

**COUNTY OF MADERA
BUDGET UNIT EXPENDITURE DETAIL
BUDGET FOR THE FISCAL YEAR 2017-18**

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

<u>ACCOUNT CLASSIFICATION</u>	ACTUAL EXPENDITURES 2015-16	BOARD APPROVED EXPENDITURES 2016-17	DEPARTMENT REQUEST 2017-18	CAO RECOMMENDED 2017-18
SALARIES & EMPLOYEE BENEFITS				
710102 Permanent Salaries	968,404	1,347,067	1,225,480	1,225,480
710103 Extra Help	53,328	47,414	20,154	20,154
710105 Overtime	77,802	100,000	100,000	100,000
710106 Stand-By Pay	33,353	36,000	36,000	36,000
710200 Retirement	306,126	447,594	402,605	402,605
710300 Health Insurance	202,174	281,026	185,684	185,684
710400 Workers' Compensation Insurance	165,512	70,982	70,982	70,982
TOTAL SALARIES & EMPLOYEE BENEFITS	1,806,700	2,330,083	2,040,905	2,040,905
SERVICES & SUPPLIES				
720200 Clothing & Personal Supplies	6,397	7,500	7,500	7,500
720300 Communications	11,401	14,000	0	0
720500 Household Expense	695	1,000	1,000	1,000
720600 Insurance	80,207	143,524	215,929	215,929
720800 Maintenance - Equipment	13,213	20,000	20,000	20,000
720900 Maintenance - Structures & Grounds	2,328	500	500	500
720910 Maintenance - Water/Sewer	0	5,000	10,000	10,000
721000 Medical, Dental & Lab Supplies	165	500	500	500
721100 Memberships	3,001	4,500	0	0
721300 Office Expense	3,501	5,000	0	0
721314 Computer Equipment	1,451	2,000	0	0
721400 Professional & Specialized Services	48,152	50,000	318,000	318,000
721500 Publications & Legal Notices	0	1,000	0	0
721600 Rents & Leases - Equipment	149,310	206,600	206,600	206,600
721800 Small Tools & Instruments	3,530	4,000	25,000	25,000
721900 Special Departmental Expense	6,995	12,500	12,500	12,500
722000 Transportation & Travel	3,969	5,000	0	0
TOTAL SERVICES & SUPPLIES	334,315	482,624	817,529	817,529

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OTHER CHARGES				
730700 Judgments & Damages	0	0	0	0
731401 Interfund Expense	0	97,000	0	0
TOTAL OTHER CHARGES	0	97,000	0	0
FIXED ASSETS				
740200 Buildings and Improvements	9,982	0	0	0
740300 Equipment	0	20,000	72,500	72,500
TOTAL FIXED ASSETS	9,982	20,000	72,500	72,500
INTRAFUND TRANSFER				
770000 Intrafund Expense	13,699	31,000	441,267	441,267
TOTAL - SPECIAL DISTRICTS SERVICES	2,150,996	2,960,707	3,372,201	3,372,201

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 A-87 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 embarked on on a County-wide Rate Study for all water/sewer Special Districts in Fiscal Year (FY) 16-17. The studies will continue through FY 17-18. Rate Studies are needed, on average, every 5 years in order to account for fluctuations in the economy, aging infrastructure, and environmental impacts. Once the studies are complete, if needed, Prop 218 elections will be held.

<u>REVENUE</u>	<u>Actual</u> <u>2015-16</u>	<u>Estimated</u> <u>2016-17</u>	<u>Projected</u> <u>2017-18</u>
District Revenue (660803)	\$1,737,474	\$1,909,068	\$2,147,005
Administrative Service Fee (662780)	414,511	1,191,677	1,225,196
Indirect Related Revenue (662801)	229,710	230,000	230,000
Intrafund Revenue (670000)	0	120,342	0
Operating Transfers In	0	0	0
Miscellaneous	<u>1,015</u>	<u>100</u>	<u>0</u>
Total Revenue	\$2,382,711	\$3,451,187	\$3,602,201
<u>EXPENSES</u>			
Expenditures	\$1,970,425	\$3,221,187	\$3,372,201
Indirect Costs	<u>229,710</u>	<u>230,000</u>	<u>230,000</u>
Total Cost	\$2,200,135	\$3,451,187	\$3,602,201
Deficit	(\$0)		

SPECIAL DISTRICTS DIVISION

REVENUE (continued)

Notes:

- 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 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>	2016-17 Authorized		2017-18 Recommended	
	<u>Funded</u>	<u>Unfunded</u>	<u>Funded</u>	<u>Unfunded</u>
Accounting Technician I/II	1		0*	
Administrative Analyst I/II/Senior	1		0*	
Licensed Utility Worker I/II, or Utility Worker	15		15	
Special Districts Electrician	1		1	
Public Works Special Districts Manager	1		0*	
Special Districts Utility Manager	2		2	
Supervising Licensed Utility Worker	<u>3</u>		<u>3</u>	
Total Permanent	24		21	

Note: *Positions transferred to the new Public Works Org 01300. The positions will continue to support this budget and their actual staff time will be charged to the Intrafund Expense Account 770000.

SPECIAL DISTRICTS DIVISION

SALARIES & EMPLOYEE BENEFITS

- 710102** **Permanent Salaries** (\$1,225,480) are recommended reduced \$121,587 based on the cost of recommended staff.
- 710103** **Extra Help** (\$20,154) is recommended reduced \$27,260 for a seasonal Extra Help Utility Worker that is needed for high water use months and to help with water conservation enforcement.
- 710105** **Overtime** (\$100,000) is recommended unchanged due to water conservation efforts in order 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** (\$0) is recommended at zero as communications expenditures are now incurred in the Public Works Admin Org and are charged back as Intrafund Expenses in Account 770000 below.
- 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** (\$10,000) is recommended increased \$5,000 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 unchanged 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** (\$0) is recommended at zero as membership expenditures are now incurred in the newly Public Works Admin Org and are charged back as Intrafund Expenses in Account 770000 below
- 721300** **Office Expense** (\$0) is recommended at zero as office expenses are now incurred in the Public Works Admin Org and are charged back as Intrafund Expenses in Account 770000 below
- 721314** **Computer Equipment** (\$0) is recommended at zero as computer equipment are now incurred in the Public Works Admin Org and are charged back as Intrafund Expenses in Account 770000 below.

SPECIAL DISTRICTS DIVISION

SERVICES & SUPPLIES (continued)

- 721400** **Professional & Specialized Services** (\$318,000) is recommended increased \$268,000 for the following services:
Bartle Wells and Associates: \$253,000 for County-wide rate studies
Backflow and Cross Connection Survey services: \$15,000
Public outreach, emergency and any other professional services: \$50,000
This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.
- 721500** **Publications & Legal Notices** (\$0) is recommended at zero as publications and legal notices are now incurred in the Public Works Admin Org and are charged back as Intrafund Expenses in Account 770000 below
- 721600** **Rents & Leases - Equipment** (\$206,600) is recommended unchanged 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** (\$25,000) is recommended increased \$21,000 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** (\$0) is recommended at zero as transportation and travel expenditures are now incurred in the Public Works Admin Org and are charged back as Intrafund Expenses in Account 770000 below

OTHER CHARGES

- 731401** **Interfund Expenses** (\$0) is not recommended as Roads staff that support Special District functions have been transferred to the newly created Public Works Admin budget and are now charged to special districts as intrafund expenses in Account 770000.

SPECIAL DISTRICTS DIVISION

FIXED ASSETS

740300 **Equipment** (\$72,500) is recommended increased \$52,500 for the purchase of one hydroflusher (\$60,000) and one dump trailer (\$12,500). This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.

INTRAFUND TRANSFER

770000 **Intrafund Expense Staffing** (\$398,767) reflects reimbursement to the Public Works Org 01300 for staff time spent on Special Districts functions

770000 **Intrafund Expense** (\$42,500) is recommended to reimburse the Public Works Org 01300 for administrative expenses.