

Janet Busse

Subject: FW: Animal Services analysis
Attachments: 20140916094049050.pdf

LATE MATERIAL
MEETING DATE 9/18/14
ITEM # 24B

From: Nick Providenti
Date: 09/16/2014 10:44 AM (GMT-08:00)
To: Karen Abowd , Brad Bonkowski , Bob Crowell , Jim Shirk , John McKenna , John McKenna
Cc: Nick Marano , Marena Works , Nicki Aaker
Subject: Animal Services analysis

All,

I just wanted to give you an idea of the Animal Services costs and how we came up with the \$700,000 cost of the contract with Nevada Humane Society.

We used the FY 2015 budget as the basis – we used direct costs, some indirect costs per the Cost Allocation Plan that Mahoney and Associates prepared, and revenues.

The direct costs of Animal Services per the FY 2015 budget is \$756,409. I analyzed the indirect allocated costs per the Cost Allocation Plan accepted by the BOS earlier this year with regards to the Animal Services department, I took out the Board of Supervisors, City Manager and Internal Auditor costs as they are allocated strictly based on total expenditures. The other costs – Finance, HR, IT, Purchasing and especially Facilities Maintenance are allocated based on FTE's, computers, and time spent on the facilities. Also note that these costs are based on FY 2013 actual numbers, so I increased the numbers on the attached sheet by 3% for FY 2014 and 3% for FY 2015. The indirect cost number I came up with for FY 2015 is \$47,925. We won't necessarily save this amount of money – rather it will be reallocated to other city departments – so we probably will see some additional income to the general fund from the enterprise and internal service funds via an increased Internal Service Charge. Please note that it is a cost of doing business. The revenue number for FY 2015 is budgeted at \$70,000.

So the breakdown of the net cost of running the Animal Services Department using both direct and indirect costs and subtracting any revenue received is as follows:

Total Direct FY 2015 budgeted expenses -	\$756,409
Budgeted FY 2015 Budgeted revenues -	(\$70,000)
Total Indirect costs based on cost allocation -	<u>\$47,925</u>
Net total costs to run the department -	<u>\$734,334</u>

If we use both direct and indirect costs, the savings is a little over \$34,000 or about \$35,000 per the board action when you compare the above number to the \$700,000.

Supervisor Bonkowski had asked about Fire Insurance – we assign insurance amounts by fund, not department. So I don't expect the general fund insurance expense to go down based on the Nevada Humane Society taking over Animal Services. We will have a few less FTE's, so our Worker's Compensation exposure will be less – but nothing that we can really quantify.

I think it is important to note that the real reason the City wants the Nevada Humane Society to run our Animal Services department is to provide better service to the community for roughly the same cost to the taxpayers.

Please do not hesitate to contact me should you have additional questions or concerns.

Thanks

Nickolas Providenti, CPA
Director
Carson City Finance
201 N. Carson St. STE 3
Carson City, NV 89701
775-283-7143

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 12 ACTUALS	FY 13 ACTUALS	FY14 ADJUSTED BUDGET	Y-T-D ACTUALS	ESTIMATED FY 2014	TENTATIVE FY 2015	FINAL FY 2015
GENERAL FUND								
SALARIES AND WAGES								
101-6900-442.01-01	SALARIES	270,384	296,061	350,347	313,962	344,683	357,173	357,173
101-6900-442.01-02	HOURLY/SEASONAL	29,360	26,256	22,203	51,631	22,203	22,203	32,921
101-6900-442.01-03	ADMINISTRATIVE PAY	280	795	0	227	0	0	0
101-6900-442.01-04	SHIFT DIFFERENTIAL	0	0	0	2	0	0	0
101-6900-442.01-06	MANAGEMENT LEAVE PAY	2,218	2,272	0	2,810	0	0	0
101-6900-442.01-07	ANNUAL LEAVE PAY	1,695	0	0	8,953	0	0	0
101-6900-442.01-08	SICK LEAVE PAYOFF	0	0	0	4,639	0	0	0
101-6900-442.01-09	WORKERS' COMPENSATORY LV	214	0	0	32	0	0	0
101-6900-442.01-11	OVERTIME	3,318	3,825	14,774	5,174	14,774	14,774	14,774
101-6900-442.01-12	CALL BACK PAY	6,623	9,699	17,183	6,485	17,183	17,183	17,183
101-6900-442.01-13	STAND-BY PAY	7,892	11,333	15,997	12,118	15,997	15,997	15,997
101-6900-442.01-14	F L S A	48	59	0	65	0	0	0
101-6900-442.01-16	HOLIDAY PAY	624	1,820	0	1,951	0	0	0
101-6900-442.01-90	BUDGET REDUCTIONS	0	0	3,503	0	0	0	0
* SALARIES AND WAGES		322,656	352,120	417,001	408,049	414,840	427,330	438,048
EMPLOYEE BENEFITS								
101-6900-442.02-25	MEDICARE	4,617	5,146	6,117	5,805	6,553	6,182	6,338
101-6900-442.02-30	RETIREMENT	57,151	62,945	77,116	70,951	78,918	85,556	85,556
101-6900-442.02-40	GROUP INSURANCE	51,764	60,102	76,433	58,420	59,100	72,736	72,736
101-6900-442.02-50	WORKERS' COMPENSATION	4,006	4,215	4,635	4,756	4,939	4,527	4,693
101-6900-442.02-57	DOMESTIC PARTNER INS BENE	0	137	0	41	137	0	0
101-6900-442.02-65	UNIFORM ALLOWANCE	0	0	1,000	3,364	1,000	1,000	1,000
101-6900-442.02-66	FOUL WEATHER ALLOWANCE	300	450	450	450	450	450	450
101-6900-442.02-71	PHONE ALLOWANCE	1,760	1,860	1,871	1,656	1,540	1,882	1,882
* EMPLOYEE BENEFITS		119,598	134,855	167,622	145,443	152,363	172,333	172,655
SERVICE AND SUPPLIES								
101-6900-442.03-09	PROFESSIONAL SERVICES	15,185	15,836	16,000	19,244	16,000	20,000	20,000
101-6900-442.03-17	BANKING SERVICES	766	1,124	0	1,187	0	0	0
101-6900-442.03-30	TRAINING	4,788	3,867	3,370	3,306	3,370	3,370	3,370
101-6900-442.03-49	CONTRACTUAL SERVICES	275	1,440	536	200	536	536	536
101-6900-442.03-50	ANIMAL MEDICAL CARE	25,070	40,768	35,000	50,349	35,000	35,000	35,000
101-6900-442.04-32	MAINTENANCE CONTRACT	462	316	0	0	0	0	0
101-6900-442.04-34	BUILDING REPAIR & MAINT.	331	176	632	138	632	632	632
101-6900-442.04-35	VEHICLE REPAIR & MAINT.	467	214	0	3,383	0	0	0
101-6900-442.04-36	FACILITY REPAIR & MAINT.	366	1,295	505	138	505	505	505
101-6900-442.05-45	MEMBERSHIP / PUBLICATIONS	0	240	0	0	0	0	0
101-6900-442.05-80	TRAVEL	0	0	2,000	1,335	2,000	2,000	2,000
101-6900-442.06-01	OFFICE SUPPLIES	1,381	2,327	3,916	4,339	3,916	3,916	3,916
101-6900-442.06-02	POSTAGE / SHIPPING	570	1,745	810	184	810	810	810
101-6900-442.06-25	OPERATING SUPPLIES	30,298	33,113	37,405	58,019	37,405	37,405	37,405
101-6900-442.06-60	VEHICLE FUEL/OIL	10,645	8,616	7,840	7,809	7,840	7,840	7,840
101-6900-442.06-75	SMALL FURNISHINGS	878	280	500	0	500	500	500

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	FY 12 ACTUALS	FY 13 ACTUALS	FY14	Y-T-D ACTUALS	ESTIMATED FY 2014	TENTATIVE FY 2015	FINAL FY 2015	
				ADJUSTED BUDGET					
101-6900-442.06-80	GIFTS / DONATIONS	22,042	9,050	70,503	36,676	70,503	0	0	
101-6900-442.06-81	NEW HOPE	10,994	4,174	33,746	12,472	33,746	0	0	
101-6900-442.06-83	ANIMAL SHELTER	0	0	37,442	0	37,442	0	0	
101-6900-442.06-84	RESTRICTED ANIMAL CARE	0	0	34,839	7,433	34,839	0	0	
101-6900-442.07-10	TELEPHONE	1,206	723	3,400	738	3,400	3,400	3,400	
101-6900-442.07-12	POWER	6,283	6,366	7,500	7,470	7,500	7,500	7,500	
101-6900-442.07-13	HEATING	5,827	5,995	7,000	7,324	7,000	7,000	7,000	
101-6900-442.07-26	WATER CHARGES	0	47	0	0	0	0	0	
101-6900-442.09-50	FLEET MANAGEMENT	20,124	21,138	16,368	16,368	16,368	13,944	13,944	
101-6900-442.09-55	RADIOS	0	0	1,507	1,507	1,507	1,348	1,348	
101-6900-442.12-68	MADDIES FUND	4,895	0	0	0	0	0	0	
101-6900-442.24-50	CASH SHORT / OVER	0	0	0	98	0	0	0	
-----		-----		-----		-----		-----	
*	SERVICE AND SUPPLIES	162,853	158,850	320,819	239,717	320,819	145,706	145,706	
**	ANIMAL SERVICES	605,107	645,825	905,442	793,209	888,022	745,369	756,409	
***	ANIMAL SERVICES	605,107	645,825	905,442	793,209	888,022	745,369	756,409	
-----		-----		-----		-----		-----	
****	GENERAL FUND	605,107	645,825	905,442	793,209	888,022	745,369	756,409	
		605,107	645,825	905,442	793,209	888,022	745,369	756,409	

Carson City, Nevada
Allocated Costs by Department

Central Service Departments	<u>Library</u>	<u>Health</u>	<u>Landfill Admin</u>	<u>Medical</u>	<u>Environmental Health</u>	<u>Animal Services</u>	<u>Non-Departmen tal</u>	<u>Airport</u>	<u>Cooperative Extension</u>	<u>Supplemental Indiqent</u>
Building Use Charge										
Equipment Use Charge										
Board of Supervisors Clerk	\$7,832	\$2,604	\$7,440	\$1,892	\$1,196	\$3,311		\$35,962	\$841	\$6,284
Records Management										
Public Safety Complex										
Treasurer			\$10,688				\$4,136	\$4,136	\$4,136	\$4,136
District Attorney	\$23,292	\$19,276								
City Manager	\$10,812	\$3,594	\$10,271	\$2,611	\$1,651	\$4,571			\$1,161	\$8,676
Finance	\$11,727	\$8,837	\$10,757	\$2,980	\$973	\$5,144			\$1,547	\$10,530
Human Resources	\$11,753	\$13,574	\$247			\$5,892			\$30	
Information Technology	\$17,409	\$19,748	\$12,161	\$1,080	\$2,583	\$7,646			\$54	
Purchasing	\$857	\$989	\$5,453	\$208	\$7	\$334			\$120	\$6,758
City Hall										
Internal Auditor	\$1,609	\$535	\$1,529	\$388	\$245	\$680			\$173	\$1,291
Dispatch										
Public Works			\$103,236							
Facilities Maintenance	\$27,901	\$84,250				\$26,158			\$6,231	
Subtotal	<u>\$113,192</u>	<u>\$153,407</u>	<u>\$161,782</u>	<u>\$9,159</u>	<u>\$6,655</u>	<u>\$53,736</u>	<u>\$4,136</u>	<u>\$40,098</u>	<u>\$14,293</u>	<u>\$37,675</u>
Proposed Costs	\$113,192	\$153,407	\$161,782	\$9,159	\$6,655	\$53,736	\$4,136	\$40,098	\$14,293	\$37,675

5-346 +
5-892 +
7-546 +
334 +
26-158 +

005

45-174 *

APR 13 45-174 *
APR 14 1-03 *
APR 15 1-03 =

000