

Department of County Management

Budget Work Session

Fiscal Year 2011

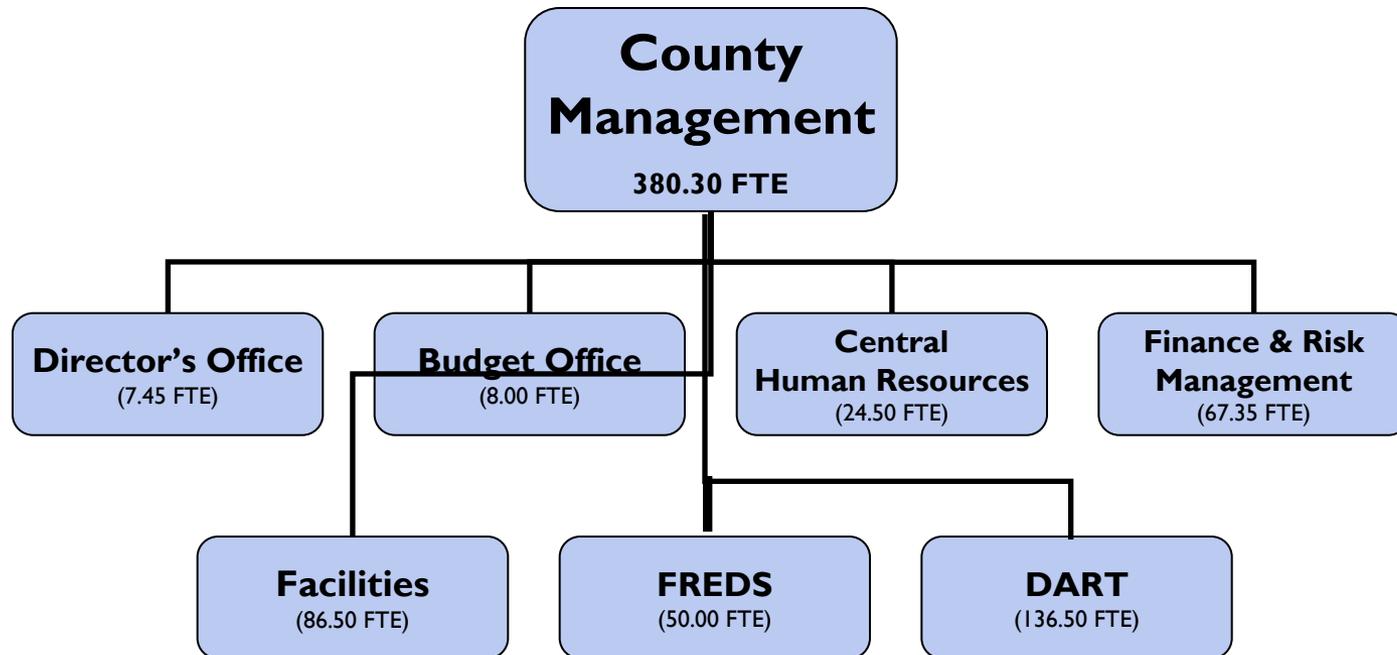
May 18, 2010



Department of County Management

- Agenda
 - DCM structure
 - Guiding budget principles
 - Budgetary and Organizational changes
 - DCM major projects FY2011
 - Conclusion

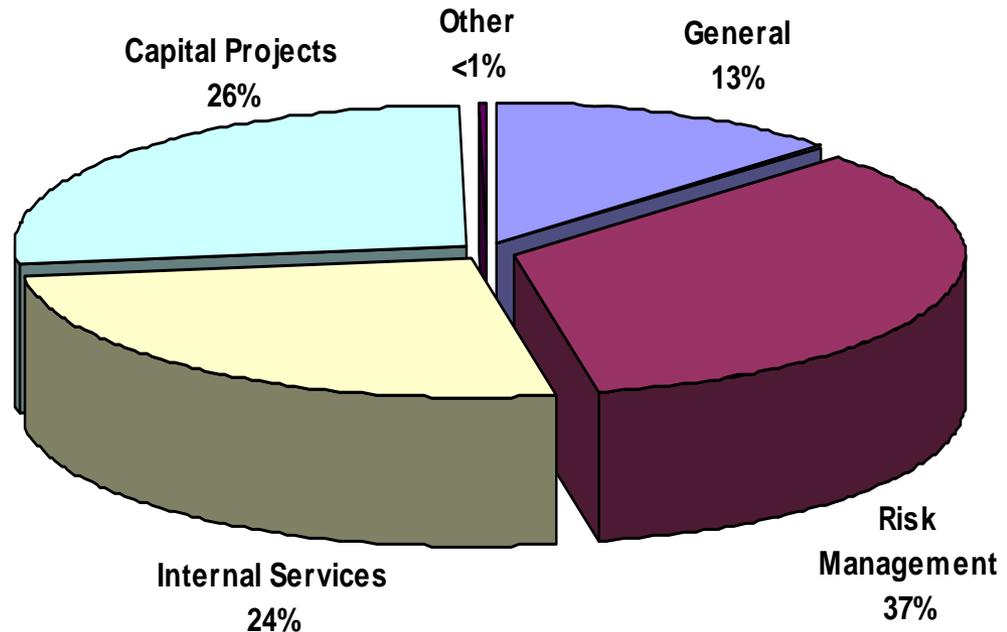
Department of County Management



Department of County Management

Expenditure Budget by Fund (millions)

General Fund	\$ 29.0
Risk Mgmt	86.7
Internal Svs	55.4
Capital Project	59.2
Other Funds	.7
Total Funds	\$ 231.0

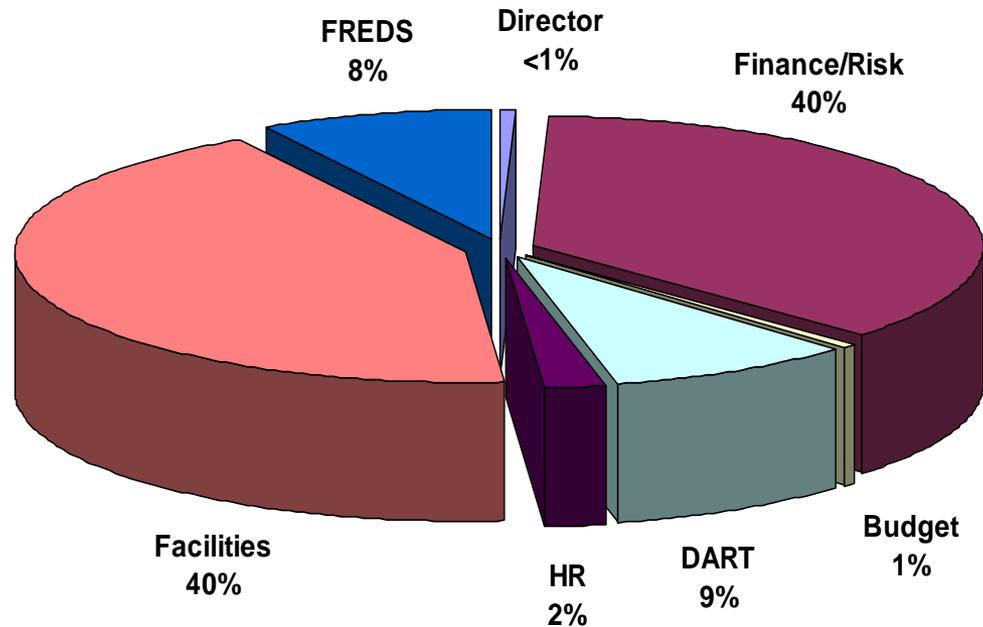


Department of County Management

Expenditure Budget All Funds by Division

(millions)

Director	\$	1.0
Finance/Risk		92.3
Budget		1.3
DART		21.4
HR		5.6
Facilities		91.5
FREDS		17.9
Total	\$	231.0





Guiding Budget Principles

- ❑ County-wide Financial Management, Fiscal Integrity, Organizational Stability
- ❑ Quality Workforce
- ❑ Spending aligned with Chair/board priorities
- ❑ Business process & efficiency improvements
- ❑ Minimize overall risk to organization
- ❑ Opportunities to Increase Revenue
- ❑ Required vs. optional services, functions
- ❑ Best Practices



DCM Budgetary Changes – all funds

- FY2011 budget request: \$231 million
- FY2010 adopted budget: \$213 million
- Overall increase \$18 million
- Primary factors:
 - \$13 million Risk Management fund
 - \$7.5 million capital projects funds

Budgetary Changes – FY2010 to FY2011

	FY2011	FY2010	Change	% Change
General Fund	29,062,344	31,530,851	(2,468,507)	-7.8%
Risk Mgmt	86,687,376	73,749,475	12,937,901	17.5%
Internal Service	55,385,235	50,605,493	4,779,742	9.4%
Capital Projects	59,184,965	56,228,857	2,956,108	5.3%
Other	687,964	874,308	(186,344)	-21.3%
Total	231,007,884	212,988,984	18,018,900	8.5%

Budgetary Changes – FY2010 to FY2011

- General Fund (226.55 FTE)
 - Total change: < \$2,468,507 >
 - Adjustments
 - One Time Only \$1.25M
 - Transfers out:
 - Regional Arts, \$165,291
 - Sustainability Program, \$282,644
 - Office of Diversity & Equity, \$276,526
 - Net operating reduction \$494,046

Budgetary Changes – FY2010 to FY2011

- Risk Management Fund (17.25 FTE)
 - Fund increased by 17.5%
 - Primary factors:
 - 109 new positions added across County, increasing health care costs
 - Overall cost increases for health care
 - Large outstanding claims budgeted
 - Increased unemployment costs

Budgetary Changes – FY2010 to FY2011

- Facilities Fund (86.50 FTE)
 - \$1.5 million reserves used to close gap between revenues & operating expenditures to maintain service levels
 - Future service level reductions will be developed with departmental customers
 - 2 new Library Branches, 1 new Health Clinic for FY2011
 - Vacancy rate up to 3.65% (up .3%), largely due to Kelly Building, Walnut Park vacancies

Budgetary Changes – FY2010 to FY2011

- Fleet & Distribution Funds (50.0 FTE)
 - \$450,000 reserves used to offset cost increases
 - State contract adds \$75,000 revenue to FY2011
 - Funds services to State's Portland-area fleet
 - Adds one FTE
 - Equipment budget increased to purchase 4 electric vehicles
 - Distribution fund added 1.0 FTE for electronic records management

Budgetary Changes – FY2010 to FY2011

□ Capital Funds

- Funds increased 5%

- Primary factors:

- ARRA (Stimulus) project funding \$1.925M - Building Automation System project and Inverness Jail Laundry Heat Recovery System project
- Gateway Domestic Violence project \$600K

Budgetary Changes – Staffing

FTE Changes by Division	FY2011	FY 2010	FTE Change	% Change
Director	7.45	8.00	(0.55)	-6.9%
Finance/Risk	67.35	69.40	(2.05)	-3.0%
Budget	8.00	8.00	0.00	0.0%
DART	136.50	137.50	(1.00)	-0.7%
HR	24.50	24.00	0.50	2.1%
Facilities	86.50	85.50	1.00	1.2%
FREDS	50.00	48.00	2.00	4.2%
TOTAL	380.30	380.40	(0.10)	-0.03%

Organizational Changes

- Programs moved from DCM to Non-Departmental
 - Office of Sustainability (\$282,644 & 2.0 FTE)
 - Office of Diversity & Equity (\$276,526 & 2.0 FTE)
- Programs moved from DCS to DCM
 - Tax Title (\$546,623 & 1.0 FTE)
 - Passports (\$ 70,000 & 1.0 FTE)



Organizational Changes

- Staff reductions
 - 1.0 Purchasing
 - 1.0 Treasury/Tax Administration

Organizational Changes

- Creation of Business Services Unit
 - Aligns similar functions within DCM
 - Allows expertise to be focused
 - Budget neutral – existing FTE reallocated within department
- Staff capacity increases
 - Revenue Analysis & New Opportunities
 - Property Management for East County projects
 - Electronic Records Management
 - 3.0 FTE added for one year period



DCM Major Projects FY2011

- Implementation of Property Tax System
- Business Process Re-engineering
 - Streamline County Administrative Support/Structure
 - Facilities Management
 - Contracts Redesign
- Classification Study, Management/Executives
- Debt Issues
 - East County Courthouse
 - Sellwood Bridge

Closing Thoughts

- ❑ DCM provides administrative backbone to entire County organization
- ❑ DCM budget driven by ISR-what other departments budget (e.g., 109 new FTE)
- ❑ DCM general fund took 4.4% reduction
- ❑ Constant review of the way we do business looking for efficiencies/streamlining
- ❑ Progressive eye toward FY2012 with future reductions & challenges