

**COUNTY OF MADERA
BUDGET UNIT EXPENDITURE DETAIL
BUDGET FOR THE FISCAL YEAR 2016-17**

Department: **SPECIAL DISTRICTS
SERVICES (01340)**
Function: **General**
Activity: **Property Management**
Fund: **General**

<u>ACCOUNT CLASSIFICATION</u>	ACTUAL EXPENDITURES 2014-15	BOARD APPROVED EXPENDITURES 2015-16	DEPARTMENT REQUEST 2016-17	CAO RECOMMENDED 2016-17
SALARIES & EMPLOYEE BENEFITS				
710102 Permanent Salaries	1,013,083	1,187,502	1,347,067	1,347,067
710103 Extra Help	37,397	26,732	47,414	47,414
710105 Overtime	75,084	65,000	100,000	100,000
710106 Stand-By Pay	33,449	36,000	36,000	36,000
710200 Retirement	295,143	366,964	447,594	447,594
710300 Health Insurance	178,662	222,635	281,026	281,026
710400 Workers' Compensation Insurance	119,927	165,512	70,982	70,982
TOTAL SALARIES & EMPLOYEE BENEFITS	1,752,744	2,070,345	2,330,083	2,330,083
SERVICES & SUPPLIES				
720200 Clothing & Personal Supplies	5,306	7,500	7,500	7,500
720300 Communications	12,413	12,000	14,000	14,000
720500 Household Expense	0	1,000	1,000	1,000
720600 Insurance	57,680	80,207	143,524	143,524
720800 Maintenance - Equipment	11,230	20,000	20,000	20,000
720900 Maintenance - Structures & Grounds	0	500	500	500
720910 Maintenance - Water/Sewer	0	5,000	5,000	5,000
721000 Medical, Dental & Lab Supplies	0	750	500	500
721100 Memberships	3,372	4,500	4,500	4,500
721300 Office Expense	4,653	6,000	5,000	5,000
721314 Computer Equipment	5,926	2,000	2,000	2,000
721400 Professional & Specialized Services	92,730	125,000	50,000	50,000
721500 Publications & Legal Notices	0	1,000	1,000	1,000
721600 Rents & Leases - Equipment	133,768	156,600	206,600	206,600
721800 Small Tools & Instruments	0	4,000	4,000	4,000
721900 Special Departmental Expense	20,375	12,500	12,500	12,500
722000 Transportation & Travel	1,994	4,000	5,000	5,000
TOTAL SERVICES & SUPPLIES	349,448	442,557	482,624	482,624

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OTHER CHARGES				
730700 Judgments & Damages	215,000	0	0	0
731401 Interfund Expense	0	0	97,000	97,000
TOTAL OTHER CHARGES	215,000	0	97,000	97,000
FIXED ASSETS				
740200 Buildings and Improvements	615,541	0	0	0
740300 Equipment	0	20,000	20,000	20,000
TOTAL FIXED ASSETS	615,541	20,000	20,000	20,000
INTRAFUND TRANSFER				
770000 Intrafund Expense	0	0	31,000	31,000
TOTAL - SPECIAL DISTRICTS SERVICES	2,932,733	2,532,902	2,960,707	2,960,707

SPECIAL DISTRICTS DIVISION

COMMENTS

This budget is administered under the jurisdiction of the Public Works Department: Municipal Services, Special Districts. It allocates funds for expenses pertaining to salaries and wages for field and administrative staff, equipment, administrative overhead, and indirect costs associated with operation of Maintenance Districts and County Service Areas. These Districts and Service Areas provide water and wastewater services; although, there are a few that include street light and drainage services.

REVENUE

The revenue for the Special Districts Budget is obtained through charges to the individual Maintenance Districts and County Service Areas Budgets. The costs incurred for the field personnel's time and equipment are billed directly to the Maintenance District or Service Area where the work was performed. The costs incurred for Special Districts Administration, Tools, Equipment, Fixed Assets, and the A87 plan are billed to the districts based on a pro-rata share of Improved Water and Sewer Units. Equipment maintenance and repair costs are recovered through a combination of prorated charges and rental fees charged to the Districts using the equipment.

Special Districts continues to evaluate District rates and propose increases where needed to provide adequate revenues to cover all costs in this budget. The addition of a Consumer Price Index adjustment has helped to ensure rates keep pace with inflation. Changes in billing/collection and late penalty enforcement, effective July 1, 2014, are helping to stabilize the revenues in all Districts' budgets.

<u>REVENUE</u>	<u>Actual</u> <u>2014-15</u>	<u>Estimated</u> <u>2015-16</u>	<u>Projected</u> <u>2016-17</u>
District Revenue (660803)	\$1,359,567	\$1,708,989	\$1,909,068
Administrative Service Fee (662780)	444,820	823,913	929,697
Indirect Related Revenue (662801)	239,048	230,000	230,000
Intrafund Revenue (670000)	0	0	120,342
Operating Transfers In	0	0	0
Miscellaneous	<u>4,131</u>	<u>0</u>	<u>1,600</u>
Total Revenue	\$2,047,566	\$2,762,902	\$3,190,707
<u>EXPENSES</u>			
Expenditures	\$2,102,192*	\$2,532,902	\$2,960,707
Indirect Costs (Budgeted)	<u>230,000</u>	<u>230,000</u>	<u>230,000</u>
Total Cost	\$2,332,192	\$2,762,902	\$3,190,707
Deficit	(\$284,626)**		

*2014-15 Expenditures are adjusted to reflect actual costs less the MD-95 well construction and settlement.

**The deficit is being tracked and repaid when funds become available.

SPECIAL DISTRICTS DIVISION

REVENUE (continued)

- Even though the Special Districts Division has made significant progress in having the Districts fully reimburse the County General Fund for their direct expenses, there are Districts that fall short in full reimbursement due to inadequate rates and/or rate payers that are delinquent in their rate payments; therefore, this stated revenue may not actually be fully realized. In March 2014, Special Districts and the Board of Directors passed a new collections program that includes penalties and service shutoffs on accounts that are delinquent; this program has begun and was fully implemented in the 2014-15 fiscal year. Implementation of this program and additional rate increases will help reduce funding shortfalls.
- In April 2008, a presentation was made to the Board of Supervisors showing that indirect costs fluctuated significantly over the prior ten (10) years. The report requested that the annual indirect cost be given a more stable amount each year for the fees charged to each District. At this time, it is recommended that the amount of \$230,000 continue to serve as an indirect cost to be recovered from Districts through charges for services.

STAFFING

<u>Permanent</u>	<u>2015-16 Authorized</u>		<u>2016-17 Recommended</u>	
	<u>Funded</u>	<u>Eliminated</u>	<u>Funded</u>	<u>Eliminated</u>
Account Clerk I/II	0	1	0	
Accounting Technician I/II	1		1	
Administrative Analyst I/II/Senior	1		1	
Licensed Utility Worker I/II, or Utility Worker	15		15	
Special Districts Electrician	1		1	
Special Districts Manager	1		1	
Special Districts Utility Manager	1		2*	
Supervising Licensed Utility Worker	<u>3</u>		<u>3</u>	
Total Permanent	23	<u>1</u>	24	<u>0</u>

- * The Department is requesting the addition of one Utility Manager in an effort to keep up with the increasing regulatory requirements of the US Environmental Protection Agency and the State Water Resources Control Board. Currently, this position serves as Chief Plant Operator for all water and wastewater systems. However, because of the number of districts and their geographical separation, it is difficult and inefficient to serve as Chief Plant to all districts. The addition of another Utility Manager position will allow these duties to be separated between mountain and valley districts allowing him or her to be available onsite to serve as Chief Plant Operator.

SPECIAL DISTRICTS DIVISION

SALARIES & EMPLOYEE BENEFITS

- 710102** **Permanent Salaries** (\$1,347,067) are recommended increased \$159,565 based on the cost of recommended staff.
- 710103** **Extra Help** (\$47,414) is recommended increased \$20,586 for a seasonal Extra Help Utility Worker that is needed for high water use months and to help with water conservation enforcement, as well as an Extra Help Office Assistant I/II needed to keep up with Administrative duties.
- 710105** **Overtime** (\$100,000) is recommended increased \$35,000 to cover increased water conservation efforts to comply with the current State mandate. This increase is also based on current expenditures and added demands of SRF, Proposition 84, USDA and EPA projects and impacts of the current drought conditions. Overtime is generated primarily due to alarm conditions, system failures, and other emergencies that require employees to work beyond their shift or to be called back outside of their regularly scheduled hours. Overtime is hard to specify since it depends on the hourly rate of the person called and the amount of time it takes to fix the problem. A rough estimate would be \$35 per hour x 2,857 hours per year.
- 710106** **Stand-by Pay** (\$36,000) is recommended unchanged to provide for two field staff (one in the mountain area and one in the valley area) to be on stand-by and ready to respond to alarms and emergencies after hours, nights, weekends, and holidays to ensure district coverage 24 hours per day, seven days per week at an average rate of 500 hours per month, per area at \$3.00 per hour.
- 710200** **Retirement** reflects the County's anticipated contribution to Social Security and the Public Employees' Retirement System.
- 710300** **Health Insurance** is based on the employer's share of health insurance premiums.
- 710400** **Workers' Compensation** reflects the Department's contribution to the County's Self-Insurance Internal Service Fund.

SERVICES & SUPPLIES

- 720200** **Clothing & Personal Supplies** (\$7,500) is recommended unchanged for uniform rental, rain gear, boot reimbursement as per MOU, and needed protective garments required by safety regulations. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.

SPECIAL DISTRICTS DIVISION

SERVICES & SUPPLIES (continued)

- 720300** **Communications** (\$14,000) is recommended increased \$2,000 based on projected expenditures for telephone, cell phone, internet, and answering service costs. Cell phones are used as the primary method of communication for field staff. The cell phones are used to access web-based SCADA for systems monitoring, and as a device to read water meters. The answering service is needed to receive alarm calls and reports of problems, and to dispatch District employees who are on stand-by. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 720500** **Household Expense** (\$1,000) is recommended unchanged based on current expenditures for miscellaneous cleaning and restroom supplies at the valley shop. This account is reimbursed by valley Districts based on pro-rata share of improved water and sewer units.
- 720600** **Insurance** reflects the Department's contribution to the County's Self-Insured Liability Program. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 720800** **Maintenance – Equipment** (\$20,000) is recommended unchanged based on current and projected expenses for maintaining heavy equipment (trucks, tractors, and implements), generators, pumps, welders, sewer cleaning equipment, etc. This account is reimbursed by a combination of direct rental charges and shared charges to all Districts based on pro-rata share of improved water and sewer units.
- 720900** **Maintenance – Grounds** (\$500) is recommended unchanged for minor maintenance costs for the valley shop facilities including herbicides, paint, and fence repair materials. This account is reimbursed by valley Districts based on pro-rata share of improved water and sewer units.
- 720910** **Maintenance – Water/Sewer Systems** (\$5,000) is recommended unchanged for universal costs and replacement parts related to the operation and maintenance of the Valley wastewater treatment plants and water systems. This account is reimbursed by valley Districts based on pro-rata share of improved water and sewer units.
- 721000** **Medical, Dental & Laboratory Supplies** (\$500) is recommended reduced \$250 for first aid and safety supplies for the field shops, county vehicles, and the District office. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 721100** **Memberships** (\$4,500) is recommended unchanged for memberships in the American Water Works Association, the California Rural Water Association, the California Special Districts Association, and the California Water Environment Association. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.

SPECIAL DISTRICTS DIVISION

SERVICES & SUPPLIES (continued)

- 721300** **Office Expense** (\$5,000) is recommended reduced \$1,000 for office supplies. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 721314** **Computer Equipment** (\$2,000) is recommended unchanged for replacement of two (2) desktop computers for field offices. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 721400** **Professional & Specialized Services** (\$50,000) is recommended reduced \$75,000 for the following services: public outreach, emergency and other services that cannot be completed by staff. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 721500** **Publications & Legal Notices** (\$1,000) is recommended unchanged for publishing official notices and required newspaper announcements. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 721600** **Rents & Leases - Equipment** (\$206,600) is recommended increased \$50,000 for the rental of 21 vehicles from Central Garage (\$156,000), and for the rental of equipment not owned by the County (\$50,000). Equipment needed on a regular basis that may need to be rented: Inductor Trailer, Backhoe, Skid Steer, Loader/Box Scraper Tractor, 25 ton boom truck, Power Broom Street Sweeper. This account is reimbursed by all Districts based on miles driven while servicing each District or where the equipment was used.
- 721800** **Small Tools & Instruments** (\$4,000) is recommended unchanged to purchase and replace tools and instruments carried on District vehicles and used in the District shops. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 721900** **Special Departmental Expense** (\$12,500) is recommended unchanged based on current and projected expenses for employees' State Sewer and Water Certifications, and Cascade System Software maintenance agreements for accounting software and utility billing software (\$8,000). This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 722000** **Transportation & Travel** (\$5,000) is recommended increased \$1,000 based on current and projected staff expenses for registration fees, travel, meals, and lodging for training ranging from personnel management and Special District's management to water and sewer operations and regulations. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.

SPECIAL DISTRICTS DIVISION

OTHER CHARGES

731401 **Interfund Expenses** (\$97,000) is recommended to reimburse the Road Fund for staff time spent on Special Districts tasks. This was previously budgeted under 721400 – Professional & Specialized Services.

FIXED ASSETS

740300 **Equipment** (\$20,000) is recommended unchanged for the purchase of two hydrofulsher motors (\$10,000 each). This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.

INTRAFUND TRANSFER

770000 **Intrafund Expenses** (\$31,000) is recommended to reimburse the Engineering budget for staff time spent on Special Districts tasks. This was previously budgeted under 721400 – Professional & Specialized Services.