



Central Services & Information Technology Rates for 2024 – 2025 Biennium

Board Briefing

June 14, 2023

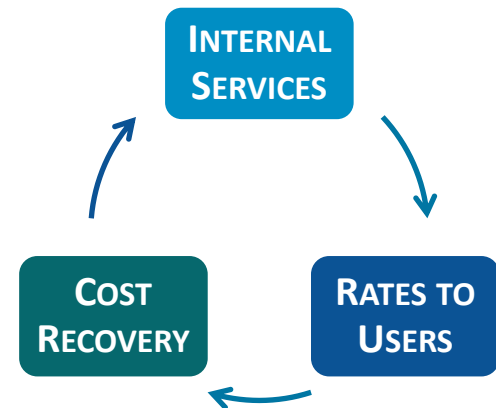
BLUF: Present the 2024 Proposed Rates for Central Services and Information Technology Departments.

BOTTOM LINE UP FRONT (BLUF)

- **Information Technology (IT) and Central Services (CS) Departments will present proposed internal service rates for the 2024-2025 Biennium Budget.**
- **Request BoCC approval to release rates to customers by end of June.**
- **County offices/departments need final rates from IT and CS in June in order to prepare their respective budgets for the upcoming year.**
- **Overall impact of proposed 2024 rates:**
 - **IT – 14.9% increase**
 - **CS – 7.3% increase**
- **NOTE: 2025 Rates include a 3% inflationary factor across all programs.**

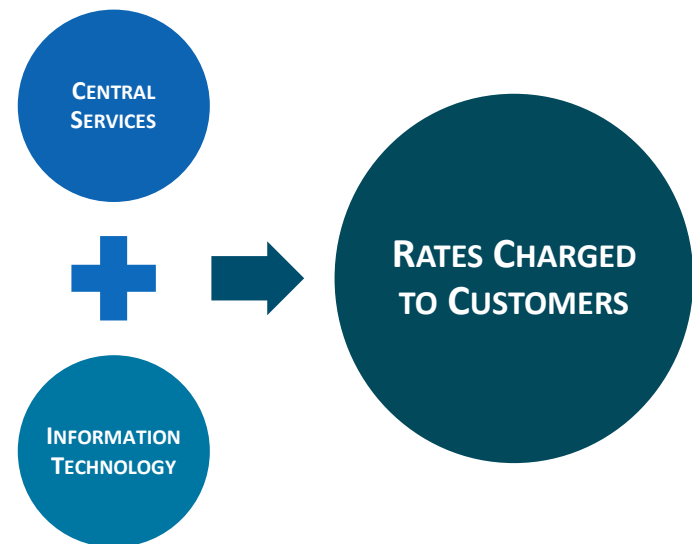
BACKGROUND

- **Internal Services Funds – 3 different kinds**
 - Maintenance & Operating Funds
 - Reserve Funds (Saving Accounts)
 - Risk Funds
- **Information Technology and Central Services Departments provide internal services to other County Offices/Departments (customers).**
- **These services include building maintenance, utilities, fleet operations, phones, computers, software, reserves, etc.**
- **Costs for these internal services are recovered through rates charged to customers.**



HOW ARE RATES DEVELOPED?

- Audit and accounting standards require fair and equitable allocation of costs to all customers.
- Cost allocation is done through internal rate charges to customers.
- Rate development:
 - Costs are forecasted using data from past expenditures and anticipated increases.
 - Reconcile actual cost differences from previous year's adopted rates.
- Rate allocation:
 - Costs are divided among customers based on service use.



2024 PROPOSED RATES

IT TOTALS

Adopted 2023 Rate, Total	\$13,687,187
Proposed 2024 Rate, Total	\$15,730,704
Total Change	\$2,043,517
Percent Change	14.9% increase

Customer Allocation:

- **General Fund – \$990,900: 48.49%**
- **Non-General Fund – \$1,043,607: 51.07%**
- **Non-County Agencies – \$9,012 : 0.44%**

2024 PROPOSED RATES

IT FUND 5250 – OPERATIONS

Adopted 2023 Rate, Total	\$10,710,732
Proposed 2024 Rate, Total	\$12,591,508
Total Change	\$1,880,776
Percent Change	17.6% increase

Customer Allocation:

- General Fund – \$850,169 increase: 45.2%
- Non-General Fund – \$1,021,327 increase: 54.3%
- Non-County Agencies – \$9,282 increase: 0.5%

- **IT – \$9,394,239 : 16.2%**
 - 2022 Reconciliation (Rebate) –(\$277,360)
 - Maintenance up \$1.2M (Accela, Bluebeam, Cohesity, Microsoft, and Data Warehouse)

- **GIS – \$1,752,277: (4.2%)**
 - ERSI annual maintenance increased \$50K
 - 2022 Reconciliation (Surcharge) – \$13,766; which is lower by \$185K from previous year.

- **Telecom – \$1,444,992: (1%)**
 - 2022 Reconciliation (Surcharge) - \$78,907; slightly less than previous year’s surcharge of \$129K

2024 PROPOSED RATES

IT FUND 5260 – IT RESERVES

Adopted 2023 Rate, Total	\$938,062
Proposed 2024 Rate, Total	\$981,407
Total Change	\$43,345
Percent Change	4.6% increase

Customer Allocation:

- General Fund – \$25,120 increase: 58%
- Non-General Fund – \$18,684 increase: 43%
- Non-County Agencies – (\$459) decrease: (0.1%)

IT FUND 5240 – LARGE SYSTEM REPLACEMENT RESERVE

Adopted 2023 Rate, Total	\$2,038,393
Proposed 2024 Rate, Total	\$2,157,789
Total Change	\$119,396
Percent Change	5.9% increase

Customer Allocation:

- General Fund – \$115,611 increase: 96.8%
- Non-General Fund – \$3,596.40 increase: 3%
- Non-County Agencies – \$189 increase: 0.2%

2024 PROPOSED RATES

CENTRAL SERVICES TOTALS

Adopted 2023 Rate, Total	\$23,075,647
Proposed 2024 Rate, Total	\$24,750,104
Total Change	\$1,674,457
Percent Change	7.3%

- Fund 5210 – Central Services Operations
- Fund 5220 – Building Reserves
- Fund 5410 – ER&R Operations
- Fund 5420 – ER&R Replacement Reserves

Total overall increases by Customer Allocation

- General Fund – \$573,760; 4.5% increase
- Non-General Fund – \$975,419; 9.8% increase
- Non-County Agencies – \$125,277; 30.7% increase

2024 PROPOSED RATES

CS FUND 5210 – ADMINISTRATION & OPERATIONS

Adopted 2023 Rate, Total	\$11,287,339
Proposed 2024 Rate, Total	\$12,132,525
Total Change	\$845,186
Percent Change	7.4% increase

Customer Allocation:

- General Fund – \$538,384; 7%
- Non-General Fund – \$240,198; 7.1%
- Non-County Agencies – \$67,558; 22%

CS FUND 5220 – BUILDING RESERVES

Adopted 2023 Rate, Total	\$1,886,822
Proposed 2024 Rate, Total	\$1,935,655
Total Change	\$48,833
Percent Change	2.6% increase

Customer Allocation:

- General Fund – \$954; 0.10%
- Non-General Fund – (\$9,841); (2.4%)
- Non-County Agencies – \$57,720; 54%

2024 PROPOSED RATES

CS FUND 5410 – ER&R MAINTENANCE AND OPERATIONS

Adopted 2023 Rate, Total	\$4,942,200
Proposed 2024 Rate, Total	\$5,193,348
Total Change	\$251,148
Percent Change	5.1% increase

Customer Allocation:

- General Fund - \$37,385; 2.2% increase
- Non-General Fund – \$213,763; 6.6% increase

CS FUND 5420 – ER&R REPLACEMENT RESERVE

Adopted 2023 Rate, Total	\$4,959,286
Proposed 2024 Rate, Total	\$5,488,576
Total Change	\$529,290
Percent Change	10.7% increase

Customer Allocation:

- General Fund – (\$2,009) ; (0.10% decrease)
- Non-General Fund – \$531,299; 18.1% increase



CENTRAL SERVICES & INFORMATION TECHNOLOGY 2024 PROPOSED RATES

Comments?

Questions?