

ISF/GSS RATES

EXECUTIVE OFFICE PERSPECTIVE



Presentation Overview

- What is an ISF/GSS Department?
- BOS Policies B-4 and B-28
- What is the EO's Role in the Rate Review?
- Review Timeline -FY 12/13 Rates
- The Rate Review Committee
- Economic Impacts to Internal Services FY 12/13

What is an ISF/GSS Department?

- Internal Service Fund (ISF) department - provides services or products to other county departments or agencies and accounts for service-related revenues and expenditures in self-sustaining, proprietary funds.
- General Support Service (GSS) department - provides services or products to other county departments and accounts for service-related revenues and expenditures in non-proprietary funds

Board of Supervisors' Policies B-4 & B-28

- **Policy B-4:** Outlines general Board of Supervisors' policies regarding any rates set by any county department.
- **Policy B-28:** Supplements Policy B-4. Defines the Board of Supervisors' policy regarding charges for internal services provided to county departments and districts, and provides a uniform approach to calculating rates.

What is the EO's Role in the Review?

- Evaluate proposed operating budget for consistency with current budget policies.
 - Current economic conditions
 - Multi-year budget plan
 - Annual productivity report
- Identify planned expansion of operations and evaluate the appropriateness under current economic conditions.
 - Planned staffing increases, new expenditures, or capital expansion as justification for increasing rates may not be reasonable.
- Approve Form 11 for submittal to Board.

Review Timeline – FY 2012/13 Rates

- Rates due today – November 14th
- EO and ACO Review should be complete by early January.
- RRC will meet to discuss in early January.
- Rates will go to Board of Supervisors for approval no later than January 31st
 - In time for budget kick-off

Rate Review Committee (RRC)

- **Advisory committee for internal service rate policies.**
 - Includes department head or designee from DPSS, Assessor, DA, Treasurer, Sheriff, TLMA, Auditor-Controller's Office, and Executive Office.
 - Also includes representative from ISF/GSS department
 - The Executive Office representative serve as chairperson
- **Established by Board Policy B-28**
- **RRC meets at least once annually**

Economic Impacts -FY 12/13

- **ISF/GSS departments were mandated to reduce overall budget by up to 28%**
 - Unlike NCC departments, reduction was based on FY 10/11 actuals instead of FY 11/12 budget
- **Will result in a reduction in costs for internal services.**
 - Rates for liability insurance rates will likely increase due to "rate holidays."
- **Will result in a reduction of services for many departments.**
 - ISF/GSS department should have already communicated the impacts.

