

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

139



FROM: Purchasing and Fleet Services Dept.

SUBMITTAL DATE:
October 28, 2013

SUBJECT: APPROVAL OF FY 2014-2015 SUPPLY SERVICES ISF RATE CHANGES; All Districts, [\$11,002,148], 100% User Department Budgets

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the proposed rates for Supply Services as shown in Attachments A and B.
2. Approve the waiver of Board Policy B-28 for the use of restricted net assets to offset operating costs, in the amount of \$331,625.

BACKGROUND:

Summary

This Form 11 is for the purpose of setting Supply Services rates for fiscal year 2015.

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)

[Signature]

Robert J. Howayshell, Director
Purchasing & Fleet Services Dept.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 11,002,148	\$ 11,002,148	\$ N/A	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ N/A	\$ N/A	\$ N/A	

SOURCE OF FUNDS: All County Departments/Agencies

Budget Adjustment: N/A

For Fiscal Year: 2015

C.E.O. RECOMMENDATION:

APPROVE

BY: *Serena Chow*
Serena Chow

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: January 28, 2014
xc: Purchasing

Kecia Harper-Ihem
Clerk of the Board

BY: *[Signature]*
Deputy

Prev. Agn. Ref.:

District: ALL

Agenda Number:

3-45

FISCAL PROCEDURES APPROVED

PAUL ANGULO, CPA, AUDITOR-CONTROLLER

BY

RUSSELL S. DOMINSKI

Departmental Concurrence

Positions Added

☐

Change Order

☐

A-30

☐

4/5 Vote

☐

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: APPROVAL OF FY 2014-2015 SUPPLY SERVICES ISF RATE CHANGES**

DATE: October 28, 2013

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

Supply Services provides office, janitorial, and system furniture products to other County departments.

To minimize costs to the County, Supply Services strives for the lowest cost by bidding out large purchases and taking advantage of market conditions. A contract for a primary source of office supplies is reviewed annually and rebid at least every five years with the most recent award made in fiscal year 2009.

Delivery Rate:

Each year Supply Services charges delivery costs to customers in the form of rates. The delivery charges consist of direct labor, a portion of management labor, car pool expense, fuel, and administrative overhead. The basis for FY 2015 rates is the actual cost of delivery in FY 2013 spread by the percentage of sales to each customer.

In fiscal year 2015, Supply Services will charge delivery costs of \$247,738. Attachment B illustrates charges to County departments.

Markup – Supplies

Supply Services proposes a flexible markup rate on supplies and services not to exceed 10.0%. This rate reflects no change from the rate established in FY 2014. However, in FY 2014, Supply Services voluntarily waived 70% of markup on products. In FY 2015, Supply Services proposes to waive 50% of markup on products. This savings to departments will be funded by decreasing Supply Services net assets by \$331,625.

Impact on Residents and Businesses

Supply Services procures commonly used office products in bulk and redistributes to all County Departments and Agencies to ensure the Residents are getting the best value for their tax dollar. There is no direct impact on residents and business.

ATTACHMENTS (if needed, in this order):

Attachments A & B – Supply Services Proposed Rate Structure

Attachment A
Supply Services Rate Structure
July 1, 2014

Supply Services Markup Rate

	Fiscal Year 2015	Fiscal Year 2014
Markup Not to Exceed	10.0%	10.0%

Note: Markup on store items is not to exceed 10%. In some cases, Supply Services charges less than 10% to remain competitive with the private sector market.

In FY 2015, Supply Services will set markup at 5% on common office products and janitorial supplies as a one-year change in order save money for County departments.

In FY 2014, Supply Services set markup at 3% on common office products and janitorial supplies as a one-year change in order to work down net assets.

**Attachment B
Supply Services
Delivery Charges**

			<u>Waived</u>			
Dept #	Department	Supply	FY 2013	Delivery	Delivery	Delivery
		Sales	Percentage	Charge	Charge	Charge
		FY 2013	of Sales	Allocation	Allocation	Allocation
				FY 2015	FY 2014	FY 2013
						FY 2012
				\$ 247,738	\$ 243,315	\$ 251,394
						\$ 260,806
10001	BOARD OF SUPERVISORS	8,904	0.110%	273	131	283
10002	CLERK OF THE BOARD	2,149	0.027%	66	45	86
11001	COUNTY EXECUTIVE OFFICE	2,812	0.035%	86	119	126
11044	COUNTY EXECUTIVE OFFICE	577	0.007%	18	-	-
11092	OASIS-FINANCIALS	-	0.000%	-	54	42
11093	OASIS HRMS	-	0.000%	-	41	47
11301	HUMAN RESOURCES	78,912	0.977%	2,420	2,364	3,011
11303	HUMAN RESOURCES-RIDESHARE	1,728	0.021%	53	34	37
11308	HUMAN RESOURCES-WORKERS COMP DIVISION	31,526	0.390%	967	328	556
11309	HUMAN RESOURCES	8,386	0.104%	257	-	-
11310	HUMAN RESOURCES-RISK MANAGEMENT	4,448	0.055%	136	826	619
11313	HUMAN RESOURCES-SAFETY OFFICE	8,513	0.105%	261	286	307
11318	HUMAN RESOURCES-TAP	13,343	0.165%	409	601	675
11320	HUMAN RESOURCES EXCLUSIV	40,213	0.498%	1,233	1,038	1,189
11322	HUMAN RESOURCES-EAP	6,813	0.084%	209	173	192
11329	HUMAN RESOURCES-OCCUPATIONAL HLTH	11,475	0.142%	352	332	376
12001	ASSESSOR	51,054	0.632%	1,565	1,460	1,255
12002	ASSESSOR-COUNTY CLERK /RECORDER	74,716	0.925%	2,291	1,986	1,759
12003	ASSESSOR-CLERK RECORDER	2,980	0.037%	91	136	143
12004	ASSESSOR-CREST	1,115	0.014%	34	146	25
13001	AUDITOR CONTROLLER	41,621	0.515%	1,276	1,312	1,295
14001	TREASURER-TAX COLLECTOR	47,825	0.592%	1,466	1,310	1,264
15001	COUNTY COUNSEL	34,329	0.425%	1,053	678	1,460
17001	REGISTRAR OF VOTERS	12,480	0.154%	383	396	234
19001	ECONOMIC DEV AGENCY	50,225	0.622%	1,540	1,201	1,908
19002	HUD-CDBG HOME GRANTS	7,649	0.095%	235	1,685	259
19003	EDA REDEVELOPMENT	41,230	0.510%	1,264	1,672	2,297
19201	ECONOMIC DEV AGENCY-NATIONAL DATE FESTIVAL	1,361	0.017%	42	45	74
22001	DISTRICT ATTORNEY	253,565	3.138%	7,775	7,600	7,399
23001	CHILD SUPPORT SERVICES	155,556	1.925%	4,770	5,424	7,311
24001	PUBLIC DEFENDER	109,305	1.353%	3,352	2,823	1,510
24013	PUBLIC DEFENDER-CAPITAL DEFENDERS	1,291	0.016%	40	102	37
25001	SHERIFF-ADMINISTRATION	25,193	0.312%	773	626	748
25002	SHERIFF-INFORMATION TECHNOLOGY	137,770	1.705%	4,225	2,811	2,665
25003	SHERIFF-PATROL	542,233	6.711%	16,627	13,811	14,217
25004	SHERIFF-ADMINISTRATION	650,416	8.050%	19,944	21,970	22,715
25005	SHERIFF COURT SERVICE-EA	36,543	0.452%	1,121	1,343	1,786
25006	SHERIFF	-	0.000%	-	28	42
25007	SHERIFF-BCTC	46,424	0.575%	1,424	995	955
25008	SHERIFF-AUTO THEFT	-	0.000%	-	83	96
25009	SHERIFF-ANTI DRUG ABUSE	348	0.004%	11	124	120
25010	SHERIFF CORONER	13,043	0.161%	400	513	300
25011	SHERIFF-PUBLIC ADMINISTRATION	10,461	0.129%	321	127	74
25051	SHERIFF-CAL ID	30,213	0.374%	926	541	355
26001	PROBATION	81,312	1.006%	2,493	2,352	3,493
26002	PROBATION	224,274	2.776%	6,877	5,183	5,169
26007	PROBATION	79,626	0.986%	2,442	1,878	1,155
27001	FIRE-LAND ACQUISITION	-	0.000%	-	6	31
27002	FIRE DEPARTMENT 1	435,078	5.385%	13,341	10,101	13,744
27004	FIRE DEPARTMENT 2	811	0.010%	25	322	3
28001	AGRICULTURAL COMMISSIONER	15,039	0.186%	461	758	324
31001	TLMA	-	0.000%	-	39	16
31002	TLMA	7,560	0.094%	232	237	196
31003	TLMA	3,250	0.040%	100	150	136
31005	TLMA	621	0.008%	19	158	62
31101	TLMA-BUILDING AND SAFETY	4,245	0.053%	130	67	80
31201	TLMA-PLANNING	3,852	0.048%	118	174	249
31301	TLMA	63,128	0.781%	1,936	2,024	2,083

**Attachment B
Supply Services
Delivery Charges**

Dept #	Department	Supply Sales FY 2013	FY 2013 Percentage of Sales	Waived		
				Delivery Charge Allocation FY 2015	Delivery Charge Allocation FY 2014	Delivery Charge Allocation FY 2013
				\$ 247,738	\$ 243,315	\$ 251,394
						\$ 260,806
31302	TLMA-SURVEY	2,939	0.036%	90	140	128
31305	TLMA	-	0.000%	-	-	8
31307	TLMA	2,295	0.028%	70	45	32
31308	TLMA-ALUC	735	0.009%	23	11	11
31401	TLMA-CODE ENFORCEMENT	13,010	0.161%	399	528	1,034
41001	MENTAL HEALTH-PUBLIC GUA	18,190	0.225%	558	376	426
41002	MENTAL HEALTH-TREATMENT PROGRAM	407,834	5.048%	12,506	11,601	11,612
41003	MENTAL HEALTH-DETENTION	21,325	0.264%	654	894	830
41004	MENTAL HEALTH	171,253	2.120%	5,251	5,058	4,247
41005	MENTAL HEALTH-SUBSTANCE ABUSE	87,570	1.084%	2,685	2,378	3,056
42001	CHA	316,265	3.915%	9,698	13,221	15,942
42002	CHA	60,165	0.745%	1,845	1,198	1,537
42003	CHA	1,811	0.022%	56	2,380	3,324
42004	CHA	70,532	0.873%	2,163	1,637	2,858
42006	CHA	62,866	0.778%	1,928	879	1,340
42007	PUBLIC HEALTH CLINIC	114,807	1.421%	3,520	-	-
43001	RCRMC	621,015	7.687%	19,043	20,336	19,331
43002	RCRMC - MEDICAL INDIGENT	8,495	0.105%	260	205	122
43003	RCRMC - DETENTION HEALTH	5,838	0.072%	179	106	211
45001	WASTE MANAGEMENT	23,148	0.287%	710	401	626
51001	DPSS	1,787,877	22.129%	54,823	54,979	46,102
51006	DPSS HOMELESS	13,816	0.171%	424	189	144
52001	COMMUNITY ACION 1	43,658	0.540%	1,339	524	1,389
52002	COMMUNITY ACION 2	3,193	0.040%	98	354	1,404
52003	COMMUNITY ACION 3	9,301	0.115%	285	323	954
53001	OFFICE ON AGING	49,615	0.614%	1,521	1,361	980
54001	VETERANS SERVICES	5,351	0.066%	164	137	206
63001	COOPERATIVE EXTENSION	15,450	0.191%	474	611	460
72001	FACILITIES MANAGEMENT	257,575	3.188%	7,898	10,526	1,083
72002	FACILITIES MANAGEMENT	7,037	0.087%	216	241	14,334
72003	FACILITIES MANAGEMENT	16,121	0.200%	494	360	335
72004	FACILITIES MANAGEMENT	7,493	0.093%	230	305	380
72005	FACILITIES MANAGEMENT	7,178	0.089%	220	375	272
72006	FACILITIES MANAGEMENT	266	0.003%	8	92	-
72007	FACILITIES MANAGEMENT	2,145	0.027%	66	62	182
72008	FACILITIES MANAGEMENT	-	0.000%	-	-	45
73001	PURCHASING	3,250	0.040%	100	124	178
73003	PRINTING SERVICES	158,653	1.964%	4,865	5,339	6,309
73005	FLEET SERVICES	14,963	0.185%	459	497	520
73006	CENTRAL MAIL	1,284	0.016%	39	22	50
74001	INFORMATION TECHNOLOGY	20,706	0.256%	635	346	596
74003	INFORMATION TECHNOLOGY- 800 Mhz Radio Project	1,190	0.015%	36	82	207
74006	RCIT COMMUNICATION SOLUTIONS	2,309	0.029%	71	-	-
915202	CSA - ADMIN	16,718	0.207%	513	250	-
931104	REGIONAL PARKS DISTRICT - 2	-	0.000%	-	20	57
931119	REGIONAL PARKS DISTRICT	6,007	0.074%	184	116	96
931150	REGIONAL PARKS DISTRICT-MSHPC RESERVE	610	0.008%	19	-	15
931170	REGIONAL PARKS DISTRICT-HABITAT & OPEN SPACE	1,381	0.017%	42	81	36
931180	REGIONAL PARKS DISTRICT-BOXING CLUB	277	0.003%	9	22	15
931181	REGIONAL PARKS DISTRICT	-	0.000%	-	-	1
931182	REGIONAL PARKS DISTRICT	107	0.001%	3	0	146
931183	REGIONAL PARKS DISTRICT	66	0.001%	2	26	61
931184	REGIONAL PARKS DISTRICT	12,939	0.160%	397	433	191
931186	REGIONAL PARKS DISTRICT	5,924	0.073%	182	40	-
931187	REGIONAL PARKS DISTRICT - JURUPA AQUATIC CENTE	185	0.002%	6	106	-
931188	REGIONAL PARKS DISTRICT - JURUPA AQUATIC CENTE	1,014	0.013%	31	2	-
931200	REGIONAL PARKS DISTRICT - 1	107	0.001%	3	-	52
931205	REGIONAL PARKS DISTRICT - CARRIAGE HOUSE	-	0.000%	-	27	54
931210	REGIONAL PARKS DISTRICT - HEADQUARTERS	-	0.000%	-	-	75

**Attachment B
Supply Services
Delivery Charges**

			Waived				
Dept #	Department	Supply Sales FY 2013	FY 2013 Percentage of Sales	Delivery Charge Allocation FY 2015	Delivery Charge Allocation FY 2014	Delivery Charge Allocation FY 2013	Delivery Charge Allocation FY 2012
				\$ 247,738	\$ 243,315	\$ 251,394	\$ 260,806
931220	REGIONAL PARKS DISTRICT	1,558	0.019%	48	127	445	258
931230	REGIONAL PARKS DISTRICT	750	0.009%	23	27	47	-
931235	REGIONAL PARKS DISTRICT	12,751	0.158%	391	208	5	-
931240	REGIONAL PARKS DISTRICT	2,212	0.027%	68	27	-	-
931245	REGIONAL PARKS DISTRICT	148	0.002%	5	1	-	-
931250	REGIONAL PARKS DISTRICT	76	0.001%	2	7	4	-
931400	REGIONAL PARKS DISTRICT - 4	33,206	0.411%	1,018	1,292	1,569	1,483
931401	REGIONAL PARKS DISTRICT	1,504	0.019%	46	42	22	-
931500	REGIONAL PARKS DISTRICT	-	0.000%	-	-	18	20
931709	REGIONAL PARKS DISTRICT-HIDDEN VALLEY	3,252	0.040%	100	129	3	26
931710	REGIONAL PARKS DISTRICT - 5	1,510	0.019%	46	18	159	168
934001	EDA REDEVELOPMENT	-	0.000%	-	634	-	-
935001	HABITAT CONSERVATION AGENCY	665	0.008%	20	-	1	10
935201	WRC-REGIONAL CONSERVATION AGENCY	4,148	0.051%	127	145	120	111
935320	WDC-REGIONAL CONSERVATION AGENCY	1,086	0.013%	33	89	61	-
938001	CHILDRENS AND FAMILIES	-	0.000%	-	-	-	2
938002	CHILDRENS AND FAMILIES-FIRST FIVE ADMIN	6,302	0.078%	193	233	283	300
938004	CHILDRENS AND FAMILIES-FIRST FIVE PROGRAM	641	0.008%	20	14	11	68
946001	SALTON SEA AUTHORITY	961	0.012%	29	19	-	-
947140	FLOOD CONTROL	-	0.000%	-	-	-	10
947200	FLOOD CONTROL	208	0.003%	6	-	14	12
947260	FLOOD CONTROL	307	0.004%	9	-	-	8
947300	FLOOD CONTROL	-	0.000%	-	-	-	8
980501	PERRIS VALLEY CEMETERY	-	0.000%	-	-	21	22
985101	PUBLIC AUTHORITY ADMIN	6,534	0.081%	200	166	163	217
Total		\$ 8,079,222	100%	\$ 247,738	243,315	251,394	260,806

Notes:

- 1 Departments were not charged for delivery in FY 2013 as part of a plan to adjust Supply Services cash balance.
- 2 Delivery charges for FY 2015 are based on percentages of office and janitorial product sales in FY 2013.