



Board Agenda Item 44

DATE: September 26, 2017

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, Director of Human Resources

SUBJECT: Amendment to Master Schedules of Fees, Charges, and Recovered Costs

RECOMMENDED ACTION(S):

Conduct the second hearing to amend the Master Schedule of Fees, Charges, and Recovered Costs Ordinance by amending Section 1600 - Human Resources; and waive reading of the ordinance in its entirety.

Approval of the recommended action amend rates in section 1600, subsection 1601 of the Master Schedule of Fees, Charges, and Recovered Costs (MSF) for Department of Human Resources costs of providing services to third-party funded County departments and external agencies.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the existing rates in Section 1600 of the MSF will remain in effect; however, the rates would not reflect the current costs for providing services.

FISCAL IMPACT:

There is no additional Net County Cost associated with the recommended action rates listed on Attachment A. It is anticipated that the proposed rates will allow the Department to recover the cost of services performed for County departments with third-party funding and external agencies. The hourly rates of each job classification are calculated based upon the current position(s) and pay step(s) occupied within that classification. Exhibit A provides detail of changes proposed to the existing rates for comparative purposes. The average hourly rate increase to existing MSF positions is less than 3% (from \$70.51/hour to \$72.20/hour) primarily due to increases in retirement and health insurance contribution rates.

DISCUSSION:

On August 22, 2017, your Board conducted the first hearing on the recommended updates to the Master Schedule of Fees for subsection 1601 as detailed in Attachment A.

The recommended action will allow the Department to update its labor rates in the MSF, effective November 6, 2017, to reflect current costs of providing services to County departments with third party funding (i.e. Social Services, Child Support, etc.), and external agencies. General Fund departments are not charged for these services because those departments operate with Net County Cost.

The recommended rates, as included in Attachment A, consist of applicable direct and indirect salaries and benefits, services and supplies, and include departmental and countywide overhead. Attachment A provides a detail of changes proposed to the existing rates for comparative purposes.

The recommended rates, including their calculation, and the methodology applied for cost-recovery, has been reviewed and approved by the Auditor-Controller/Treasurer-Tax Collector. With your Board's approval, the recommended rates will be effective November 6, 2017.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Ordinance Amending Section 1600
Attachment A - MSF Proposed Rates
Exhibit A - MSF Rate Change Comparison
On file with Clerk - Proof of Publication

CAO ANALYST:

Sonia De La Rosa