

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

930-D



FROM: Human Resources Dept.


SUBMITTAL DATE:
January 25, 2005

SUBJECT: Human Resources General Fund Rate Charge for Fiscal Year 2005-06

RECOMMENDED MOTION: That the Board of Supervisors approve the Assistant County Executive Officer/Human Resources Director's recommendation for Human Resources rates charged to departments for FY 2005-06, as outlined in Attachment "A", and authorize the continued use of the rate methodology and semi-annual adjustment of department charges based on positions filled, as outlined in Attachment "B".

BACKGROUND: The Human Resources Department is funded primarily through direct billing of each department for services provided, based on the number of filled positions in each department; these charges are mitigated by other revenues (insurance companies, administrative surcharges on premiums, etc.). This rate approach reduces general fund costs and ensures that departments receive and pay for appropriate human resources services. The recommended action requests that the Board approve the Human Resources (HR) average rate of \$796 annually per employee (a 4.23% increase over the 2004-05 average rate of \$763), as well as the continued use of the methodology previously established by your Board (outlined in Attachment "B"), for the next fiscal year (2005-06). The proposed overall charges in Attachment "A" reflect the current number of filled positions, and departmental requests for services in addition to the base level of service.

Departmental Concurrence



 Ronald W. Komers
 Asst. County Executive Officer/HR Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2005-06

SOURCE OF FUNDS: Departmental Budgets	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

County Executive Office Signature



FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, Auditor-Controller
 BY  Deputy

Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: _____ **District:** _____ **Agenda Number:** _____

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Background (continued):

Major assignments for Human Resources for FY 2005-06 include negotiation of four (4) collective bargaining contracts covering LIUNA, SEIU, RSA (Public Safety Unit) and Deputy DA employees. In addition, recruitment of new employees due to turnover and added position growth continues to place high demand on the department, with special needs emerging due to state-mandated nursing ratios and expected increases in mental health funding. During calendar year 2004, Human Resources provided 1,494 hiring lists to departments, an average of 124 hiring requisitions per month, from among over 50,000 applicants. Under the Board-adopted "corporate HR" governance model, HR also has major responsibility for investigating, arbitrating, and resolving claims of harassment, discrimination and other employee complaints. At any point in time, HR is investigating, defending, or proposing discipline for 106 to 138 employees, and investigating another 24 to 42 discrimination and grievance complaints. The trend nationwide has been an increase in discrimination, harassment, and union complaints, and the County has experienced a similar trend. It is also common during difficult economic times for the rate of such complaints to increase. Poorly documented and poorly defended cases could cost the County millions of dollars, so it is important to continue these services at a fully funded level.

Departments are charged based on the number of filled positions, as well as growth in their filled positions, which is evaluated twice per year (July and January). If a department fills five or more positions, Human Resources costs for the remainder of the current fiscal year are increased. If departments experience reductions of five or more positions during the fiscal year, costs are automatically reduced, on a per person basis for the remainder of the year. The budget for Human Resources is directly proportional to the number of County employees. Continuation of this methodology ensures that Human Resources rates and staffing will be adjusted to reflect the changes experienced by other departments as we all face budget challenges - - if other Department staffing is reduced, HR Budget and staffing will automatically be reduced.

Like other departments, Human Resources is experiencing increases in PERS retirement costs, IT charges, liability rates, and workers' compensation rates. Because of increased charges HR must bear for OASIS, IT, PERS and outside arbitrators, among other costs, our annual cost of doing business has increased by over \$1.3 million. In addition to increased costs, new regulatory requirements have been imposed on HR programs, including "HIPAA" medical coverage and privacy regulations, Government Accounting Standards Board (GASB) actuarial requirements, and Public Employee Relations Board (PERB) processes. This has already required us to furlough employees (voluntary), automate more functions, and cut vacant funded positions. Despite these significant increases in costs to HR, and the reductions we have already taken, we held our base HR rate for 2004-05 at the same level as 2003-04. It is necessary this year to reflect the cost increases we have experienced over the last two years.

A number of departments, recognizing the value added through a higher level of Human Resources support, have requested staff in addition to those provided through the base HR rate. As an example, special recruiting staff for nursing was added (on a shared basis between the Regional Medical Center and Community Health Agency) to assist in addressing the nursing shortage and the new nursing ratios that have placed an even greater demand on those systems. Several departments have arranged to have HR staff process timesheets and personnel transactions for their departments, rather than have their own staff complete OASIS transactions. Finally, there are several departments who have funded additional staff to more promptly investigate and resolve disciplinary cases. Failure to do so would result in extra costs for administrative leave, as well as extra costs when lawsuits and arbitration rulings require back pay awards for the claimant. Some requested additional services are paid by the General Fund and some have no direct County cost. Departments currently utilizing additional Human Resources services are indicated in Attachment "A", along with information relating to the types of services provided, in columns 8 and 9. Departments can delete additional services requested at any time.

The Human Resources Department is committed to working in partnership with each County department to meet their Human Resources needs, while preventing lawsuits and discrimination charges against the County. The goal of the Human Resources Department continues to be providing the most responsive, efficient and effective services possible to departments, so that the County can better meet its mission.

COUNTY OF RIVERSIDE
HUMAN RESOURCES RATES
FY 05-06 ATTACHMENT "A"

General Fund Departments and Non-Governmental Fund Departments Budget in Account 525144
Governmental Fund Departments (Other than General Fund) Budget in Account 537090

Fund/DeptID	NAME	BUDGET		PROPOSED HR RATE FY 05_06				Proposed Rate Charge Per Person FY05_06	Additional Services Cost- (Included in the Total Cost)	Type(s) of Additional Services Charged (See Legend Above)	\$ Variance from FY04_05 Budget	% Variance from FY04_05 Budget
		FY 04-05	FY 04-05	HR Rate 04_05	Positions Filled	Proposed HR Rate FY 05_06 Total Cost	Positions Filled					
10000-1000100000	BOARD OF SUPERVISORS	51	31,325	31,702	46	689				377	1.20%	
10000-1000200000	ASSESSMENT APPEAL BRD	5	3,071	1,838	3	613				(1,233)	-40.15%	
10000-1100100000	EXECUTIVE OFFICE	29	17,812	20,675	30	689				2,863	16.07%	
10000-1200100000	ASSESSOR	249	252,011	225,963	238	949		80,164	3	(26,048)	-10.34%	
10000-1200200000	RECORDER	168	103,188	118,232	193	613				15,044	14.58%	
10000-1200300000	ASSESSOR-RECORDS			22,631	24	943		7,928	3	22,631		
10000-1300100000	AUDITOR-CONTROLLER	99	60,807	47,785	82	583				(13,022)	-21.42%	
10000-1300200000	INTERNAL AUDITS			4,079	7	583				4,079		
10000-1400100000	TREASURY/TAX COLLECT	86	55,006	51,458	84	613				(3,548)	-6.45%	
10000-1500100000	COUNTY COUNSEL	52	31,939	33,080	48	689				1,141	3.57%	
10000-1700100000	REGISTRAR OF VOTERS	35	21,497	22,054	36	613				557	2.59%	
10000-1930100000	EDWARD DEAN MUSEUM	2	1,128	1,165	2	583				(37)	-3.30%	
10000-2100600000	GRAND JURY	1	614	689	1	689				75	12.21%	
10000-2200100000	DISTRICT ATTORNEY	466	286,223	320,463	455	689				34,240	11.96%	
10000-2300100000	DAFS DCSS	485	396,786	439,717	489	899		102,711	3	42,931	10.82%	
10000-2400100000	PUBLIC DEFENDER	179	109,944	118,538	172	689				8,594	7.82%	
10000-2500100000	SHERIFF ADMIN	31	14,901	14,079	29	485				(822)	-5.52%	
10000-2500100000	SHERIFF ADMIN											
10000-2500200000	SHERIFF SPT ADMIN SVS	243	116,808	117,490	242	485				682	0.58%	
10000-2500200000	SUPP ADMIN SVC NS											
10000-2500300000	SHERIFF ADMIN-PATROL	1,354	650,856	672,414	1,385	485				21,558	3.31%	
10000-2500300000	PATROL NON-SWORN											
10000-2500400000	SHERIFF CORRECTIONS	978	470,116	459,767	947	485				(10,349)	-2.20%	
10000-2500400000	SHERIFF COR & DET NS											
10000-2500400000	SHERIFF CORR CLASSIFIED											
10000-2500500000	SHERIFF COURT SVS	167	80,275	75,252	155	485				(5,023)	-6.26%	
10000-2500500000	COURT SVCS NS											
10000-2500600000	SHERIFF CAC SECURITY	3	1,442	1,456	3	485				14	0.97%	
10000-2500700000	BC TRN CTR SWORN	36	17,305	17,963	37	485				658	3.80%	
10000-2500700000	BC TRN CTR CLASSIFIED											
10000-2500800000	SHERIFF - RAID			485	1	485				485		
10000-2501000000	SHERIFF CORONER	49	23,554	23,304	48	486				(250)	-1.06%	
10000-2501000000	SHERIFF PUBLIC ADMIN	15	7,210	6,797	14	486				(413)	-5.73%	
10000-2600100000	JUVENILE FACILITIES	400	245,685	216,781	372	583				(28,904)	-11.76%	
10000-2600200000	PROBATION	344	304,040	197,551	339	583				(106,489)	-35.02%	
10000-2600700000	PROBATION SPEC CRT SVC	35	21,497	19,231	33	583				(2,266)	-10.54%	
10000-2700200000	FIRE PROTECTION	113	69,406	114,350	112	1021				44,944	64.76%	
10000-2700400000	FIRE CONTRACT SERVICE	18	11,066	19,399	19	1021				8,343	75.46%	
10000-2800100000	AG COMMISSIONER	48	27,085	29,335	41	715				2,250	8.31%	
10000-3110100000	BLDG. & SAFETY	122	78,031	80,863	132	613				2,832	3.63%	
10000-3110200000	CODE ENFORCEMENT	47	30,061	31,855	52	613				1,794	5.97%	
10000-3120100000	PLANNING	58	37,097	33,693	55	613				(3,404)	-9.18%	
10000-3130200000	SURVEYOR	32	20,467	18,991	31	613				(1,476)	-7.21%	
10000-4100100000	MENTAL HEALTH	35	27,392	29,330	31	946		7,148	1	1,938	7.08%	
10000-4100200000	MENTAL HEALTH TREATMEN	489	392,477	422,781	441	959		107,226	1	30,304	7.72%	
10000-4100300000	DETENTION PROGRAM	22	18,146	15,023	16	939		3,574	1	(3,123)	-17.21%	
10000-4100400000	MENTAL HEALTH ADMIN.	131	104,490	114,459	120	954		28,594	1	9,969	9.54%	
10000-4100500000	MH D & A TREATMENT	127	102,233	123,758	128	967		32,168	1	21,525	21.05%	

COUNTY OF RIVERSIDE
HUMAN RESOURCES RATES
FY 05-06
ATTACHMENT "A"

General Fund Departments and Non-Governmental Fund Departments Budget in Account 525144
Governmental Fund Departments (Other than General Fund) Budget in Account 537090

Additional Services Legend:

1. Time & Labor Services
2. Recruiting Services
3. Employee Relations Services

Fund/DeptID	NAME	BUDGET		PROPOSED HR RATE FY 05_06				Proposed Rate Charge Per Person FY05_06	Additional Services Cost- (Included in the Total Cost)	Type(s) of Additional Services Charged (See Legend Above)	\$ Variance from FY04_05 Budget	% Variance from FY04_05 Budget
		FY 04-05	FY 04-05	Positions Filled	HR Rate FY 04_05	Positions Filled	Proposed HR Rate FY 05_06 Total Cost					
10000-4200100000	PUBLIC HEALTH	815	858,532	824	854,678	1037	248,166			(3,854)	-0.45%	
10000-4200100000	H.S.A. INFO SERVICE											
10000-4200100000	H.S.A. INT SPT SERVICE											
10000-4200200000	CALIF. CHILDREN'S SVS	140	147,478	139	144,175	1037				(3,303)	-2.24%	
10000-4200400000	ENVIRONMENTAL HEALTH	153	161,172	161	166,995	1037				5,823	3.61%	
10000-4200600000	ANIMAL CONTROL	85	89,540	83	86,090	1037				(3,450)	-3.85%	
10000-4300200000	MED INDIGENT SVS	33	38,793	32	43,191	1350	12,149			4,398	11.34%	
10000-4300300000	DETENTION HEALTH	90	105,799	90	121,476	1350	34,168			15,677	14.82%	
10000-5100100000	DFPS ADMIN	2,647	1,893,668	2,740	2,030,421	741				136,753	7.22%	
10000-5400100000	VETERANS SERVICE	12	8,637	10	7,410	741				(1,227)	-14.21%	
10000-6300100000	CO-OP EXT	5	2,821	4	2,862	716				41	1.45%	
10000-7200100000	FACILITIES (BLDG. SVCS)	312	238,009	304	227,155	747	50,000	3		(10,854)	-4.56%	
10000-7300100000	PURCHASING	22	13,303	21	12,238	583				(1,065)	-8.01%	
15100-947200	FLOOD CONTROL	201	159,445	217	162,910	751	29,976	2		3,465	2.17%	
20000-3130100000	TRANSPORTATION	306	195,717	313	191,745	613				(3,972)	-2.03%	
20000-3130300000	CROSSING GUARDS	1	640	1	631	631				(9)	-1.41%	
20008-3130700000	TRANS EQUIP	20	12,792	27	16,540	613				3,748	29.30%	
20200-3100100000	GEOGRAPHIC INFO SYS	22	14,071	18	11,027	613				(3,044)	-21.63%	
20200-3100200000	TLMA AGENCY	69	126,798	70	124,950	1784	81,968	1,2,3		(1,948)	-1.54%	
20200-3100300000	TLMA COUNTER	28	51,674	26	46,245	1779	30,317	1,2,3		(5,429)	-10.51%	
21050-5200100000	COMM ACTION AGENCY	19	13,675	20	14,821	741				1,146	8.38%	
21050-5200200000	COMM ACTION PR	11	7,917	9	6,669	741				(1,248)	-15.76%	
21050-5200300000	COMM ACTION PR	3	2,159	3	2,223	741				64	2.96%	
21100-1900100000	EDA ADMIN	92	97,361	109	100,919	926	37,400	2		3,558	3.65%	
21200-1101500000	COUNTY FREE LIBRARY	1	614	1	689	689				75	12.21%	
21450-5300100000	OFFICE ON AGING	64	46,063	59	42,217	716				(3,846)	-8.35%	
21550-1900300000	JTPA	156	95,817	129	75,174	583				(20,643)	-21.54%	
22000-1130300000	RIDESHARE	2	1,228	2	1,378	689				150	12.21%	
22050-1150100000	COMM FAC DIST	4	2,457	5	3,446	689				989	40.25%	
22100-1910700000	AVIATION	5	3,071	7	4,079	583				1,008	32.82%	
22200-1920100000	EDA COUNTY FAIR	8	4,914	9	5,245	583				331	6.74%	
22250-2505100000	CAL ID PROGRAM	21	10,095	21	10,195	485				100	0.99%	
22350-1910100000	EDA-CONSTR/LAND AQU BLYTHE AIRPORT			3	1,748	583				1,748		
22800-985101	PUBLIC AUTHORITY-ADMIN			11	8,151	741				8,151		
23525-905102	CSA 51	6	3,685	5	2,914	583				(771)	-20.92%	
23850-908501	CSA 85	2	1,228	1	583	583				(645)	-52.52%	
24325-912601	CSA 126	1	614	2	1,165	583				551	89.74%	
24550-914301	CSA 143	2	1,228	1	583	583				(645)	-52.52%	
24575-914501	CSA 145	2	1,228	2	1,165	583				(63)	-5.13%	
24625-915201	CSA 152	0	0	0	0	N/A						
40050-4300100000	RCRMC	1,589	1,867,947	1,572	2,121,774	1350	734,035			253,827	13.59%	
40050-4300100000	RCRMC - NURSING											
40200-4500100000	WASTE MANAGEMENT	110	130,030	89	100,295	1127	45,773	2,3		(29,736)	-22.87%	
40200-4500100000	WASTE RES MGT DIST	99	116,239	144	162,897	1131	74,683	2,3		46,658	40.14%	
40400-912211	CSA 122	1	614	1	583	583				(31)	-5.05%	
40440-906203	CSA 62	2	1,228	2	1,165	583				(63)	-5.13%	
40600-1900400000	HOUSING AUTHORITY	95	58,350	92	53,613	583				(4,737)	-8.12%	
45300-7300500000	FLEET SERVICES	58	35,072	58	33,799	583				(1,273)	-3.63%	
45420-1109200000	OASIS FINANCIALS	28	17,198	33	22,743	689				5,545		

COUNTY OF RIVERSIDE
HUMAN RESOURCES RATES
FY 05-06 ATTACHMENT "A"

General Fund Departments and Non-Governmental Fund Departments Budget in Account 525140
Governmental Fund Departments (Other than General Fund) Budget in Account 537090

Additional Services Legend:
1. Time & Labor Services
2. Recruiting Services
3. Employee Relations Services

Fund/DeptID	NAME	BUDGET FY 04-05		PROPOSED HR RATE FY 05_06			Proposed Rate Charge Per Person FY05_06	Additional Services Cost- (Included in the Total Cost)	Type(s) of Additional Services Charged (See Legend Above)	\$ Variance from FY04_05 Budget	% Variance from FY04_05 Budget
		Positions Filled	HR Rate FY 04_05	Positions Filled	Proposed HR Rate FY 05_06 Total Cost	Proposed Rate Charge Per Person FY05_06					
45420-1109300000	OASIS HRMS	14	8,599	16	11,027	689			2,428	-23.76%	
45500-7400100000	INFO TECH DIRECT	224	137,584	180	104,894	583			(32,690)	0.56%	
45600-7300300000	PURCHASING PRINT SVS	23	13,908	24	13,986	583			78	6.00%	
45620-7300600000	CENTRAL MAILING	10	6,047	11	6,410	583			363	-10.06%	
45700-7300400000	PURCHASING SUPPLY	15	9,070	14	8,158	583			(912)	49.60%	
45800-1132000000	EPO	9	5,528	12	8,270	689			2,742	7.72%	
45960-1131000000	LIAB INSURANCE	25	15,355	24	16,540	689			1,185	-25.23%	
46000-1130900000	MED MAL	3	1,843	2	1,378	689			(465)	75	
46020-1130700000	PROPERTY INSURANCE	1	614	1	689	689			(29)	-0.26%	
46040-1131300000	SAFETY LOSS CONTROL	18	11,056	16	11,027	689			4,016	25.15%	
46100-1130800000	WORKERS COMP	26	15,970	29	19,986	689			450	12.21%	
46100-1132200000	EAP	6	3,685	6	4,135	689			8,270	6,098	
46120-1132900000	OCCUPATIONAL HEALTH	17	10,442	24	16,540	689			225	12.21%	
47000-1131800000	TAP	3	1,843	3	2,068	689			450	74.27%	
51000-946001	SALTON SEA AUTH	6	3,685	6	4,135	689			7,395	15.98%	
51215-2900100000	LAFCO	18	11,056	26	19,267	741					
51475-938001	CHILDREN & FAMILY 1ST	82	46,271	75	53,666	716					
51540-931104	REG PARK & OPEN SPACE										
	TOTAL	14,656	11,184,558	14,654	11,657,794	796	1,748,148		473,236	4.23%	

Total Rate Charge per person FY 04-05 = \$763 (\$11,184,558/14,656)
Total Rate Charge per person FY 05-06 = \$796 (\$11,657,794/14,654)

Increase in overall charge per person in FY 05-06 = \$33 per person

METHODOLOGY FOR HUMAN RESOURCES RATE

1. The Human Resources positions to be funded for the year are identified, budgeted at current step plus 5.5%, and a 43% factor for benefit costs.
2. A snapshot of filled positions for each Dept ID is taken semiannually, in January and July, excluding HR positions. If a department's number of filled positions changes by five or more, their charges for the remainder of the current fiscal year are adjusted upward or downward accordingly, based on an equivalent per employee charge.
3. The HR positions are categorized by services provided and to whom:

INFRASTRUCTURE:

- Compensation/Classification
- Employee Relations
- Leadership Development
- Staff Development
- General
- Benefits, Records, and Accounting
- Administration
- OASIS Team

DEPARTMENTAL TEAMS:

- RCRM Team
- CHA Team
- Social Services Team
- Sheriff Team
- Justice and Executive Team
- Admin/Fiscal Team
- Engineering Team
- Mental Health/Parks/Ag Team

4. The total cost for services and supply budget is calculated, and then reduced by offsetting revenue and cost-applied income.
5. Schedules are then prepared by using the weighted factors per position
 - a. Team charges, allocated among all departments assigned to the team
 - b. Support of infrastructure, allocated among all departments
 - c. Special departmental requests, allocated only to requesting department(s)
 - d. Cost of supply/services, allocated among all departments