

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



ITEM  
3.24  
(ID # 11009)

**MEETING DATE:**

Tuesday, October 1, 2019

**FROM :** FIRE DEPARTMENT:

**SUBJECT:** FIRE DEPARTMENT: Approve Continuance to October 8, 2019. (Approval of Annual Fire Department Cost Allocation Plan for FY 19/20; All Districts [\$28,689,903] 100% Contract Partner Revenue)

**RECOMMENDED MOTION:** That the Board of Supervisors approve the attached FY 19/20 Cost Allocation Plan.

**ACTION:**


  
Diane Sinclair, Deputy Director-Fire Admin 9/26/2019

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Hewitt and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Washington, Perez and Hewitt  
Nays: None  
Absent: Spiegel  
Date: October 1, 2019  
xc: Fire

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

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| <b>FINANCIAL DATA</b>   | <b>Current Fiscal Year:</b> | <b>Next Fiscal Year:</b> | <b>Total Cost:</b>            | <b>Ongoing Cost</b> |
|---|-----------------------------|--------------------------|-------------------------------|---------------------|
| <b>COST</b>   | \$ 28,689,903               | \$ N/A                   | \$ 28,689,903                 | \$ N/A              |
| <b>NET COUNTY COST</b>  | \$ N/A                      | \$ N/A                   | \$ N/A                        | \$ N/A              |
| <b>SOURCE OF FUNDS:</b> 100% Contract revenue subject to actual cost reconciliation |                             |                          | <b>Budget Adjustment:</b> No  |                     |
|   |                             |                          | <b>For Fiscal Year:</b> 19/20 |                     |

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The Fire Department currently contracts with twenty cities, one community services district and provides dispatch services to County Environmental Health, City of Calimesa, three Tribal Fire Departments, and one Fire Protection District within Riverside County. These agencies contribute revenue annually to a portion of the Fire Departments overhead and general operations.

The Allocation Plan was initially developed in 2005, with a team that included representation from six of the twenty contracting partners. The plan's methodology is based on indirect charging and is equitable and easy to audit. Six agencies participated in 2005: City of Temecula, Moreno Valley, Palm Desert, Indian Wells, Rancho Mirage and Rubidoux Community Services District. The County was represented by County Fire Executive staff.

The purpose of the Fire Department Cost Allocation Plan is to identify the direct costs that will be charged to each contract city/agency (e.g. station appliances & building maintenance); and, provide a clear, reasonable and supportable methodology for distributing indirect administrative and specialized program costs that cannot be tracked at a station level. The specialized costs include the Fire Department's Hazardous Materials Team. This specialized program provides a regional benefit to all our partners and the County. The attached Cost Allocation Plan shows this fiscal year's allocation analysis which calls for an average decrease of -2.09% from last fiscal year's Allocation Plan. This decrease is due to the elimination of vacant positions and various operating cost decreases in our Communications and IT Bureau.

The Cities will receive an estimated invoice for quarter 1 through quarter 3 then the budgeted figures listed in the plan will be adjusted to actual cost in the 4<sup>th</sup> quarter of FY 19/20. This cost allocation plan is effective July 1, 2019.

The Auditor Controller's office has reviewed and approved the methodology applied in preparing proposed Cost Allocation Plan.

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**Impact on Residents and Businesses**

There is no direct impact by the county; however, some cities may show an overall increase or decrease in services. This rate is based on their level of services which may have changed from the previous year.

**SUPPLEMENTAL**

**Additional Fiscal Information**

Fire estimates receiving \$28,689,903 for FY 19/20 and is included in the department budget. This is an increase of 2.09% from last fiscal year. This increase is due an increase to some city/districts level of services being provided. Some partner cities/districts may show an overall increase or decrease in costs, as this rate is based on their level of services which may have changed from the previous year. The Cost Allocation Plan has no general fund impact.

**Contract History and Price Reasonableness**

The Cost Allocation Plan has been created annually since 2005. The estimated cost decrease for FY 19/20 is -2.09% from the previous FY 18/19. This decrease is due to the elimination of vacant positions and various operating cost decreases in our Communications and IT Bureau.

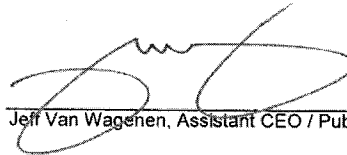
**Attachment:**

Riverside County Integrated Fire Services FY 19/20 Cost Allocation Plan.



Rene Casillas, Internal Audits Chief

9/27/2019



Jeff Van Wagenen, Assistant CEO / Public Safety

9/27/2019



Misley Wang, Supervising Accountant

9/27/2019