

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

921



FROM: Office of County Counsel

SUBMITTAL DATE:
December 23, 2014

SUBJECT: County Counsel Billable Hourly Rates for FY 2015/16. (Districts-All): [\$10,330,827 100% reimbursement for services from departmental budgets and outside revenue sources]

RECOMMENDED MOTION: That the Board of Supervisors approve the proposed FY 2015/16 billable hourly rates for the Office of County Counsel as specified in Attachment A.

BACKGROUND:

Summary

In accordance with Board Policies B4 and B-28, the Office of County Counsel brings forward billing rates to the Board of Supervisors for approval annually. County Counsel proposes increases to the billable hourly rates for FY 2015/16 to fully recover costs associated with rendering legal advice and assistance to the County. These rate increases are necessary due to labor increases, the addition of mission-critical staff and other cost increases; we are seeking to increase our billable hourly rate for both attorneys and paralegals. We have discussed these increases with our client departments, and they are able to absorb the added costs.

Gregory P. Priamos
County Counsel

(Continue on Page 2)

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$10,330,827	\$10,330,827	\$ N/A	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ N/A	N/A	N/A	\$ N/A	
SOURCE OF FUNDS: Reimbursement for services from departmental budgets and outside revenue sources.				Budget Adjustment: N/A	
				For Fiscal Year: 2015-16	

C.E.O. RECOMMENDATION:

APPROVE

BY:
Denise C. Harden

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY:
 Mark Cousineau
 Departmental Concurrence

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.:

District:

Agenda Number:

3-22

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

FORM 11: County Counsel Billable Hourly Rates for FY 2015/16. (Districts-All): [\$10,330,827 100% reimbursement for services from departmental budgets and outside revenue sources]

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BACKGROUND:

Summary (continued)

County Counsel is statutorily mandated to defend and prosecute civil cases, render legal advice and assist on issues of law affecting the County Board of Supervisors, elected officials, county agencies, departments, and commissions. County Counsel's goal is to provide cost-effective legal services designed to promote the public service objective of the County of Riverside, while at the same time protecting the County from risk and loss.

For FY 2015/16, Counsel currently projects \$827,753 in cost increases for negotiated labor costs, the addition of mission-critical staff, and other unavoidable costs. Since County Counsel operates as a general support service department, it must recover such costs through charges to client departments to the greatest extent possible. Currently, Counsel's budget is 85 percent salaries and benefits, and 15 percent fixed and other costs, with no planned vacant positions. Consequently, County Counsel has no ability to absorb the projected increased costs except through full cost recovery in our billable rates.

At this time, 30 percent of Counsel staff is dedicated to DPSS child dependency court case work, which is fully funded by DPSS, with other staff work fully recoverable through deposit based fees and non-county agencies, such as Local Agency Formation Commission (LAFCO), Inland Empire Health Plan (IEHP), First Five, School Districts, Riverside County Habitat Conservation Agency (RCHCA) and Airport Land Use Commission (ALUC), as well as other direct billed clients with outside funding sources. Based on FY 2013/14 levels of service delivered to client departments and outside agencies, Counsel currently projects collecting a total of \$10,468,626 in billable revenue based on the requested rates, and that the impact of the requested rate increases will result in \$661,810 in added costs to those clients as detailed in Attachment B. The remainder of the cost increase will be covered by anticipated general fund support of \$165,943.

It should be noted that the substantial increase of 50 percent in the rate for paralegals is due almost entirely to a change in methodology for distributing overhead required by the Auditor-Controller's Office, and not due to changes in direct costs for paralegals themselves, which are minimal. The methodology previously recommended by the Auditor Controller's office, used for the past 5 years by County Counsel has been allocating the overhead based on percentage of salaries. This year, the Auditor's office has recommended a different methodology "using FTEs as the basis of the overhead distribution as it is a more equitable approach to rate calculation."

Impact on Residents and Businesses

There is minimal to no impact on Residents and Businesses, although rates will be used for deposit based fees.

The recommended action requests that the Board approve County Counsel's proposed billable hourly rates for Fiscal Year 2015/16. The Auditor-Controller's Office and Executive Office have reviewed the proposed rate and methodology.

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ATTACHMENT A

Proposed FY 2015-2016
Billable Hourly Rates Summary

POSITIONS	FY 14-15 CURRENT RATE	FY 15-16 PROPOSED RATE	% CHANGE
Attorneys	\$163.00	\$174.00	6.75%
Paralegals	\$ 74.00	\$111.00	50%

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reimbursement for services from departmental budgets and outside revenue sources]

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Attachment B
Impact of Proposed FY 2015/16 Rate Changes
by Department for Attorney Rates

Department/Dept ID	FY 13/14 Total Billable Hours	FY 14/15 Current BOS Approved Attorney Rates	FY14-15 Billable Net Income	FY 15-16 Proposed Attorney Rates	Proposed FY 15- 16 Billable Net Income (Based on FY 13-14 billable hours)	Estimated Billable Net Income Increase	% Increase
Assessment Appeals Board	746.15	\$ 163.00	\$ 121,622.45	\$ 174.00	\$ 129,830.10	\$ 8,207.65	6.75%
Auditor Controller	49.14	\$ 163.00	\$ 8,009.82	\$ 174.00	\$ 8,550.36	\$ 540.54	6.75%
Ball Bonds	134.29	\$ 163.00	\$ 21,889.27	\$ 174.00	\$ 23,366.46	\$ 1,477.19	6.75%
Children & Family First	203.01	\$ 163.00	\$ 33,090.63	\$ 174.00	\$ 35,323.74	\$ 2,233.11	6.75%
Community Action Agency	32.47	\$ 163.00	\$ 5,292.61	\$ 174.00	\$ 5,649.78	\$ 357.17	6.75%
Community Health Agency	740.63	\$ 163.00	\$ 120,722.69	\$ 174.00	\$ 128,869.62	\$ 8,146.93	6.75%
DBP's (Deposit Based Fees)	1041.85	\$ 163.00	\$ 169,821.55	\$ 174.00	\$ 181,281.90	\$ 11,460.35	6.75%
D.C.S.S	0.90	\$ 163.00	\$ 146.70	\$ 174.00	\$ 156.60	\$ 9.90	6.75%
D.P.S.S.	30515.44	\$ 163.00	\$ 4,974,016.72	\$ 174.00	\$ 5,309,686.56	\$ 35,669.84	6.75%
District Attorney	3.91	\$ 163.00	\$ 637.33	\$ 174.00	\$ 680.34	\$ 43.01	6.75%
EDA	4887.22	\$ 163.00	\$ 796,616.86	\$ 174.00	\$ 850,376.28	\$ 53,759.42	6.75%
Executive Office	1226.38	\$ 163.00	\$ 199,899.94	\$ 174.00	\$ 213,390.12	\$ 13,490.18	6.75%
Flood District	1329.06	\$ 163.00	\$ 216,636.78	\$ 174.00	\$ 231,256.44	\$ 14,619.66	6.75%
Housing Authority	659.63	\$ 163.00	\$ 107,519.69	\$ 174.00	\$ 114,775.62	\$ 7,255.93	6.75%
IEHP	128.53	\$ 163.00	\$ 20,950.39	\$ 174.00	\$ 22,364.22	\$ 1,413.83	6.75%
Information Technology	167.00	\$ 163.00	\$ 27,221.00	\$ 174.00	\$ 29,058.00	\$ 1,837.00	6.75%
LAFCO	23.17	\$ 163.00	\$ 3,776.71	\$ 174.00	\$ 4,031.58	\$ 254.87	6.75%
Mental Health	66.06	\$ 163.00	\$ 10,767.78	\$ 174.00	\$ 11,494.44	\$ 726.66	6.75%
Parks	526.05	\$ 163.00	\$ 85,746.15	\$ 174.00	\$ 91,532.70	\$ 5,786.55	6.75%
Probation	47.38	\$ 163.00	\$ 7,722.94	\$ 174.00	\$ 8,244.12	\$ 521.18	6.75%
Public Guardian	674.44	\$ 163.00	\$ 109,933.72	\$ 174.00	\$ 117,352.56	\$ 7,418.84	6.75%
RCHCA	142.80	\$ 163.00	\$ 23,276.40	\$ 174.00	\$ 24,847.20	\$ 1,570.80	6.75%
RCRMC	662.34	\$ 163.00	\$ 107,961.42	\$ 174.00	\$ 115,247.16	\$ 7,285.74	6.75%
Registrar of Voters	23.16	\$ 163.00	\$ 3,775.08	\$ 174.00	\$ 4,029.84	\$ 254.76	6.75%
Risk Management	2242.19	\$ 163.00	\$ 365,476.97	\$ 174.00	\$ 390,141.06	\$ 24,664.09	6.75%
Sheriff	1265.77	\$ 163.00	\$ 206,320.51	\$ 174.00	\$ 220,243.98	\$ 3,923.47	6.75%
TLMA	934.72	\$ 163.00	\$ 152,359.36	\$ 174.00	\$ 162,641.28	\$ 10,281.92	6.75%
Building & Safety	74.03	\$ 163.00	\$ 12,066.89	\$ 174.00	\$ 12,881.22	\$ 814.33	6.75%
Code Enforcement	4870.69	\$ 163.00	\$ 793,922.47	\$ 174.00	\$ 847,500.06	\$ 53,577.59	6.75%
Environmental Programs	39.40	\$ 163.00	\$ 6,422.20	\$ 174.00	\$ 6,855.60	\$ 433.40	6.75%
Planning	1603.67	\$ 163.00	\$ 261,398.21	\$ 174.00	\$ 279,038.58	\$ 17,640.37	6.75%
Surveyor	4.20	\$ 163.00	\$ 684.60	\$ 174.00	\$ 730.80	\$ 46.20	6.75%
Transportation	1763.55	\$ 163.00	\$ 287,458.65	\$ 174.00	\$ 306,857.70	\$ 19,399.05	6.75%
Treasurer/Tax	407.22	\$ 163.00	\$ 66,376.86	\$ 174.00	\$ 70,856.28	\$ 4,479.42	6.75%
Waste Management	304.88	\$ 163.00	\$ 49,695.44	\$ 174.00	\$ 53,049.12	\$ 3,353.68	6.75%
Misc. Departments/Agencies	435.89	\$ 163.00	\$ 71,050.07	\$ 174.00	\$ 75,844.86	\$ 4,794.79	6.75%
	57977.22		\$ 9,450,286.86		\$ 10,088,036.28	\$ 637,749.42	

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Attachment C
 Impact of Proposed FY 2015/16 Rate Changes
 by Department for Paralegal Rates

Department/Dept ID	FY 13/14 Total Billable Hours	FY 14/15 Current BOS Approved Paralegal Rates	FY14-15 Billable Net Income	FY 15-16 Proposed Paralegal Rates	Proposed FY 15-16 Billable Net Income (Based on FY 13-14 billable hours)	Estimated Billable Net Income Increase	% Increase
CHA	16.60	\$ 74.00	\$ 1,228.40	\$ 111.00	\$ 1,842.60	\$ 614.20	50.00%
DBF's (Deposit Based Fees)	682.00	\$ 74.00	\$ 50,468.00	\$ 111.00	\$ 75,702.00	\$25,234.00	50.00%
D.P.S.S.	42.30	\$ 74.00	\$ 3,130.20	\$ 111.00	\$ 4,695.30	\$ 1,565.10	50.00%
EDA	99.60	\$ 74.00	\$ 7,370.40	\$ 111.00	\$ 11,055.60	\$ 3,685.20	50.00%
EDA/Aviation	0.60	\$ 74.00	\$ 44.40	\$ 111.00	\$ 66.60	\$ 22.20	50.00%
EDA/Successor Agency	26.80	\$ 74.00	\$ 1,983.20	\$ 111.00	\$ 2,974.80	\$ 991.60	50.00%
Executive Office	184.40	\$ 74.00	\$ 13,645.60	\$ 111.00	\$ 20,468.40	\$ 6,822.80	50.00%
Flood District	227.60	\$ 74.00	\$ 16,842.40	\$ 111.00	\$ 25,263.60	\$ 8,421.20	50.00%
LAFCO	6.60	\$ 74.00	\$ 488.40	\$ 111.00	\$ 732.60	\$ 244.20	50.00%
Probation	0.80	\$ 74.00	\$ 59.20	\$ 111.00	\$ 88.80	\$ 29.60	50.00%
Registrar of Voters	4.90	\$ 74.00	\$ 362.60	\$ 111.00	\$ 543.90	\$ 181.30	50.00%
Risk Management	103.10	\$ 74.00	\$ 7,629.40	\$ 111.00	\$ 11,444.10	\$ 3,814.70	50.00%
TLMA	28.30	\$ 74.00	\$ 2,094.20	\$ 111.00	\$ 3,141.30	\$ 1,047.10	50.00%
Building & Safety	30.10	\$ 74.00	\$ 2,227.40	\$ 111.00	\$ 3,341.10	\$ 1,113.70	50.00%
Code Enforcement	634.40	\$ 74.00	\$ 46,945.60	\$ 111.00	\$ 70,418.40	\$23,472.80	50.00%
Planning	30.80	\$ 74.00	\$ 2,279.20	\$ 111.00	\$ 3,418.80	\$ 1,139.60	50.00%
Transportation	3.20	\$ 74.00	\$ 236.80	\$ 111.00	\$ 355.20	\$ 118.40	50.00%
Treasurer/Tax	8.90	\$ 74.00	\$ 658.60	\$ 111.00	\$ 987.90	\$ 329.30	50.00%
Waste Management	6.80	\$ 74.00	\$ 503.20	\$ 111.00	\$ 754.80	\$ 251.60	50.00%
Offsite Condemnation	49.50	\$ 74.00	\$ 3,663.00	\$ 111.00	\$ 5,494.50	\$ 1,831.50	50.00%
	2187.3		\$ 161,860.20		\$242,790.30	\$80,930.10	