

The Orange County Sheriff's Office (OCSO) Comptroller Brad Hurd recently stated in an agency memo to the troops ... "if we didn't pay for gas, we could afford to pay for a merit increase".

Each adopted budget contains an amount for Fuel. The budgeted amount for fuel is funded by the revenues from the County. However, there is another source of revenue that is used to pay for fuel. This source is called "Off-Duty/Fuel Reimb" and it is not included in the revenue budget, but it shows up on the expenditure side of the budget as a negative amount thus off-setting expenditures. This revenue comes from those who have take-home cars (including PBA and non-PBA bargaining unit members).

OCSO applies the Off-Duty/Fuel Reimb as an off-set to the actual cost of fuel. The result of this expenditure off-set reduces the amount of fuel cost recorded in the expenditure report below the actual cost. The "Off-Duty/Fuel Reimb" is never budgeted as an amount that will be received by OCSO ... even though OCSO knows it will be realized.

The adopted FY09 fuel budget was \$4.377 million, the actual cost was \$4.254 million, and was reduced by (\$0.930) using the reimbursement, resulting in \$3.324 million being shown as the actual "cost" for fuel.

The adopted FY10 fuel budget was \$4.377 million, the actual cost was \$4.382 million, and was reduced by (\$1.827) million by using (\$1.492) million the Off-Duty/Fuel reimbursement plus (\$0.345) million of other non-budgeted reimbursements, resulting in \$2.555 million being shown as the actual "cost" for fuel.

The adopted FY11 fuel budget is \$4.452 million. The actual cost as of the end of July was \$4.455 million and reflects the increased price of fuel. This cost has been reduced to-date by (\$1.500) million using the reimbursement, resulting in the "cost" being \$2.959 million. We have estimated that the FY11 fuel cost will be \$5.705 million and the applied reimbursement will be (\$1.763) million, resulting in an estimated "cost" of \$3.942 million.

The originally proposed FY12 fuel budget is \$5.952 million and reflects a small increase over the estimated FY11 amount. However, the FY12 budget does not include an estimate for the "Off-Duty/Fuel Reimb" revenue source (from PBA and non-PBA bargaining unit members) that is used to off-set the fuel cost.

The amount of "Off-Duty/Fuel Reimb" money received by OCSO has also been used to off-set the cost of other expenditures in addition to fuel costs (see below).

The actual amount of "Off-Duty/Fuel Reimb" received for FY09 was \$1,780,407. It was not budgeted to be received. It was used to off-set the cost of fuel by \$930,407, the cost of Misc. Operating Supplies by \$450,000, and the cost of Fleet Maintenance & Repair by \$400,000

The actual amount of "Off-Duty/Fuel Reimb" received for FY10 was \$1,767,878. It was not

budgeted to be received. It was used to off-set the cost of fuel by \$1,491,702, the cost of Grant Matching Costs by \$100,000, the cost of Misc. Operating Supplies by \$79,500, and subsidizing the budgeted reimbursement shortfall for the S.R.O. expenditure account by \$96,676.

Using “Off-Duty/Fuel Reimb” actually “releases” the money provided by the County that was going to be used to fund the budgeted amount for fuel and other operating costs. **These “released” funds were then used by OCSO for other purposes, such as increasing expenditures for other operating costs beyond the budgeted amounts, or returning money back to the County at the end of the year.** While OCSO has not estimated the amount of “Off-Duty/Fuel Reimb” for FY12, it is reasonable to assume that it will be approximately \$1.700 million, the same amount it has been since FY09. **It important to point out that the amount of the “Off-Duty/Fuel Reimb” received during FY09 and FY10, estimated for FY11, and assumed for FY12 is the amount of money that equates to the cost of merit pay step increases.**

It is unfortunate that the Sheriff has used this money for “his” expenditures, to give back money to the County ... yet sadly not to help you with your rising costs via a much needed and well-deserved merit pay increase!