

SHASTA MOSQUITO AND VECTOR CONTROL DISTRICT

SMVCD Budget
Workshop

2013-2014

19200 LATONA RD ANDERSON, CA 96007

Introduction

SMVCD Demographics

Date of Formation: 1919

Service Area: 1,603 square miles

Population est. 2012: 156,000

SMVCD Services

The Shasta Mosquito and Vector Control District (SMVCD) employs an integrated vector management (IVM) approach in its control of disease transmitting and human biting mosquitoes. The majority of control activities target immature mosquitoes that develop in over 6,000 unique breeding habitats and over 2,000 catch basins and other man-made habitats within the District's service area. Control of adult mosquitoes is also conducted to reduce the risk of disease and annoyance.

SMVCD monitors the distribution of *Ixodes pacificus* (Western black legged tick) ticks that are capable of transmitting Lyme disease, human granulocytic anaplasmosis and babesiosis. SMVCD works closely with cooperating agencies to provide information to citizens to reduce the risk of tick transmitted diseases.

SMVCD performs some limited monitoring of rodent-borne diseases including; hanta virus, tick-borne relapsing fever and bubonic plague. In addition, SMVCD works closely with CDPH in providing information to citizens to reduce the risk of tick transmitted diseases.

SMVCD provides information, using a diverse network of outlets and venues, designed to inform citizens about its activities and to assist citizens in managing the impact of biting insects and ticks on their health and well-being.

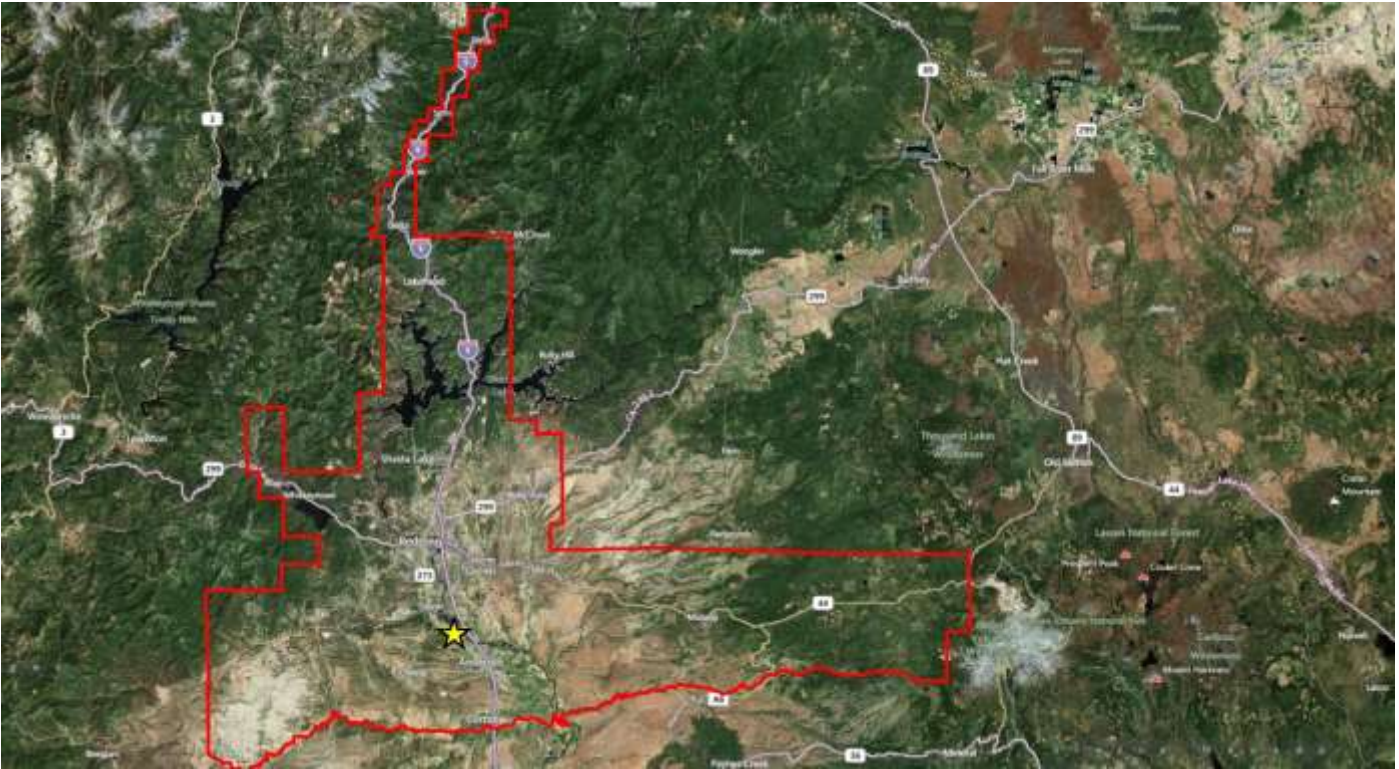
Background

SMVCD is an independent, non-enterprise, special district. The District operates under the provisions of Sections 200-2093 of the Health and Safety Code of California. The District is governed by a five member Board of Trustees. The Board determines the general policies, employs the District Manager, and approves the annual budget and controls expenditures. One board member is appointed by the city council of each of the incorporated cities within the District: Anderson, Redding and Shasta Lake. Additionally, two Board members are appointed by the Shasta County Board of Supervisors. The Trustees typically serve a 2-4 year term, and receive an in-lieu of travel expense of \$100.00 per month for attending meetings of the Board. The Board meets on the third Tuesday of every month at the District office in Anderson at 1:30pm

The District is financed by a combination of ad valorem property taxes and by Mosquito and Vector Control Special Benefit Assessment charges. The benefit assessment amounts, which vary for different parcels, are determined by land use and size and are collected by Shasta County.

Currently, SMVCD employs a fulltime staff of fifteen. The District's field technicians are certified by the California Department of Public Health for the use of public health pesticides and some staff maintain their Qualified Applicators License through the Department of Pesticide Regulation.

District Boundaries:



Mission Statement

“To protect the public’s health from vector-borne disease and nuisance, through a comprehensive mosquito and vector control program focused on innovation, experience and efficiency.”

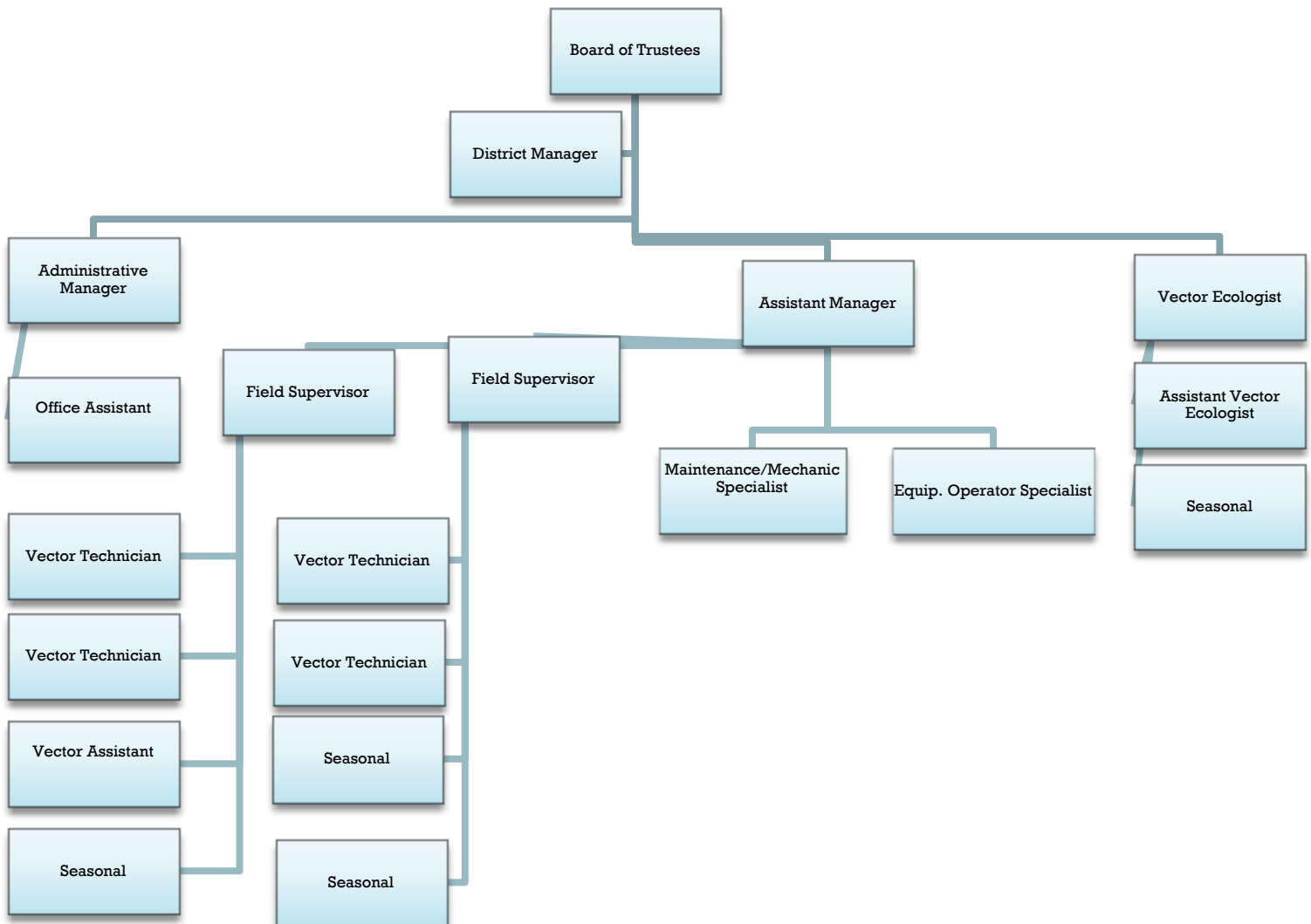
Vision Statement

“To ensure continued delivery of integrated vector management services that meet or exceed the public’s expectations.”

Core Values

Ensuring public accountability, being a reliable community partner, being environmentally conscientious, having experienced and trained personnel, being financially accountable, demonstrating honesty and integrity, having pride in our work, being innovative, delivering professional quality services, being responsive to the public, having respect for the public, the employees, the Board of Trustees and the community, being a productive public service, being trustworthy and conducting business in a transparent manner.

SMVCD Current Organizational Structure



Budget Guidelines

SMVCD’s primary source(s) of revenue come from property tax and two benefit assessments from two different geographic regions; called benefit assessment area 1 and area 2. The budget process is intended to weigh all competing requests for District resources, within expected fiscal constraints. Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and an expenditure analysis that requires every department and program expenditure to be justified annually and in terms of effectiveness and efficiency. Balanced revenue and expenditure forecasts will be prepared to examine the District’s ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be updated annually, focus on a three year horizon, but include a five year outlook.

Post - Proposition 13 Ad Valorem Taxes

Before Proposition 13, property taxes were based on a percentage of assessed value of the commercial and residential property. This percentage level was set by the local governments and averaged about 3% of the assessed value of the home. In the mid-1970's, California's housing prices increased dramatically from 5% per year to a 5% increase per month, this led to pressure to enact tax relief for homeowners. A proposal was created known as Proposition 13 that capped the tax amount at 1% of the acquired property assessment. This meant that taxes would only increase dramatically when the property was sold and reassessed. The District collects 0.007113 of this 1% property tax collected from Shasta County. The ad valorem tax for 2013/14 is estimated to be \$866,970. This represents a tax on each parcel of between \$1.51 and \$23.29 in the areas where the District provided service pre-proposition 13. This area encompasses the central area of Shasta County including the cities of Redding and Anderson.

SMVCD's Special Benefit Assessments

The District has three Benefit Assessments:

- (1) The District first levied a Benefit Assessment in 1997; this benefit assessment has a maximum rate of \$7.02 per single family home. The District currently levies this assessment at \$0.00. This keeps the assessment authorized so that it may be levied in future fiscal years as needed.
- (2) The District levied a second Benefit Assessment in 2005 (BA 1) as voted by a mailed ballot majority for the historic pre-proposition 13 sphere of influence. This assessment encompasses the central area of Shasta County including the cities and towns of Redding, Anderson, Enterprise, Shasta Lake, Palo Cedro, Millville, Centerville, Olinda, Cottonwood as well as unincorporated areas within central Shasta County. This is proposed to be levied at \$15.50 for 2013/14.
- (3) The District levied a third Benefit Assessment in 2007 (BA 2) as voted by a mailed ballot majority in the District's newly annexed areas which include Igo, Ono, French Gulch, Lakehead, Sweet Briar, Castella, Shingletown and Viola. This is proposed to be levied at \$22.56 for 2013/14.

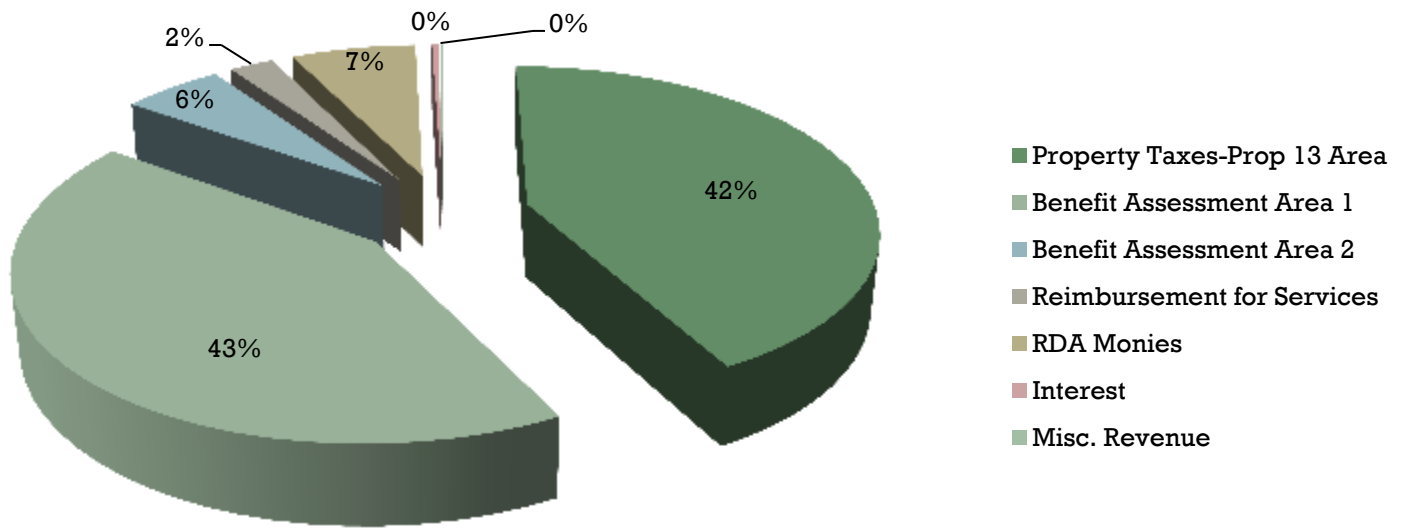
Special Benefit Assessment for 2013-2014

In 2013/14 our Board has decided to use reserves to minimize the assessment fluctuation on District citizens while maintaining service levels. In 2013/14 SMVCD's average assessment for Area 1 will be **\$15.50**, which is the same amount as last year and **\$22.56** in Area 2, representing an increase of 2.26%

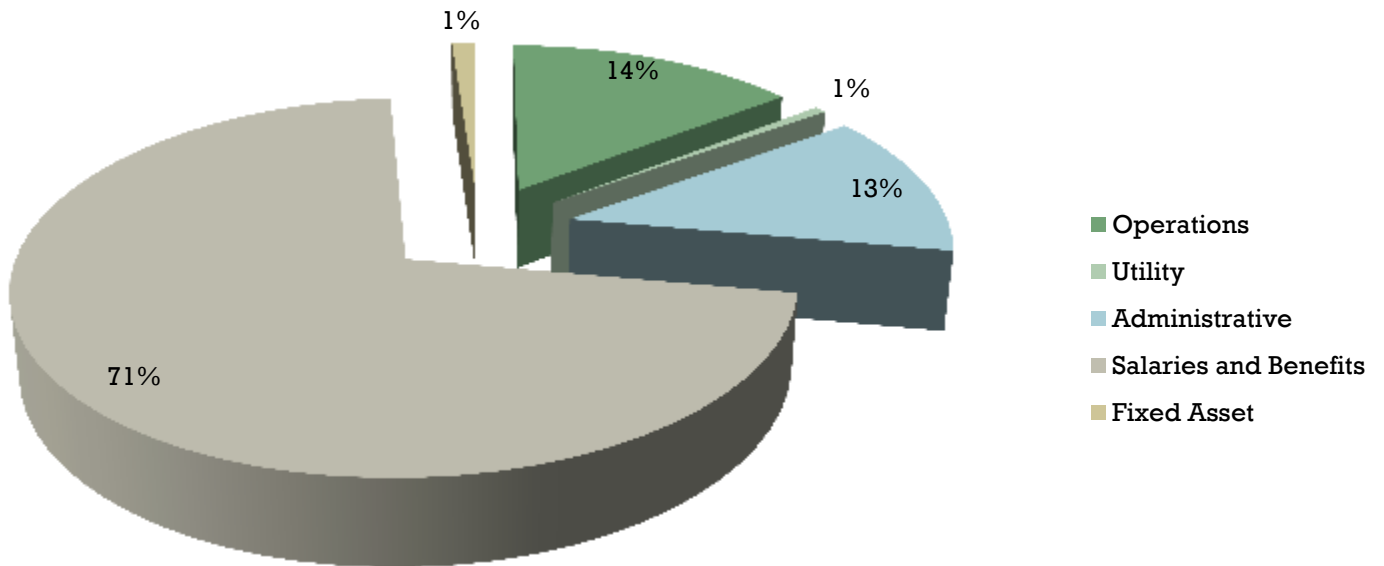
Where SMVCD Dollars Come From and Where They Go

The pie charts below illustrate where SMVCD revenues come from and where dollars are scheduled to be spent by major function for 2013/14.

Where SMVCD Dollars Come From



Where SMVCD Dollars Go



Detailed 2013-2014 Budget Proposal

	Actual 2011/12	Budget 2012/13	Budget 2013/14	Benefit Assessment #1	Benefit Assessment #2
REVENUE					
Current Secured Tax	\$920,942	\$972,000	\$866,970	\$835,107.81	\$31,862.19
Current Secure Tax Teeter	\$21,730	\$21,000	\$21,000	\$19,677	\$1,323
Supplemental Current Tax	\$1,887	\$2,000	\$2,000	\$1,874	\$126
Current Supplemental Taxes Teeter	\$516	\$500	\$500	\$468.50	\$31.50
Current Unsecured Tax	\$58,414	\$55,000	\$55,000	\$51,535	\$3,465
Interest	\$9,837	\$15,000	\$9,000	\$8,433	\$567
Homeowner's Exemptions	\$19,577	\$19,000	\$19,000	\$17,803	\$1,197
Old Benefit Assessment-Area 1	-	-	-	-	-
2005 Benefit Assessment-Area 1	\$968,049	\$973,793	\$971,952	\$971,952	-
2007 Benefit Assessment -Area 2	\$118,481	\$119,898	\$124,564		\$124,564
Reim. Misc Services	\$55,264	\$60,000	\$55,000	\$52,250	\$2,750
Misc. Revenue	\$546	\$3,400	\$3,399	\$3,229	\$170
RDA Residual Property Tax	-	-	\$55,000	\$51,535	\$3,465
RDA 1290 Pass Thru Property Tax	-	-	\$100,000	\$93,700	\$6,300
Sale of Fixed Assets	-	-	-	-	-
TOTAL REVENUES	\$2,174,532	\$2,235,287	\$2,283,385	\$	\$
EXPENSES					
Payroll Expense					
Regular Salaries	\$847,297	\$876,000	\$1,013,535	\$935,492.81	\$78,042.20
Extra Help Wages	\$29,280	\$30,000	\$68,000	\$62,764	\$5,236
Overtime	\$208	\$10,000	\$10,000	\$9,230	\$770
Social Security	\$77,937	\$77,000	\$93,011	\$85,849.15	\$7,161.85
PERS Retirement	\$144,867	\$140,910	\$172,301	\$159,033.82	\$13,267.18
Retirement Pick-up	\$61,202	\$66,810	\$5,624	\$5,190.95	\$433.05
PERS Health Insurance	\$122,251	\$138,000	\$97,983	\$90,438.31	\$7,544.69
Flexible Benefits	\$191,667	\$200,000	\$234,076	\$216,052.15	\$18,023.85
Employer Share OPEB	\$76,734	\$76,000	\$86,653	\$79,980.72	\$6,672.28
State Unemployment Insurance	\$8,301	\$8,000	\$8,246	\$7,611.06	\$634.94
Workers Comp.	\$39,527	\$40,000	\$47,665	\$43,994.80	\$3,670.21
Total Payroll Expense	\$1,599,271	\$1,668,759	\$1,837,094	\$1,695,637.76	\$141,456.24
Administrative Expense					
Household Expenses	\$7,203	\$7,500	\$3,900	\$3,599.70	\$300.30
Food	\$810	\$1,400	\$1,000	\$923	\$77
Household Supplies	\$2,165	\$2,000	\$2,000	\$1,846	\$154
Insurance	\$39,867	\$45,000	\$41,000	\$37,843	\$3,157
LAFCO	\$6,063	\$6,652	\$10,000	\$9,230	\$770
Memberships	\$13,937	\$14,750	\$14,750	\$13,614.25	\$1,135.75
Office Expenses	\$640	\$1,015	\$1,015	\$936.85	\$78.16

Misc. Expenses	\$23	\$300	\$150	\$138.45	\$11.55
Professional & Specialized Expenses	\$115,123	\$121,000	\$94,500	\$87,223.50	\$7,276.50
Postage	\$1,272	\$1,300	\$1,300	\$1,199.90	\$100.10
Office Supplies	\$5,395	\$7,500	\$3,900	\$3,599.70	\$300.30
Office Publications	\$2,841	\$5,000	\$6,500	\$5,999.50	\$500.50
Promotional Items	\$999	\$3,000	\$3,800	\$3,507.40	\$292.60
Office Furniture	-	\$9,358	\$2,000	\$1,846	\$154
Accounting	-	\$3,000	\$1,500	\$1,384.50	\$115.50
Advertising & Marketing	\$1,180	\$5,800	\$4,500	\$4,153.50	\$346.50
Auditing	\$10,300	\$11,000	\$12,000	\$11,076	\$924
Drug Testing	\$667	\$700	\$1000	\$923	\$77
Environmental Services	\$25,548	\$7,700	\$4,500	\$4,153.50	\$346.50
Legal Services	\$6,147	\$15,000	\$10,000	\$9,230	\$770
Special Department Expenses	\$12,614	\$23,432	\$15,800	\$14,583.40	\$1,216.60
Travel Expenses	\$11,434	\$17,600	\$15,800	\$14,029.60	\$1,170.40
Travel Mileage	\$201	\$2,750	\$1,045	\$964.54	\$80.47
Training	\$654	\$3,200	\$4,000	\$3,692	\$308
Conferences	\$2,920	\$7,000	\$3,700	\$3,415.10	\$284.90
Meals	\$1,526	\$5,210	\$6,120	\$5,648.76	\$471.24
Lodging	\$6,824	\$9,786	\$7,371	\$6,803.43	\$567.57
Programming Services	\$1,496	\$10,000	\$15,500	\$14,306.50	\$1,193.50
Chgs. Aud. Prop. Tax Svs.	\$35,532	\$37,665	\$36,000	\$33,228	\$2,772
Publications & Legal Notices	\$280	\$500	\$500	\$461.50	\$38.50
Software	\$1,149	\$500	\$1,500	\$1,384.50	\$115.50
Computers	\$1,306	\$4,000	\$4,000	\$3,692	\$308
Taxes & Assessments	\$16	\$40	\$40	\$36.92	\$3.08
Professional Banking Services	\$36	\$60	\$60	\$55.38	\$4.62
Total Administrative Expense	\$316,168	\$390,718	\$330,151	\$304,729.37	\$25,421.63
Utility Expense					
Utilities	\$15,355	\$15,500	\$15,500	\$14,306.50	\$1,193.50
Operating Expense					
Agricultural/Pesticides	\$190,007	\$205,000	\$215,000	\$198,445	\$16,555
Clothing/Personal Supply	\$664	\$800	\$800	\$738.40	\$61.60
Personal Safety Clothing	\$4,793	\$8,150	\$8,150	\$7,522.45	\$627.55
Communications	\$3,359	\$7,230	\$6,100	\$5,630.30	\$469.70
Cell Phones	\$14,171	\$10,400	\$10,600	\$9,783.80	\$816.20
Maintenance-Equipment	\$1,980	\$6,550	\$7,350	\$6,784.05	\$565.95
Vehicle Maintenance	\$6,843	\$6,800	\$12,290	\$11,343.67	\$946.33
Building Equipment	-	\$500	\$500	\$461.50	\$38.50
Software Maintenance	\$4,287	\$5,200	\$1,000	\$923	\$77
Computer Maintenance	\$1,648	\$1,500	\$1,500	\$1,384.50	\$115.50
Equipment Maint. Parts and Supplies	\$9,126	\$12,000	\$11,500	\$10,614.50	\$885.50
Out of Agency Vehicle Maint.	\$7,753	\$12,660	\$14,360	\$13,254.28	\$1,105.72
Maintenance-Structures	\$11,576	\$11,590	\$9,000	\$8,390.07	\$699.93
Medical/Laboratory Supplies	\$7,567	\$9,500	\$12,500	\$11,537.50	\$962.50
Janitorial Services	\$3,326	\$3,300	\$3,300	\$3,045.90	\$254.10

Minor Equipment	\$5,747	\$19,460	\$9,250	\$8,537.75	\$712.25
Gasoline	\$37,791	\$36,000	\$40,000	\$36,920	\$3,080
Rents & Leases-Equipment	\$2,930	\$3,500	\$9,000	\$8,307	\$693
Rents & Leases-Structures	-	\$200	\$200	\$184.60	\$15.40
Safety Equipment	-	\$2,210	\$2,150	\$1,984.45	\$165.55
TOTAL OPERATING EXPENSE	\$313,548	\$363,050	\$374,640	\$345,792.72	\$28,847.28
TOTAL EXPENSES	\$2,244,342	\$2,438,027	\$2,557,385	\$2,360,466.36	\$196,918.65

Expenses are spread between Benefit Assessment area 1 and area 2 to show the cost of providing service in each area separately. Staff calculated the percentage by taking into account the hours worked, the overhead of administration and the size of the new area.

Proposed Fixed Asset Purchases:

(4) ULV Machines: \$30,000

Proposed Revenue Transfers:

From: VCJPA Contingency: \$174,000

From: Fixed Asset Reserve: \$30,000

From: Cash in Treasury: \$100,000

TOTAL TRANSFER: \$304,000

FISCAL YEAR 2013-2014 BUDGET

TOTAL BUDGET EXPENDITURES

\$2,587,385

TOTAL BUDGET REVENUES

\$2,587,385

Capital Improvement/Asset Plan (DRAFT)

2012/13

Mid-size Truck, District Fish Ponds, Retrofit Barn/Indoor Bio-Control

2013/14

(4) ULV Machines

2014/15

Asphalt repair

2015/16

Bio Control Facility

2016/17

Roof Repair

2017/18

Lab Expansion

2018/19

Parking Structure

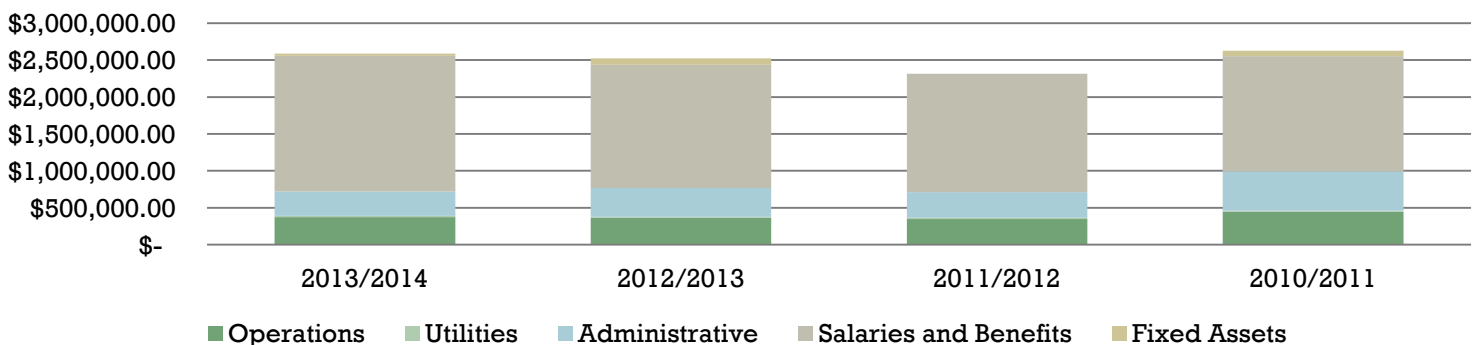
General Fund Revenue and Fund Balance

The General Fund is the operating fund of the District and is used to account for all financial activities. The District functions on a July 1- June 30th fiscal year.

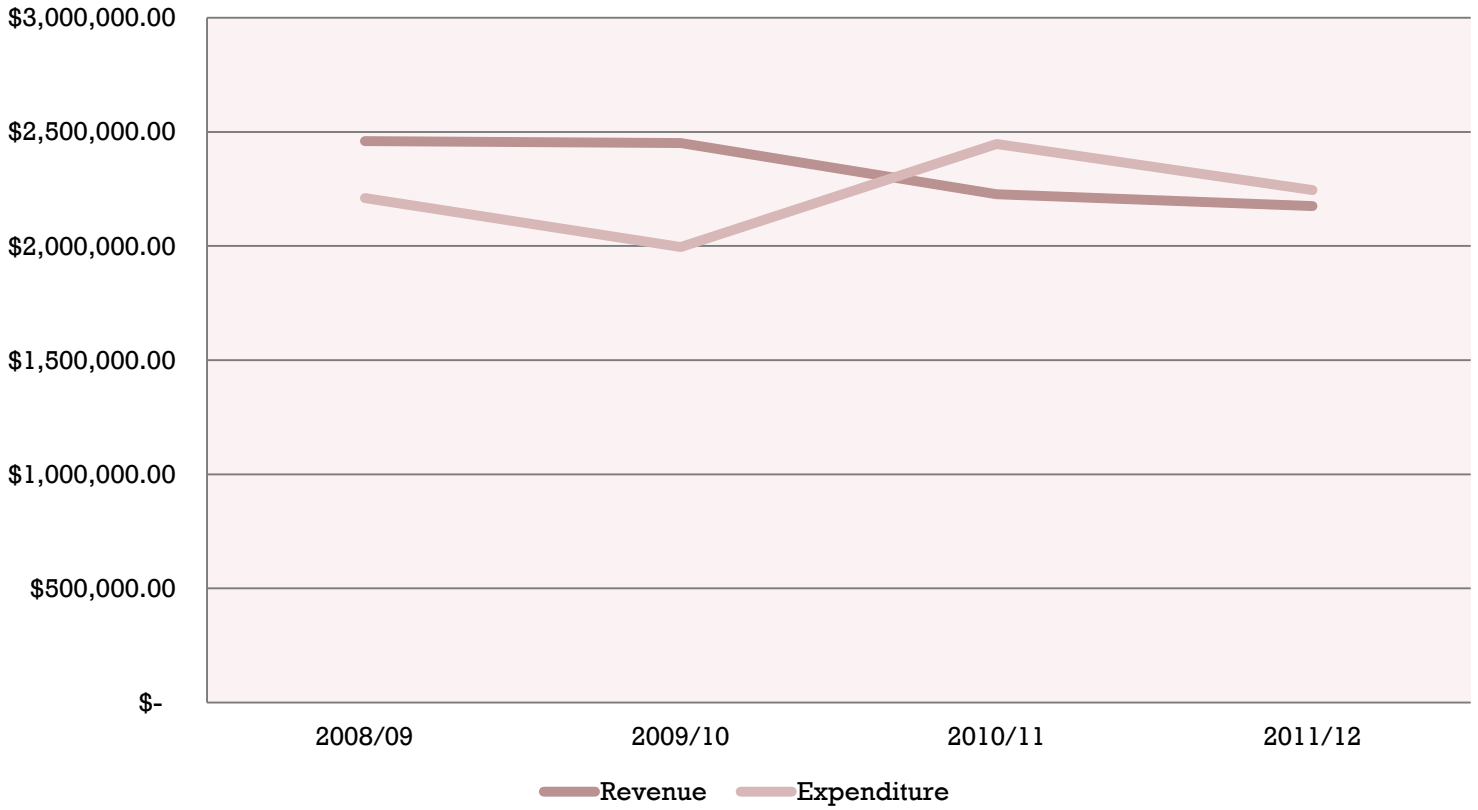
Components of the Fund Balance:

Non-spendable		Inventory	\$141,298
Restricted		None	-
Unrestricted			
	Committed		
		Public Health Emergency	\$300,000
		Facility Improvements	\$200,000
		Bio-Control Development	\$50,000
		Existing Facility Renovation	\$87,000
		Fixed Asset Replacement	\$100,000
		IT Equipment Replacement	\$100,000
		Revenue Stabilization	\$93,476
	Assigned		
		Operations (General Fund)	\$2,283,385
	Unassigned		
		Estimate of Dry Financing (Cash in Treasury)	\$1,500,000
	Total Fund Balance		

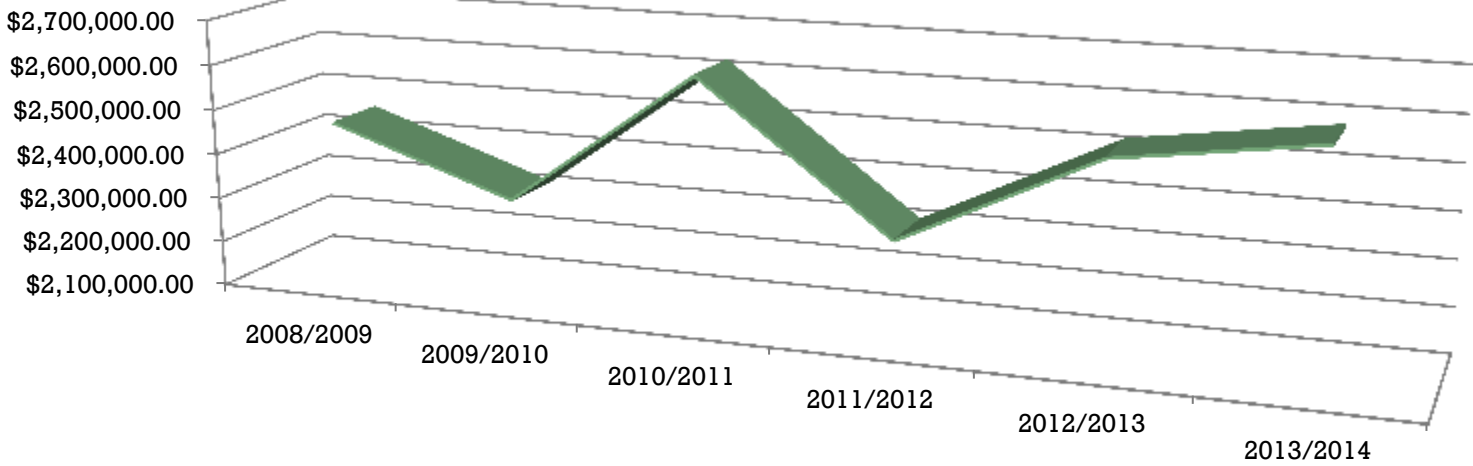
Expenditure Breakdown 2010-2014



Actual Revenue vs Actual Expenditures



6 Year Budget Look



Noteworthy Items of the 2013-2014 Fiscal Year Budget

- Overall we are anticipating a **9%** increase in Salaries and Benefits. This increase is largely due to increased seasonal staffing costs to facilitate lower CTO hours and the changes associated with the negotiated contract with the Shasta Mosquito Employees Association Union.
- We are looking at maintaining our Benefit Assessment Area 1 at \$15.50. To continue services at their current level, it will be necessary to use temporary funding from the VCJPA Member Contingency Fund- **\$174,000** and Cash in Treasury-**\$100,000**.
- We are expecting a slight increase in revenue in comparison to last fiscal year, **2%**. This increase is attributed to the new RDA fund increase and the slight increase in benefit assessment area 2.
- We've reduced Administrative costs by **18%** for the 2013-2014 fiscal year.
- We've had a slight increase in our Operations costs, **3%**.

District Goals for 2013-2014

1. Manage budget and expenditures with a goal of maintaining service levels while minimizing impact on District residents.
2. Continue working to incorporate new technologies to increase efficiency and cost effectiveness of the District operational data systems and research available web based tools through which citizens can easily learn about services available and provided by SMVCD.
3. Begin to fulfill the goals established in the District's 2013 Strategic Plan.