

Internal Service Rates

July 17, 2024

10:02 a.m.

Present: Commissioner Brummer, Commissioner Pollock, Commissioner Swope, County Manager Ryan Barrett, Becky Butler, Jared Larsen, Alex Murray, Matt Jaeger, Tim Mixer, Doug Carey, Grace Jimenez, Rudy Rodriguez, Meja Handlen

Guest(s):

Recorder: Rieva Lester

Public comment: None.

Becky Butler and Grace Jimenez said Lewis County has contracted with Matrix Consulting to develop consistent rate-setting methodologies for the county departments responsible for establishing internal service rates for the following:

- Self-insurance
- Human Resources
- Information Technology (IT)
- Radios
- Facilities
- Fleet

Becky said the following changes are being made based on Matrix's recommendations:

- Self-insurance will be eliminated as a separate chargeback and instead incorporated into the Risk funds.
- HR will be eliminated as a separate chargeback and instead incorporated into the General Fund Cost Allocation Plan.
- Radio will be eliminated as a chargeback and instead folded into the 911 Communications rates to be billed to its users. Any work done on behalf of county departments will be billed directly to that department based on the scope of work being performed.

Other recommendations included the following:

- Base Facilities rates on work orders, square footage, mail services and custodial hours worked. Facilities ER&R rates will be based on condition assessments.
- Switch IT's methodology from a per-device, per-department rate to one based on the number of "Help Desk" tickets and the number of IT assets and FTEs.
- Eliminate IT ER&R for countywide assets and instead incorporate those into the M&S budget or cover them through capital expenses.

- Continue allocating Fleet Maintenance costs based on the existing methodology of fuel, maintenance charges, repair charges and overhead costs based on number of assets.
- Separate Fleet Replacement from Central Shop and Motorpool rates and instead charge funds/ departments separately.
- Base Fleet Replacement chargebacks on the anticipated replacement value of the vehicle/equipment rather than an annual rate to allow for greater consistency in setting aside funding.

Alex Murray said Facilities – which encompasses facility maintenance, mail services and custodial services – projects the need for a 3.5 percent to 4 percent increase based on increased costs for power, natural gas, postage in addition to inflation for materials, supplies and goods.

Alex also noted that the county spent roughly \$100,000 tending to the area Senior Centers the previous year. He said those costs were charged to the capital fund.

Matt Jaeger said he foresees a 1.9 percent increase in IT interfund rates. For 2025, he said, IT still has direct costs charged to departments (specific apps, software, subscriptions, support) and will distribute the rest of the rates through a percentage calculated as follows:

- 10 percent support ticket requests from the previous year
- 70 percent total assets
- 20 percent department FTE count

Josh Metcalf said he estimates Fleet will have a 7 percent decrease to general fund.

Meeting ended at 10:52 a.m.