Department of Business & Community Services

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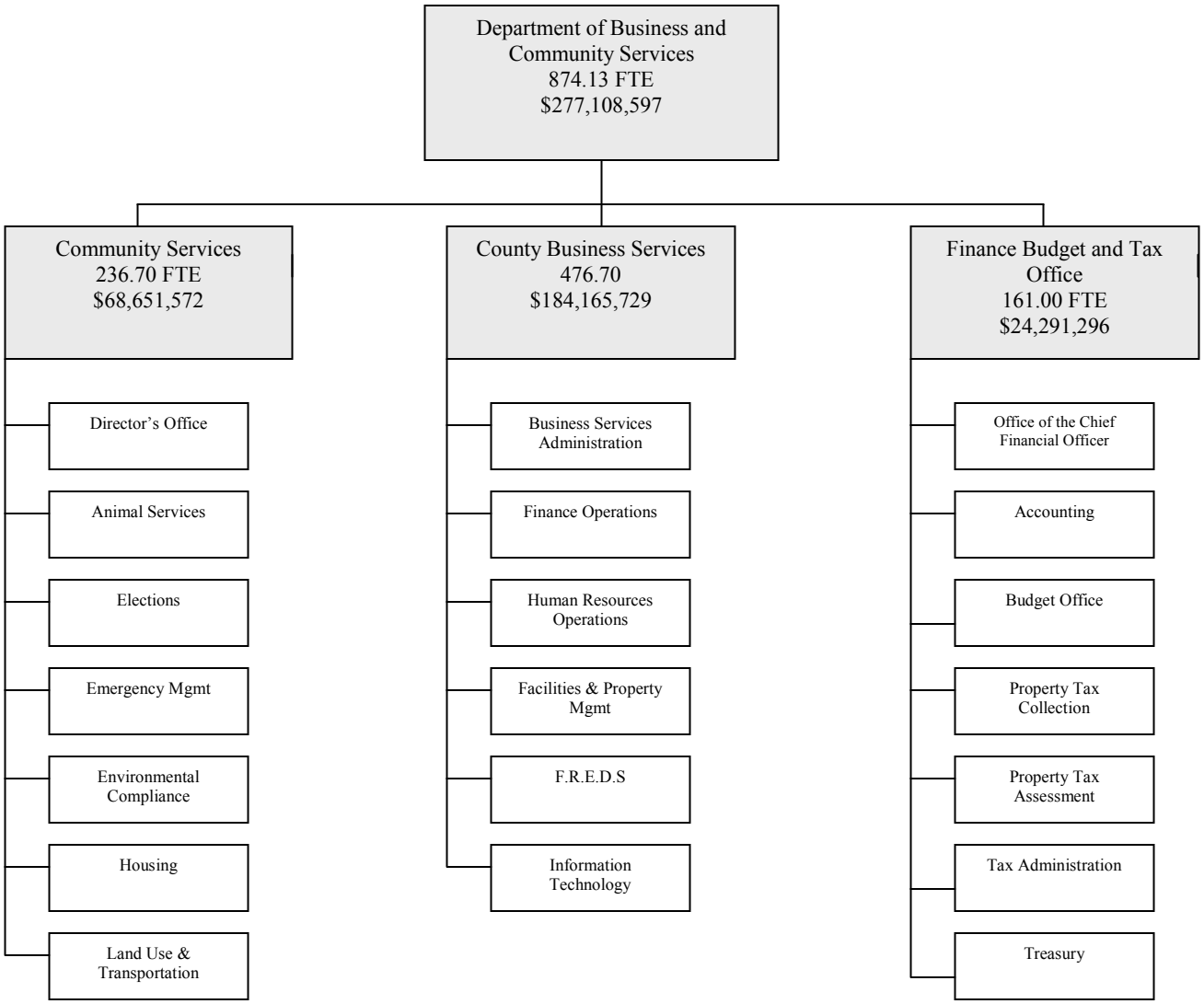
Department of Business & Community Services

Department Services

The Department of Business and Community Services (DBCS) provides services in the following functional areas:

- **Community Services** (CS) provides emergency management, housing, land use and transportation, animal services, elections, and environmental compliance services.
- **County Business Services** (CBS) provides facilities and property management, information technology, fleet, records, electronics, distribution, materiel management, SAP, sustainability, human resources, and finance operations services.
- **Finance, Budget and Tax Office** (FBAT) provides accounting, budget, property tax collection, property tax assessment, tax administration, and treasury services.

Department Organization



Budget for FY 2005

The Business and Community Services (BCS) budget is $277 million, with 874.13 FTE as shown in the table below. The FTE change is mostly due to a reduction in Information Technology (IT) positions combined with an increase in Finance Operations and Human Resources positions transferred from other Departments. IT has eliminated 23 positions from the budget to reflect downsizing that occurred just after the FY 04 budget was adopted. The other significant change is the transfer of about 71 Finance and HR staff from Departments.

Budget Trends	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Staffing FTE	817.86	809.13	832.13	874.13	42.00
Personal Services	$59,110,164	$62,061,881	$62,320,835	$70,553,213	$8,232,378
Contractual Services	34,082,384	41,809,777	41,039,687	43,944,808	2,905,121
Materials & Supplies	101,648,398	110,022,484	114,078,919	121,937,901	7,858,982
Capital Outlay	16,129,018	17,190,859	39,588,518	40,672,675	1,084,157
Total Costs	**$210,969,964**	**$231,085,001**	**$257,027,959**	**$277,108,597**	**$20,080,638**

Costs by Business Area	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Community Services	$50,883,354	$52,367,037	$58,124,344	$68,651,572	$10,527,228
County Business Svcs	141,589,752	151,245,394	171,583,719	184,165,729	12,582,010
Finance, Budget & Tax	18,496,858	27,472,570	27,319,896	24,291,296	(3,028,600)
Total Costs	**$210,969,964**	**$231,085,001**	**$257,027,959**	**$277,108,597**	**$20,080,638**

Staffing by Business Area	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Community Services	242.81	244.83	244.83	236.70	(8.13)
County Business Svcs	430.54	406.80	429.80	476.43	46.63
Finance, Budget & Tax	144.51	157.50	157.50	161.00	3.50
Total Staffing FTE's	**817.86**	**809.13**	**832.13**	**874.13**	**42.00**

Department of Business & Community Services

Resources by Business Area

	General Fund	Fees, Permits &Charges	Federal	State & Local	Other/ Miscellaneous
Community Services	$9,205,416	$12,225,108	$5,560,218	$32,920,387	$5,342,887
County Business Svcs	2,340,107	1,653,670	0	0	106,466,791
Finance, Budget, Tax	20,821,636	117,500	350,000	175,000	4,736,028
Total Resources	**$32,367,159**	**$13,996,278**	**$5,910,218**	**$33,095,387**	**$116,545,706**

Community Services

Community Services provides the following:

- Land use and transportation planning;
- Services and duties relating to special districts and boundary changes within the metropolitan service district;
- Services relating to maintaining the natural environment;
- Services and duties prescribed by state law relating to the construction, maintenance, and operation of county roads and bridges;
- Examinations, inspections, and permits relating to transportation;
- Animal service programs and facilities;
- Emergency management program and services;
- Special needs housing services for vulnerable populations;
- County elections duties prescribed by state law;
- Surveys of the County as prescribed by state and local codes and survey services as part of Land Use and Transportation projects.

How CS Delivers Its Services

Community Services exists to ensure the safety of citizens and animals, preserve the infrastructure and environment of Multnomah County, and enhance the quality of life.

The Division's safety mission is exemplified by its animal services, enforcement, shelter, and adoption programs; its bridge construction and repair activities; its water quality program; its bike and pedestrian capital program plans; its investment in road conditions; and—most importantly—its Emergency Management Program. Its quality of life mission is exemplified by the provision of the core privilege of a democracy – the right to vote and the security of knowing that election results are accurate and worthy of public trust; by land use planning efforts; by survey and land corner programs; by the provision of special needs housing for vulnerable populations, and by transportation planning with other East County jurisdictions and agencies that will manifest shared community visions.

Community Services seeks to:

- Increase accountability by planning outcomes, measuring results, and improving performance;
- "Be entrepreneurial in spirit and policy-driven in action" – CS will seek grants; recover costs where possible; leverage federal, state, and other funds; and assess reasonable fines and fees for services;
- Develop its managers so that they can be successful leaders in a changing environment and manage a diverse workforce;
- Improve the condition of the County's bridges, designing and constructing new ones where necessary;
- Improve the condition of the County's roads; and
- Engage advocates, volunteers, and other stakeholders in addressing animal population control and adoption challenges.

CS Budget Issues and Highlights

Community Services managed, merged, and reduced resources in the FY 05 budget by many methods, including:

- Transfer and alignment of 6 FTE to Finance Operations (4 FTE) and FREDS (2 FTE) in County Business Services;
- Leveraging of Risk Fund to provide Emergency Management Services;
- Merger of Land Use and Transportation Planning under one manager;
- Transfer of 1 FTE from Land Use Planning to the new Environmental Compliance Program (water quality and code enforcement);
- Reduction of 1 vacant FTE in Land Use Planning.

The Division's ability to provide the proposed level of services in FY 05 is a result of actions taken by the Board of County Commissioners to increase the Division's capacity to collect reasonable fees/recoveries, enforce county codes, and apply for grants.

General Fund Budget Assumptions

In developing the Community Services General Fund budget submission, the following budget and program assumptions were made:

- Core and legally mandated services are highest priority;
- Responsiveness to community priorities is essential;
- Innovative approaches to program design and operations saves money; and
- Opportunities to leverage and maximize other funds are being sought.

CS Budget for FY 2005

Community Services has a budget of $68,651,572 with 236.70 FTE. The CS budget increase is mostly due to transportation and homeland security funding increases. The FTE change is mostly due to transfers to Business Services.

CS Budget Trends	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Staffing FTE	242.81	244.83	244.83	236.70	(8.13)
Personal Services	$16,308,235	$16,925,846	$17,863,406	$18,245,502	$382,096
Contractual Services	23,786,763	23,960,497	23,843,344	27,176,120	3,332,776
Materials & Supplies	8,053,128	8,036,268	8,539,518	9,284,352	744,834
Capital Outlay	2,735,228	3,444,426	7,878,076	13,945,598	6,067,522
Total Costs	**$50,883,354**	**$52,367,037**	**$58,124,344**	**$68,651,572**	**$10,527,228**

Costs by Division	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
CS Director's Office	$1	$432,414	$549,966	$547,020	($2,946)
Community Services	7,218,395	7,618,811	7,249,974	11,898,131	4,648,157
Land Use & Transport	21,277,058	22,773,878	29,155,975	33,800,268	4,644,293
Accounting Entities	22,387,900	21,541,934	21,168,429	22,406,153	1,237,724
Total Costs	**$50,883,354**	**$52,367,037**	**$58,124,344**	**$68,651,572**	**$10,527,228**

Staffing by Division	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
CS Director's Office	5.00	4.33	4.33	3.20	(1.13)
Community Services	56.74	58.50	58.50	61.70	3.20
Land Use & Transport	181.07	182.00	182.00	171.80	(10.20)
Accounting Entities	0.00	0.00	0.00	0.00	0.00
Total Staffing FTE's	**242.81**	**244.83**	**244.83**	**236.70**	**(8.13)**

Resources by Division	General Fund	Fees, Permits &Charges	Federal	State & Local	Other/ Miscellaneous
CS Director's Office	$547,020	$0	$0	$0	$0
Community Services	7,191,153	1,537,655	3,735,322	200,000	0
Land Use & Transport	1,467,243	10,687,453	1,824,896	32,720,387	5,342,887
Accounting Entities	0	0	0	0	0
Total Resources	**$9,205,416**	**$12,225,108**	**$5,560,218**	**$32,920,387**	**$5,342,887**

Community Services Director's Office

The Director's Office provides leadership, management, direction, and policy implementation to Community Services, and also ensures the optimization of resources. The Office's priorities for FY 05 are to restore services in Animal Services; to expand community involvement in Animal Services; to implement revenue enhancement strategies; and to further integrate departmental resources in training, performance measurement, and employee recognition and support systems.

Action Plans:

- County's Diversity Initiative – The Director's Office will support this initiative via the dedication of the Director's time, the time of a management assistant and the time of an administrative assistant, all of which total 1.0 FTE;
- Transportation Study - Staff will support the implementation of policy directives related to the study;
- Capital Improvement Project Deliveries – The Office will optimize the use of taxpayer dollars by the timely completion of capital improvement projects;
- "Action Center" – The Office will implement this concept whereby customer service concerns are immediately addressed and resolved.

Significant Budget Changes:

- The restructuring of the Department into three business areas: Community Services, County Business Services, and Finance, Budget, and Tax Office.
- The elimination of shared 0.33 FTE Administrative Secretary and the reassignment of 0.80 FTE LUT Senior Program Manager: (1.13 FTE): ($60,000).
- An increase in personnel due to Planned Assessment for budget support to GF programs from road fund personnel resource: $23,000
- An increase in Professional Services to accomplish program goals and objectives: $10,000

Community Services Director		**2003-04**	**2003-04**	**2004-05**	
Budget Trends	**2002-03**	**Current**	**Adopted**	**Adopted**	
	Actual	**Estimate**	**Budget**	**Budget**	**Difference**
Staffing FTE	5.00	4.33	4.33	3.20	(1.13)
Personal Services	$320,736	$297,199	$414,740	$365,052	($49,688)
Contractual Services	15,787	25,000	10,000	20,000	10,000
Materials & Supplies	(336,522)	110,215	125,226	161,968	36,742
Capital Outlay	0	0	0	0	0
Total Costs	**$1**	**$432,414**	**$549,966**	**$547,020**	**($2,946)**

Community Services

The **Office of Emergency Management** is responsible for the organization, administration, and operation of the County emergency management program.

The **Housing** program ensures that the development of special needs and community housing programs is managed to meet County needs. Housing also manages the disposition of most tax-foreclosed properties.

Animal Services protects people and animals by promoting and enforcing responsible animal ownership. It enforces state statutes and county codes and assists other agencies in matters relating to rabies, nuisance enforcement, dog and cat licensing, neglect and cruelty, barking, and dog bites.

The **Elections** program serves citizens by ensuring the efficiency and integrity of electoral processes for all government jurisdictions in Multnomah County.

Action Plans:

- Establish a County leadership presence in regional emergency planning.
- Maximize funding through the Help America Vote Act (HAVA) monies identified for Multnomah County Elections.
- Expand the public awareness campaign to increase pet licensing and adoptions.
- By January 2005, implement solutions resulting from the "Cat Summit" to encourage responsible cat ownership and reduce the number of cats entering the shelter.
- Develop a capital plan to replace the Animal Shelter by January 2005.
- Establish an expanded Shelter Medicine Program by September 2004.

Significant Budget Changes:

- Transfer the Housing Program out of Facilities and Properties Management into Community Services: $109,245
- Add 2 FTE in Animal Services to implement Friends of the Shelter Adoption Outreach Center and improve field response: 2 FTE; $102,416
- Reclassify Animal Control Manager to Program Manager 2: $2,500
- Realign personnel to Emergency Services to create a County leadership presence in regional emergency coordination and training: 1 FTE, $132,117
- Personnel cost shift from Emergency Services to Risk Fund, for Business Continuation Planning training: ($42,884)
- Reduce Professional Services costs and increase Temporary costs to achieve Animal Services operational goals, Net: $66,584
- Increase Elections Temporary and Overtime costs to match program requirements: $110,000
- Increase Housing Professional Services to hire consultant to study Medicaid/Supportive Housing leverage opportunities, grant-funded: $73,200

- Increase Administrative Secretary by 0.20 FTE, $12,000
- Increase grant revenues in Tax Title (from Environmental Protection Agency) to clean up contaminated property: $200,000
- Increase revenues to reflect the Parks IGA with the City of Portland to increase Animal Services in the parks – starting 2nd of 5 year program: $40,000.
- Increase revenue in Emergency Services from Dodson FEMA Event – deferred revenue for use on mobile command vehicle: $57,500
- Decrease Animal Services Cash Transfer revenue to match forecast to budget: ($69,900)

Community Services Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	56.74	58.50	58.50	61.70	3.20
Personal Services	$3,810,619	$3,931,768	$3,898,893	$4,414,420	$515,527
Contractual Services	810,512	1,041,875	730,788	4,391,376	3,660,588
Materials & Supplies	2,597,264	2,639,668	2,573,293	2,937,335	364,042
Capital Outlay	0	5,500	47,000	155,000	108,000
Total Costs	**$7,218,395**	**$7,618,811**	**$7,249,974**	**$11,898,131**	**$4,648,157**

Animal Services

This program operates a shelter for lost, abandoned, injured, or mistreated animals; administers a license system; educates the public about responsible animal ownership; and operates an adoption center. Field Services responds to animal-related emergencies and issues involving pets, such as barking. Responsibilities include: impounding strays, regulating the ownership of dangerous dogs, investigating bites, quarantining animals suspected of rabies, and investigating neglect and cruelty.

FY 2004: 38.00 FTE FY 2005: 40.00 FTE

Elections

This unit establishes precinct boundaries; verifies signatures on petitions and ballot envelopes; maintains the voter registration file; prints, issues, and counts all ballots; audits contribution and expenditure reports; accepts candidate filings; and maintains precinct committee records for major political parties.

FY 2004: 15.00 FTE FY 2005: 15.00 FTE

Emergency Management

This program coordinates the preparation of services for response to, mitigation of, and recovery from an emergency or disaster. It also provides support to the joint Multnomah County/City of Gresham Regional HazMat Response Team, to Search and Rescue operations, and to fire and law enforcement activities. The unit is responsible for meeting State and federal guidelines and for preparing County departments to respond to and recover from a major emergency or disaster. Two new grant programs have increased the work load on this unit, requiring high levels of coordination and cooperation with regional partners.

FY 2004: 2.00 FTE FY 2005: 3.00 FTE

Housing

The Housing program catalyzes development of special needs and affordable housing. It coordinates planning; identifies savings achievable by providing supported housing that helps clients live without more expensive services; works with community partners to eliminate obstacles to affordable housing; works with County and other agencies to link supportive services to housing; establishes goals to meet County housing needs; and works to support special needs housing. Housing also manages the disposition of most tax-foreclosed properties

FY 2004: 3.50 FTE FY 2005: 3.70 FTE

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Animal Services	$3,039,636	$3,160,923	$3,500,377	$339,454
Elections	3,180,418	2,968,451	3,175,600	207,149
Emergency Management	244,042	338,213	4,118,897	3,780,684
Housing	754,300	782,387	1,103,258	320,871
Total Costs	**$7,218,396**	**$7,249,974**	**$11,898,132**	**$4,648,158**

Land Use & Transportation

The Division maintains and enhances the community's infrastructure, livability, and natural resources by participating in the development of a balanced regional transportation network, managing growth, protecting natural resources, and planning for future needs. It maintains and improves the County road system and Willamette River Bridges; implements and enforces land use plans and ordinances; ensures compliance with state and federal laws relating to water quality and endangered species protection; and maintains critical property information through the Surveyor's Office.

Securing funding for the County's Transportation infrastructure is the division's current focus.

The lack of sufficient funding remains a great obstacle to improving the County's deteriorating transportation infrastructure. While OTIA III (the 2003 Oregon Transportation and Investment Act) has helped significantly, there is a widening gap between the system's needs and the resources available to address these needs. The lack of federal/state/local funding for water quality compliance efforts and a constrained General Fund have also inhibited environmental compliance.

Action Plans:

- Pursue a programmatic exception for Routine Road Maintenance practices under the Endangered Species Act 4(d) Rule for listed salmonids.
- Implement the code enforcement program to enforce the Land Use and Transportation Codes in the unincorporated portions of the county.
- Pursue revenue opportunities to enable the Division to enhance the livability and vitality of the region in a time of declining resources.

Significant Budget Changes:

- Reorganize division management structure by deleting Engineering Service Manager in roadway engineering, and reallocating a Program Manager Senior: (1.20 FTE), ($188,648).
- Implement reclassifications in traffic engineering to respond to program requirements. Delete vacant Engineer Services Admin, delete 1 vacant Engineer 2, and create Engineer 3, (1.00 FTE): ($113,360).
- Transfer 6 positions to Business Services (6.00 FTE): ($396,804)
- Eliminate vacant Planner positions, create Code Enforcement Officer and Planner Assistant classifications, and restructure management classifications to implement Land Use and Transportation Planning merger and organizational restructuring for the Environmental Compliance Section: (1.00 FTE): ($ 17,750)
- Eliminate a vacant Program Coordinator, redistribute responsibilities, and add Office Assistant Senior position: ($11,615)
- Eliminate a vacant Maintenance Specialist in Bridges: (1:00 FTE): ($68,145)
- Decrease Professional Services – preliminary design efforts on Sauvie

Island Bridge are reduced and shifted into construction for many road capital projects: ($1,475,900).

- Reduce Beginning Working Capital attributed to the start of road capital project (257th @ Orient) where project funds were carried over each year, ($1,118,609)
- Increase funding available through Rural STP Fund Exchange Program: $45,000.
- Decrease in planned revenue for engineering reimbursement on Federal Aid projects on Bridge design and construction: ($350,000).
- Increase of State Motor Vehicle Revenue Sharing attributed to HB2041 (OTIA III): $2,900,000.
- Increase of revenues received for OTIA I capital projects planned for construction in FY 2005: $ 1,890,000
- Reduce Local Government revenues for construction reimbursements ($85,890).
- Increase Cash Transfer to Willamette River Bridges due to Memorandum of Agreement defining "majority shall go towards county bridges": $1,450,000
- Increase Misc. revenue for planned project development revenue at 257th @ Hensley ~ Intersection improvement: $160,732
- Implement the code enforcement program to enforce the Land Use and Transportation Codes in the unincorporated portions of the county.
- Carryover increase due to delay in road construction and improvements $2,000,000

Land Use & Transportation Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	181.07	182.00	182.00	171.80	(10.20)
Personal Services	$12,176,880	$12,696,879	$13,549,773	$13,466,030	($83,743)
Contractual Services	1,054,495	1,883,250	2,458,487	1,107,917	(1,350,570)
Materials & Supplies	5,310,455	4,754,823	5,316,639	5,435,723	119,084
Capital Outlay	2,735,228	3,438,926	7,831,076	13,790,598	5,959,522
Total Costs	**$21,277,058**	**$22,773,878**	**$29,155,975**	**$33,800,268**	**$4,644,293**

Budget & Operations Support

This unit offers administrative support, including budget, records management, payroll, contracting, word processing, reception, and financial reporting and analysis. Services are extended throughout Community Services as requested.

FY 2004: 14.10 FTE FY 2005: 7.70 FTE

Roadway Engineering & Operations

This unit designs and builds capital improvement projects; administers right-of-way permitting requirements; engineers, operates, and maintains traffic signals; and provides technical support for other transportation programs. Engineering work complies with statutory requirements for improvements to county roads and with federal, state, and local mandates. Projects incorporate environmental best management practices (BMP's) including erosion control, fish passage, recycling, pedestrian and bicycle features, and wetland protection.

FY 2004: 27.00 FTE FY 2005: 25.50 FTE

Survey Section/ County Surveyor's Office

This office performs state-mandated duties such as filing, indexing, providing copies of, and maintaining public survey records; establishing and maintaining Public Land Survey corners; and reviewing all County subdivision, partition, and condominium plats. It assists the public with locating property surveys, historical research, survey questions, and understanding legal descriptions. Duties include providing surveying support to engineering activities and to other local agencies.

FY 2004: 17.00 FTE FY 2005: 17.00 FTE

Road Maintenance

This unit is responsible for roadway and right of way maintenance, emergency response, and traffic aids (signs and markings). It enhances public safety by ensuring that critical roadway systems function properly, and by keeping roadways free of hazards. It performs a variety of daily tasks on County roads and rights of way, and assists the cities of Fairview, Gresham, Maywood Park, Troutdale, and Wood Village in the development and implementation of annual maintenance programs. Activities are governed by OR-OSHA, the Manual on Uniform Traffic Control Devices, and other statutes and County ordinances.

FY 2004: 56.00 FTE FY 2005: 56.00 FTE

Bridge Operations & Maintenance

This unit operates the County's 4 movable bridges and maintains 6 Willamette River Bridge crossings as well as 22 other County bridges. Maintenance includes mechanical, structural, electrical, and corrosion-protection elements, as well as preventive strategies. A number of mandates dictate service, including the River and Highway Act of 1894, federal regulations, Coast Guard regulations, and State law. Procedures conform to the Endangered Species Act, the Clean Water Act, and the National Pollution Discharge Elimination permit. Primary funding is state and county road fund allocation in accordance with a City of Portland IGA. Current funding is inadequate to address necessary maintenance and repair.

FY 2004: 27.50 FTE FY 2005: 26.50 FTE

Bridge Engineering

This area is responsible for functional and service-life improvements of the County's 6 Willamette River Bridges and its 22 other bridges. It provides planning, design, and construction contract administration for preservation of structural, mechanical, electrical, and corrosion-protection systems. Design and construction address environmental and sustainability issues, including the Endangered Species Act, the Clean Water Act, and the National Pollution Discharge Elimination permit. The unit is required to comply with mandates which include the River and Harbor Act of 1984, federal regulations, U.S. Coast Guard regulations, State law, and federal design guidelines.

FY 2004: 20.70 FTE FY 2005: 20.80 FTE

Land Use and Transportation Planning

The Land Use Planning and Transportation Planning sections were integrated in FY 04. **Land Use Planning** seeks to conserve natural resources by implementing land use plans and ordinances. It consists of Long-Range Planning (mandated by the State and the Columbia River Gorge National Scenic Area) and Current Planning, which reviews land use, building permits, land division, and design review applications as required by state and local law. Code enforcement responsibilities were transferred to the Environmental Compliance Program. The County complies with state and federal land use laws, including Oregon Revised Statute (ORS), Chapter 197, ORS Chapter 215, and ORS Chapter 92. **Transportation Planning** manages all transportation planning processes, including the development of plans to address all modes of transportation at the local and regional level; the development of the Division's capital improvement plan; the review of development proposals; the coordination of public involvement activities; the administration of the Bike Fund; and revenue development for roads, bridges, and fish passage culverts.

FY 2004: 18.70 FTE FY 2005: 16.30 FTE

Environmental Compliance

This program ensures that the County complies with laws relating to water quality and endangered species. It works closely with managers engaged in relevant activities by coordinating information and assisting in the formulation of procedures necessary for compliance with the Clean Water Act (CWA), the Safe Drinking Water Act, the Endangered Species Act (ESA), and others. The program works with Land Use and Transportation and Facilities and Property Management in the drafting of code provisions and other regulations and in reviewing policies and procedures. The program coordinates the formulation of the County's clean water policy, and prepares or coordinates reports, documents, and presentations as mandated. It serves as a liaison to other local governments and to community and environmental groups relevant to water quality issues and salmon recovery efforts.

The Code Enforcement program became an additional program in the mid-FY 04 budget. The program will enforce the Land Use and Transportation Codes in the unincorporated portions of the county.

FY 2004: 1.00 FTE FY 2005: 2.00 FTE

Costs by Program	2002-03 Actual	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Budget & Ops Support	$1,388,805	$1,199,809	$913,384	($286,425)
Roadway Eng./Ops.	5,500,738	9,001,970	11,491,334	2,489,364
Surveyor	1,246,075	1,605,583	1,661,144	55,561
Road Maintenance	6,003,623	6,319,537	6,550,192	230,655
Bridge Op.& Maint.	2,227,385	2,357,524	2,389,476	31,952
Bridge Engineering	2,866,572	6,204,134	8,177,636	1,973,502
LUT Planning	1,946,847	2,343,064	2,417,633	74,569
Environmental Compliance	97,014	124,354	199,469	75,115
Total Costs	**$21,277,059**	**$29,155,975**	**$33,800,268**	**$4,644,293**

CS Accounting Entities

This section accounts for the following funds, or portions of funds:

Road Fund Special Appropriations: used to distribute certain Road Fund revenues to the Cities of Portland, Gresham, Troutdale, and Fairview per the Intergovernmental Agreements regarding the transfer of urban services.

Significant Budget Changes:

- Increase County Supplements from Road Fund to Portland, Gresham, Troutdale, and Fairview due to CPI increases and projected increases in State Motor Vehicle revenue attributed to OTIA III (HB2041): $1,012,758.

CS Accounting Entities Budget Trends	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Staffing FTE	0.00	0.00	0.00	0.00	0.00
Personal Services	$0		$0	$0	$0
Contractual Services	21,905,969	21,010,372	20,644,069	21,656,827	1,012,758
Materials & Supplies	481,931	531,562	524,360	749,326	224,966
Capital Outlay	0	0	0	0	0
Total Costs	**$22,387,900**	**$21,541,934**	**$21,168,429**	**$22,406,153**	**$1,237,724**

County Business Services

County Business Services (CBS) provides support services to the County's direct service departments. These services include:

- Information Technology (applications development and maintenance, desktop support, wide area network connectivity, and telecommunications services)
- Facilities and Property Management (acquisition and sales of county buildings, maintenance and operations, construction management, leasing, and space planning)
- Human Resources Management (labor relations, benefits management, recruitment, payroll, and personnel planning)
- Finance Operations (accounts payables, accounts receivables, purchasing/procurement, and contracting)
- Fleet, Records Management, Electronic Services, Distribution, and Materials Management Services

CBS both provides services and ensures compliance with external regulations such as HIPAA; fire and building codes; labor and benefits laws; state laws regulating purchasing, contracting, and public records; federal and state requirements relating to grants accounting; and environmental regulations.

How CBS Delivers Its Services

CBS was formed in FY 04 to improve the quality of support services provided to the County's direct service areas and to control the growth of costs therein. CBS is moving forward on several fronts to improve service and control costs:

1. It has begun work with an "Executive Team" comprised of department directors and an "Administrative Services Managers Team" comprised of department deputy directors and finance managers to provide oversight and advice on service levels and strategy.
2. It has begun developing service level agreements and accountability measures to allow department and CBS managers to track service quality.
3. It has consolidated and reduced the number of FTE in the divisions that provide human resource management and finance operations services.

During FY 05, CBS will develop strategies to control costs and improve services for IT, Facilities, and Human Resources. FREDS will integrate the materials management function more closely with its distribution services group. Both HR and Finance Operations will form unified county-wide teams from previously separate departmental units.

Future budgets will build on the work done this year, and thus will be able to achieve greater efficiency without reducing service quality.

CBS Budget Issues and Highlights

CBS has reduced costs in a number of areas to meet current constraints. These reductions assume no change in workload; further changes may occur as reductions in workload result from budgetary actions by the County's line departments.

1. The CBS Deputy Director position was combined with that of the Director of Finance Operations, allowing CBS to eliminate one position. The Director's Office also eliminated its support position.
2. A project manager position was eliminated from the Service Performance Team, which will slow the team's progress toward producing a full set of performance measures for CBS.
3. The Human Resources Division will eliminate 4 FTE, shifting and consolidating workload to other staff members.
4. The Information Technologies Division will extend the replacement cycle for Personal Computers from four to five years, thus saving $350,000. Industry analysis suggests that PC technology is changing less rapidly now, and that many organizations have responded by lengthening replacement cycles. IT will eliminate its SAP Security Administration position, and incorporate this workload into other security maintenance roles. It will reduce the FTE on its Wide Area Network Team from 8 to 7, which will reduce capacity to respond to "non-critical" WAN issues, but should leave emergency response capability intact. Finally, it will eliminate a computer operator position (this reduction is facilitated by the mainframe migration).
5. FREDS has adopted plans to bring more of its vehicle repair work in-house. This will save money but may slow service times during peak demand. FREDS is working with line departments to eliminate enough mail stops so that it can reduce the number of distribution routes from five to four, thus allowing it to eliminate one FTE and one cargo van.
6. The Facilities and Property Management Division has cut costs by reducing vacant space and renegotiating service contracts (e.g., janitorial and security). Vacancy rates were reduced by terminating leases, selling surplus property, and making better use of existing County-owned properties.

This is a maintenance budget, which will allow us to cover existing workload. There are key areas that are significantly under-funded and that will expose the county to significant risks over time.

- Staffing for IT applications is very thin in a number of areas. The County has recently implemented a major new practice management system in the Health Department and a major new Mental Health management system at DCHS; a wide range of post-implementation problems/issues for these will be solved more slowly than is ideal. In many County offices, systems are running but are under-maintained, putting the County at risk for system failures which could cause significant disruptions.
- The HR Division is staffed adequately for its transaction processing workload. However, it is not staffed adequately for its more consultative role. This means it is not as strongly positioned as it should be to provide succession planning and labor relations services.

- There is very little money in this budget for employee development. Thus, in some technical areas (e.g., SAP support), staff must pick up skills and knowledge essential for their jobs in inefficient ways. CBS cannot currently make investments that would result in an ongoing improvement of skills and practice.
- Changing building regulations and increased enforcement (particularly in the wake of 9-11) are increasingly difficult. Reductions in both programs and County resources necessitate reductions in the County's building portfolio. The Facilities and Property Management Division is trying to develop the resources and strategies needed to adequately address these issues.
- The July 2003 follow-up to the audit on contracted human services found a lack of capacity for program evaluation and for the fiscal monitoring of contractors. CBS's initial work with departments to revamp the human services contracting process indicates that all participants see this as a significant weakness. This budget, however, has no resources to allow for fiscal monitoring or program evaluation.
- Finally, there is no explicit investment in new technology for the "shared services concept." One goal of CBS was to adopt a much improved mechanism for work requests. Initial design work envisioned a Business Services Call Center and a greatly expanded intranet presence. Both would facilitate the efficient routing and tracking of work orders and the efficient dissemination of basic information for business services. There is no budget for implementing either of these concepts.

CBS Budget for FY 2005

CBS' budget is $184,165,729 with 476 positions. The increase in staffing and expenditures is mostly due to the transfer of positions from other departments for Finance and Human Resources operations and an increase in budgeted Risk Fund expenditures that was previously held in contingency, offset by a decrease in capital outlay.

CBS Budget Trends	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Staffing FTE	430.54	406.80	429.80	476.43	46.63
Personal Services	$33,083,279	$34,022,143	$33,754,897	$40,909,315	$7,154,418
Contractual Services	9,196,065	10,443,353	9,122,752	11,036,659	1,913,907
Materials & Supplies	85,932,488	93,033,465	96,995,628	105,739,678	8,744,050
Capital Outlay	13,377,920	13,746,433	31,710,442	26,480,077	(5,230,365)
Total Costs	**$141,589,752**	**$151,245,394**	**$171,583,719**	**$184,165,729**	**$12,582,010**

Costs by Division	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Business Svcs Admin	$5,368,691	$3,397,244	$4,681,579	$5,697,525	$1,015,946
Human Resources	$44,558,936	$51,582,774	$54,071,802	$61,843,046	$7,771,244
Finance Operations	$1,468,134	$1,842,131	$1,413,418	$7,900,525	$6,487,107
Information Technology	$35,135,596	$37,389,596	$39,955,469	$40,823,348	$867,879
Facilities	$47,752,281	$47,354,132	$60,334,810	$56,080,895	($4,253,915)
FREDS	$7,306,114	$9,679,517	$11,126,641	$11,820,390	$693,749
CBS Actg Entities	$0	$0	$0	$0	$0
Total Costs	**$141,589,752**	**$151,245,394**	**$171,583,719**	**$184,165,729**	**$12,582,010**

Staffing by Division	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Business Svcs Admin	23.76	21.00	21.00	19.17	(1.83)
Human Resources	46.96	46.50	46.50	66.16	19.66
Finance Operations	22.12	21.80	21.80	73.10	51.30
Information Technology	181.65	169.00	192.00	169.00	(23.00)
Facilities	100.85	94.50	94.50	94.00	(0.50)
FREDS	55.20	54.00	54.00	55.00	1.00
CBS Actg Entities	0.00	0.00	0.00	0.00	0.00
Total Staffing FTE's	**430.54**	**406.80**	**429.80**	**476.43**	**46.63**

Resources by Division

	General Fund	Fees, Permits &Charges	Federal	State & Local	Other/ Miscellaneous
Business Svcs Admin	$31,038	$0	$0	$0	$1,094,977
Human Resources	0	241,884	0	0	55,254,929
Finance Operations	1,442,080	5,200	0	0	11,189,612
Information Technology	866,989	1,406,586	0	0	38,927,273
Facilities	0	3,498,000	1,607,028	0	48,674,852
FREDS	0	218,905	1,062,695	0	11,602,846
CBS Actg Entities	0	0	0	0	0
Total Resources	**$2,340,107**	**$1,653,670**	**$0**	**$0**	**$106,466,791**

Business Services Administration

This section provides direction, oversees financial management and strategy development, and communicates with "customer departments." It includes the Director's Office, the Service Performance Team, the Sustainability Team & the SAP Support Team.

Action Plans:

The Office will refine its systems to promote transparency and cooperation with regard to Business Services costs, provision, and performance. It will:

- Build activity-based cost models for all major service areas by 9/04.
- Implement an initial system of service level agreements, including measures to gauge how well CBS is performing, by 1/05.
- Support strategic planning processes in information technology, facilities management, and human resources management by 1/05.
- Begin implementation of a three-year plan for SAP development.
- By 12/04 develop a plan for a CBS call center and increased intranet presence to improve the efficiency with which customers can arrange for service and CBS can route and track work orders.

Significant Budget Changes:

- Cut project manager, shifting work like the activity-based costing development and service level agreements to the divisions ($123,000)
- The administrative support position in the Director's Office was cut
- 2 FTE Research/Evaluation Analysts are cut or transferred ($187,000)
- Administrative Analyst transferred from Finance $79,000
- 1.50 FTE Program Manager/Seniors are added $218,000
- 0.33 FTE Human Resources Analyst/Sr. cut ($29,000)
- Increase Data Processing primarily for SAP $2,243,000, previously budgeted in Finance, Budget & Tax
- Increase Facilities by $39,000 mainly because this was previously budgeted elsewhere

Business Services Admin		**2003-04**	**2003-04**	**2004-05**	
Budget Trends	**2002-03**	**Current**	**Adopted**	**Adopted**	
	Actual	**Estimate**	**Budget**	**Budget**	**Difference**
Staffing FTE	23.76	21.00	21.00	19.17	(1.83)
Personal Services	$1,693,544	$1,779,174	$1,725,479	$1,774,734	$49,255
Contractual Services	924,420	109,000	125,000	96,900	(28,100)
Materials & Supplies	1,870,544	1,509,070	1,531,100	3,825,891	2,294,791
Capital Outlay	880,183	0	1,300,000	0	(1,300,000)
Total Costs	**$5,368,691**	**$3,397,244**	**$4,681,579**	**$5,697,525**	**$1,015,946**

Director's Office

The Director's Office includes the Director and the Deputy Director (0.5 FTE). They provide direction for CBS and oversee staff and activities in the three units within the Director's Office.

FY 2004: 1.00 FTE FY 2005: 1.50 FTE

Service Performance Team

The Service Performance Team includes project managers who develop cost models, service level agreements, systems for measuring performance, and process re-engineering projects. The team also contains staff that coordinate organizational redesign and financial management efforts.

FY 2004: 9.00 FTE FY 2005: 3.67 FTE

Sustainability Team

The Sustainability Team works primarily with the Facilities Division and the Fleet Management Program to promote ecologically friendly, socially equitable and economically efficient business practices. The team is currently involved in developing high performance building standards; implementing sustainable procurement practices; improving recycling at Multnomah County facilities; developing policy recommendations on toxics issues; educating County employees on sustainability including pollution prevention; incorporating Food Policy Council recommendations into correctional food purchases and studying vehicle utilization, commute options and methods to reduce air pollution from County vehicles.

FY 2004: 2.00 FTE FY 2005: 2.00 FTE

SAP Support Team

This team manages SAP infrastructure and develops and maintains internal controls and procedures to ensure adherence to federal and IRS regulations, state statutes, and County resolutions. It also works closely with Human Resources and Finance Operations staff to re-tool transaction-based processes to make them more efficient. The team provides training materials to SAP users.

FY 2004: 9.00 FTE FY 2005: 12.00 FTE

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
CBS Director's Office	$157,733	$153,042	$235,629	$82,587
Service Performance Team	1,303,571	1,166,245	1,072,927	($93,318)
Sustainability Team	62,944	27,783	31,038	$3,255
SAP Support Team	3,844,444	3,334,509	4,357,931	$1,023,422
Total Costs	**$5,368,692**	**$4,681,579**	**$5,697,525**	**$1,015,946**

Human Resources

The HR Division seeks to enhance the quality, consistency, and cost-effectiveness of County HR services through the analysis and implementation of best practices.

The HR Division provides services to recruit, develop, and sustain a diverse and talented workforce. It provides leadership, infrastructure support, supervision, coordination, and technical support in the areas of Recruitment and Selection; Diversity; Affirmative Action/EEO; Labor Relations; Human Resources Planning, Policy, Administration and Evaluation; Workforce Development; Performance Management; Benefits Administration; Classification and Compensation; Workers Compensation; and Safety and Health Promotion.

Action Plans:

- Continue to implement succession planning; the diversity strategic plan; and a compensation philosophy, pay plan, and classification structure consistent with the county's values.
- Continue labor negotiations for successor agreements.
- Continue training HR professionals in County goals and legal compliance.
- Implement a Performance Management program; a position control system; a new employee security identification program; an applicant testing validation process; HR auditing procedures and processes; and Voluntary Employee Beneficiary Association programs for bargaining units and management.

Significant Budget Changes:

- Human Resources type position changes, mostly due to transfers from Departments 23.66 FTE $1,981,000.
- 4 FTE Finance type positions cut or shifted to Finance ($303,000). Duties will be distributed within HR or returned to Finance Operations.
- Salary Savings of $115,662 budgeted, redesign processes to accommodate this reduction.
- Increase in Insurance, Drugs, and Claims Paid budgeted $5,000,000
- $390,00 increase in contractual services, mostly for claims administration
- $261,000 increase in Facilities costs budgeted
- Increase in budgeted costs to the Business Services Fund $188,000
- Increase in Data Processing budgeted costs $225,000

Human Resources Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	46.96	46.50	46.50	66.16	19.66
Personal Services	$3,933,464	$3,900,229	$3,898,984	$5,601,259	$1,702,275
Contractual Services	1,576,908	1,597,280	1,148,461	1,538,871	390,410
Materials & Supplies	39,048,564	46,085,265	49,024,357	54,702,916	5,678,559
Capital Outlay	0	0	0	0	0
Total Costs	**$44,558,936**	**$51,582,774**	**$54,071,802**	**$61,843,046**	**$7,771,244**

Human Resources

HR services are now delivered by a shared services model which is customer-focused and uses economies of scale and standardized practices. Central administration provides consistent leadership, consultation, and a corporate presence concerning Labor and Employee Relations; Recruitment; HR accountability resulting from consolidation, standardization, and/or redesign; the coordination of diversity initiatives; Equal Employment Opportunity and Compliance; Affirmative Action Plans; Classification and Compensation; and General HR. The centralized recruitment unit is expected to reduce recruiting costs, maximize economies of scale, increase consistency, reduce turnover, and provide a strong diversity outreach program. The unit will provide recruitment services to all Departments except the Sheriff's Office. Transfers of departmental staff into CBS HR have greatly increased FTE for this section.

FY 2004: 26.50 FTE FY 2005: 48.66 FTE

Benefits & Health Promotion

These units manage the benefit programs for eligible County employees, retirees, and their families. The Employee Benefits Board guides the County toward a health plan that meets the needs of both the County and its employees; the Retiree Program includes a financial support program; and the Voluntary Employee Benefit Association (VEBA) provides groups of employees with a tax-free savings plan for future health insurance costs. This year the units will focus on HIPAA compliance, health plan improvements, and the negotiation of a successor Governance Structure for the health plan.

FY 2004: 13.75 FTE FY 2005: 13.50 FTE

Workers Compensation and Safety

This section manages workers comp and provides ergonomic and workplace safety consultation, allowing for a proactive approach to employee safety. This year the office will help departments develop and implement Injury and Illness Prevention Plans, to keep department efforts relevant to current business practices. Safety staff will continue to support safety committees by providing training and information on safety and health issues and helping to interpret safety and health regulations and guidelines at the line staff level.

FY 2004: 6.25 FTE FY 2005: 4.00 FTE

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
HR Administration	$0	$0	$0	$0
Human Resources	2,268,231	2,648,941	5,061,302	$2,412,361
Human Resources Benefits	39,992,379	48,558,923	53,877,943	$5,319,020
Workers Comp and Safety	2,298,326	2,863,938	2,903,801	$39,863
Total Costs	**$44,558,936**	**$54,071,802**	**$61,843,046**	**$7,771,244**

Finance Operations

Finance Operations was formed to pay bills; collect receipts; procure materials and services; manage MWESB programs; and process contracts. The Division was formed in FY 04; it is comprised of two teams that had been part of Central Finance (Contracts/Procurement and Accounts Payables), as well as teams from Health, DCJ, OSCP, Library, Facilities, and Transportation. DCHS joins the Division in July.

The goal of the new Division is to promote efficiency, improved customer service and consistency of practice. To this end, teams are analyzing the Divisions' basic processes. Process redesigns will be phased in. The first work will be done in the area of accounts payable, then procurement & contracting, then accounts receivable.

Action Plans:

- Implement re-designed finance payables processes starting August '04.
- Implement redesigned procurement/contracting processes by February '05.

Significant Budget Changes:

- Staffing changes mostly because of transfers in from Departments:
  - Program Development positions increase 13 FTE, $949,000.
  - Buyer positions increase 4.30 FTE, $254,000.
  - Finance positions increase 28.50 FTE, $1,754,000.
  - Supervisory/Management positions increase 5.50 FTE, $546,000.
- Salary savings of $253,226 budgeted, redesign processes to accommodate this reduction.
- Increase in Finance Operations costs budgeted $1,442,000
- Increase in Facilities Management costs budgeted, previously budgeted elsewhere $168,000
- Increase in Data Processing $58,000
- Increase in Supplies pending a reallocation $194,000

Finance Operations Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	22.12	21.80	21.80	73.10	51.30
Personal Services	$1,058,740	$1,648,192	$1,228,179	$5,670,390	$4,442,211
Contractual Services	135,010	137,221	132,221	127,309	(4,912)
Materials & Supplies	274,384	56,718	53,018	2,102,826	2,049,808
Capital Outlay	0	0	0	0	0
Total Costs	**$1,468,134**	**$1,842,131**	**$1,413,418**	**$7,900,525**	**$6,487,107**

Finance Operations Administration

Finance Operations Administration is comprised of a 0.5 FTE Division Director. Administration is responsible for overall direction, leading the change management process, representing the Division with its customer departments, and financial management of the division.

FY 2004: 0.00 FTE **FY 2005: 0.50 FTE**

General Government Team

The General Government Team provides finance operations services (Accounts Payable, Procurement/Contracts, Accounts Receivable, and Grants Management) to general government agencies (the non-public works portions of DBCS, the Library, and the Non-Departmental Agencies) and DCJ. It currently provides most of the services previously provided by Central Accounts Payable and Central Procurement and Contracts Administration.

FY 2004: 21.80 FTE **FY 2005: 31.30 FTE**

Health and Human Services Team

The Health and Human Services Team provides finance operations services to DCHS, OSCP, the Health Department, and the Commission on Children and Families.

FY 2004: 0.00 FTE **FY 2005: 30.30 FTE**

Public Works Team

The Public Works Team provides finance operations services to the public works divisions within DBCS (Facilities, Transportation).

FY 2004: 0.00 FTE **FY 2005: 11.00 FTE**

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Finance Operations Administration	$0	$0	$267,274	$267,274
Finance General Government Team	1,468,134	1,413,418	3,985,471	2,572,053
Finance Health and Human Services	0	0	2,917,820	2,917,820
Finance Public Works Team	0	0	729,960	729,960
Total Costs	**$1,468,134**	**$1,413,418**	**$7,900,525**	**$6,487,107**

Information Technology

The IT Division improves productivity by the use of information technology and helps customers manage the cost of IT services. IT provides the following services to all County departments[1] as well as to partners in state and local government and the non-profit sector: strategic technology planning; software applications analysis, design, purchase, development, implementation, operation, and enhancement; desktop services; email support; LAN file and print services, Wide Area Network (WAN) connectivity; and Telecommunication services.

Demand grows as the County seeks greater efficiency in its programs. In the past year, IT has developed new systems to meet critical business needs[2], operated existing systems, and reduced its workforce from 200 to 169 FTE due to budget constraints. As part of the Shared Services initiative, IT developed a cost model for all IT services, implemented a consolidated Help Desk with call tracking and reporting, deployed remote PC support and asset management software, and reorganized staff to minimize the impact of the workforce reduction.

The combination of reduced resources and increased demand has jeopardized IT's capacity to support critical functions – the phone system, the network, email, web access, and the myriad of systems upon which daily operations depend. IT services are now staffed at minimal levels, necessitating the deferment of technologies that would improve efficiency and allow for more innovation in programs.

Action Plans:

- Implement information security policies, procedures, and technologies to ensure compliance with HIPAA Security Rule by April 2005.
- Execute Service Level Agreements (SLAs) and service performance reporting to customers as part of the shared services initiative.
- Complete migration of the Sheriff's Warrant and Inmate System (SWIS) off the County's mainframe.
- Implement a new Integrated Library System.
- Implement a web content system for the employees closest to the information to free up technical resources from content creation.

Significant Budget Changes:

- Staffing Changes:
  - 2 FTE cut: SAP Security position eliminated, duties absorbed by others
  - WAN team reduced from 8 to 7 FTE, reducing service level
  - 1 FTE added (Telecom) in place of contractor support for moves, adds, and changes producing net savings of $60,000.
  - Other staffing reductions resulting in 22 FTE reduction
- Increase in external data processing software licensing fees of $587,000
- Decrease in computer hardware repairs and maintenance of $336,000 due to decreased cost of new technology environment
- Decrease in flat fee expenditure of $350,000 by extending PC replacement cycle from 4 to 5 years.
- Merge telecom (3502) and IT (3503) funds due to convergence of technologies;

they are being managed as one unit. Cash transfer revenue increases by $770,000 to close out the telecom fund.

- Increase in Professional Services by $1,688,000 for projects such as Sheriff Warrant & Inmate System, A&T, Decision Support System-Justice, Health Information System
- Decrease in Communications by $164,000
- Increase in internal services for Business Services $1,138,000
- Decrease Supplies by $505,000
- Decrease Indirect Costs by $549,000
- Decrease Data Processing charges by $1,263,000 due to cost shifts out of the General Fund
- Decrease Capital Equipment by $229,000
- Financing Proceeds revenue increase $6,590,000 for Sheriff Warrant & Inmate System

[1] The Sheriff and District Attorney maintain separate IT staff for some services and depend on County IT for other services.
[2] The County IT Mint site http://mint.co.multnomah.or.us/dbcs/it/index.shtml provides links to FY 03 IT accomplishments, FY 04 project goals (systems and services in progress) and the results of the County IT consolidation.

Information Technology Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	181.65	169.00	192.00	169.00	(23.00)
Personal Services	$14,865,977	$15,282,691	$15,476,653	$15,923,039	$446,386
Contractual Services	2,564,478	3,523,310	4,076,002	5,763,670	1,687,668
Materials & Supplies	16,769,237	16,460,902	17,119,678	16,082,580	(1,037,098)
Capital Outlay	935,904	2,122,693	3,283,136	3,054,059	(229,077)
Total Costs	**$35,135,596**	**$37,389,596**	**$39,955,469**	**$40,823,348**	**$867,879**

IT Administration

Office of the CIO Strategic Planning

The Office of the CIO plans and directs all IT activities. The Senior IT Management team provides strategic direction for County use of new technologies; for aligning IT resources and activities with the priorities and needs of departments; and for maintaining acceptable levels of service. Planning and coordination is essential to ensuring that programs make cost-effective use of technology to improve services and reach County goals.

FY 2004: 10.00 FTE FY 2005: 11.00 FTE

Applications Support

Applications support consists of developing, maintaining, and enhancing applications for the following departments and enterprises. Staff analyze service requests and develop detailed estimates and specifications for new systems or modifications of existing systems. They install software, test new releases of vendor-supplied systems, and train users on new releases and modifications.

Departmental

General Government application staff work with Community Services; Finance, Business, and Tax; and the Library. Major applications include the systems for Animal Services, Land Use and Transportation, Emergency Management, Elections Management, and the Library. Major projects include completing implementation of a new integrated library system and participation in the pilot of the Oregon Central Voter Registration system.

Development Maintenance, & Enhancement

Health and Human Services application support consists of the Health Application Development and the Human Services Application Development Teams. The former supports the County Health Department in the use of third-party systems such as Epic Practice Management and the in-house Nurse Triage and HIS History systems. The latter supports the Department of County Human Services and the Office of School and Community Partnerships in the use of third-party systems such as Raintree as well as 40+ in-house systems.

Public Safety coordinates with local and state public safety and social service agency systems. Applications supported include the Decision Support System for Justice (DSS-J); for the DCJ Supervision Program Information Network (SPIN); applications and data exchanges with statewide systems managed by the Department of Corrections and Oregon Youth Authority; and applications for the Sheriff's Office (including the Sheriffs Warrant and Inmate System, or SWIS, Inmate Accounting, and Civil Process/Civil Commitment) and for the Corrections Health section of the Health Department.

FY 2004: 106.00 FTE FY 2005: 50.00 FTE

Enterprise

The **Data Tools and Services** Team supports databases for County software applications. It also assists in data analysis, application integration, and use of data modeling, data extraction, and data loading tools.

The **GIS Team** is responsible for the countywide Geographic Information

System (for use by departments, local municipalities, utilities, the private sector, and the general public) and for improving the quality and quantity of mapping in the County. The team also coordinates the use of GIS data and of tools in various applications that use GIS data.

The **Web Services** unit supports the administration of the Multnomah County Internet and Intranet Services (MINT) by providing technical support, assistance with web content, and the development of simple web applications.

The **SAP Team** is responsible for the County's enterprise system for finance, human resources, and plant maintenance.

FY 2004: 22.00 FTE FY 2005: 23.00 FTE

Telecom Services

Telecommunications Services provides telephone and related services to all County programs and over 60 non-County programs, such as State Courts and associated judicial systems, Portland Public Schools, Portland Police, State Medical Examiner, Gateway Receiving Center, Portland Impact, Metro Parks, YWCA, Loaves and Fishes, and Volunteers of America. The unit is responsible for phone services, voicemail, video conferencing, paging systems, cellular phones, pay phones, and LAN/WAN/Telecom cabling. It coordinates new installations and changes to existing services. The telecom system supports the work of County and non-county programs by providing over 7,000 telephone instruments in 150 different locations.

FY 2004: 9.00 FTE FY 2005: 10.00 FTE

Desktop, LAN, and Help Desk Services

Desktop Services and **LAN Services** provide installation and support of desktop computers, including PCs, servers, peripherals, printers, and LANs. Extended hours are provided for the Library to meet the needs of the Library's extended business hours. Email services are also provided by the LAN Services group. **Helpdesk Services** provides support of applications and infrastructure, including 24x7x365 systems, SAP (M-F, 8-5), PCs, Printing, LANs (M-F, 8-5), the Library (during open hours), night/weekend support (on request), and customer call-ticket tracking & reporting.

FY 2004: 15.00 FTE FY 2005: 48.00 FTE

Enterprise Infrastructure Support

WAN Services manages the County's and the Library's wide area networks, connecting over 107 facilities. Connections are monitored and supported for access to the State of Oregon, the City of Portland, the Oregon Department of Corrections, the Oregon Judicial Department, the Portland School District, the Metropolitan Education Service District, OHSU, and the internet. The unit also develops and maintains the Oregon Community Health Information Network (OCHIN). Staff members act as consultants on all application development projects to identify requirements and ensure network capacity for new systems. WAN Services regularly provides support to LAN administrators, including

diagnostic tools. To maintain security, the staff designs and manages firewalls, intrusion detection systems, and software that reports on servers that may have security vulnerabilities. The unit maintains the Virtual Private Network that allows secure access into the WAN from external systems. It also manages switched infrastructure in the Multnomah Building, the East County Clinic, the Gateway Children's Campus, and a number of other County facilities.

Flat Fee pays for PC replacement and for upgrades to operating systems, network client access licenses (CALs), and standard software (McAfee Antivirus, Microsoft Office, and CALs for SQL, Exchange, and SMS servers) for each desktop computer; it also maintains software licenses. Fees collected from departments are based on the number of PCs installed each fiscal year; a portion of this fee purchases replacement computers. The rest is retained for software purchases, with a small portion for program-related overhead (salary, supplies, and equipment). The program is self-sustaining. The annual fee is reduced in FY 05 from $575 to $500 per PC due to the declining cost of hardware, and the extension of the replacement cycle from 4 to 5 years.

The mission of the **Data Center / Technical Services** area is the installation, maintenance, and support of server systems located at the Kelly Data Center. In addition to County systems, the data center houses equipment for external customers including OCHIN, the City of Portland, and the State of Oregon. It maintains a 24x7x365 staff for monitoring and daily operations such as system backups, offsite tape storage, job setup and scheduling, hardware installation, and Help Desk support. It also provides inventory management, contingency services, a backup electrical system and fire suppressant system, and design and production support for all systems, applications, products, and utilities.

FY 2004: 30.00 FTE FY 2005: 27.00 FTE

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
IT Division Management	$2,633,409	$1,929,018	$2,391,662	$462,644
App Support Dept. Specific	15,001,466	14,911,327	11,996,032	(2,915,295)
App Support Enterprise	2,728,252	3,796,542	3,988,851	192,309
Telecommunication Services	4,635,925	5,603,634	5,497,362	(106,272)
Desktop Services	1,446,054	1,703,313	4,611,894	2,908,581
Enterprise Infrastructure Support	8,621,116	12,011,635	12,337,546	325,911
Special Projects	69,374	0	0	0
Total Costs	**$35,135,596**	**$39,955,469**	**$40,823,347**	**$867,878**

Facilities & Property Mgmt.

The County owns and leases over 130 properties totaling over 3.0 million sq. ft. The Division provides services for maintenance, administration, repair, improvements, and new construction.

This division plans for, maintains, and manages County-owned and leased properties so that they are safe, accessible, and cost-effective. It supports CBS in its mission of enhancing community vitality and sustainability through leadership in conservation and in development that links transportation, housing, land use, and economic development. Services are regulated by local and state laws; building, fire-life-safety, and health codes; and mandates regarding ADA requirements, CFC's, asbestos, PCB's, underground storage tanks, and others.

Action Plans:

- Obtain, review, and address customer feedback through the Quality Assurance Team
- Build strong working relationships and trust with our customers
- Implement an online work order process and updated web site
- Treat all County facilities like "owned" facilities
- Develop an integrated system encompassing ABC, SLAs, Budget, and Metrics
- Draft a Facilities Master Plan
- Dispose of the Morrison, Montavilla, MCCF, and the Edgefield properties
- Obtain approval for a strategy for replacing/renovating the Courthouse
- Review and streamline work order process to increase customer satisfaction
- Develop a plan for mitigating escalating compliance requirements
- Lead effort to develop improved MAC (Moves/Adds/Changes) strategy
- Agree with the MCSO on a strategy for provision of O&M at Wapato
- Streamline the purchasing/contracting process and develop service req. contracts
- Increase staff involvement, motivation, and pride.
- Bring written directions, policies, etc. current and clarify staff roles
- Develop team-building events and a sense of business family
- Empower employees and improve accountability

Significant Budget Changes:

- Increase in wages including expected COLA & Benefit increases: $379,226
- Reclassification of 2 Office Assistant Sr to Administrative Secretary
- 1 FTE Electrician cut due to retirement ($86,000)
- Facilities Specialist type position changes due to reclassifications and additions: 3.50 FTE, $355,000
- Net positions transferred to Finance Operations: 5 FTE ($296,000)
- Add Budget Analyst for Capital projects $84,000
- 3.50 FTE Facilities Maintenance Workers decrease due to reclassification ($185,000)
- 0.50 FTE Facilities Maintenace Dispatcher for security project $34,000
- 2 FTE Lighting Techs added due to reclassification $117,000
- Add Inventory/Stores Specialist $54,000
- Add Property Mgmt Specialist Sr $81,000

- Add HVAC Engineer $68,000
- Add Carpenter $64,000
- Cut Program Manager 2 ($123,000)
- Cut Program Supervisor ($99,000)
- Decrease in contractual services due mainly to contractual CPI and new contracts $149,000
- Increase in Utility costs due to increased rates: $514,985.
- Decrease in lease costs due to lease terminations and expirations: ($319,610).
- Decrease in maintenance due to expiration of external contracts ($220,860).
- Decrease in supplies ($1,193,601).
- Increase in Asset Preservation due to increase in square footage: $286,897.
- Increase of Central / Departmental Indirect Charges due to allocation of CBS Indirect and Countywide Expenses. $605,000
- Beginning Working Capital revenue reduction due to fewer projects carried forward ($5,379,000)
- Federal through State revenue increase for Elections HAVA and the Sheriff's Office VOITIS grants $4,000,000
- $300,000 for maintenance of the Wapato Correctional Facility

Facilities Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	100.85	94.50	94.50	94.00	(0.50)
Personal Services	$7,984,679	$7,801,622	$7,703,445	$8,050,074	$346,629
Contractual Services	3,910,976	4,987,065	3,540,587	3,392,059	(148,528)
Materials & Supplies	24,859,841	25,761,557	25,998,473	24,832,951	(1,165,522)
Capital Outlay	10,996,785	8,803,888	23,092,305	19,805,811	(3,286,494)
Total Costs	**$47,752,281**	**$47,354,132**	**$60,334,810**	**$56,080,895**	**($4,253,915)**

Facilities Administration

Division Administration is responsible for management, contracts, payroll, budget, accounting, word processing, and reception services. Fiscal Services and Contracts & Procurement are in this area, overseeing compliance with established policies and procedures.

FY 2004: 18.00 FTE **FY2005: 11.00 FTE**

Operations & Maintenance

O&M directs building operations, inspections, and preventive and corrective maintenance to ensure that facilities are safe and functional. O&M operates a 24/7 facilities dispatch and call center. The project management group manages both large construction and small maintenance projects.

FY 2004: 72.25 FTE. **FY2005: 70.00 FTE**

Asset Management

Asset Management provides strategic planning for the County's portfolio of buildings and property, and maintains plans for long-range capital improvement. This unit also acquires real property suitable for use by various County agencies by purchase or lease, and sells surplus real property.

FY 2004: 2.25 FTE. **FY2005: 4.00 FTE**

Customer Service

Customer Service provides facilities management for 3.0 million square feet of facilities, offering a single point of contact for facility needs. The unit develops and administers service level agreements with the eight County Departments.

FY 2004*:* 2.00 FTE. **FY2005: 9.00 FTE**

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Facilities Administration	$2,248,283	$1,936,378	$1,669,148	($267,230)
Facilities Ops & Maint.	$31,912,856	$57,965,415	$53,014,918	($4,950,497)
Asset Management	4,984,708	220,238	586,335	366,097
Facilities Customer Svc	8,606,434	212,779	810,494	597,715
Total Costs	**$47,752,281**	**$60,334,810**	**$56,080,895**	**($4,253,915)**

Fleet, Records, Electronics, Distribution and Stores

FREDS supports the County and other agencies with cost-effective, coordinated operational support. Fleet Services acquires, equips, maintains, and manages County vehicles; Electronics installs and maintains two-way radios, detention electronics, intercoms, and other equipment; Records Management maintains historic records, develops record retention schedules, and manages a record center; Distribution Services delivers interoffice mail, supplies, and equipment, and processes mail for delivery to the U.S. Postal Service. Materiel Management purchases, receives, warehouses, resells and distributes supplies and equipment.

Action Plans:

- Market services provided to spread fixed program costs.
- Increase the amount of product processed through Materiel Management to reduce receiving and payment processing transactions within programs.
- Integrate Materiel Management and Distribution Services to allow for a 20% increase in the value of products processed through Central Stores.

Significant Budget Changes:

- Materiel Management and Records Management are moved from the General Fund to the Distribution Fund. Service Reimbursement revenue increases by $1,980,000 because Departments are now paying for these services directly.
- Materiel Management gains responsibility for purchasing and warehousing functions for the Yeon Warehouse and Blanchard Fleet Shop. 2 FTE Transportation staff transfer to Materiel Management.
- Move from the sold Ford Building to the Yeon Complex and a leased warehouse, increasing Facilities costs. $236,789
- Reclassify Motor Pool Attendant to Fleet Maintenance Tech, A Distribution delivery route is cut by reducing stops. (1 FTE) - ($54,000)
- Contracted mailing services increased by $35,000 and postage increased by $313,805. This is due primarily to the ITAX-related mailing costs.
- Fleet fund revenue from other governments is increased by $64,473.
- Interest revenue is reduced reflecting lower beginning working capital and interest rates. ($89,000)
- Supplies reduced to meet changes in demand for services. ($81,265)

FREDS Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	55.20	54.00	54.00	55.00	1.00
Personal Services	$3,546,875	$3,610,235	$3,722,157	$3,889,819	$167,662
Contractual Services	84,273	89,477	100,481	117,850	17,369
Materials & Supplies	3,109,918	3,159,953	3,269,002	4,192,514	923,512
Capital Outlay	565,048	2,819,852	4,035,001	3,620,207	(414,794)
Total Costs	**$7,306,114**	**$9,679,517**	**$11,126,641**	**$11,820,390**	**$693,749**

Division Management

FREDS Management administers the program and provides personnel management, budget preparation and control, capital purchasing, billing services, policy development, and other functions required by the Division's programs. Materiel Management was added to the division's responsibilities in FY 04.

FY 2004: 4.00 FTE FY 2005: 4.00 FTE

Fleet Services

Fleet Services supports County programs and other government agencies by providing cost-effective fleet services. It acquires, equips, maintains, fuels, and manages County vehicles and provides specific fleet services to other governments.

FY 2004: 22.00 FTE FY 2005: 20.00 FTE

Records Management

Records Management supports County programs by providing cost-effective records management. It maintains inactive records for Departments in accordance with statute and in conjunction with the need for access, preservation, space, and security. Services include the development of retention schedules and the receiving, coding, storing, retrieving, preserving, and confidential recycling of records.

FY 2004: 3.80 FTE FY 2005: 3.80

Electronic Services

Electronic Services supports County programs and other agencies by providing cost-effective electronic equipment maintenance and installation services. It designs, specifies, installs, maintains, and repairs detention electronic equipment and systems, two-way radio equipment, and other electronic equipment.

FY 200: 6.00 FTE FY 2005: 6.00 FTE

Distribution Services

Distribution Services supports County programs by providing cost-effective mail and delivery services. It provides programs with interoffice and U.S. mail processing and distribution and routine Central Stores and Health Supply delivery. It picks up and delivers interoffice mail; picks up, meters, and processes U.S. mail; folds and inserts mail items; delivers health supplies and lab samples; delivers central stores supplies; and allocates program costs to county programs based on service usage.

FY 2004: 9.20 FTE FY 2005: 8.20 FTE

Materiel Management

Materiel Management provides commonly used supplies and equipment. It purchases volume-discounted food, office, medical, and janitorial commodities. It assures inventory accountability by receiving, warehousing, reselling, and distributing these items, maximizing savings and convenience to County and other customers. During FY 04 the program moved from Finance to FREDS. In FY 05 it assumes responsibility for Fleet and Land Use & Transportation Division materiel management functions which includes the transfer of 4 FTE from those programs.

FY 2004: 9.00 FTE FY 2005: 13.00 FTE

Costs by Program	2002-03 Actual	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
FREDS Div Mgmt	$363,231	$312,324	$278,241	($34,083)
Fleet Services	3,712,290	7,527,487	7,254,586	($272,901)
Records Section	697,740	736,953	729,386	($7,567)
Electronic Services	397,477	357,377	493,238	$135,861
Distribution Services	1,379,969	1,526,379	1,876,941	$350,562
Materiels Mgmt	755,408	666,121	1,187,998	$521,877
Total Costs	**$7,306,115**	**$11,126,641**	**$11,820,390**	**$693,749**

Finance, Budget, and Tax Office

The Finance, Budget, and Tax Office provides services to the County and the public in the following areas:

- Preparation and monitoring of the County's annual budget;
- Maintaining accounting transactions; preparing grant and monthly financial reports; publishing the Comprehensive Annual Financial Report (CAFR); developing and maintaining internal control procedures and ensuring adherence to all federal and IRS regulations, state statutes, and County resolutions and orders;
- Collecting monies due; managing cash, the investment portfolio, and debt; and ensuring that fiduciary money is safeguarded;
- Administration of the County's Personal Income Tax, Business Income Tax, Motor Vehicle Tax, and Transient Lodging Tax.
- Risk management and property and liability insurance;
- Financial services related to County service districts;
- Assessor and tax collector duties prescribed by state laws, including collecting and distributing income; maintaining property accounts; performing property valuation; and processing exemptions and special assessments of farm and forest property;
- Support of the Board of Property Tax Appeals as prescribed by state laws;
- Issuance of marriage licenses and registration of domestic partnerships; and
- County recording, as prescribed by state laws

How FBAT Delivers Its Services

Formed in FY 2004, the Finance, Budget, and Tax Office provides financial and budget advice and guidance to the Chair of the Board of County Commissioners, the Board, and County departments to maintain the fiscal integrity of the County while maximizing funds for programs and meeting the requirements of the law. FBAT works with the Chair, the Board, and departments to manage overall County financial resources at the corporate level; it also manages the development of the County's annual financial budget and works with departments throughout the year to effectively manage resources appropriated by the Board.

In administering the various tax collections of the County, FBAT continues to work with the Chair, the Board, and the community to strike the best balance between the tax burden and the services needed by the community. FBAT supports the corporate, financial, and tax functions of the County.

Budget Issues and Highlights

Property Tax Program (Assessment & Taxation):

The largest part in FBAT is the Property Tax area. The Property Tax budget is $12.2 million and has 130 FTE. $11.4 million of its budget is funded by the State Assessment & Taxation Grant, which is administered by the State Department of Revenue (DOR) under ORS 294.175. Under the terms of the grant, the DOR is required to review the grant application prior to approval. In the last two fiscal years, the DOR has informed FBAT in writing that although the current service level meets the grant requirements, further reduction in service level would jeopardize this funding. Service level is based on performance and on the statistical data that the County provides to the DOR; the DOR monitors the data to ensure compliance with the legislative intent of the grant. The FY 04 amount approved was $11.2 M and the FY 05 budget request maintains last year's approved service level. As a condition of the grant, the Board must approve and submit the proposed A&T Grant to the DOR by May 1 of each year.

Increasing General Fund Revenues:

FBAT will continue to work with the State and other counties to ensure that Multnomah County continues to receive the A&T Grant. The Property Tax Appraisal unit is currently engaged in a project to audit property values. We will analyze these results to determine if the benefit of added property value and increased property tax revenues exceed the cost of the additional appraisers. This study is anticipated to be complete in the fall of 2004, and its findings and recommendations will be brought to the Chair's Office and the Board at that time.

ITAX Administration:

The Tax Administration program will focus its resources on administering and collecting the County temporary personal income tax and the Business Income Tax in partnership with the City of Portland. The ITAX Administration budget is $5.3 million, most of which is for a $3.5 million contract with the City of

Portland for the collection of the tax.

General Fund Reductions:

The Budget Office cut one vacant Budget Analyst Sr. position; this will diminish the Office's ability to perform analysis. It will not significantly impair current operations, as the office has an experienced staff that will absorb additional workload.

FBAT also cut $40,000 in revenue from Asset Preservation that had been used for capital budgeting in the Budget Office. The Capital Planning process and workload will be absorbed by the Chief Financial Officer's office and supported by the Budget Office.

FBAT will continue to provide services needed by the Chair, the Board, and Departments by aligning those services with the Chair's policy direction and initiatives. Furthermore, FBAT will develop a closer working connection between the accounting and budget programs, thereby enhancing the knowledge of each and their awareness of the financial and budget issues facing the County.

FY 2005 Issues:

The major issues facing the FBAT Office are to address the sunset of the ITAX and to develop a budgetary strategy to close the structural gap between expenditures and revenues in the General Fund. As the economy improves, FBAT will work with the Chair, the Board, and the business community to revisit the Business Income Tax and develop a solution that provides incentives to businesses while producing a reliable revenue source for necessary services.

In addition, various legal challenges were filed as a result of the 2003 Legislative changes, and FBAT will continue to work closely with the State and other local governments on PERS reform and other legal challenges with the objective of containing pension costs to the County.

Finally, FBAT will work with IT, Facilities, Transportation, and the Departments to develop a capital budget, determining both future needs and available financing options while implementing the Courthouse study recommendations. The capital budget will also incorporate the sale of surplus properties and recommendations for how the proceeds may be used. A proposed Capital Plan will be presented to the Chair and the Board for their consideration and revisions.

FBAT Budget for FY 2005

The budget for Finance, Budget and Tax is $24,291,296 with 161 positions. The FBAT budget decrease is mostly due to reductions in ITAX collection costs and shifts in costs to CBS and other Departments. The increase in positions is mostly due to transfers from Business Services.

FBAT Budget Trends	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Staffing FTE	144.51	157.50	157.50	161.00	3.50
Personal Services	$9,718,650	$11,113,892	$10,702,532	$11,398,396	$695,864
Contractual Services	1,099,556	7,405,927	8,073,591	5,732,029	(2,341,562)
Materials & Supplies	7,662,782	8,952,751	8,543,773	6,913,871	(1,629,902)
Capital Outlay	15,870	0	0	247,000	247,000
Total Costs	**$18,496,858**	**$27,472,570**	**$27,319,896**	**$24,291,296**	**($3,028,600)**

Costs by Division	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Office of the CFO	$1,371,142	$3,300,843	$3,997,799	$1,204,181	($2,793,618)
Accounting	3,001,754	3,715,470	2,990,334	3,546,403	556,069
Budget	705,543	940,492	791,507	1,001,069	209,562
Tax Administration	0	6,879,425	6,855,312	5,476,707	(1,378,605)
Treasury	516,590	427,644	444,643	357,271	(87,372)
Tax Collection/Records	4,956,142	4,823,042	4,753,683	5,006,387	252,704
Property Valuation	7,824,431	7,259,354	7,360,318	7,583,278	222,960
Finance Actg Entities	121,256	126,300	126,300	116,000	(10,300)
Total Costs	**$18,496,858**	**$27,472,570**	**$27,319,896**	**$24,291,296**	**($3,028,600)**

Staffing by Division	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Office of the CFO	5.00	4.50	4.50	2.50	(2.00)
Accounting	10.06	9.50	9.50	12.00	2.50
Budget	6.70	8.00	8.00	9.00	1.00
Tax Administration	0.00	3.50	3.50	5.00	1.50
Treasury	4.00	4.00	4.00	2.50	(1.50)
Tax Collection/Records	53.00	55.00	55.00	55.00	0.00
Property Valuation	65.75	73.00	73.00	75.00	2.00
Finance Actg Entities	0.00	0.00	0.00	0.00	0.00
Total Staffing FTE's	**144.51**	**157.50**	**157.50**	**161.00**	**3.50**

Resources by Division

	General Fund	Fees, Permits &Charges	Federal	State & Local	Other/ Miscellaneous
Office of the CFO	$608,070	$0	$0	$0	$249,413
Accounting	963,854	1,500	350,000	0	4,486,615
Budget	1,001,069	0	0	0	0
Tax Administration	5,476,707	0	0	0	0
Treasury	357,271	0	0	0	0
Tax Collection/Records	4,831,387	0	0	175,000	0
Property Valuation	7,583,277	0	0	0	0
Finance Actg Entities	0	116,000	0	0	0
Total Resources	**$20,821,636**	**$117,500**	**$350,000**	**$175,000**	**$4,736,028**

Office of the Chief Financial Officer

This office is the ultimate financial authority for the County and provides financial advice and assistance to the entire County. It provides support to the rest of FBAT and manages financial, budget, and general tax policy development.

Action Plans:

- Continue working on PERS reform to minimize liability for the County and ensure stable funding of retirement system
- Communicate with Moody's Investor Service to maintain the County's Aa1 bond rating

Significant Budget Changes:

- Transfer 1 FTE Administrative Analyst into County Business Services from Office of CFO
- Reduced Office Assistant 2 ($44,000)
- Reclassified Program Manager Senior to Chief Financial Officer $14,000
- Reduce Information Technology charges by $2,851,332 due to reallocation of IT charges in FY 05 and transfer of SAP to County Business Services
- Reduce building management charges by $231,449 because FY 04 FBAT costs included those of County Business Services Finance Operations
- Add new HR Operations charge, $5,597
- Add new Finance Operations charge, $19,100
- Decrease contractual services by $118,473
- Increase Equipment for HIPAA security system $235,000

Finance Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	5.00	4.50	4.50	2.50	(2.00)
Personal Services	$677,129	$248,755	$406,583	$271,752	($134,831)
Contractual Services	56,598	88,000	159,353	29,890	(129,463)
Materials & Supplies	637,415	2,964,088	3,431,863	667,539	(2,764,324)
Capital Outlay	0	0	0	235,000	235,000
Total Costs	**$1,371,142**	**$3,300,843**	**$3,997,799**	**$1,204,181**	**($2,793,618)**

Accounting

The Accounting Division is responsible for the Accounting, Property & Liability, and Retirement programs. It manages the County's enterprise accounting system and financial records; manages property, liability, and insurance programs to safeguard the County's assets; and administers the County's retirement programs – PERS, the Deferred Compensation Plan, and the Library Retirement Plan.

Action Plans:

- Develop business processes in response to changes in PERS systems by December 31, 2004, to achieve complete PERS reporting for employees
- Select a new audit services provider, and negotiate and implement a new contract for the County's external financial audit, by September 2004

Significant Budget Changes:

- Transfer 2 FTE Finance Specialist 1 in from County Business Services
- Transfer 0.5 FTE Finance Supervisor in from County Business Services
- Add new HR Operations charge, $22,576
- Add new Finance Operations charge, $48,854
- Reduce Mail charges $40,391

Accounting Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	10.06	9.50	9.50	12.00	2.50
Personal Services	$868,222	$1,123,898	$689,452	$877,618	$188,166
Contractual Services	421,123	751,300	708,100	735,082	26,982
Materials & Supplies	1,712,409	1,840,272	1,592,782	1,933,703	340,921
Capital Outlay	0	0	0	0	0
Total Costs	**$3,001,754**	**$3,715,470**	**$2,990,334**	**$3,546,403**	**$556,069**

General Ledger

The General Ledger program provides timely and accurate financial services. It maintains County accounting systems and financial records. It manages revenue collections; maintains the County's systematized accounting structure; prepares grant reports, monthly financial reports, the Indirect Cost Allocation Plan, and the Comprehensive Annual Financial Report; maintains internal control and procedures; ensures that laws and policies are adhered to; safeguards assets; and provides financial information in a form that meets user needs.

FY 2004: 8.40 FTE FY 2005: 9.90 FTE

Property & Liability

This unit manages property, liability, and insurance programs in accordance with legal requirements and County policies. It negotiates and purchases property insurance, including coverage for 76 County-owned buildings; crime insurance; varied bond coverage; and other specialized coverage. It adjusts property, liability, and subrogation claims, and provides technical expertise to all departments and officials on property, liability, insurance, and loss control/prevention matters.

FY 2004: 1.10 FTE FY 2005: 1.10 FTE

Retirement Programs

This unit manages the County's retirement programs – PERS, the County's Deferred Compensation Plan, and the Library Retirement Plan. Its responsibilities include reporting employee financial and retirement-related information to PERS and the Deferred Compensation investment providers; negotiating investment services contracts with the investment providers; amending retirement plans to reflect changes in retirement legislation; analyzing investment performance and determining when and how changes will be implemented; and providing retirement education services to employees. This is a new program in FY 2005; it was formerly within General Ledger.

FY 2004: 0.00 FTE FY 2005: 1.00 FTE

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
General Ledger	$1,144,118	$1,125,699	$1,249,958	$124,259
Property & Liability Risk Unit	1,857,635	1,864,635	2,232,550	367,915
Retirement Programs	0	0	63,895	63,895
Total Costs	**$3,001,753**	**$2,990,334**	**$3,546,403**	**$556,069**

Budget Office

The Budget Office provides the Board, the Chair, and departments with financial information and other analysis, and ensures that budget processes comply with applicable laws, thus protecting the County's long-term financial stability. It is responsible for the annual budget, for helping departments prepare and administer their budgets, for financial forecasting, and for program and financial analysis. It estimates current and future years' spending and revenues, prepares legal budget documents, analyzes issues that come before the Board, and acts as liaison between the Board and the administration.

Budget preparation involves roughly 350 employees countywide. Many budget processes are constrained by the sections of ORS 294 known as the Local Budget Law, including deadlines for completion of budgets, hearings before the Tax Supervising and Conservation Commission, and the contents of the summary and detailed estimate sheets.

Action Plans:

- Develop implementation strategy for the sunset of the ITAX
- Participate in SAP business warehouse and budget control system development and implementation during FY 05
- Refine and standardize SAP budgetary training for the County during FY 05

Significant Budget Changes:

- Reclassify Office Assistant 2 to Administrative Assistant.
- Add Program Mgr Sr. $139,000.
- Reduce 2 FTE Senior Budget Analyst ($156,000).
- Transfer 1 FTE Principal Budget Analyst in from County Business Services.
- Eliminate $40,000 expenditure offset for Capital Budgeting from the Asset Preservation Fund.
- Add new HR and Finance Operations charge, $25,000.
- Eliminate DP and Facilities charge $111,492.
- Add Research/Evaluation Specialist to evaluate Human Services programs $71,000.

Budget Office		**2003-04**	**2003-04**	**2004-05**	
Budget Trends	**2002-03**	**Current**	**Adopted**	**Adopted**	
	Actual	**Estimate**	**Budget**	**Budget**	**Difference**
Staffing FTE	6.70	8.00	8.00	9.00	1.00
Personal Services	$475,362	$724,253	$579,147	$860,828	$281,681
Contractual Services	41,180	50,000	50,000	60,000	10,000
Materials & Supplies	189,001	166,239	162,360	80,241	(82,119)
Capital Outlay	0	0	0	0	0
Total Costs	**$705,543**	**$940,492**	**$791,507**	**$1,001,069**	**$209,562**

Tax Administration

The Tax Administration program supports the County's fiduciary tax responsibilities. It focuses its resources on administering and collecting the County Taxes, such as the Temporary Personal Income Tax, Business Income Tax, Transient Lodging Tax, and Motor Vehicle Tax. It manages inter-governmental agreements with the City of Portland Bureau of License to provide tax forms and instructions; assess and collect county income taxes and tax deficiencies including penalties and interest; maintain business and taxpayers accounts; audit and ensure the compliance of these accounts; process tax refunds; and distribute collected taxes to other government entities. The ITAX Administration budget is $5.3 million, most of which is for a $3.5 million contract with the City of Portland for the collection of the tax. This program did not appear in the FY 04 Adopted budget.

Action Plans:

- Develop and execute a communication strategy to outreach to businesses and individual taxpayers by April 2005, improving collections and exchange of information with customers

Significant Budget Changes:

- Transfer in 1.50 FTE Finance Specialist 2 from Treasury
- Reclassify 2 FTE Finance Specialist 2 to Staff Assistants
- Reduce professional services by $2,254,418 due to initial startup costs and lower than anticipated costs of agreement with the City of Portland, and shift into other types of Materials and Supplies.

Tax Administration Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	0.00	3.50	3.50	5.00	1.50
Personal Services	$0	$409,474	$336,151	$453,462	$117,311
Contractual Services	0	5,819,161	6,519,161	4,253,753	(2,265,408)
Materials & Supplies	0	650,790	0	769,492	769,492
Capital Outlay	0	0	0	0	0
Total Costs	**$0**	**$6,879,425**	**$6,855,312**	**$5,476,707**	**($1,378,605)**

Treasury

The Treasury Office provides centralized treasury and cash management services to the County, to other government agencies, and to constituents. It manages cash assets and the investment portfolio; finances capital acquisitions; manages County debt; establishes and maintains relationships with the financial community; and provides trust and fiduciary services. In FY 05 the tax administration functions formerly in Treasury will transfer to Tax Administration.

Action Plans:

- Implement use of treasury management software during first quarter of FY 05, to increase portfolio tracking and posting efficiency and to provide increased operating coverage concurrent with reduced staffing

Significant Budget Changes:

- Transfer 1.50 FTE Finance Specialist 2 into Tax Administration
- Add new HR & Finance Operations charge, $12,000

Treasury Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	4.00	4.00	4.00	2.50	(1.50)
Personal Services	$347,177	$323,500	$320,693	$216,046	($104,647)
Contractual Services	95,311	95,000	115,000	115,000	0
Materials & Supplies	74,102	9,144	8,950	26,225	17,275
Capital Outlay	0	0	0	0	0
Total Costs	**$516,590**	**$427,644**	**$444,643**	**$357,271**	**($87,372)**

Tax Collections/ Records Management

This Division collects and distributes property taxes; maintains records of property description and ownership, as well as Assessors Maps that accurately reflect the described properties and taxing district boundaries; provides staffing for the members of the Board of Property Tax Appeals; records documents; and issues marriage licenses and domestic partner certificates.

Action Plans:

- Convert all electronic maps into GIS-compatible format by October 2004, in support of the Oregon Map (ORMAP) strategic plan, a project working towards a statewide digital property tax map system that supports a broad array of public and private GIS applications by October 2008.
- Review procedures in Records Management that might lend themselves to electronic rather than paper processes, by June 2005, in order to reduce paper records and automate the transfer of work between sections of A&T.
- Implement procedures relating to the transfer of manufactured homes to DBCS from the State DMV, by April 5, 2005, as required by SB 468.
- Complete the remaining A&T software system enhancements by June 30, 2005, in order to provide functionality originally specified in RFP.

Significant Budget Changes:

- Increase Personal Services by $27,000 for Temp. & Overtime, primarily in Recording Program, due to workload increases.
- Increase Professional Services by $86,400 due primarily to increase in DOR ORMAP Grant contracts. Also shift $47K from Supplies to Professional Services due to shift in expense categories for ORMAP.
- Add new HR and Finance Operations charges, $109,000
- Add new Records Allocation for Distribution Services, $19,945
- Reduce A&T CAFFA Grant Revenue by $186,884 based upon forecast from the DOR. Reduction reflected in Division revenue budget
- Increase Recording Program Revenue for Page Fees by $200,000, based upon continued high volume of recording activity.
- Increase anticipated Fee Revenues by $16,500
- Increase ORMAP DOR Grant Revenue by $75,000, based on anticipated approved expenditures to be reimbursed.
- Change budget reporting category for Marriage License Fees – transfer $200K from “Sales to the Public” to “Licenses & Fees”.

Tax Collection/Records Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	53.00	55.00	55.00	55.00	0.00
Personal Services	$2,980,587	$3,329,845	$3,265,616	$3,324,081	$58,465
Contractual Services	134,969	217,650	190,950	313,906	122,956
Materials & Supplies	1,834,245	1,275,547	1,297,117	1,368,400	71,283
Capital Outlay	6,341	0	0	0	0
Total Costs	**$4,956,142**	**$4,823,042**	**$4,753,683**	**$5,006,387**	**$252,704**

Administration

This unit guides strategic direction for the division, as well as its budget, work plans, and the improvement of work processes. It performs all personnel-related activities; handles grievances; manages purchasing, contracts, and accounting; and is responsible for those portions of the County Clerk function defined by statute.

FY 2004: 3.00 FTE FY 2005: 3.00 FTE

Records Management

This unit maintains tax roll descriptions; recorded and filed documents; street lighting and fire patrol rolls; and official maps for A&T. It records and processes subdivision, condominium, and partition plats; processes annexations and County road filings; and monitors government exemptions. It annually updates 50,000 tax roll descriptions; 2,000 streetlight and fire patrol roll changes; 1,700 map changes; 2,000 accounts canceled; and 250 new subdivisions. The program handles approximately 18,000 telephone inquiries and 10,000 walk-in customers annually.

FY 2004: 20.00 FTE FY 2005: 20.00 FTE

Tax Collection

This unit provides accurate tax bills; collects property taxes; processes tax foreclosures; distributes taxes; and maintains computer files on tax accounts. It mails over 400,000 tax statements and notices, collects $928 million, distributes this to 60 levy districts, and answers approximately 205,000 inquiries annually.

FY 2004: 24.00 FTE FY 2005: 24.00 FTE

Board of Property Tax Appeals

BOPTA accepts and processes approximately 1600 property tax appeals and board decisions, schedules hearings, and provides administrative support for the Board. The staff of the Tax Information unit provides this support.

FY 2004: 0.00 FTE FY 2005: 0.00 FTE

Document Recording

This unit records documents, including those concerning subdivisions and condominiums, and maintains public records. It records over 275,000 documents, responds to 55,000 telephone inquiries, and assists 35,000 walk-in customers annually.

FY 2004: 7.00 FTE FY 2005: 7.00 FTE

Marriage/ Domestic Partner Registry

The Marriage Licenses and Domestic Partner Registry issues approximately 6,000 marriage licenses and handles 100 domestic partner registrations annually. It responds to over 25,000 telephone inquiries.

FY 2004: 1.00 FTE FY 2005: 1.00 FTE

Records Storage & Retrieval

ORS Chapter 654, Section 22, allows for a 5% fee to be collected for storage and retrieval systems, to maintain those systems, and to restore records. Fees support a system that indexes, creates, and stores document images for electronic retrieval.

FY 2004: 0.00 FTE FY 2005: 0.00 FTE

Costs by Program	2002-03 Actual	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Tax Collection/Records Mgmt Admin	$1,320,558	$804,458	$809,354	$4,896
Records Management	1,106,716	1,311,589	1,433,732	122,143
Tax Collection	1,625,322	1,766,814	1,811,514	44,700
Board of Property Tax Appeals	24,292	31,597	36,801	5,204
Document Recording	706,757	617,262	686,241	68,979
Marriage License	19,015	61,963	68,746	6,783
Records Storage/Retrieval	153,481	160,000	160,000	0
Total Costs	$4,956,141	$4,753,683	$5,006,388	$252,705

Property Valuation

This division maintains Real Market Value for all real property and taxable personal property in the County. It annually calculates the Maximum Assessed Value and Assessed Value for all taxable property accounts; processes exemption and special assessments applications; and calculates property taxes.

Action Plans:

- Convert building footprint measurements from paper to electronic records by 2010 to reduce time maintaining and handling paper records, provide electronic backup for unique data, and provide greater public access.
- Convert all residential accounts to annual recalculation methodology by June 2006, to provide more accurate Property Tax Roll Values.
- Standardize the classification of commercial properties in the computer system by June 2009, to maintain equity in appraisals of similar properties and to enable annual recalculation of market values.
- Complete the remaining A&T software system enhancements by June 30, 2005, in order to provide functionality originally specified in RFP for Y2K compliance.
- Analyze processes in the Personal Property section and evaluate reinstitution of an audit program, to discover omitted and under-reported Tax Roll Values, and thus promote equity in assessments of business property.
- Implement procedures relating to the transfer of manufactured homes from the DMV to DBCS by April 2005, as required by SB 468.

Significant Budget Changes:

- Increase Personal Services by net $142,302, due to a transfer of $228,105 from IT Support (2 FTE, Temp, and Overtime); reductions to Data Operations Personal Services costs ($12,925); and transfer of 1 FTE from Data Ops.
- Transfer $32,256 in Personnel from IT, for Temps to perform Personal Property Appraisal Audits.
- Transfer $58,300 in Materials & Supplies from IT ($54,200 Maintenance Contracts, $4,100 other M&S)
- Transfer $12,000 in Capital from IT
- Transfer $15,000 in Professional Services from IT, for contracted services for Personal Property Appeals.
- Reduce Contracted Professional Services for A&T Business Applications Support ($107,254)
- Reduce Internal Services DP for A&T ($218,108); net result of changes to DP cost allocation model, as well as reduction to IT Support services charged back here as internal services.
- Reduce Flat Fee for A&T by ($29,245), due to rate reduction per PC.
- Add new HR Internal Services, $115,372
- Add new Finance Internal Services, $36,846
- Reduce Assessor Fees from Recorded documents by $75,000, due to more accurate revenue projection based upon historical activity level.

Property Valuation Budget Trends	**2002-03 Actual**	**2003-04 Current Estimate**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Staffing FTE	65.75	73.00	73.00	75.00	2.00
Personal Services	$4,370,173	$4,954,167	$5,104,890	$5,394,609	$289,719
Contractual Services	232,156	258,516	207,854	115,600	(92,254)
Materials & Supplies	3,212,573	2,046,671	2,047,574	2,061,069	13,495
Capital Outlay	9,529	0	0	12,000	12,000
Total Costs	**$7,824,431**	**$7,259,354**	**$7,360,318**	**$7,583,278**	**$222,960**

Property Valuation Administration

This unit coordinates strategic Property Valuation direction, budgeting, work plans, and the improvement of work processes. It performs all personnel-related activities; handles grievances, manages purchases, acts as the facilities contact, and performs time entry functions.

FY 2004: 2.00 FTE FY 2005: 2.00 FTE

Property Valuation Appraisal

This section annually appraises 12-13,500 properties with building permits and 4,500-5,000 properties evidencing large value changes in order to value Measure 50 "exceptions" and to maintain Real Market Value on the Assessment roll. It processes over 35,000 personal property returns including "exception" value, and defends values in 1300-1400 appeals at BOPTA.

FY 2004: 64.00 FTE FY 2005: 65.00 FTE

Property Valuation Support

This section compiles property tax levies, calculates tax rates, and extends taxes on accounts for all taxable property. It provides data entry for the appraisal, tax collection, and records management areas; administers the operation of the system acquired for the A&T software; and offers support for A&T, including recording/indexing, cashiering, and remittance processing. It also coordinates the installation, operation, maintenance, and support for the local network.

FY 2004: 7.00 FTE FY 2005: 8.00 FTE

Costs by Program	**2002-03 Actual**	**2003-04 Adopted Budget**	**2004-05 Adopted Budget**	**Difference**
Property Valuation Admin	$1,809,900	$744,466	$809,774	$65,308
Property Valuation/Appraisal	3,974,431	4,715,892	4,968,635	252,743
Property Valuation Support	2,040,100	1,899,960	1,804,868	(95,092)
Total Costs	$7,824,431	$7,360,318	$7,583,277	$222,959

FBAT Accounting Entities

This section accounts for the following funds, or portions of funds:

Recreation Fund: The entire Parks Services and Expo Center operations were transferred to Metro in FY 94. The County retains responsibility for the collection and disbursements of certain revenues in this fund.

Significant Budget Changes:

- Reduce Pass-through payments $10,300 for Bybee Howell House (now budgeted in Accounting (General Fund)

FBAT Accounting Entities Budget Trends	2002-03 Actual	2003-04 Current Estimate	2003-04 Adopted Budget	2004-05 Adopted Budget	Difference
Staffing FTE	0.00	0.00	0.00	0.00	0.00
Personal Services	$0	$0	$0	$0	$0
Contractual Services	118,219	126,300	123,173	108,798	(14,375)
Materials & Supplies	3,037	0	3,127	7,202	4,075
Capital Outlay	0	0	0	0	0
Total Costs	**$121,256**	**$126,300**	**$126,300**	**$116,000**	**($10,300)**