



# MEMORANDUM

## RIVERSIDE COUNTY EXECUTIVE OFFICE

Larry Parrish  
County Executive Officer

**TO:** Members, Board of Supervisors  
**FROM:** Larry Parrish, CEO  
**RE:** FY03-04 Internal Service Fees  
**DATE:** January 29, 2003

Annually, in accordance with Board Policy B-4, internal service department managers, the Auditor-Controller, and the Executive Office evaluate existing and proposed charges for services. Internal fees include those from departments that administer true Internal Service Funds (ISFs), as well as those, such as Human Resources, that function much like ISFs.

Following this memo are department proposals for next year's rates. Mindful of State budget uncertainties, department heads were encouraged to hold rates at the FY 2002-03 levels. The few recommended increases are a result of increased usage, uncontrollable insurance costs, more employees, or departments requesting a greater level of service than in past years. The following is a summary of the rate changes, in millions of dollars, requested by service departments and recommended by this office:

| ISF                     | FY02 Actual | FY03 Approved | FY04 Requested | FY04 Recommended | Recommended Increase |
|-------------------------|-------------|---------------|----------------|------------------|----------------------|
| OASIS, RIFMIS & Payroll | 8.3         | 12.2          | 12.2           | 12.2             | 0                    |
| Info Technology-CORNET  | 3.0         | 4.5           | 4.5            | 4.5              | 0                    |
| Human Resources         | 7.7         | 9.4           | 10.4           | 10.4             | 1.0                  |
| Workers Comp            | 15.1        | 21.7          | 33.0           | 21.7             | 0                    |
| Property Insurance      | 1.6         | 3.1           | 4.1            | 4.1              | 1.0                  |
| Liability Insurance     | 12.1        | 5.4           | 11.2           | 5.4              | 0                    |
| Med Malpractice         | 1.0         | 1.3           | 5.2            | 1.3              | 0                    |
| Records Mgmt            | 1.8         | 2.4           | 2.3            | 2.3              | (.1)                 |
| Supply Shipping         | .1          | .2            | .2             | .2               | 0                    |
| <b>TOTAL</b>            | <b>50.7</b> | <b>60.2</b>   | <b>83.1</b>    | <b>62.1</b>      | <b>1.9</b>           |

ISF rates represent a large portion of departmental costs over which, in many cases, departmental users have little or no control. When rates rise too sharply, user departments typically respond by reducing spending in other areas (staffing and services) or requesting additional County funding to maintain levels of service.

As detailed in the Human Resources Director's well-articulated attachment, actuarial studies indicate that, in order to maintain recommended confidence levels, the insurance rates for workers compensation, medical malpractice, and liability should rise by \$21 million next year. These studies are based on past and anticipated claims and risks. In a more stable economic climate, I would endorse the Human Resources Director's recommendations to increase rates.

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My long-range intent is certainly to fortify these funds. However, these insurance funds all maintain substantial cash balances -- totaling \$107 million at the beginning of this fiscal year -- and collectively expend about \$31 million in a typical year. After careful evaluation, it has been determined that a cash balance of \$107 million, combined with an anticipated \$30 million to be generated from current rates, will provide sufficient funds to cover the estimated FY 2003/04 program expenses of \$44 million. Maintaining rates at the current level will lower confidence levels, but this can be revisited at any time. I therefore recommend that departments be charged the same rates for the workers' compensation, medical malpractice and liability insurance types as were approved last year at this time. In view of the significant budget uncertainties we face, this seems the prudent course. As the County is not self-insured for property, that \$1 million rate increase is recommended.

While most of the other rate proposals were unchanged from the current year, there are some refinements to the allocation of costs (primarily related to the use of technology, and not affecting the total costs) that will cause departments to pay either more or less than in prior years. Those most dramatically affected by this usage-based change in methodology will be the Regional Medical Center, the Assessor/Clerk/Recorder, and the Transportation and Land Management departments. Most of these functions can claim only partial reimbursement of these charges from outside funding agencies or through fees. Still, the new distribution methodology appears to be a fairer way to allocate costs, and is approved by the Auditor-Controller.

This year, internal service managers held meetings with their customers as part of the rate-setting process that takes place each winter. These meetings allowed users to better understand all of the costs that enter into rate calculations. It also gave those users an opportunity to provide feedback to the service departments. This practice is expected to continue in future years.

We cannot know precisely how the State's tight budget will affect our own financial situation. A general strategy of maintaining current ISF service levels and rates seems most prudent, and requires internal service departments to economize along with frontline departments. Approval of the motions below will provide internal service departments sufficient funding to maintain current services and staff.

It is, therefore, recommended that the Board of Supervisors:

- 1) Approve the general Human Resources charges and property insurance rates on the attached Form 11, and maintain the FY 2002/03 rates for workers' compensation, medical malpractice, general liability and auto liability insurances; and
- 2) Approve each of the other attached fee-related Forms 11.

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: Assessor-County Clerk-Recorder      SUBMITTAL DATE: January 15, 2003

SUBJECT:    Revised Billing Rates for Records Management Services for Fiscal Year 2003-04.

RECOMMENDED MOTION: That the Board of Supervisors approve the revised billing rates for Records Management Services for Fiscal Year 2003-04 listed in Attachment A.

BACKGROUND: The Revised billing fees for Fiscal Year 2003-04 do contain some specific rate increases by line items. However, these requested rate increases are offset by the elimination of the capital reserve fee. In order to have no net increase for the departments, we are working with each department to eliminate or reduce expenses by better utilization of county provided services such as Central Mail. We are also actively promoting records retention schedules so that records that have reached the end of their life cycle and are determined to have no historical value are destroyed thereby reducing long term storage costs.

The rate increases will generate needed revenue to cover higher equipment maintenance and repair costs, communication support for expansion of our on-line retrieval services, upgrading of old computer systems to county standards and provide limited support for the County of Riverside Archive Program.

Gary L. Orso  
Assessor-County Clerk-Recorder

FINANCIAL DATA:

|                   |        |                         |            |
|-------------------|--------|-------------------------|------------|
| CURRENT YEAR COST | \$ N/A | ANNUAL COST             | N/A        |
| NET COUNTY COST   | \$ N/A | IN CURRENT YEAR BUDGET: | No         |
|                   |        | BUDGET ADJUSTMENT:      | FOR FY: No |

SOURCE OF FUNDS:

C.E.O. RECOMMENDATION: **APPROVE.**

County Executive Officer Signature

Prev. Agn. ref.

Dist.

3.32

FISCAL PROCEDURES APPROVED  
ROBERT E. BYRD, Auditor-Controller  
BY Ade Higgins Deputy  
1/23/03

Policy

Consent

Department Recommendation:  
Per Executive Office:

# Board Resolution 2003-xxx

## ASSESSOR-COUNTY CLERK-RECORDER RECORDS MANAGEMENT PROGRAM BILLING RATES

FY2003/2004 Rates Comparison - County & Government Agencies

ATTACHMENT A

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|   | FY2002/2003 | FY2003/2004 |
|---|-------------|-------------|
| <b>COM SERVICES</b>   |             |             |
| Microfiche Original   | \$1.75 ea   | \$1.95 ea   |
| Microfiche Duplicate  | \$0.18 ea   | \$0.20 ea   |
| Labor Rate  | \$50.55 hr  | \$51.75 hr  |
| <b>MICROGRAPHICS SERVICES</b>   |             |             |
| Microfilm Processing, 16mm X 100'/125'  | \$6.35 rl   | \$6.65 rl   |
| Microfilm Processing, 16mm X 215'   | \$8.95 rl   | \$9.15 rl   |
| Microfilm Processing, 35mm X 100'   | \$8.95 rl   | \$9.15 rl   |
| Microfilm Silver Duplicating, 16mm X 100'/125'  | \$14.35 rl  | \$14.75 rl  |
| Microfilm Silver Duplicating, 16mm x 215' & 35mm X 100'   | \$20.70 rl  | \$21.25 rl  |
| Microfilm Diazo Duplicating, 16mm X 100'/125'   | \$9.00 rl   | \$9.90 rl   |
| Microfilm Diazo Duplicating, 16mm X 215'  | \$12.80 rl  | \$12.95 rl  |
| Microfilm Diazo Duplicating, 35mm X 100'  | \$13.20 rl  | \$13.35 rl  |
| Microfiche Duplicate (Diazo)  | \$0.60 ea   | \$0.70 ea   |
| Aperture Card Original  | \$1.80 ea   | \$1.95 ea   |
| Aperture Card Duplicate   | \$1.25 ea   | \$1.35 ea   |
| Hard Copy Paper Prints (min chrg 10 pages per microfilm file)   | \$0.50 ea   | \$0.50 ea   |
| Shredding - 1 cubic foot box of data  | \$6.60 bx   | \$7.50 bx   |
| Labor Rate  | \$37.15 hr  | \$35.55 hr  |
| <p>Note: Labor rate does not include supplies required in filming and processing the data.<br/>Supplies are billed separately.</p>  |             |             |
| <b>PHOTO LAB SERVICES</b>   |             |             |
| Color Roll Processing - 12 exp, 24 exp, 36 exp  | n/a rl      | \$2.00 rl   |
| 4 X 6 Color Prints (1st print)  | \$0.50 ea   | \$0.55 ea   |
| 4 X 6 Color Prints, Duplicates  | \$0.25 ea   | \$0.30 ea   |
| 5 X 7 Color Prints  | \$2.75 ea   | \$2.75 ea   |
| 8 X 10 Color Prints   | \$6.15 ea   | \$6.50 ea   |
| 12 X 18 Color Prints  | \$14.90 ea  | \$14.90 ea  |
| 8 X 10 Color Contacts   | \$7.70 ea   | \$7.70 ea   |
| Panoramic Prints, 4 x 10  | \$1.45 ea   | \$1.45 ea   |
| Panoramic Prints, 8 x 18  | \$12.25 ea  | \$12.25 ea  |
| Labor Rate  | \$63.10 hr  | \$56.90 hr  |
| <p>Note: Labor is charged for on-site photography work, rushes (24-48 hrs. upon written approval by Department Supervisor), researching and any special handling of prints.</p> |             |             |
| <b>RECORD CENTER SERVICES</b>   |             |             |
| Storage, per 1 cubic ft box   | \$0.37 mth  | \$0.38 mth  |
| Storage, open shelf filing - 1 linear ft  | \$0.62 mth  | \$0.70 mth  |
| Storage, media storage per .5 cubic ft  | \$0.37 mth  | \$0.38 mth  |
| Delivery\Pickup-Regular (Downtown)  | \$9.00 ea   | \$10.00 ea  |
| Delivery\Pickup-Regular ( outside DT)   | \$18.00 ea  | \$20.00 ea  |
| Delivery\Pickup-Priority  | \$18.00 ea  | \$20.00 ea  |
| Delivery\Pickup-Rush  | \$36.00 ea  | \$40.00 ea  |
| Delivery\Pickup charge per item   | \$0.75      | \$0.75 ea   |
| Indexing of box upon receipt  | \$2.05 ea   | \$2.10 ea   |
| Indexing of files (average cost)  | \$0.75 ea   | \$0.75 ea   |
| Retrieval of record/box   | \$1.95 ea   | \$1.95 ea   |
| Filing/Refiling of record/box   | \$1.95 ea   | \$1.95 ea   |
| Shredding - 1 cubic foot box of data  | \$6.60 bx   | \$7.50 bx   |
| Shredding of Records by county contract - 1 cubic foot box of data  | \$5.05 bx   | \$5.65 bx   |
| RM Technical Support  | \$41.65 hr  | \$44.80 hr  |
| On-line support & maintenance per user  | \$19.80 mth | \$24.95 mth |
| Paper & Electronic Reports - upon request per page  | \$0.10 pg   | \$0.10 pg   |
| Copies\Faxes of documents   | 0.25 pg     | \$0.50 pg   |
| Labor Rate  | \$41.65 hr  | \$44.80 hr  |
| <b>ALL SERVICES</b>   |             |             |
| Bill Processing fee   | \$6.95      | \$7.90 ea   |
| Operating Reserve Fund 1% of all invoices   | 1%          | 1% ea       |
| <p>Micrographics, Photo Lab, Records Center Supplies are billed separately.</p>   |             |             |

ASSESSOR-COUNTY CLERK-RECORDER  
 RECORDS MANAGEMENT PROGRAM BILLING RATES  
 FY2003/2004 Rates Comparison - Outside Public

ATTACHMENT A  
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| RMP SERVICES TO OUTSIDE PUBLIC                       | FY2002/2003 | FY2003/2004 |
|--|-------------|-------------|
| Daily Roll Diazo Duplicate, 16mm X 125'              | \$47.80 rl  | \$55.20 rl  |
| Daily Roll Diazo Duplicate, 16mm X 215'              | \$94.40 rl  | \$95.85 rl  |
| Map Roll Silver Duplicate, 16mm x 215' & 35mm X 100' | \$67.95 rl  | \$68.35 rl  |
| Map Roll Diazo Duplicate, 35mm X 100'                | \$30.45 rl  | \$30.55 rl  |
| COM\Map Microfiche Duplicate                         | \$3.30 ea   | \$3.35 ea   |
| Aperture Card Duplicate                              | \$1.40 ea   | \$1.80 ea   |
| Basic CD workorder                                   | \$29.70 ea  | \$35.25 ea  |
| Complex CD workorder                                 | \$52.80 ea  | \$62.10 ea  |
| Advance CD workorder                                 | \$90.10 ea  | \$105.85 ea |
| Advance CD workorder-ea additional CD                | \$7.30 ea   | \$8.45 ea   |
| Bill Processing fee                                  | \$7.15 ea   | \$8.30 ea   |
| Operating Reserve Fund 1% of all invoices            | 1%          | 1% ea       |