

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



ITEM: 3.5  
(ID # 23790)

MEETING DATE:  
Tuesday, January 09, 2024

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Fiscal Year 24/25 Internal Service and General Support  
Service Rate Overview, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the following summary of the proposed FY 24/25 Internal Service and  
General Support Service Rates.

ACTION: Policy

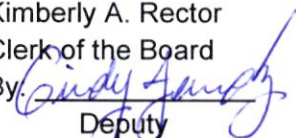
  
Dave Rogers, Chief Administrative Officer 1/3/2024

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MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried by  
unanimous vote, IT WAS ORDERED that the above matter is received and filed as  
recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: January 9, 2024  
xc: E.O.

Kimberly A. Rector  
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>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	2024/2025

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

**BACKGROUND:**

**Summary**


Each fiscal year the Executive Office directs all Internal Service Fund (ISF) and General Support Service (GSS) departments to submit rates packages to the Executive Office and Auditor-Controller, while also collaborating to better understand their business needs. For FY 24/25 the ISF and GSS Departments were provided direction to utilize a Shared Allocation Methodology for countywide core services based on actual historical spend data while factoring in adjustments due to significant organization-wide changes. Where an allocation was not appropriate the department was asked to develop direct rates. Departments adhered to this directive, with exceptions noted in individual summaries below.

The Shared Allocation methodology continues to be the approach whenever possible as it has been successful at achieving the Executive Office's desired goals of keeping operational costs from increasing for user departments. The strategy has eliminated the peaks and valleys that once impacted user departments and replaced it with predictable even costs throughout the year while eliminating the service inequities that were occurring within some of the smaller departments. The departments below followed the Executive Office's guidance to focus on the countywide impact while maintaining consistent and equitable rate/allocation levels.

On today's agenda, the proposed rates for ISF and GSS departments are presented under separate cover from each department for approval. The following is a summary of the Executive Office recommendations:



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 <b>Fiscal Year 24/25 Elected ISF/GSS Proposed Rates Summary</b>							
ISF/GSS Department Name	FY 23/24 FLAT RATE	FY 24/25 REQUESTED RATE	IMPACT Increase/ (Decrease) in Total Cost	FY 23/24 RATE BUDGET (Per Dept Est. Usage)	FY 24/25 REQUESTED BUDGET (Per Dept Est. Usage)	IMPACT Increase/ (Decrease) in Total Cost	IMPACT Percent Increase/ Decrease
ACO-Payroll Warrant	\$ 5.38	\$ 5.90	\$ 0.52	\$ 3,206,752	\$ 3,800,385	\$ 593,633	18.51%
ACR-RMAP - Tier 1	\$ 4,557.00	\$ 4,594.00	\$ 37.00	\$ 519,552	\$ 523,740	\$ 4,188	0.81%
ACR-RMAP - Tier 2	\$ 9,115.00	\$ 9,189.00	\$ 74.00				
ACR-RMAP - Tier 3	\$ 18,230.00	\$ 18,377.00	\$ 147.00				
ACR-RMAP - Tier 4	\$ 27,345.00	\$ 27,566.00	\$ 221.00				
ACR-RMAP - Tier 5	\$ 36,460.00	\$ 36,754.00	\$ 294.00				
County Counsel - Attorney	\$ 201.68	\$ 226.53	\$ 24.85	\$ 20,146,942	\$ 20,936,377	\$ 789,435	3.92%
County Counsel - Paralegal	\$ 116.10	\$ 134.22	\$ 18.12				
Sheriff-PSEC Device Emergency Radio	\$ 27.37	\$ 25.40	\$ (1.97)	\$ 9,964,539	\$ 9,748,673	\$ (215,866)	-2.17%
Sheriff-PSEC Device Communication Device	\$ 136.83	\$ 126.99	\$ (9.84)				
Sheriff-PSEC Device Incentive Radio	\$ 102.62	\$ 126.99	\$ 24.37				
Sheriff-PSEC Technician Expert Time - Regular	\$ 78.52	\$ 80.78	\$ 2.26				
Sheriff-PSEC Technician Expert Time - Overtime	\$ 83.88	\$ 84.33	\$ 0.45				
Sheriff-PSEC Rack	\$ 523.56	\$ 567.46	\$ 43.90				
Sheriff-PSEC Half Rack	\$ 261.78	\$ 283.73	\$ 21.95				
Sheriff-PSEC Floor Space	\$ 523.56	\$ 567.46	\$ 43.90				
Sheriff-PSEC Antenna Mounted Lower	\$ 300.00	\$ 300.00	\$ -				
Sheriff-PSEC Antenna Mounted Middle	\$ 600.00	\$ 600.00	\$ -				
Sheriff-PSEC Antenna Mounted Top	\$ 900.00	\$ 900.00	\$ -				
Sheriff-PSEC Microwave Connection	\$ -	\$ 336.37	\$ 336.37				
Sheriff-PSEC Mile -T1	\$ 13.74	\$ -	\$ (13.74)				
Sheriff-PSEC Mile Analog	\$ 0.89	\$ -	\$ (0.89)				
Sheriff-PSEC Engineering Expert Time - Regular	\$ 122.79	\$ 127.19	\$ 4.40				
Sheriff-PSEC Engineering Expert Time - Overtime	\$ 135.31	\$ 135.68	\$ 0.37				

**Auditor-Controller: Payroll**

The ACO has proposed an increase in its rate budget by \$593,633, an 18.51% increase and its direct rate by \$0.52, a rate change of 9.67% from FY 23/24. The proposal includes increases associated with salaries and benefits, including services and supplies as the two factors contributing to rate increases.

The department anticipates an overall increase over and above the current salary schedule. A 10.47% increase for all SEIU Accountant/Account Technician classifications is projected based on the numbers provided by Executive Office Memo on September 15, 2023, which accounts for 96% of all Payroll staff. Additionally, an increase of \$125,239 in service and supplies is estimated for FY 24/25. This increase is based upon the expectation of increased expenses overall from ISF and other County service fee increases, as well as a one-time implementation fee of \$10,000 for a Workiva reporting application for ACO data metrics.

**Assessor-County Clerk-Recorder: Records Management and Archive Program (RMAP)**

The ACR has proposed an increase in their RMAP budget of \$4,188, an increase of 0.81% from prior year. The ACR's rates are presented in a tiered approach with direct rate increases ranging from \$37 in its lowest tier to \$294 in its highest tier.

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The proposed increase will fund essential staff training to ensure that ACR RMAP staff are equipped with the necessary skills and expertise to effectively manage and retain records in accordance with government codes. This training is critical to meet the requirements outlined in the Board of Supervisors Policy A-43 and to ensure compliance across all county departments. The knowledge gained as part of the additional training will build upon ACR's effort of continuous improvement and enhance level of services provided countywide.

**County Counsel: Attorney and Paralegal**

County Counsel has proposed an increase in its rate budget by \$789,435 (3.92% combined increase) including its direct rates to \$226.53 (\$24.85 increase) for Attorney and \$134.22 (\$18.12 increase) for Paralegal. This increase is due to increased costs to salaries and benefits as a result of recent labor negotiation agreements.

County Counsel provides services to both billable and non-billable clients. Billable clients are direct billed or billed via allocation, while non-billable departments are included in the County's Countywide Cost Allocation Plan (COWCAP) and spread to all departments. County Counsel is provided NCC to cover costs associated with non-billable services.

**Riverside Sheriff's Office (RSO): Public Safety Enterprise Communication System (PSEC)**

PSEC has proposed a decrease in county-wide department allocations of \$215,866, a 2.17% change from the current fiscal year.

The decrease to the departmental allocations is due multiple factors including increased revenue from incentive and holiday subscribers, a large quantity of new users on the system, and the incentive rate moving to 100% of the full-time communication device rate. The number of users on the PSEC system increased from 8,410 in FY 23/24 to 9,300 in FY 24/25.

The largest decrease in rates is from the monthly communication device rate, which is reflecting a 7% decrease, from \$136.83 to \$126.99 per subscriber. The emergency radio rate (20% of full-time rate) is also decreasing significantly from \$27.37 per subscriber to \$25.40 per subscriber, resulting in a 7% decrease. Conversely, the Incentive radio rate increased and moves from 75% of the full-time communication device rate in FY 23/24 (\$102.62) to 100% of the full-time communication device rate in FY 24/25 (\$126.99), a 24% increase overall. The site rack rate is increasing by 8% from \$523.56 in FY 23/24 to \$567.46 in FY 24/25. The site rack rate has not been changed since FY 20/21 and primarily impacts external customers. Sheriff's PSEC is recommending a model change for microwave rates for FY 24/25, from mileage (T-1 and Analog) to monthly charge per microwave connection. The microwave system was upgraded in FY 21/22 which changed the technology and therefore required a rate model change.

However, despite the decrease in overall county-wide allocations, some departments will be subject to rate increases due to varying factors. For example, RUHS's FY 24/25 costs were



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increased by 7.4% due to joining PSEC on the Incentive Rate Plan. Other departments increased their total subscriber counts, resulting in rate increases for FY 24/25. These departments include Code Enforcement which saw a 9.9% increase, DPSS 9.4%, EMD 40.4%, Fire 14% and Parks 3.7%. It should be noted that a portion of Fire's increase (\$40,241), is attributed to increases in rack and microwave rates. Lastly, RCIT's FY 24/25 cost will increase by 8% due to the overall increase in rack rates.

Fiscal Year 24/25 Support Services Portfolio Proposed Rates Summary							
ISF/GSS Department Name	FY 23/24 RATE/ALLOCATION	FY 24/25 RATE/ALLOCATION	IMPACT Increase/ (Decrease) in Total Cost	FY 23/24 ALLOCATION BUDGET (Associated to Rate)	FY 24/25 ALLOCATION BUDGET (Associated to Rate)	IMPACT Increase/ (Decrease) in Total Cost	IMPACT Percent Increase/ Decrease
HR-General Admin	Shared Allocation	Shared Allocation	Shared Allocation	\$ 27,174,883	\$ 28,157,593	\$ 982,710	3.62%
FM-Maintenance	Shared Allocation	Shared Allocation	Shared Allocation	\$ 33,651,966	\$ 34,794,947	\$ 1,142,981	3.40%
FM-Custodial	Shared Allocation	Shared Allocation	Shared Allocation	\$ 15,079,179	\$ 16,149,815	\$ 1,070,636	7.10%
RCIT-Enterprise	Shared Allocation	Shared Allocation	Shared Allocation	\$ 74,376,742	\$ 81,555,057	\$ 7,178,315	9.65%
Purchasing-Central Mail Services - (Mail Stop & Handling)	Shared Allocation	Shared Allocation	Shared Allocation	\$ 2,878,401	\$ 2,821,416	\$ (56,985)	-1.98%

ISF/GSS Department Name	FY 23/24 FLAT RATE	FY 24/25 REQUESTED RATE	IMPACT Increase/ (Decrease) in Total Cost	FY 23/24 RATE BUDGET (Per Dept Est. Usage)	FY 24/25 REQUESTED BUDGET (Per Dept Est. Usage)	IMPACT Increase/ (Decrease) in Total Cost	IMPACT Percent Increase/ Decrease
Purchasing-Fleet Services Automatic Vehicle Locators (AVL, aka GPS) *Per active installed unit per month	\$ 22.00	\$ 22.00	\$ -				
Purchasing-Fleet Services Car Wash (automated) *Per wash	\$ 9.00	\$ 10.00	\$ 1.00				
Purchasing-Fleet Services Commercial Vendor (Sublet processing rate) *Per vendor invoice processed	\$ 45.00	\$ 43.00	\$ (2.00)				
Purchasing-Fleet Services FMIS Rate - Non-Standard Asset *Per mo/asset record for "low M&R" assets	\$ 2.00	\$ 2.00	\$ -				
Purchasing-Fleet Services FMIS Rate - Standard Asset *Per mo/asset record (typical or "normal" M&R)	\$ 13.00	\$ 18.00	\$ 5.00				
Purchasing-Fleet Services Fuel - Fleet Fuel Sites & Commercial Purchases *Per gallon purchased markup / Includes EV Markup	\$ 0.27	\$ 0.45	\$ 0.18				
Purchasing-Fleet Services Garage Labor Rate (also called "Billable Hours") *Per hour of technician's time	\$ 101.00	\$ 122.00	\$ 21.00	Usage Based	Usage Based	Usage Based	Usage Based
Purchasing-Fleet Services Hazardous Waste Disposal Rate *Per HazMat generating work order	\$ 7.00	\$ 12.00	\$ 5.00				
Purchasing-Fleet Services Parts Markup* *Percent markup per part item sold	109.00%	40.00%	-69.00%				
Purchasing-Fleet Services Shop Supplies Rate *Per "Shop Supplies" generating work order	\$ 5.00	\$ 6.00	\$ 1.00				
Purchasing-Fleet Services Tire Disposal Fee *Per tire disposed (based on purchasing a new tire)	\$ 5.00	\$ 9.00	\$ 4.00				
Purchasing-Fleet Services Surplus Services *Per Purchase Order	\$ 5.55	\$ 7.00	\$ 1.45				
Purchasing-Fleet Services Average Motorpool Rate *Actual rate varies by vehicle type	\$ 471.00	\$ 567.00	\$ 96.00				
FM-Project Management Services - Project Mgmt. Rate	Pending Tiered Model Development and Submission						
FM-Real Estate Services (Acquisitions)	\$ 153.06	\$ 153.06	\$ -	Usage Based	Usage Based	Usage Based	Usage Based
FM-Real Estate Services Leasing Activity (Lease/Rental Fee)	4.86%	4.84%	-0.02%				

**Human Resources: General Administration**

The Human Resources General Administration budget will be \$28,157,593, which is a 3.62% increase from the current FY 23/24 GSS Rate at \$27,174,883. This increase is due to pending union negotiations, class and compensation increases, including subsidy increases

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in FY 24/25. Overall, the department's rates continue to be comparatively priced lower than market benchmarks for both government and private industry in all areas.

**Facilities Management: Maintenance and Custodial**

*Maintenance* - The Maintenance budget will see an increase of \$1,142,981, which is a 3.40% change from FY 23/24. The increase can be attributed to the following: \$535,423 for the cost of parts, \$140,413 costs for maintenance and building improvements and \$147,675 for rent. The acquisition of the 120-acre Harmony Haven Children Youth Center resulted in an increase of 3 FTE's totaling \$242,313 and \$186,834 for Supplies and Contracted Services. The division will be absorbing negotiated salary and benefit increases and has applied a \$763,000 salary savings to the budget which equates to approximately 9 FTE's.

*Custodial* - The Custodial budget will see an increase of \$1,070,636, which is a 7.10% change from FY 23/24. The acquisition of the 120-acre Harmony Haven Children Youth Center resulted in an increase of \$182,303 in contracted Janitorial Services. Janitorial Services contracts with Servicon, Ultra Shine, and CBM were expanded to include additional locations, and some include janitorial supplies. The use of outside vendors assists the division in meeting the service level requirements. High turnover and difficulty recruiting has resulted in salary savings in prior years and has resulted in difficulty meeting service standards. The division will offset increases for salaries and benefits by applying a \$1.5M salary savings to the budget which equates to approximately 25 FTE's. In FY 24/25 the division plans to provide deep cleaning of flooring as part of baseline services.

**Riverside County Information Technology (RCIT): Enterprise**

The Enterprise rate budget will be \$81,555,057, which is a 9.65% increase from FY 23/24. Overall, RCIT's Enterprise allocation has remained steady over the past four fiscal years. However, despite significant efforts to maintain costs at those previous levels, for FY 24/25, the department is requesting a \$10.4M increase to the overall budget, of which \$7.1M is an increase to the Enterprise allocation. The increase to the Enterprise allocation encompasses labor adjustments, Office 365, AWS cloud services, the inclusion of eProcure (\$1.1M shifted from separate allocation), the addition of Solarwinds monitoring applications and the full cost of ServiceNow and Vaske.

**Purchasing and Fleet Services: Central Mail and Fleet/Surplus**

*Central Mail (Mail Stop & Handling)* - Central Mail Services proposes moving to a shared allocation for FY 24/25. Though the overall budget presents a net decrease of \$56,985, which is 1.98% change due to direct costs reductions, the division seeks an increase to overall allocation budget of approximately \$262K. Departments will see some increase in their individual allocation amounts as result. Allocation increases include anticipated MOU increases and medical subsidies; expected increases from other ISFS, CPI increases to supplies and replacement of (1) one delivery van that at the end of its useful lifecycle.)

*Fleet and Surplus Services* - Fleet Services proposes moving forward with their standard rate methodology and package for all services for FY 24/25. The overall budget presents a

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net increase of approximately \$1.1M, an 8.36% change from FY 23/24. Departments will see some increase in their individual budgeted amounts as result; however, it is important to note that all rates and Form 2800 charges for Fleet Services are usage based, meaning that the departments have ownership over the amount of their actual spend on Fleet services. The Form 2800 provides the departments an estimated budgeted amount, but not an actual spend amount. Proposed increases include anticipated MOU increases and medical subsidies; standard S&B increases, CPI increases to supplies and services, and anticipated ISF/COWCAP increases from other internal county departments.

**Facilities Management: Project Management Services and Real Estate**

*Project Management Services (Office Plan Check & Project Management)* – The department is developing a tiered model set to be presented at a later date for approval.

*Real Estate Services Acquisitions - FM* – Real Estate Services Acquisitions direct rate will remain flat at \$153.06 per Executive Office guidance to keep support cost as efficient as possible. Departmental impact is based on user department's actual usage and requires the department to budget accordingly.

*Real Estate Services Leasing Activity* – FM – Real Estate Services Leasing Activity direct rate percentage charged will be reduced by 0.02% to 4.84%. per Executive Office guidance to keep support costs as efficient as possible. To keep costs flat, the division will be absorbing increases for salaries and benefits and has applied a \$630,508 reduction to its budget. Departmental impact is based on user department's actual usage and requires the department to budget accordingly.

The Facilities Management Department continues to simplify and streamline its processes in effort to reduce costs in the outyears to our internal customers by leveraging added technology-based systems, decreasing overhead, and increasing productive hours.

**Historical Information**

On June 15, 2010, the Board of Supervisors approved the addition of Board Policy B-28 Charges for Internal Services and General Support Services. The implementation of this policy demonstrated a significant shift in approach to establishing rates for internal services. Rate packages submitted to the Executive Office and Auditor-Controller received a more comprehensive review and require documentation that is more detailed.

**Impact on Citizens and Businesses**

No direct impact to citizens and businesses, however as costs to departments increase, the cost of delivery will increase as well.