

# Staff Report

for the Regular Meeting of the Board of Directors of November 9, 2016

**TO:** Board of Directors

**FROM:** Remleh Scherzinger, General Manager  
Marvin Davis, Finance Manager

**DATE:** November 1, 2016

**SUBJECT:** 2016 Financial Efficiency Report

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***FINANCE***

**RECOMMENDATION:**

Review the 2016 Financial Efficiency Report and provide comments.

**BACKGROUND:**

The report provides departmental financial efficiencies consistent with staff's commitment to investigate costs savings and revenue sources for the benefit of all our rate payers and community.

There are other significant internal control improvements, such as an online human resources and payroll application yielding additional value.

Due to staff's efforts, the District realized \$2,204,487 in cost savings and additional revenues for the fiscal year.

**BUDGETARY IMPACT:**

To be discussed.

/RS, MD

Attachments:

- 2016 Financial Efficiency Report

# Nevada Irrigation District

2016 Financial Efficiency Report

November 9, 2016

## **Finance, HR & Administration**

1. Closed James Marta & Company consultant re-engineering contract saving \$30,000
2. Improved internal controls resulting in interest earnings increase, \$402,000
3. Joined National Cooperative Contract yielding price discounts from participating vendors such as Caterpillar, Office Depot, Grainger, HON Company, etc. savings of \$75,000
4. Reduced GIS contract for 2016 saving \$2,000 and combined Centennial web hosting saving \$5,000
5. Used IT Staff for key report modifications over consultants saving \$5,000 and configured in-house camera system over consultants saving up to \$20,000
6. Configured Hydro internet meter reading over consultants savings \$6,000
7. Due to Administration efforts, the District received \$467,830 in overall grant revenues

## **Engineering**

1. Use of NID temporary staff for a number of construction and inspection related engineering duties resulted in the following savings: 1,800 hours @\$37 per hour verses \$100 per hours = \$114,061

## **Operations**

1. Redesign Technician position with Dispatcher saving \$10,587
2. Collaborated with purchasing to join consortium on chemicals saving \$55,000
3. Authorized remote access to treatment plants savings time & equipment of \$5,000
4. Reduced emergency call outs with tracking technology staff labor of \$45,000
5. Installed telemetering gauge at Loma Rica with staff labor saving time \$8,000
6. Received grant to offset cost of installing water meters on canals, revenue of \$55,000

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7. Collaborated with NRCD and UC Extension on staff training saving \$8,000.
8. Due to contract negotiations, no longer required to purchase water from PG&E, in 2016 we paid for \$459,000.

## **Maintenance**

1. Repair of Brunswick Basin with NID staff saving \$572,320
2. Developed alternative process for meter lids in Cascade shores subdivision saving \$28,000
3. Repair leak off Hollow Way using NID staff saving \$5,100
4. Continue to narrow canal sections reducing velocities saving on chemicals, \$10,000
5. Maintained landscape at main office and North Auburn Treatment Plant with staff saving \$14,000
6. Redesigned Deer Creek pressure reducing valve station eliminating need to maintain storage tank saving \$100,000

## **Hydroelectric**

1. Replaced Rollins AC oil pump using NID staff saving \$35,000
2. Remote network access installation at powerhouses reducing labor time and equipment needs saving \$10,000
3. Installed automatic rain gauge reducing labor time saving \$1,000
4. Installed capacitor banks at Combie South Powerhouse using NID staff saving \$25,000

## **Recreation**

1. Used surplus trucks instead of new purchase saving \$50,000
2. Using NID staff vs outside labor for tree removal, wood resale packaging, ice bagging, pole barn building at Ditch-tenders, clerical copy work savings \$45,500
3. Used Fire Camp Crew vs higher paid labor saving \$24,400

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4. Temporary staff and housing work as opposed to FTEs saving \$25,689

## Summary of Financial Efficiencies

Department	Savings	Revenue	Efficiency
Finance	\$ 143,000	\$ 402,000	\$ 545,000
Engineering	114,061		114,061
Operations	131,587	55,000	186,587
Maintenance	729,420		729,420
Hydroelectric	71,000		71,000
Recreation	145,589		145,589
Administration		412,830	412,830
<b>Total</b>	<b>\$ 1,334,657</b>	<b>\$ 869,830</b>	<b>\$ 2,204,487</b>