

**COUNTY OF MADERA
BUDGET UNIT EXPENDITURE DETAIL
BUDGET FOR THE FISCAL YEAR 2015-16**

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

<u>ACCOUNT CLASSIFICATION</u>	<u>ACTUAL EXPENDITURES 2013-14</u>	<u>BOARD APPROVED EXPENDITURES 2014-15</u>	<u>DEPARTMENT REQUEST 2015-16</u>	<u>CAO RECOMMENDED 2015-16</u>
SALARIES & EMPLOYEE BENEFITS				
710102 Permanent Salaries	1,068,177	1,196,874	1,187,502	1,187,502
710103 Extra Help	43,972	22,614	26,732	26,732
710105 Overtime	37,578	60,000	65,000	65,000
710106 Stand-By Pay	33,090	40,000	36,000	36,000
710200 Retirement	306,833	354,655	366,964	366,964
710300 Health Insurance	186,679	234,276	222,635	222,635
710400 Workers' Compensation Insurance	149,526	119,927	165,512	165,512
TOTAL SALARIES & EMPLOYEE BENEFITS	1,825,855	2,028,346	2,070,345	2,070,345
SERVICES & SUPPLIES				
720200 Clothing & Personal Supplies	4,887	7,550	7,500	7,500
720300 Communications	10,740	10,000	12,000	12,000
720500 Household Expense	7,048	1,000	1,000	1,000
720600 Insurance	34,013	57,680	80,207	80,207
720800 Maintenance - Equipment	2,781	30,000	20,000	20,000
720900 Maintenance - Structures & Grounds	0	500	500	500
720910 Maintenance - Water/Sewer	0	0	5,000	5,000
721000 Medical, Dental & Lab Supplies	0	1,500	750	750
721100 Memberships	3,956	5,000	4,500	4,500
721300 Office Expense	5,062	8,000	6,000	6,000
721314 Computer Equipment	4,812	8,000	2,000	2,000
721400 Professional & Specialized Services	120,294	120,000	125,000	125,000
721500 Publications & Legal Notices	159	1,000	1,000	1,000
721600 Rents & Leases - Equipment	149,402	160,000	156,600	156,600
721800 Small Tools & Instruments	1,961	7,500	4,000	4,000
721900 Special Departmental Expense	875	4,500	12,500	12,500
722000 Transportation & Travel	212	5,000	4,000	4,000
TOTAL SERVICES & SUPPLIES	346,202	427,230	442,557	442,557

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FIXED ASSETS				
740200 Buildings and Improvements	17,392	0	0	0
740300 Equipment	12,516	25,000	20,000	20,000
TOTAL FIXED ASSETS	29,908	25,000	20,000	20,000
TOTAL - SPECIAL DISTRICTS SERVICES	2,201,965	2,480,576	2,532,902	2,532,902

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>2013-14</u>	<u>Estimated</u> <u>2014-15</u>	<u>Projected</u> <u>2015-16</u>
District Revenue (660803)	\$1,565,117	\$1,716,840	\$1,708,989
Administrative Service Fee (662780)	474,256	763,736	823,913
Indirect Related Revenue (662801)	184,949	230,000	230,000
Operating Transfers In	175,000	0	0
Miscellaneous	<u>17,349</u>	<u>2,076</u>	<u>0</u>
Total Revenue	\$2,416,671	\$2,712,652	\$2,762,902
<u>EXPENSES</u>			
Expenditures	\$2,201,965	\$2,482,652	\$2,532,902
Indirect Costs (Budgeted)	<u>230,000</u>	<u>230,000</u>	<u>230,000</u>
Total Cost	\$2,431,965	\$2,712,652	\$2,762,902
Deficit	(\$15,294)**		

**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>2014-15 Authorized</u>	<u>2015-16 Recommended Funded</u>	<u>Eliminated</u>
Account Clerk I/II	1	0	1*
Accounting Technician I/II	0	1*	
Administrative Analyst I/II	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	1	
Supervising Licensed Utility Worker	<u>3</u>	<u>3</u>	
Total Permanent	23	23	1

*It is recommended to replace the Account Clerk I/II with an Accounting Technician I/II due to the increased responsibility and independent judgment needed to perform tasks related to the utility billing and collection, as well as implementing newly adopted utility client policies.

SPECIAL DISTRICTS DIVISION

SALARIES & EMPLOYEE BENEFITS

- 710102** **Permanent Salaries** (\$1,187,502) are recommended reduced \$9,372 based on the cost of recommended staff.
- 710103** **Extra Help** (\$26,732) is recommended increased \$4,118 to continue to fund an Extra Help Account Clerk I/II in order to adequately perform new customer and Accounts Payable duties.
- 710105** **Overtime** (\$65,000) is recommended increased \$5,000 based on current expenditures and added demands of SRF, Proposition 84, USDA and EPA projects and 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 \$30 per hour x 2,167 hours per year.
- 710106** **Stand-by Pay** (\$36,000) is recommended reduced \$4,000 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 reduced \$50 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.
- 720300** **Communications** (\$12,000) 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 monitor web-based SCADA 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.

SPECIAL DISTRICTS DIVISION

SERVICES & SUPPLIES (continued)

- 720500** **Household Expense** (\$1,000) is recommended unchanged based on current expenditures for 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 reduced \$10,000 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 rental charges and 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 for universal costs related to the operation and maintenance of the Valley sewer 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** (\$750) is recommended reduced \$750 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 reduced \$500 for memberships in the Regional Water Management Group, 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.
- 721300** **Office Expense** (\$6,000) is recommended reduced \$2,000 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 reduced \$6,000 for replacement of two (2) desktop computers for District office staff. This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.

SPECIAL DISTRICTS DIVISION

SERVICES & SUPPLIES (continued)

- 721400** **Professional & Specialized Services** (\$125,000) is recommended increased \$5,000 for the following services: Engineering/Roads (\$60,000), public outreach (\$5,000) and emergency and other services (\$60,000). Since the merging of the Engineering and Road departments, costs related to time spent on Engineering/Special District projects by employees paid out of the Road Fund must be reimbursed to the Road Fund. Services could be provided by the County or private providers. 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** (\$156,600) is recommended reduced \$3,400 for the rental of 21 vehicles from Central Garage. This account is reimbursed by all Districts based on miles driven while servicing each District.
- 721800** **Small Tools & Instruments** (\$4,000) is recommended reduced \$3,500 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 increased \$8,000 based on current and projected expenses for employees' State Sewer and Water Certifications, 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** (\$4,000) is recommended reduced \$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.

FIXED ASSETS

- 740300** **Equipment** (\$20,000) is recommended reduced \$5,000 for the purchase of two trailer-mounted trash pumps (\$10,000) to be utilized in the mountain area (1) and in the valley (1). This account is reimbursed by all Districts based on pro-rata share of improved water and sewer units.