

To: Board of Trustees
From: Mitchel R. Weinbaum, General Manager
Subject: Proposed Budget for Fiscal Year 2023-2024

Honorable Trustees:

Attached you will find the proposed budget and other related budget documents for the fiscal year of 2023-2024. This balanced proposed budget continues to build on the excellent work that the Board has undertaken in recent years to protect the public's health from mosquito-borne diseases. By increasing the frequency, quality, and overall number of avenues for our public education outreach, we have taken definitive strides toward our goal of reaching all residents throughout the District.

Financially, the District is in excellent shape due to the Board's continued fiscal responsibility and careful budgetary planning. Furthermore, while many public agencies are struggling to meet their PERS retirement obligations, the District's retirement account is 190% funded and its Other Post-Retirement Benefits account is over 180% funded due to its prudent planning.

This proposed budget has increased approximately 10% from last year's budget for a total of \$450,800. Reasons for this increase are:

- The creation of a new job position for the District and its related costs:
 - Salary
 - Health insurance
 - Contributions to the California Public Employees Retirement System
 - Social Security and Medicare contributions.
- Pay increases for District personnel
- Other accounts have been adjusted to reflect actual costs and increases in their services.

BENEFIT ASSESSMENT

Historically, the District has kept costs down by keeping equipment and materials in good working order and utilizing them correctly to maximize their life span. An example of this is the District's spray vehicle, a 2007 Jeep.

For the last eleven years, the District has kept its benefit assessment charge at \$ 9.00 to replenish its reserve funds to proper levels to ensure that the District would be able to operate normally in case of any fiscal or public health emergency. At the end of the 2023-2024 fiscal year, the District will have approximately \$450,000 in reserves which equates to one full year of operating expenses in reserves.

This year, staff proposes and recommends that the Board keep the benefit assessment charge at the same rate as the prior fiscal year in order to fund the District's modernization project and to ensure that, no matter the circumstance, the District will be able to perform its primary function – the protection of its residents from mosquitoes and mosquito-borne diseases.

COMPTON CREEK MOSQUITO ABATEMENT DISTRICT

PROPOSED BUDGET 2023-2024

<u>ACCOUNT NUMBER</u>	<u>YEARLY SALARY</u>	<u>POSITION</u>
#6100	\$ 97,500.00	ASST. MANAGER
	61,792.50	GEN. MANAGER
	<u>26,730.00</u>	SEASONAL TECH
	\$ 186,100.00	

	MAINTENANCE and OPERATIONS	2022-2023	2023-2024
#6102	TRUSTEE FEES	\$ 6,000.00	6,000.00
#6110	FICA	10,800.00	15,000.00
#6111	HEALTH INSURANCE	00	12,000.00
#6120	WEST NILE VIRUS	10,000.00	10,000.00
#6121	UNEMPLOYMENT INSURANCE	1,300.00	1,300.00
#6130	MAINTENANCE OF EQUIPMENT	600.00	1,500.00
#6131	LAUNDRY	3,300.00	4,000.00
#6132	MAINTENANCE of BUILDING	12,200.00	4,000.00
#6140	MEMBERSHIPS, DUES	6,700.00	6,000.00
#6141	MISCELLANEOUS	400.00	400.00
#6142	OFFICE EXPENSE	5,000.00	5,000.00
#6143	MVCAC RESEARCH FEES	500.00	500.00
#6145	PUBLIC EDUCATION	35,000.00	35,000.00
#6150	PROFESSIONAL SERVICES	112,500.00	82,000.00

#6151	DISTRICT MODERNIZATION PROJECT	00	00
#6157	VACATION REIMBURSEMENT	4,000.00	1,000.00
#6160	INSECTICIDES	500.00	500.00
#6162	GAS, OIL & VEHICLE MAINT.	10,000.00	9,000.00
#6165	SCIENTIFIC	500.00	500.00
#6170	TAX COLLECTION EXPENSE	13,000.00	13,000.00
#6171	TRAVEL & TRANSPORTATION	21,000.00	21,000.00
#6172	UTLITIES	4,000.00	5,000.00
#6180	PERS – RETIREMENT	11,000.00	15,500.00
#6190	INSURANCE – GENERAL	18,000.00	16,500.00
#6191	INSURANCE – RETRO ADJUSTMENTS	00	00
#6195	EQUIPMENT PURCHASE	<u>00</u>	<u>00</u>
		\$ 353,100.00	\$ 450,800.00

COMPTON CREEK MOSQUITO ABATEMENT DISTRICT

ESTIMATED BUDGET 2023 – 2024

Salaries.....	\$ 186,100
Maintenance & Operations.....	264,800
Capital Outlay.....	<u>0</u>
	\$ 450,800

Estimated Budget & Reserves

Estimated Budget.....	\$ 450,800
Restricted Reserves.....	50,000
Encumbered Reserves.....	<u>400,000</u>
	\$ 742,050

Funds to be Raised by Taxes

Estimated Budget & Reserves.....	\$ 742,050
Less Estimated Cash – 06/30/23.....	\$ 819,940
Estimated Revenue from Property Taxes.....	\$ 175,000
Amount to be raised by the Benefit Assessment.....	\$ 207,000
Total to be raised by taxes and other sources.....	\$ 382,000

To continue the building out of the District's reserves and after having kept the Benefit Assessment (BA) charge the same the previous seven years, it is proposed that the BA be kept at \$9.00 per parcel this fiscal year.

Please note: The Benefit Assessment charge will vary depending upon parcel size and land usage

#6100

SALARIES

By resolution, Assistant to the General Manager position salary for six month is \$95,000, after 6 months, salary is increased to \$100,000.

The Seasonal Technician has assumed additional responsibilities and I propose a three dollar (3) an hour increase to twenty-seven (27) per hour.

General Manager x 6 months	\$ 61,792.50
Asst. General Manager/General Manager:	97,500.00
Seasonal x 6 months	<u>26,730.00</u>
	\$ 186,022.50 =

\$ 186,100.00

#6102

TRUSTEE FEES

California Health & Safety Code, Section 2030 reads as follows:

- (a) The members of the board of trustees shall serve without compensation.
- (b) The members of the board of trustees may receive their actual and necessary travelling and incidental expenses incurred while on official business. In lieu of paying for actual expenses, the board of trustees may by resolution provide for the allowance and payment to each trustee a sum not to exceed one hundred dollars (\$100) per month for expenses incurred while on official business. A trustee may waive the payments permitted by this subdivision.
- (c) Notwithstanding subdivision (a), the secretary of the board of trustees may receive compensation in an amount determined by the board of trustees.
- (d) Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3 of the Government Code.

\$ 6000 required for this account.

#6110

FICA

This amount is dependent on employees and Trustee compensation. Employers are federally obligated to pay 7.65% of all employee salaries to this fund.

\$ 192,100.00
 x 7.65%
\$ 14,695.00 rounded off to \$ 15,000.00

#6111

EMPLOYEE HEALTH INSURANCE

By resolution, the Board of Trustees agreed an allowance of \$ 1,000 for employee health insurance.

\$ 12,000 required for this account.

#6120

WEST NILE VIRUS

This account is dedicated to any extra operational funds needed for control and surveillance of the West Nile virus. I recommend that the Board continue this funding for the foreseeable future while the West Nile virus threat is with us.

\$ 10,000 required for this account.

#6121

UNEMPLOYMENT INSURANCE

This amount is determined by each employee’s first \$7,000.00 earned in the calendar year. This amount is then multiplied by a percentage factor determined by the State’s Employment Development Dept. This year’s percentage factor, at the time of this writing remains the same at 6.2%, however with unemployment claims at record levels, an across the board increase may ensue. A 2% increase is added to current levels

\$ 20,000.00 – subject wages
x <u>6.2%</u>
\$ 1,240.00 rounded to \$1,300

\$ 1,300 required for this account.

#6130

MAINTENANCE OF EQUIPMENT

Anticipated expenses for 2023-2024:

Computer service	\$ 1000.00
Typewriter service	400.00
Copy Machine service	<u>100.00</u>
	\$ 1,500.00

\$ 1,500 required for this account.

#6131

LAUNDRY

The District has a contract with Cintas through 2024. When obtaining quotes from uniform companies last year, Cintas was by far the lowest, one of the reasons being that the District has been with Cintas for so long.

Last fiscal year, the District spent \$3,650 on this account. An anticipated 7% increase in rate will bring the total to:

\$ 3,650.00	\$ 3,650.00
<u>X 7%</u>	<u>+ 255.50</u>
\$ 255.50	\$ 3,905.50 rounded to 4,000.00

#6132 MAINTENANCE OF BUILDING

The District building is old but in good shape and is entirely functional and requires no major repairs. Anticipated expenses:

Building alarm + permit	\$	1,000.00
Fire bottle service		300.00
Fish food		500.00
Miscellaneous		<u>2,500.00</u>
	\$	4,000.00

\$ 4,000 required for this account.

#6140 MEMBERSHIPS, DUES

MVCAC corporate dues fluctuate each year. Dues are determined by a member’s operational expenses for the prior fiscal year multiplied by a factor determined by the Association, .009%.

MVCAC Corporate membership dues	\$	3,600.00
AMCA memberships		500.00
Calif. Special District Assn.		1,300.00
Employees’ State Health Certificates		375.00
LAFCO		<u>150.00</u>
	\$	5,925.00

\$ 6,000 required for this account.

#6141 MISCELLANEOUS

This account is for items or other expenditures that are not covered in the rest of the budget. The amount remains the same as last year,

\$ 400 required for this account.

#6142 OFFICE EXPENSE

Anticipated expenses for 2023-2024:

Computer supplies/programs/fees	\$	600.00
Postage		400.00
Toner for printer		750.00
Printing/copying/paper		250.00
Internet/Telephones		2,200.00
Bottled water		100.00
Office supplies		<u>250.00</u>
	\$	4,550.00

\$ 5,000 required for this account.

#6143 MVCAC RESEARCH FEES

In 2021-2022, the Mosquito Research Program (MRP) that was supported by the State and the UC was discontinued. At times, the District has donated \$500 for research fees.

\$ 500 required for this account.

#6145 PUBLIC EDUCATION

Funding the District's PE efforts, its number one step in controlling mosquitoes is a priority and should include but not be limited to the following:

Printing – educational materials	\$	34,000.00
Other undetermined materials		<u>1,000.00</u>
	\$	35,000.00

\$ 35,000 required for this account.

#6150 PROFESSIONAL SERVICES

Last year, the District budgeted \$50,300 for this account and spent \$17,780. One-time costs associated with the District annexation plan are included in the account.

Anticipated expenses for 2023-2024:

Auditor	\$	10,000.00
Accountant		2,700.00
Attorney		10,000.00

Consultants	36,000.00
Newspaper publishing	1,500.00
LA County Assessor	1,500.00
Board of Equalization	15,800.00
Training classes/webinars	600.00
CalPERS – GASB 68 & 74/75	3,000.00
Safe Deposit Box	<u>75.00</u>
	\$ 81,175.00 = \$ 82,000

#6157 VACATION & SICK LEAVE REIMBURSEMENT

This account is dedicated to paying for unused vacation and/or sick leave for the District’s General Manager as per the District’s Policy Manual. District policy is to buy back vacation and sick leave hours at half-rate.

\$1,000 required for this account.

#6160 INSECTICIDES

Last year, the District spent \$500 in this account. The cost of pesticide expenses will be same as the prior fiscal year \$500

\$500 required for this account.

#6162 GAS, OIL & VEHICLE MAINTENANCE

The price of fuel and oil fluctuates rapidly. The District has two new vehicles that are maintained regularly so that they function properly and safely. Still, there are unforeseen circumstances, breakdowns, tires, etc.

Last year, the District budgeted \$10,000 in this account and spent \$7,400. Staff proposes raising the amount to reflect the increase in fuel and maintenance.

\$9,000 required for this account.

#6165 SCIENTIFIC EXPENSES

The District will again perform surveillance operations this year. Shipping materials, equipment to operate the mosquito traps, materials to test dead birds are some of the regular supplies that will be needed throughout the mosquito breeding season.

\$ 500 required for this account.

#6170

TAX COLLECTION EXPENSE

Last year the County charged \$12,235 for Tax Collection expenses. This year this account needs to be raised to reflect actual costs.

\$ 13,000 required for this account.

#6171

TRAVEL & TRANSPORTATION

The District belongs to four organizations, the Mosquito & Vector Control Association of California, (MVCAC), the American Mosquito Control Association, (AMCA), and the California Special District Association, (CSDA) who hold annual conferences throughout the year. Per District policy, members and the General Manager are allotted \$3,500 for travel to these conferences.

The following is a list of anticipated travel for 2023-2024:

Aug 28-30, 2023	CSDA Annual Conference Monterey, CA
Oct. 2-4, 2023	MVCAC Quarterly Meeting Palm Desert
Jan-21-24, 2024	MVCAC Annual Conference Monterey, CA
March 4-8, 2024	AMCA Annual Conference Dallas, TX
April 2024	MVCAC Legislative Day Sacramento
May 2024	AMCA Legislative Days Washington DC
June 2024	CSDA General Manager leadership Summit

\$ 21,000 required for this account.

#6172

UTILITIES

Last year, the District budgeted \$4,000 and spent \$3,710. This account will remain the same to reflect actual costs.

\$ 5,000 required for this account.

#6180

PERS – RETIREMENT

As per CalPERS, the District’s contribution rate for 2023-2024, will be 9.3% of affected payroll.

\$ 160,295.50
<u> X 9.44%</u>
\$ 15,132.00 – rounded to 15,500

\$15,500 required for this account.

#6190

INSURANCE – GENERAL

Beginning in 1990, for insurances other than health, the District has been a member of self-insured group consisting of other mosquito and vector control districts, the Vector Control Joint Powers Agency (VCJPA).

For 2023-2024, the District will have a small decrease of \$185.00. The District’s insurance policies premiums for 2023-2024:

Workers Compensation	\$ 7,158
Liability	6,265
Auto Physical Damage	212
Property	1,218
General Fund	<u>951</u>
	\$ 15,284 rounded to 16,000.00

\$ 16,500 required for this account.

#6191

INSURANCE – RETROSPECTIVE ADJUSTMENTS

The District’s insurance, Vector Control Joint Powers Agency (VCJPA,) after annual actuary valuations performed has stated there will not be a retrospective for the fiscal year.

#6195

EQUIPMENT PURCHASE

No equipment purchases anticipated for the year