RECOMMENDED ACTION AND JUSTIFICATION:

Resolution adopting and authorizing the Chairman to sign the Second Amendment to Agreement for Fiscal Independence of the Mariposa County Board of Trustees and same Agreement for Fiscal Independence of the Mariposa County Office of Education.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

This current Agreement is to clarify the School District’s obligations to pay for specified County services above current levels of effort and for election costs. There has historically been disagreement between the County and the District regarding the District’s obligation to pay for County services. When this was last before you instructions were given to County Counsel to negotiate a resolution of the issue with the District as the District had failed to pay approximately $11,000 in past election expenses. This Amendment will require that the School District reimburse the Elections Department for election expenses. The County has in the past taken the position that it would waive staff costs for such expenses, but that out of pocket costs would have to be paid. Attached is a memorandum from the County Auditor which identifies the current level of support provided to the District by the County. This memorandum identifies $49,520.28 as the value of the Auditor’s contribution. For the Assessor’s contribution please see Auditor’s memo attached. The waiver of Staff costs is additional support for the district. These amounts represent the County’s continued provision of a public benefit in the form of supporting public education in the County.

The Board of Supervisors has entered into a number of Agreements with the School District since the District’s fiscal independence from the County in 1979.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Financial Impact? [ ] Yes [x] No  Current FY Cost: $  Annual Recurring Cost: $
Budgeted In Current FY? [x] Yes [ ] No  ( ) Partially Funded
Amount in Budget: $  List Attachments, number pages consecutively
Additional Funding Needed: $  Agreements for Fiscal Independence
Source:
Internal Transfer
Unanticipated Revenue  4/5’s vote
Transfer Between Funds  4/5’s vote
Contingency  4/5’s vote
( ) General  ( ) Other

CLERK’S USE ONLY:
Res. No.: 05-222  Ord. No. 
Vote – Ayes: 14  Noes: 6
Absent: 
Approved
[ ] Minute Order Attached  ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

Date: 
Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: 

Revised Dec. 2002
TO:        TOM GUARINO, County Counsel
FROM:  MARGIE WILLIAMS, Clerk of the Board
SUBJECT:    SECOND AMENDMENT TO AGREEMENTS FOR FISCAL INDEPENDENCE OF THE MARIPOSA COUNTY BOARD OF TRUSTEES AND OFFICE OF EDUCATION

Resolution No. 05-222

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA

ADOPTED THIS Order on May 24, 2005

ACTION AND VOTE:

Tom Guarino, County Counsel;
Adopt a Resolution Authorizing the Chairman of the Board of Supervisors to Sign the Second Amendment to Agreement for Fiscal Independence of the Mariposa County Board of Trustees and Same Agreement for Fiscal Independence of the Mariposa County Office of Education

BOARD ACTION: Discussion was held. Supervisor Bibby initiated discussion relative to the reimbursable and non-reimbursable expenses. Further discussion was continued for the following hearing to be opened.

10:01 a.m. Public hearing relative to the application submittal for a CDBG grant was opened and continued until after the following items.

Further discussion was held relative to the amendment to the agreement with the School District. Supervisor Turpin asked whether the costs and services could be tracked on an annual basis. Tom Guarino advised that it would be up to the Auditor to review this; and that if services beyond the level currently being provided are requested, that the matter come back to the Board. (M)Fritz, (S)Stetson, Res. 05-222 was adopted approving the recommended action. Supervisor Bibby initiated further discussion relative to clarifying the existing level of services being provided and the associated costs; and asked if this information could be attached to the amendment to the agreement. Rich Inman, County Administrative Officer, asked about including the memorandum from the Auditor that contains costs and service information as a reference to the agreement. Tom Guarino advised that the memorandum is a part of the record. Ayes: Stetson, Turpin, Fritz, Pickard; Noes: Bibby.

cc:    Rich Inman, County Administrative Officer
       Ken Hawkins, Auditor
       Marjorie Wass, County Clerk,
       Patrick Holland, Mariposa Unified School District
       File
May 9, 2005

Mr. Thomas Guarino  
Mariposa County Counsel  
P.O. Box 189  
Mariposa, CA 95338

Dear Mr. Guarino,

At their meeting of April 21, 2005, the Board of Education acted to adopt the Second Amendment to Agreement for Fiscal Independence of the Mariposa County Office of Education.

Upon signature of Mr. Pickard, Mr. Guarino and Ms. Williams, please mail a copy of the signed agreement to me.

If you should have any questions, please feel free to give me a call.

Sincerely,

[Signature]

Patrick J. Holland, Ed.D.  
Superintendent
May 9, 2005

Mr. Thomas Guarino
Mariposa County Counsel
P.O. Box 189
Mariposa, CA 95338

Dear Mr. Guarino,

At their meeting of April 21, 2005, the School Board of Trustees acted to adopt the Second Amendment to Agreement for Fiscal Independence of the Mariposa County Board of Trustees.

Upon signature of Mr. Pickard, Mr. Guarino and Ms. Williams, please mail a copy of the signed agreement to me.

If you should have any questions, please feel free to give me a call.

Sincerely,

[Signature]

Patrick J. Holland, Ed.D.
Superintendent
February 15, 2005

To: Tom Guarino, Mariposa County Counsel
From: Ken Hawkins, County Auditor
Re: Services provided by the Auditor to the County Schools

The service the County Auditor provides to the schools is extensive, costly and un-reimbursed.

We provide check reconciliation for the school district. We estimate we spend 12 hours per month reconciling their outstanding and paid checks.

Salary for this position: $20.26 per hour
Benefits: 12.31 per hour

$32.57 times 12 hours times 12 months = $4,690

We provide for reconciliation and apportionment of property tax. Seventy percent (70%) of the property taxes go to schools. We have one half of an Accounting Technician allocated to taxes, my Assistant Auditor with 105 hours per year allocated to property tax, and another 294 hours for an Accountant II in my office. These hourly counts were gleaned from actual timesheets, while the Accounting Technician is a designated position allocated for one-half of her time to property tax work. We allocate approximately 8 million dollars annually in property tax revenue to the schools. Salaries are as follows:

Assistant Auditor: $25.85
Benefits: $13.87

$39.72 times 105 hours = $4,170.60

Accounting Technician: $15.17
Benefits: 7.87

$23.04 times 1,040 hours = $23,961.60

Accountant II: $19.29
Benefits: $11.95

$31.24 times 294 hours = $9,184.56
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<tr>
<th>Description of Costs</th>
<th>Total Costs</th>
<th>Unallowable Costs</th>
<th>Indirect Costs</th>
<th>Allowable Direct Costs</th>
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Cost Adjustment
Cost Plan

Calculated Indirect Cost Rate = $0.148126239 (50,080/338,090)$
Other miscellaneous duties include the posting of journal entries for school funds, running reports and preparing reports. I estimate three hours per month at an Accountant II level:

\[
\begin{align*}
$19.29 \\
$11.95 \\
\end{align*}
\]

$31.24 \times 3 \times 12 \text{ mths} = \$1,124.64

| Total Costs | $4,690.00  \\
|            | 4,170.60  \\
|            | 23,961.60 \\
|            | 9,184.56  \\
|            | 1,124.64  |
|            | $43,131.40 |

Overhead $6,388.88 Based on Indirect Cost Proposal attached. This indirect (overhead cost) is developed under SB 90 guidelines governing computation of overhead costs.

Total Cost to Provide Service to the Schools by the Auditor $49,520.28

More significant costs are incurred by the County Assessor whose office is 100% allocated toward property tax valuation. Since the schools receive 70% of all property taxes, 70% of the Assessor costs should be allocated to schools. In 2003-04, they expended a net cost of $571,512, and 70% of that would equal $400,058 as a cost incurred for the schools.

The Treasurer-Tax Collector is the only department getting reimbursed for costs. They charge, indirectly, for the cost of investing the schools money and for the check clearing that involves their office. By indirectly, I mean that the schools are given a net amount of interest earned on school funds that includes a reduction (offset) in their interest revenue by the cost of the Treasurer's services.

These are the costs, as I see them, of providing financial services to the schools. Please call me with any questions.

Sincerely,

[Signature]

Ken Hawkins
Mariposa County Auditor-Controller

KH:kh