

## DPW – Transportation Special Revenue Funds - Consolidated

### DESCRIPTION OF MAJOR SERVICES

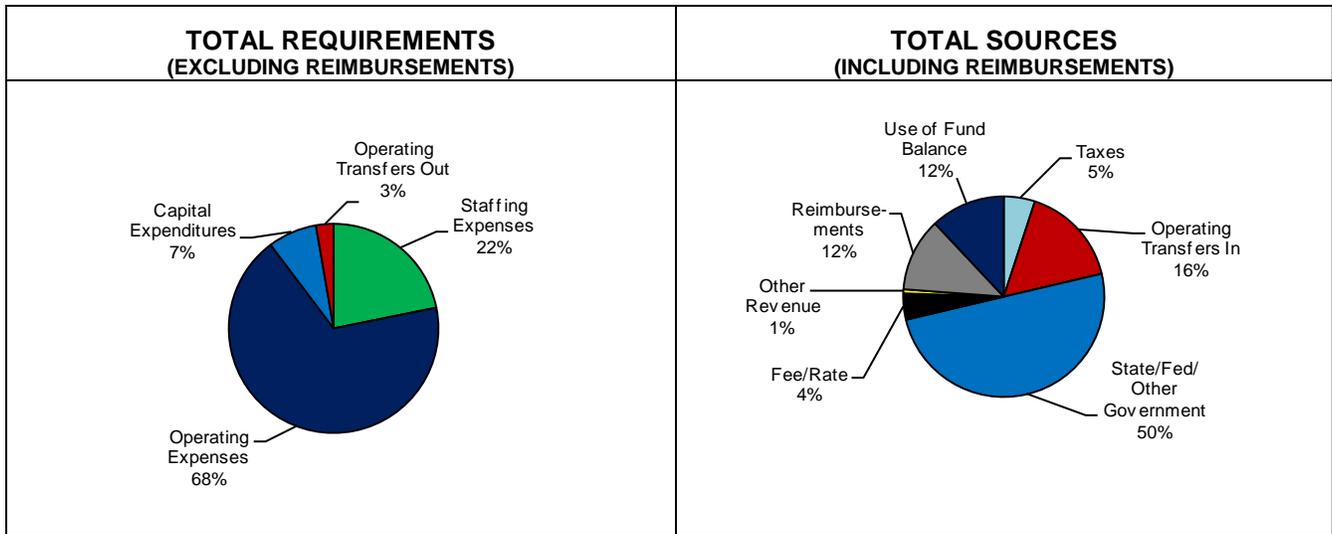
The Transportation division is responsible for the operation, maintenance, and improvement of the County’s Maintained Road System (Road System) that currently includes approximately 2,550 miles of roadways. Additional activities include administration, planning, design, construction, environmental management, and traffic operations.

Budget at a Glance	
Total Requirements (Excl. Reimb.)	\$130,962,260
Total Sources (Incl. Reimb.)	\$115,269,030
Use of/ (Contribution to) Fund Balance	\$15,693,230
Total Staff	343

Operations and routine maintenance activities include patching and crack filling of asphalt pavement, grading of 421 miles of unpaved roads, shoulder maintenance, snowplowing of over 500 miles of mountain roads, traffic signal maintenance at 88 intersections, roadside weed abatement in urban areas, traffic sign and pavement striping maintenance, storm repairs and cleanup, maintenance of 380 bridges and thousands of concrete box and metal pipe culverts, as well as maintenance of drainage facilities such as inlets, ditches, dikes, and gutters. Maintenance functions are provided through 13 yard districts with regional facilities located to best service the 20,000 square-mile area of the County.

Road System improvements include roadway resurfacing, reconstruction, and other pavement improvement projects that further the County’s goal of maintaining the pavement in good or better condition. Other services include construction of bridges, traffic signals, widening and infrastructure projects, including new roads, freeway interchanges, and railroad grade separations, in addition to seeking and securing other state and federal funding for construction projects.

### 2016-17 RECOMMENDED BUDGET



## ANALYSIS OF 2016-17 RECOMMENDED BUDGET

GROUP: Operations and Community Services  
DEPARTMENT: Public Works - Transportation  
FUND: Transportation Special Revenue Fund - Consolidated

BUDGET UNIT: Various  
FUNCTION: Public Ways and Facilities  
ACTIVITY: Public Ways

	2012-13	2013-14	2014-15	(A) 2015-16	2015-16	(B) 2016-17	(B-A) Change From Prior Year Modified Budget
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	
<b>Requirements</b>							
Staffing Expenses	28,153,395	29,000,383	25,187,400	28,167,163	26,701,415	28,570,213	403,050
Operating Expenses	74,313,532	72,274,471	58,577,893	107,596,182	54,194,691	88,949,148	(18,647,034)
Capital Expenditures	4,246,050	4,655,084	4,751,154	6,294,955	4,043,815	9,903,000	3,608,045
Total Exp Authority	106,712,977	105,929,938	88,516,447	142,058,300	84,939,921	127,422,361	(14,635,939)
Reimbursements	(15,297,971)	(17,659,771)	(16,994,222)	(30,072,653)	(17,434,168)	(15,492,473)	14,580,180
Total Appropriation	91,415,006	88,270,167	71,522,225	111,985,647	67,505,753	111,929,888	(55,759)
Operating Transfers Out	5,158,358	629,116	111,399	410,661	712,268	3,539,899	3,129,238
Total Requirements	96,573,364	88,899,283	71,633,624	112,396,308	68,218,021	115,469,787	3,073,479
<b>Sources</b>							
Taxes	6,880,906	6,293,699	5,986,421	6,405,581	7,267,715	6,567,918	162,337
Realignment	0	0	0	0	0	0	0
State/Fed/Other Government	50,740,447	75,539,535	62,435,379	47,645,444	41,957,115	65,458,388	17,812,944
Fee/Rate	8,973,013	9,348,611	8,305,520	2,515,433	4,484,472	5,531,784	3,016,351
Other Revenue	5,993,955	953,632	1,600,879	2,058,045	625,304	864,018	(1,194,027)
Total Revenue	72,588,321	92,135,477	78,328,200	58,624,503	54,334,606	78,422,108	19,797,605
Operating Transfers In	11,797,291	5,100,429	5,925,918	18,764,937	18,744,937	21,354,449	2,589,512
Total Financing Sources	84,385,612	97,235,906	84,254,118	77,389,440	73,079,543	99,776,557	22,387,117
<b>Fund Balance</b>							
Use of / (Contribution to) Fund Balance**	12,187,752	(8,336,623)	(12,620,494)	35,006,868	(4,861,522)	15,693,230	(19,313,638)
Available Reserves				47,108,668	86,977,058	71,283,828	24,175,160
Total Fund Balance				82,115,536	82,115,536	86,977,058	4,861,522
Budgeted Staffing*	354	345	341	341	341	343	2

\*Data represents modified budgeted staffing

\*\*Contribution to Fund Balance appears as a negative number and increases Available Reserves.

## DETAIL OF 2016-17 RECOMMENDED BUDGET

2016-17

	Requirements	Sources	Use of / (Contribution to) Fund Balance	Available Reserves	Staffing
<b>Special Revenue Funds</b>					
Road Operations	102,435,187	87,211,203	15,223,984	34,602,649	343
Measure I	9,284,350	9,406,375	(122,025)	21,267,869	0
Facilities Development Plans	858,500	722,333	136,167	1,724,607	0
Regional Development Mitigation Plan	2,891,750	2,436,646	455,104	13,688,703	0
Total Special Revenue Funds	115,469,787	99,776,557	15,693,230	71,283,828	343

**Road Operations** include \$102.4 million in Requirements including \$28.6 million in Staffing Expenses to fund 343 positions; \$77.0 million in Operating Expenses primarily includes professional services, equipment usage, and materials purchases for road construction and maintenance projects, vehicle maintenance, and transfers for labor/equipment usage within all Department of Public Works divisions which have a corresponding offsetting reimbursement of \$15.5 million. Remaining Requirements consist of Capital Expenditures (\$9.9 million) which include \$4.0 million to purchase land and right-of-way needed for road construction projects and \$5.9 million to replace heavy equipment needed for daily road operations and maintenance and Operating Transfers Out (\$2.5 million) which are being transferred to the equipment fund to fund future equipment replacements. Major road construction projects include: realignment and reconstruction of Needles Highway in the Needles area, and Green



Tree Boulevard Connection in the Spring Valley Lake area, which is in the design phase; multi-year structural improvements to 127 historically significant bridges on National Trails Highway, design and/or right of way activities on Interstate 10 at Cedar Avenue interchange project, Baker Boulevard bridge at the Mojave River and Yermo Road bridge at the Manix wash; reconstruction of Garnet Street bridge at Mill Creek; construction of Phase III of the trail system on the Santa Ana River; and \$22.2 million in pavement improvement and preservation projects.

Sources of \$87.2 million include \$35.2 million in Gas Tax, \$25.7 million in State, Federal and Other Governmental Aid for pavement improvement and capital construction projects, \$21.0 million in Operating Transfers In, of which \$18.3 million is Discretionary General Funding for pavement improvement and capital projects, and \$5.3 million in revenue from miscellaneous reimbursements for services to outside agencies, sales of fixed assets for fully depreciated equipment, road permit and inspection fees, and interest earnings.

The use of \$15.2 million of Fund Balance consists of one-time expenditures for carried over projects and one-time expenditures for future equipment purchases to replace aging equipment. Because of the reduction and volatility of Gas Tax allocations and other funding sources, ongoing Discretionary General Funding assistance has been necessary to reduce severe impacts to the Road System until additional funding sources are identified.

**Measure I** has Requirements of \$9.3 million which fund pavement preservation and improvement projects of \$8.4 million, intersection improvements of \$256,600, bridge replacement of \$450,000, and bike path reconstruction of \$143,000. Major pavement preservation projects include: \$2.2 million of surface seals in the Spring Valley Lake and San Bernardino Valley Areas; and \$6.2 million of reconstruction projects including Etiwanda Avenue and Randall Avenue in the Fontana area, Park Boulevard in the Joshua Tree area, and Luna Road in the Victorville area.

Sources of \$9.4 million include Measure I sales tax, interest earnings, reimbursements from Regional Development Mitigation Funds and contributions from the State of California and San Bernardino Associated Governments for the Trona Bike Path in the Trona area, Arrowbear Drive in the Arrowbear area, and Park Boulevard in the Joshua Tree area. Contribution to Fund Balance of \$122,025 will be used for future capital improvement projects.

**Facilities Development Plans** has Requirements of \$858,500 for Operating Expenses for the design of Shadow Mountain Road in the Helendale/Oro Grande Area and the Rock Springs Road Widening and Bridge over the Mojave River in the Southeast Apple Valley area. Sources of \$722,333 consist of anticipated development fees and estimated interest earnings. Fund Balance of \$136,167 is being used for design activities of the capital projects noted above.

**Regional Development Mitigation Plan** has Requirements of \$2.9 million for Operating Expenses to reimburse the development share portion of projects advanced by Road Operations and Measure I, primarily the Slover Avenue widening project. Sources of \$2.4 million include reimbursement from San Bernardino Associated Governments for the public local share of various road projects, development fees and a small amount of interest earnings. Fund Balance of \$455,104 is being used to reimburse the County's development contribution towards capital projects.

## MAJOR REQUIREMENTS AND SOURCES IN 2016-17 RECOMMENDED BUDGET

Requirements of \$115.5 million consist of Staffing Expenses of \$28.6 million; Operating Expenses of \$88.9 million, predominantly for capital and pavement improvement projects (\$56.0 million), equipment and material usage for maintenance activities (\$11.2 million), administrative functions (\$6.8 million), and transfers of \$14.9 million which are offset by Reimbursements (\$15.5 million) as they fund internal labor and equipment usage; and Capital Expenditures of \$9.9 million for heavy equipment replacement and right of way purchases.

Sources of \$99.8 million include \$65.5 million from Gas Tax and State, Federal and Other Government Sources for capital projects; \$21.3 million in Operating Transfers In, which include \$18.3 million in Discretionary General



Funding for pavement improvement and capital projects, \$2.0 million transferred to the equipment fund, and \$1.0 million in transfers from the Regional Development Mitigation Plan for the developer's share of various projects for contributions for capital and pavement improvement projects; \$6.6 million from Measure I sales tax; and \$6.4 million from miscellaneous revenue including miscellaneous reimbursements for services to outside agencies, sales of fixed assets for fully depreciated equipment, road permit and inspection fees, and interest earnings.

## BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$3.1 million primarily due to an increase in Capital Expenditures (\$3.6 million) for heavy equipment purchases, an increase in Operating Transfers Out (\$3.1 million) and a decrease of \$18.7 million in Operating Expenses partially offset by a \$14.6 million decrease in Reimbursements as a result of a reduction in projects funded by Measure I and the Facilities and Regional Development Mitigation Plans.

Sources are increasing by \$22.4 million predominantly due to a \$19.1 million increase in revenue from the state, federal and other governmental agencies for road construction projects, a \$2.0 million increase in miscellaneous revenue for project related expenses, a \$2.6 million increase in Operating Transfers In for cash transferred within the Transportation division primarily to fund future equipment purchases, and a decrease of \$1.3 million in Gas Tax. Discretionary General Funding decreased by a net \$500,000, from \$18.8 million to \$18.3 million, as a result of the following: the ongoing Discretionary General Funding allocation for pavement improvement projects increased by \$5.4 million, from \$8.8 million to \$14.2 million, while the one-time allocation for replacement of heavy equipment purchases decreased by \$5.9 million.

## ANALYSIS OF FUND BALANCE

Use of Fund Balance of \$15.7 million is for one-time expenditures of \$13.7 million from revenues that are dedicated to, and reserved for, the construction of transportation projects and \$2.0 million for one-time expenditures for future equipment purchases to replace aging equipment, which are necessary for maintenance activities to keep the Road System investment from deteriorating. Due to the reduction and volatility of Gas Tax allocations and other funding sources, ongoing Discretionary General Funding assistance has been necessary to reduce severe impacts to the Road System until additional funding sources are identified. Furthermore, the remaining Available Fund Balance Reserves of \$71.3 million are set aside for one-time expenditures as follows: capital projects of \$62.6 million, equipment replacement of \$7.8 million, and technology systems improvements of \$900,000.

## 2016-17 POSITION SUMMARY\*

Division	2015-16				2016-17		
	Modified Staffing	Adds	Deletes	Re-Orgs	Recommended	Limited	Regular
Administration	5	0	0	0	5	0	5
Design	24	0	0	0	24	1	23
Planning	18	1	0	1	20	1	19
Traffic	24	0	0	0	24	0	24
Operations	186	0	0	3	189	44	145
Contracts/Inspections	20	0	0	-2	18	3	15
Traffic Operations Services	25	0	0	-3	22	1	21
Administrative Services	16	1	-1	0	16	1	15
Permits	8	0	0	1	9	1	8
Information Technology Services	7	0	0	0	7	2	5
Budget/Revenue Claiming	7	1	0	0	8	2	6
Environmental Management	1	0	0	0	1	1	0
<b>Total</b>	<b>341</b>	<b>3</b>	<b>-1</b>	<b>0</b>	<b>343</b>	<b>57</b>	<b>286</b>

\*Detailed classification listing available in Appendix D.



## STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing Expenses of \$28.6 million fund 343 budgeted positions of which 286 are regular positions and 57 are limited term positions. This includes a net increase of two positions.

A total of three positions were added to the budget (two regular and one limited term):

- Public Works Engineer II (regular) in the Transportation Planning section to assist with planning, programming and budgeting of transportation projects.
- Systems Accountant II (regular) in the Administrative Services section to support and perform systems upgrades of the multiple accounting systems in use.
- Transportation Analyst II (limited term) in the Administrative Services section to assist with billing activities for various projects due to vacancies.

One vacant limited position has been deleted:

- Contract Accountant III is no longer necessary because the Accela Project and other ongoing accounting systems related projects are now assigned to a regular position.

