

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



FROM: Purchasing and Fleet Services Department

SUBMITTAL DATE:
December 1, 2008

SUBJECT: APPROVAL OF FY2009-2010 SUPPLY SERVICES ISF RATE CHANGES

RECOMMENDED MOTION: That the Board of Supervisors:

Approve the proposed rate changes for Supply Services as shown in Attachment A.

BACKGROUND: This Form 11 is for the purpose of setting Supply Services rates for fiscal year 2010.

Supply Services operates as an Internal Service Fund (ISF) and as such, must recoup its operating costs through charges to its customers. Supply Services rates are derived by combining the direct cost of labor and equipment with indirect costs incurred to run and maintain the facility and operation.

(Continued on Page 2)

Attachment

ROBERT J. HOWDYSHELL, Director
Purchasing and Fleet Services Department

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010

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

C.E.O. RECOMMENDATION:

APPROVE

BY: Robert Tremaine
Robert Tremaine

County Executive Office Signature

FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, AUDITOR-CONTROLLER
 BY:
 FERRY D. WOOD
 12/11/08
 Departmental Concurrence

Dept's Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.:

District:

Agenda Number:

3.31 K

BACKGROUND (Continued)

Supply Services revenues are volume-driven. It is a concern that if County departments and agencies reduce their volume requirements Supply Services will lose revenue from both rate and volume reductions. These revenue losses can be absorbed for a short period of time through a reduction of net assets but this cannot be a long-term strategy.

To minimize costs to the County, Supply Services strives for the lowest cost by bidding out large purchases and taking advantage of market conditions. The Department would like to point out that a new contract for the main supplier of office products was awarded in 2008. County departments and agencies should see additional savings because of the overall reduced cost of goods through this new contract.

Riverside County is one of four California counties that have a central supply operation. The recent run up in fuel costs highlighted that a central supply operation is more cost-effective and environmentally friendly than just-in-time deliveries directly from suppliers. In addition, Supply Services is an effective way for the County to manage vendor relations by consolidating orders and payments.

Delivery Rate:

Each year Supply Services passes along delivery charges to customers in the form of rates. The basis for FY 2010 rates is the actual cost of delivery in FY 2008 spread by the percentage of sales to each customer.

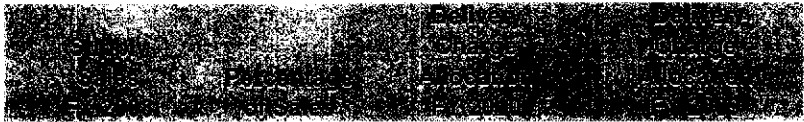
In response to a call for reduced internal service fund rates, Supply Services has absorbed 10% of delivery costs in its rate calculation.

Markup – Supplies

In 1985 the Board of Supervisors approved a flexible markup not to exceed 15% on supplies handled by Supply Services. Supply Services proposes a flexible markup rate on supplies and services not to exceed 13.5% for fiscal year 2010.

Attachement A

County of Riverside
Supply Services Delivery Rates
For Fiscal Year 2010



10001	BOARD OF SUPERVISORS	16,378	0.151%	373	616
10002	ASSESSMENT APPEALS	8,031	0.074%	183	18
11001	COUNTY EXECUTIVE OFFICE	6,918	0.064%	158	164
11092	OASIS-FINANCIALS	4,709	0.043%	107	7
11093	OASIS HRMS	6,414	0.059%	146	125
11301	PERSONNEL	271,742	2.499%	6,189	6,406
11303	PERSONNEL-RIDESHARE	1,053	0.010%	24	20
11306	HUMAN RESOURCES SELF ADMIN	8,802	0.081%	200	
11308	WORKERS COMP DIVISION	57,117	0.525%	1,301	836
11310	HR-RISK MANAGEMENT	30,023	0.276%	684	1,024
11313	HR-SAFETY OFFICE	32,993	0.303%	751	811
11318	HUMAN RESOURCES TAP	17,719	0.163%	404	515
11320	HUMAN RESOURCES EXCLUSIV	43,477	0.400%	990	1,067
11322	HUMAN RESOURCES/EAP	6,089	0.056%	139	99
11329	HR Occupational Hlth & W	12,571	0.116%	286	511
12001	ASSESSOR	126,790	1.166%	2,888	4,059
12002	COUNTY CLERK /RECORDER	85,579	0.787%	1,949	3,395
12003	CLERK RECORDER	24,663	0.227%	562	236
12004	CREST	35,191	0.324%	802	
13001	AUDITOR CONTROLLER	62,959	0.579%	1,434	1,630
13002	AC INTERNAL AUDIT	2,539	0.023%	58	8
14001	TREASURER-TAX COLLECTOR	65,367	0.601%	1,489	1,617
15001	COUNTY COUNSEL	30,460	0.280%	694	934
17001	REGISTRAR OF VOTERS	14,626	0.134%	333	112
19001	ECONOMIC DEV AGENCY	54,873	0.505%	1,250	2,081
19003	EDA REDEVELOPMENT	41,418	0.381%	943	1,291
19005	WORKFORCE DEVELOPMENT CT	27,161	0.250%	619	1
19201	NATIONAL DATE FESTIVAL	3,567	0.033%	81	92
22001	DISTRICT ATTORNEY	559,704	5.147%	12,748	12,323
23001	CHILD SUPPORT SERVICES	296,343	2.725%	6,749	6,345
24001	PUBLIC DEFENDER	37,179	0.342%	847	1,538
25001	SHERIFF-ADMINISTRATION	54,080	0.497%	1,232	1,570
25002	SHERIFF	132,705	1.220%	3,022	4,309
25003	SHERIFF	571,686	5.257%	13,020	14,678
25004	SHERIFF-ADMINISTRATION	152,270	1.400%	3,468	9,654
25005	SHERIFF COURT SERVICE-EA	61,185	0.563%	1,394	533
25006	SHERIFF -COURT SERVICES	2,098	0.019%	48	178
25007	RIVERSIDE COUNTY SHERIFF	38,827	0.357%	884	1,153
25008	SHERIFF DEPT NARCOTICS	5,556	0.051%	127	137
25009	SHERIFF	15,395	0.142%	351	107
25010	SHERIFF CORONER	12,340	0.113%	281	404
25011	SHERIFF-PUBLIC ADMINISTR	4,419	0.041%	101	111
25051	SHERIFF-CAL ID	12,658	0.116%	288	670
26001	PROBATION	122,703	1.128%	2,795	2,502
26002	PROBATION	677,967	6.234%	15,441	6,964

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Supply Services Delivery Rates
For Fiscal Year 2010

26007	PROBATION	100,132	0.921%	2,281	1,461
27001	FIRE DEPARTMENT-FP # HOM	15,877	0.146%	362	54
27002	FIRE DEPARTMENT	356,057	3.274%	8,109	14,201
27004	FIRE DEPARTMENT	3,230	0.030%	74	5
28001	AGRICULTURAL COMMISSIONE	20,400	0.188%	465	625
31001	TLMA	685	0.006%	16	44
31002	TLMA	8,801	0.081%	200	224
31003	TLMA	13,862	0.127%	316	275
31004	TLMA INTEGRATED PLAN	3,150	0.029%	72	
31005	TLMA	482	0.004%	11	23
31101	BUILDING AND SAFTEY	2,748	0.025%	63	158
31102	TLMA-CODE ENFORCEMENT	82	0.001%	2	157
31201	PLANNING	13,821	0.127%	315	1,222
31301	TLMA - TRANS CONST.	17,068	0.157%	389	679
31302	TLMA - SURVEY	-	0.000%	-	49
31307	TLMA	-	0.000%	-	28
31401	CODE ENFORCEMENT	9,895	0.091%	225	
41001	MENTAL HEALTH-PUBLIC GUA	17,207	0.158%	392	426
41002	MENTAL HEALTH	405,013	3.724%	9,224	8,106
41003	MENTAL HEALTH-DETENTION	30,966	0.285%	705	307
41004	MENTAL HALTH	129,000	1.186%	2,938	2,473
41005	MENTAL HEALTH	94,149	0.866%	2,144	2,052
42001	CHA	816,570	7.509%	18,598	4,817
42002	CHA	85,907	0.790%	1,957	-
42003	CHA	132,140	1.215%	3,010	26,962
42004	CHA	119,600	1.100%	2,724	9
42006	CHA	153,844	1.415%	3,504	34
43001	RCRMC	600,629	5.523%	13,680	15,797
43002	RCRMC - MEDICAL INDIGENT	6,754	0.062%	154	146
43003	RCRMC DETENTION HEALTH	11,249	0.103%	256	262
45001	WASTE MANAGEMENT	37,289	0.343%	849	857
51001	DPSS	2,774,580	25.514%	63,193	52,896
51006	DPSS HOMELESS	10,261	0.094%	234	181
52001	DPSS-MATERIAL MANAGEMENT	17,123	0.157%	390	555
52002	COMMUNITY ACTION	13,181	0.121%	300	51
52003	COMMUNITY ACTION	138	0.001%	3	1
53001	OFFICE ON AGING	79,302	0.729%	1,806	1,124
54001	VETERANS SERVICES	10,190	0.094%	232	437
63001	COOPERATIVE EXT.	5,634	0.052%	128	135
72001	FACILITIES MANAGEMENT	86,462	0.795%	1,969	2,799
72002	FACILITIES MANAGEMENT	358,877	3.300%	8,174	6,729
72003	FACILITIES MANAGEMENT	19,277	0.177%	439	115
72004	FACILITIES MANAGEMENT	17,416	0.160%	397	172
72005	FACILITIES MANAGEMENT	8,236	0.076%	188	59
72007	FACILITIES MANAGEMENT	6,106	0.056%	139	76
73001	PURCHASING	13,876	0.128%	316	335
73003	PRINTING SERVICES	234,511	2.156%	5,341	-
73004	SUPPLY SERVICES	10,151	0.093%	231	
73005	FLEET SERVICES	14,693	0.135%	335	235
73006	CENTRAL MAIL	1,778	0.016%	41	105

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**County of Riverside
Supply Services Delivery Rates
For Fiscal Year 2010**

74001	INFORMATION TECHNOLOGY	32,475	0.299%	740	814
74003	RCIT 800 Mhz Radio Project	32,792	0.302%	747	342
905830	WEST RVSD CNCIL GOVT.	-	0.000%	-	6
924001	CONSOLIDATED COURTS	-	0.000%	-	683
931108	RIVERSIDE COUNTY PARKS	-	0.000%	-	3
931116	RIVERSIDE COUNTY PARKS	-	0.000%	-	1
931117	REGIONAL PARK DISTRICT	1,851	0.017%	42	14
931119	REGIONAL PARKS DISTRICT	133	0.001%	3	4
931150	MSHPC RESERVE MANAGEMENT	189	0.002%	4	
931220	Regional Parks District	47	0.000%	1	1
931222	PARKS MULTI SPEC HABITAT	-	0.000%	-	7
931230	REGIONAL PARKS	-	0.000%	-	0
931400	REGIONAL PARKS DISTRICT	23,424	0.215%	534	623
931500	RIV. CTY REGIONAL PARK	464	0.004%	11	-
931709	RIVERSIDE COUNTY REGION	709	0.007%	16	11
931710	REGIONAL PARKS DISTRICT	843	0.008%	19	19
935200	RCA OPERATIONS	8,759	0.081%	199	
933201	RIVERSIDE COUNTY TRANS COMM	-	0.000%	-	58
935001	TLMA-KARLENE HERNANDEZ	-	0.000%	-	3
935200	WRC-Regional Conservati	-	0.000%	-	220
935320	WDC-RCA	3,757	0.035%	86	157
947140	FLOOD CONTROL	-	0.000%	-	18
947200	FLOOD CONTROL	8,673	0.080%	198	359
947260	FLOOD CONTROL	424	0.004%	10	-
947280	FLOOD CONTROL	260	0.002%	6	18
947300	FLOOD CONTROL	7,700	0.071%	175	235
947320	FLOOD CONTROL	229	0.002%	5	17
947560	FLOOD CONTROL	15	0.000%	0	0
960001	RIVERSIDE COUNTY LAW LIBRARY	-	0.000%	-	1
980501	PERRIS VALLEY CEMETERY	639	0.006%	15	9
985101	Public Authority Admin	6,640	0.061%	151	474
Total		\$ 10,874,760	100.000%	\$ 247,679	\$ 242,408

Supply Services Markup Rate

	Fiscal Year 2010	Fiscal Years 1985 to 2009
Markup Not to Exceed	13.5%	15%