Department of County Management

FY2009 Approved Budget

General Government Budget Work Session
Multnomah County Board of Commissioners
May 13, 2008

Dept. of County Management Vision

- DCM is recognized for providing the highest possible quality of services to support Multnomah County's operations and our constituents.

- Customers seek our involvement in their success.

- While DCM divisions are responsible for managing significantly different lines of business, they also work as an integrated team.

DCM Mission

- DCM strategically manages key countywide resources including people, finances, facilities, technology, and equipment.

- DCM provides policy and strategic direction for operational infrastructure.

- As public stewards, we address the interests of our customers while balancing the efficient use of resources, relative risks, legal and regulatory requirements.

DCM FY 2009 Approved Budget Overview

- **$281 million overall County Management budget – Capital and Operations**

- **$219.2 million for Non-Capital base programs, 3.0% increase over FY08 Adopted Budget**
  - **Not including internal cash transfers.**

- **$61.8 million in county-wide Capital Programs within our department's budget**
  - **Not including reserves**

- **General Fund:**
  - **$32.7 million for ongoing programs, a 1.7% increase over FY08**
  - **Plus $1. million in One Time Only (Described later in presentation)**

- **575.5 FTE. This is an increase of 2.5 FTE**

DCM Director – Includes Affirmative Action & Sustainability
14.5 FTE $2.0 Million

Emergency Management
4.0 FTE $2.1 Million
Reports to Chair's Office

← New to DCM Budget in FY 2009

Finance & Risk Management
75.0 FTE $94.0 Million

Department of County Management Organizational Structure FY 2009 Approved Budget 575.5 FTE , $281 Million

Budget Office
11.0 FTE $2.0 Million

Assessment & Taxation
137.5 FTE $17.8 Million

Facilities & Property Management
96.5 FTE $97.3 Million

Fleet, Records, Electronics, Distribution & Stores   53.0 FTE
$17.6 Million

Information Technology
162.0 FTE $42.4 Million

Human Resources
22.0 FTE $5.7 Million

Regional Arts and Culture Council
$188 K

← New to DCM Budget in FY 2009

How We Approached the
FY 2009 Budget Process

The DCM Budget process focused on transparency, partnerships and cooperation. Key assumptions were:

1. Live within our financial constraints.

2. Maintain key support and services to departments/customers. At the same time, don't make decisions that will cost us more in the future.

3. Be strategic about how we build for County's future infrastructure needs.
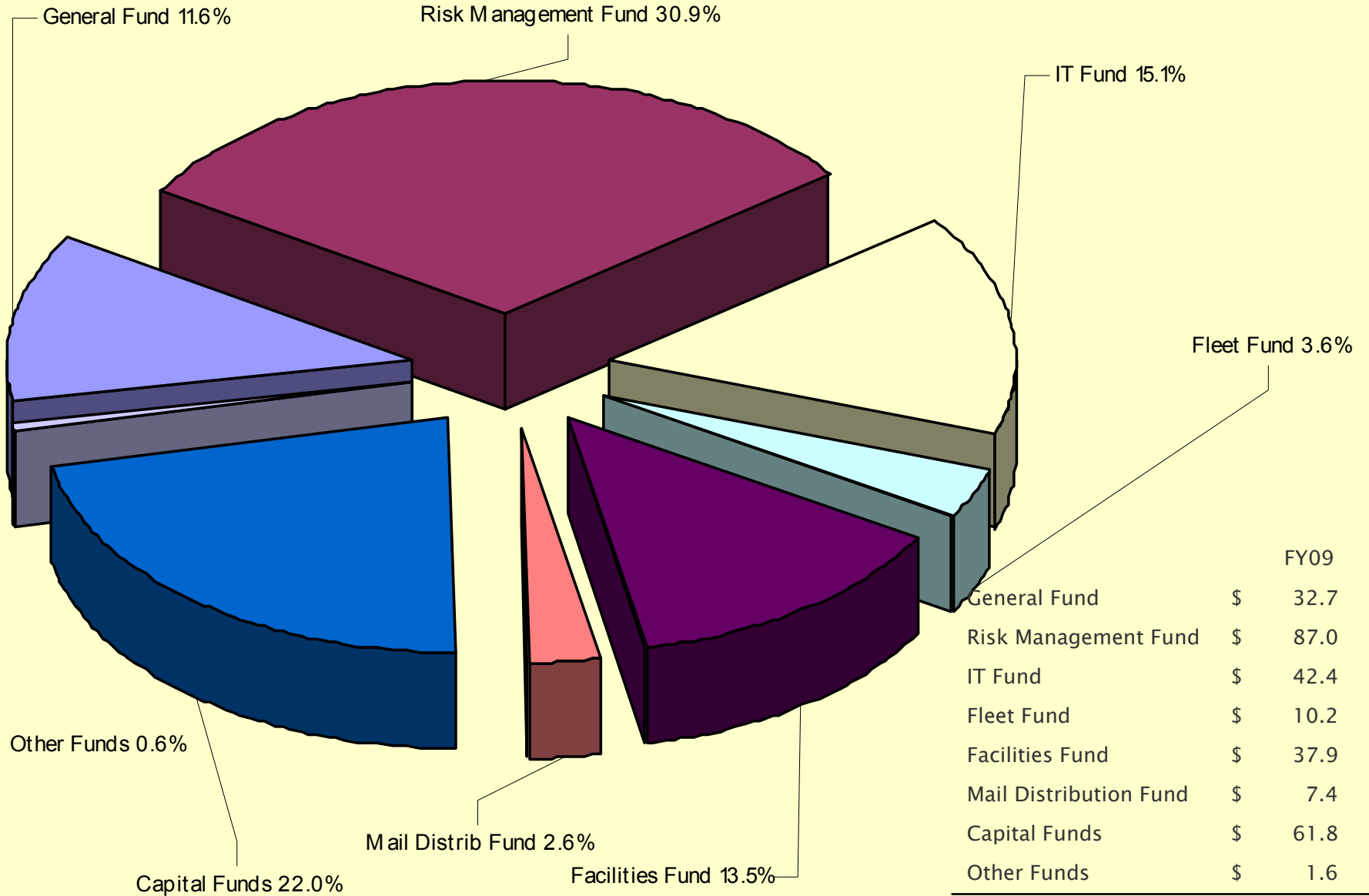
Reducing the County's Structural Deficit:

Maintaining Internal Services (Information Technology, Facilities & Property Management and FREDS/Fleet, Records, Electronics, Distribution and Stores)

- Beginning in June 2007, Internal Services undertook an in-depth review of their services, expenses and cost allocation methodology.

- Internal Services developed options for reducing operating costs by 6%. DCM met with all customers and presented the reduction options.

- Final decisions based heavily on departments' view of service impacts and tradeoffs.

- Generated approximately $1 million savings for the General Fund in internal service rates.

Meeting DCM's FY 2009 General Fund Constraint

- Divisions prepared budget requests using FY 2008 budgets as base levels.

- Divisions worked with staff to develop 3% to 5% reduction ideas.

- DCM Management Team reviewed ideas and recommended approaches that would not increase future costs to County, not transfer costs to other departments and have minimal service impacts to customers.

- DCM Director recommended specific increases to programs to improve service to customers or leverage outside resources.

FY 2009 DCM Budget by Fund

General Fund 11.6%

Risk Management Fund 30.9%

IT Fund 15.1%

Fleet Fund 3.6%

Other Funds 0.6%

Mail Distrib Fund 2.6%

Capital Funds 22.0%

Facilities Fund 13.5%

	FY09	
General Fund	$ 32.7	M
Risk Management Fund	$ 87.0	M
IT Fund	$ 42.4	M
Fleet Fund	$ 10.2	M
Facilities Fund	$ 37.9	M
Mail Distribution Fund	$ 7.4	M
Capital Funds	$ 61.8	M
Other Funds	$ 1.6	M
All Funds	$ 281.0	M

FY 2008 Highlights

- **Assessment and Taxation – New Recording System, State Domestic Partnership Registry**

- **Competency-based performance management system**

- **County Employment Vital Aging Workgroup**

- **DCM Stat, operations performance-based management system**

- **Facilities: East County Justice Center, Lincoln Building, Courthouse**

- **Funding and tax analysis: Expenditure monitoring reports. Wapato Jail, Public Safety Levy, Bridge and Road Funding, State Tax Reform, Library Funding**

- **FY09 Budget Process**

- **Health Equity Initiative – Facilitated Multnomah Building viewings**

- **Improving access to County services - Voice Access and Web Redesign/stakeholder assessment**

- **IT Innovation Fund – described later**

- **Multnomah County Chair/Sheriff MOU re: joint management of jail costs, fiscal oversight and accountability – Central HR, FREDS, IT and Finance**

- **SAP upgrade**

- **Sustainability – Dept Sustainability Liaisons, Photo Voltaic project**

FY 2009 Service Priorities

DCM will continue to focus on provision of quality services and on achieving program offer outcomes and service levels:

- Maintain high bond rating, quality financial reporting and monitoring and appropriate return on investments.

- Recruit, select, promote, and retain a qualified and diverse workforce.

- Manage County facilities and property to maximize these assets.

- Manage and enhance information technology systems to avoid duplication of County applications and services.

- Manage fleet, central stores, and distribution to ensure that costs to departments represent market prices or better.

- Collect taxes due in a fair and equitable manner.

- Implement budget and performance-based management systems to improve services and accountability.

- Lead and support sustainable county operations.

- Lead and support County Affirmative Action planning and compliance.

- Support countywide emergency management systems.

Service Reimbursements from Departments

Internal Service Fund	FY08 Adopted	FY09 Approved	FY09 Change Existing Programs
Fleet Management	**$5.85 M**	**$5.83 M**	**- 0.3 %**

- **No service level changes to customers**

Mail Distribution	**$3.21 M**	**$3.16 M**	**- 1.7 %**

- **No service level changes to customers**

Information Technology	**$29.4 M**	**$31.3 M**	**+ 6.6 %**

- **Minor service reductions agreed to by customers**
- **$916 K to cover cost of new projects and $800 K to cover the cost of ongoing services that would not be reduced**
- **Reduced 2 FTE for FY09**

Facilities Management	**$38.7 M**	**$37.6 M**	**- 2.7 %**

- **No increase in Capital Fees to customers –*increases deferred maintenance***
- **Minor maintenance and cleaning reductions**

DCM FTE Changes – FY08 to FY09

Division	FTE Changes for FY09	
A&T	1.0 FTE	Limited Duration Project Mgr for A&T System Replacement
Central HR	2.0 FTE	Class Comp position mid-year FY09 Employee Development
Director's Off	0.5 FTE	Succession Planning
Finance	1.0 FTE	Assistant for CFO added mid-year
IT	(2.0) FTE	2 vacant positions cut
DCM Totals	2.5 FTE	

New in Chair's Budget

FY 2009 OTO General Fund $1.934 M

- 72057A   Facilities Fund Operating Contingency $1.075 M

- 72057B   Facilities OTO Repay Asset Preservation Funds for Operations Shortfall $560 K

- 72106   Fleet Fund Operating Contingency $299 K

FY 2009 Ongoing New Program $200 K

- 72069   County Human Resources – Expanded Training Program $200 K

IT Innovation Fund

$4.0 M from IT Fund savings in the Proposed Budget

Projects are proposed by departments

Evaluated by IT Advisory Board
- Representatives of all County departments
- Standardized review process

Evaluation criteria:
- Sustainable cost savings
- Improved service to constituents
- Availability of resources for project development
- Increased productivity or efficiency
- Overall return on investment

Types of projects being evaluated:
- Improve customer access to County services
- Improve County information systems and processes

State/ Federal Impacts

- No known direct impacts to departmental programs
- All internal services are impacted with County-wide program reductions

DCM's FY09 Major Issues

- Strengthening Human Resources capacity to address a looming number of retirements and changing workforce demographics. Do we have adequate resources to recruit, train, and develop a diverse County workforce of the future?

- Leading strategies to reduce the County's structural deficit through the budget process, financial policies, managing internal services, and supporting innovation.

- Resources to implement:
  - **1/30/08 Memorandum of Understanding (MOU) with the Sheriff's Office**
  - **Web Redesign**
  - **Vital Aging Task Force's recommendations**
  - **Other countywide initiatives.**

- Creative tension as DCM addresses the interests and demands of our customers while balancing the efficient use of resources.
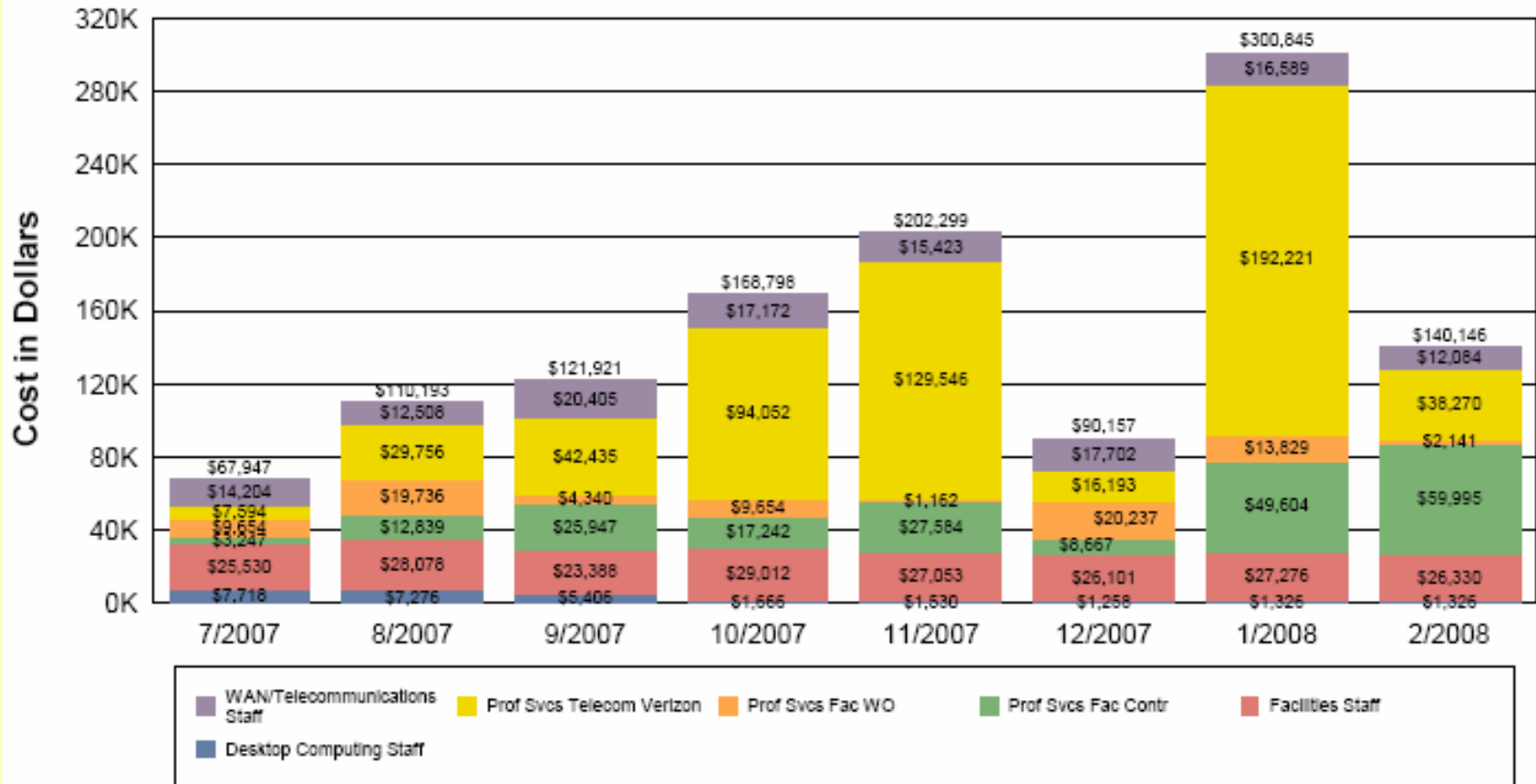
How We Measure Performance

- DCM Stat
  - Divisions measure their operational performance
  - Report monthly to Department Director
  - Discuss significant issues
  - Example:

    Controlling Moves, Adds, and Changes as a way of reducing County costs

IT and Facilities Move Costs
Fiscal 08 through February

YTD Totals

Desktop Computing Staff	$27,506
Facilities Staff	$212,768
Prof Svcs Fac Contr	$205,124
Prof Svcs Fac WO	$80,754
Prof Svcs Telecom Verizon	$550,066
WAN/Telecommunications Staff	$126,087

Questions ?