory Committee meetings for the convenience of the City Managers and Executive Officer. This agenda item will convene the second meeting for Fiscal Year 2019/2020. Each City Manager, or their designated alternate, must attend at least one of two meetings.

The Cities and County of Riverside, as well as the Riverside County Flood Control and Water Conservation District and Coachella Valley Water District (Permittees), are jointly regulated by NPDES MS4 Permits issued by the Santa Ana, Colorado and San Diego Regional Water Quality Control Boards. These permits, issued pursuant to the federal Clean Water Act, are designed to protect local lakes, rivers and streams from pollution associated with urban runoff. The NPDES MS4 Permits specifically regulate discharges of storm water and non-storm water (e.g. irrigation runoff) from the storm drain system owned and operated by the Permittees. The NPDES MS4 Permits require Permittees to take action to regulate business and new developments, as well as residential areas and Permittee facilities (e.g. maintenance yards, parks, etc.) so as to minimize the potential for pollutants to be mobilized by runoff and conveyed through the storm drain system to local lakes, rivers and streams. Enhanced programs are required to address waterbodies that may be impaired by pollutants in urban runoff.

Discussion

The Presentation will address:

1. The status of Canyon Lake & the Middle Santa Ana River
2. The status of other NPDES MS4 Permit program elements

3. COVID 19 Impacts and Regulatory Relief
4. Public Education & Outreach
5. Details on Trash Management Regulations
6. Budget Update
7. Stormwater Legislative Updates.

Prior Action:

November 21, 2019: The Technical Advisory Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.