

Department of County Assets

FY 2014 Proposed Budget

Presentation to the Board of County Commissioners



Multnomah County
May 28, 2013

Located at: www.multco.us/budget

DCA FY 2014 Proposed Budget



DCA FY 2014 Proposed Budget

Department of County Assets Mission, Vision, and Values

MISSION

We actively plan, acquire, implement, and preserve core assets to effectively advance Multnomah County's services to the community.

VISION

As Multnomah County's infrastructure backbone, we lead innovative, sustainable best practices, redefining when, where, and how our local government operates.

CORE VALUES

Integrity - We are honest and trustworthy in all aspects of our work. We are each personally accountable for the highest standards of behavior.

Collaboration - We have close, cooperative working relationships with our customers and each other. We see the possibilities from others' perspectives. We say "yes" to the right projects.

Leadership - We are talented employees effectively applying our expertise to address business challenges. We lead through our competence, creativity, and collaboration.

Diversity - We treat one another with dignity and respect and take pride in the significant contributions that come from diverse individuals and ideas. We pursue inclusion and social justice for everyone.

Excellence - We exceed customer expectations in affordability, quality, and delivery. We strive to be better tomorrow than we were yesterday. We celebrate our successes.

Innovation - We embrace change openly and enthusiastically. We always consider new ideas and encourage ingenuity and resourcefulness.

Responsibility - We are accountable for the resources entrusted to us. We use good judgment and sound thinking when making technical and financial decisions. We deliver results.

Sustainability - We believe in a sustainable future and the triple bottom line: equity, economy, and environment. We champion sustainable practices in all areas of our work.

TAGLINE

Creative Synergies. Innovative Technologies. Sustainable Practices. Inclusive Workplace.

DCA FY 2014 Proposed Budget

Citizen Budget Advisory Committee

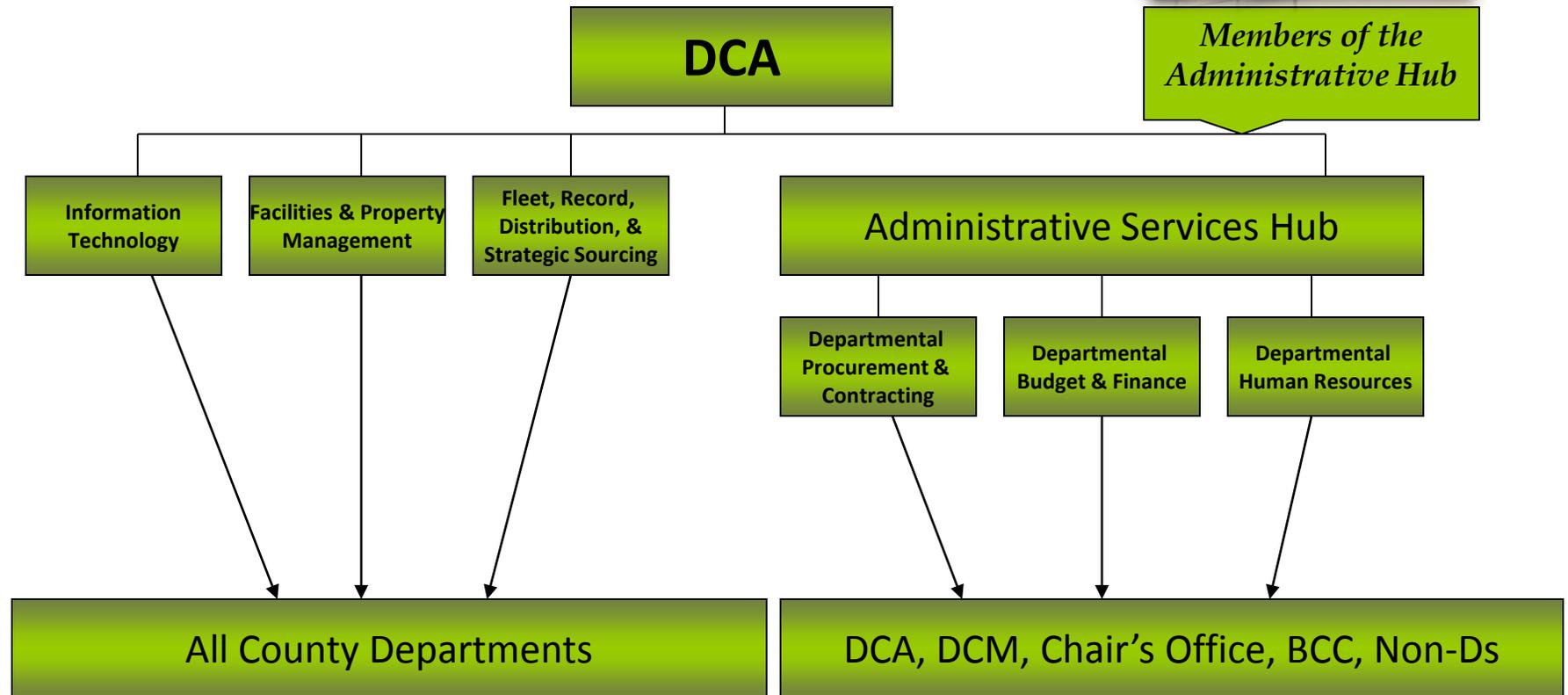
- David Torrey, Committee Chair
- Ben Brady
- Scott Eissfeldt
- Robert Stabbert
- Jeannine DeFuyter
- Garry Diehl



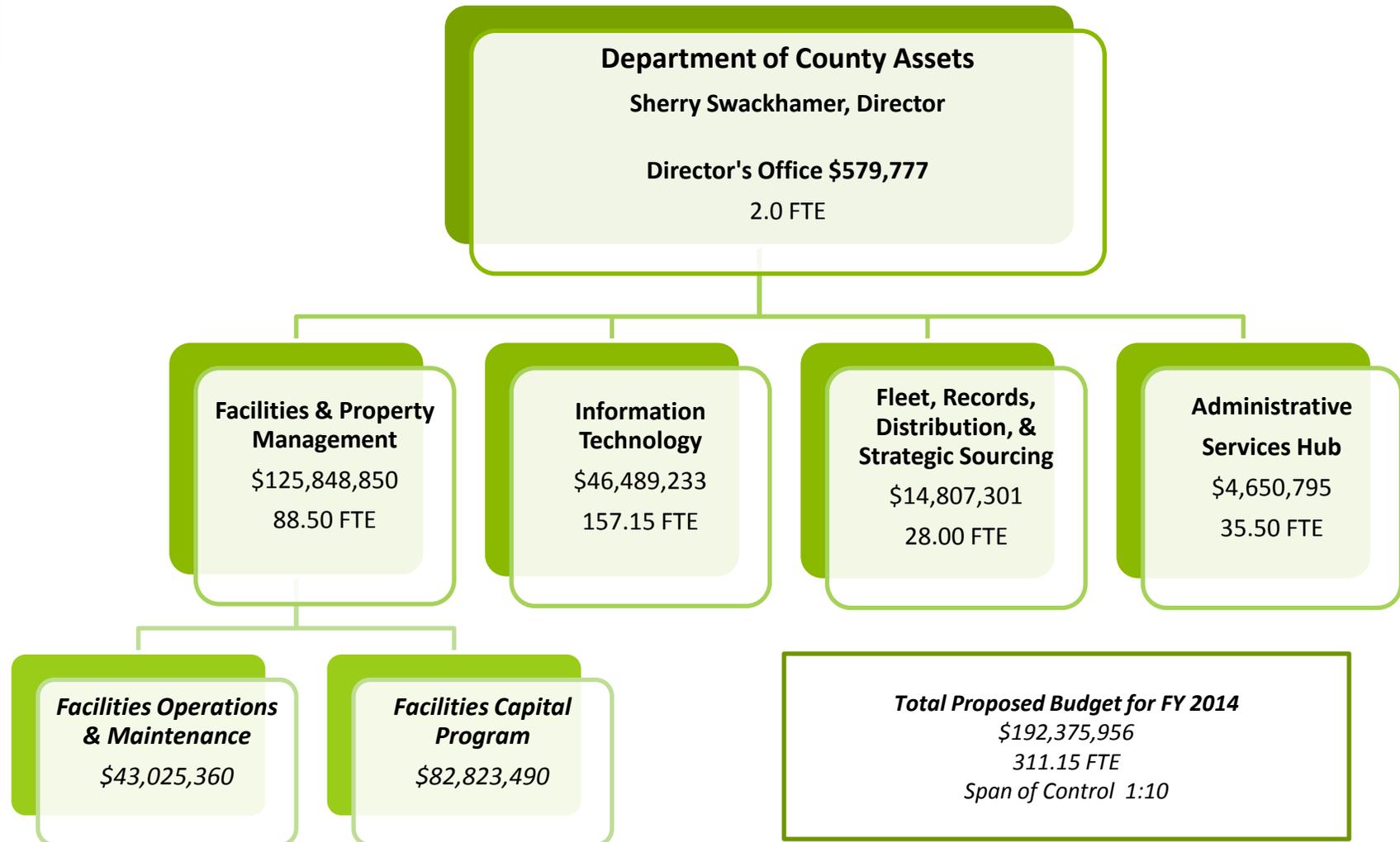
“Overall, we are very impressed with the County employees we have met and their desire to improve current processes and procedures. Additionally, we support efforts to continue modernizing the County’s technology infrastructure to support greater workforce efficiency in the future.”



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System of Care



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Key Accomplishments

- **Electronic Health Records:** *Corrections Health. Dental Services. Mental Health and Addiction Services.*
- **Asset Management:** *Computers. Servers. Mobile Devices.*
- **Strategic Sourcing Launch:** *Multco Market Place. Staffing. County-wide Advisory Council.*
- **Strategic Partnerships:** *CityFleet Maintenance Pilot. Regional Facilities Planning. PPS Laptop Recycling. Health Department Headquarters Partnership.*
- **Workforce Development:** *Diversity and Equity. Sustainability. Retention and Recruitment.*



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Highlight: *Strategic Sourcing Activities*

Strategic Sourcing is a method of procurement that continuously improves and re-evaluates the purchasing activities across the entire organization. The needs of the whole organization are matched with supplier markets to take advantage of buying power. County activities include:

- **Multco Marketplace Implemented:** Replaced County's Central Stores Warehouse Resulting in \$500K Annual Savings
- **Strategic Sourcing Council Launched:** Guides Strategies and Tactics for County-wide Strategic Sourcing Activities
- **Initial Category Evaluation:** Focus on Goods and Services and Capital Expenditures.
FY 2014 Projected Spend = \$494M.



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Highlight: *SE Health Center*

- \$1.3M grant-funded project: to build new primary care clinic in SE Health Center
- Partnership with MCHD, FPM & IT: to complete a major remodel without disrupting service to existing dental and HIV clinics



- Moved 50 Environmental Health employees to new, leased space
- Opened SE Health Center on time and within budget



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Highlight: *Mobile Asset Management*

- Three tools to address 2012 cell phone audit:
 - Mobile Asset Management: *to track devices*
 - Telecom Expense Management: *to manage costs*
 - Mobile Device Management: *for data & network security*
- Accomplishments to Date
 - Centralized oversight and management
 - Carrier consolidation: from three carriers to one
 - Monthly expenses reduced by half, ~\$800K *less per year*
 - Credits from consolidation, ~\$100K *in one-time rebates*



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Partner Highlights

Transforming health together.



 Metro | Making a great place

CityFleet Operations



City of Portland

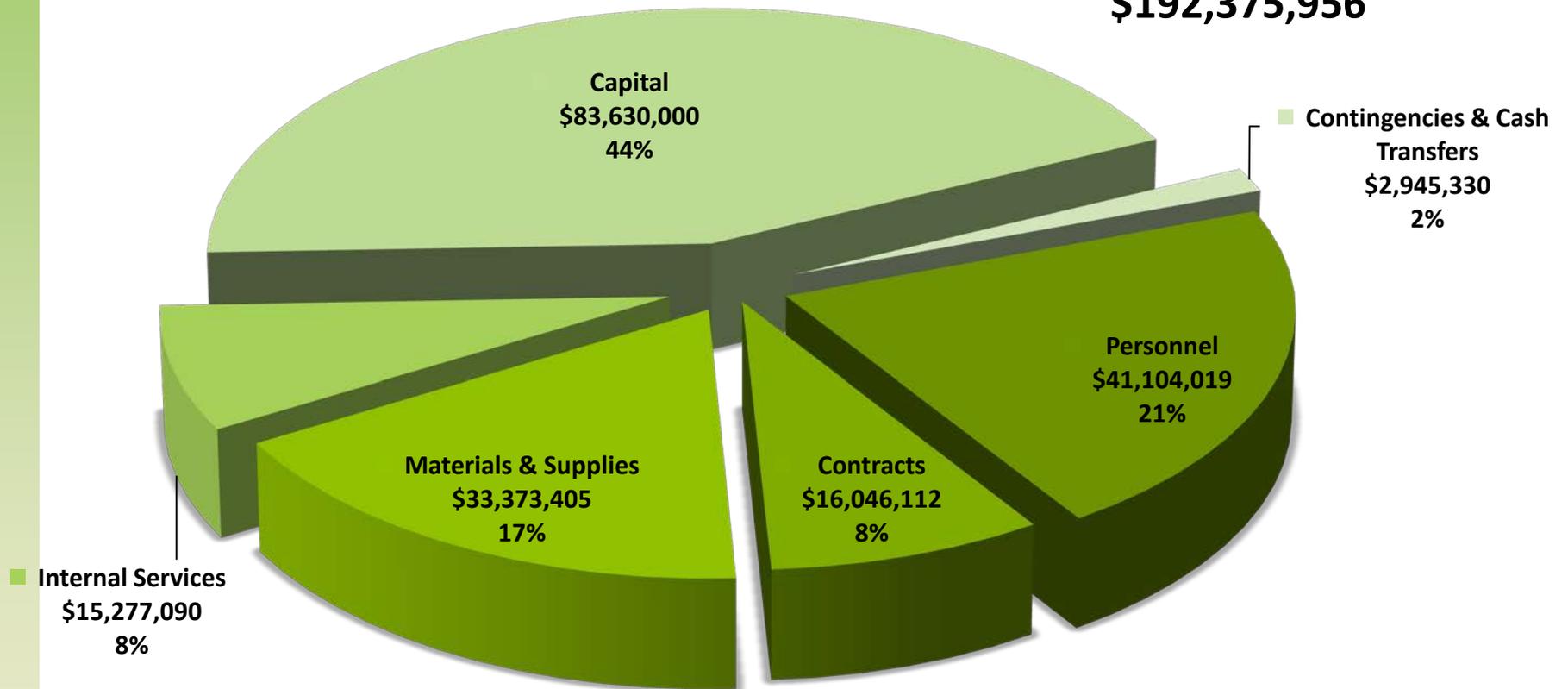



homeforward



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DCA Budget by Spending Category
\$192,375,956

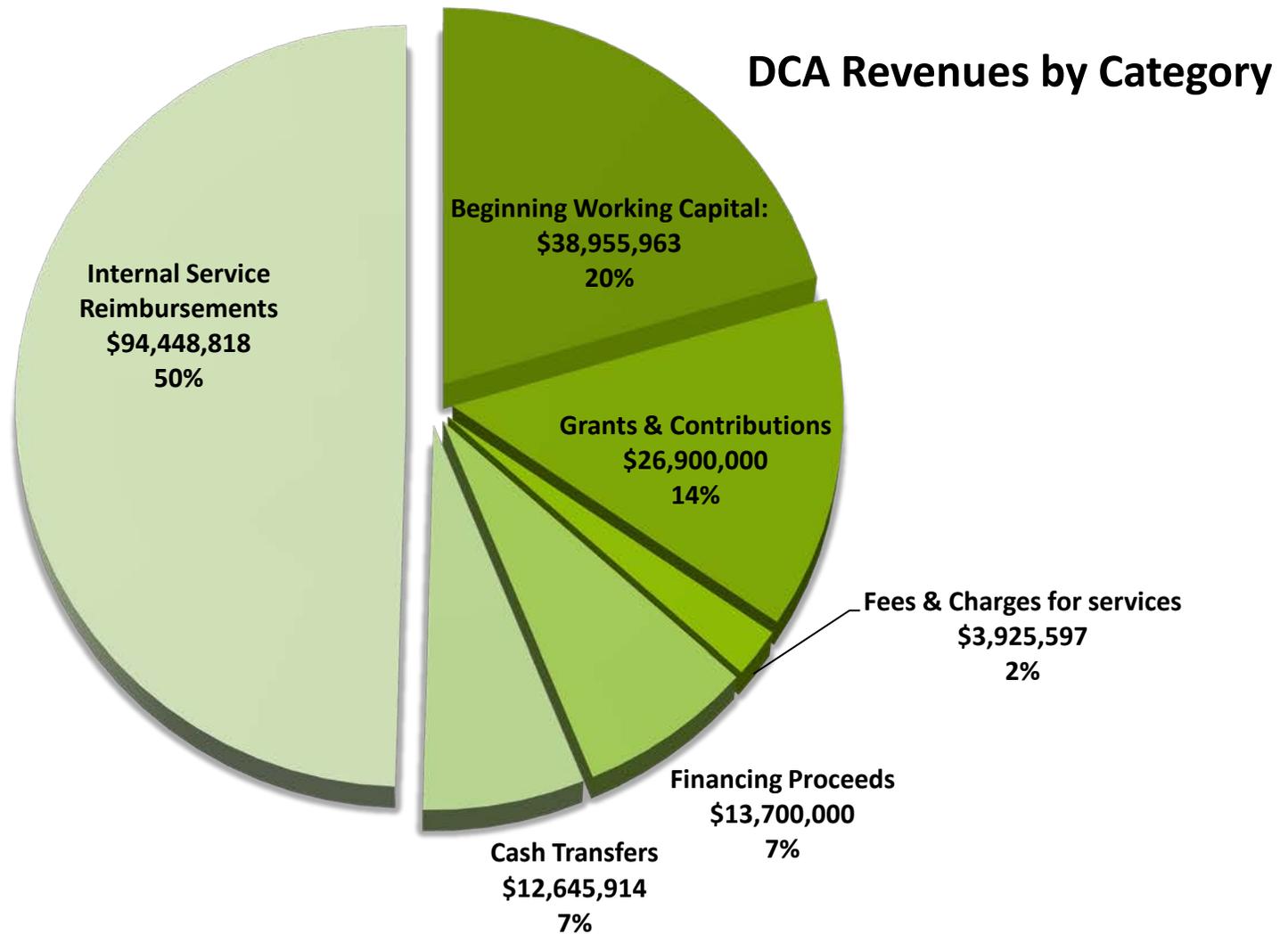


DCA FY 2014 Proposed Budget

Division	General Fund	Internal Service Funds	Capital Funds	Total	FTE
Director's Office	\$579,777			\$579,777	2.00
Facilities		\$43,025,360	\$82,823,490	\$125,848,850	88.50
Information Technology		\$46,489,233		\$46,489,233	157.15
Fleet, Records, Distribution, & Strategic Sourcing	\$497,602	\$14,309,699		\$14,807,301	28.00
Administrative Hub	<u>\$4,650,795</u>			<u>\$4,650,795</u>	<u>35.50</u>
TOTAL:	\$5,728,174	\$103,824,292	\$82,823,490	\$192,375,956	311.15



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A Few Notes on Funding Sources

- Internal service reimbursements pay for operating costs and for planned asset replacements (e.g., computers, cars).
- Service costs and rates are updated annually to ensure that program objectives can be met within available resources.
- The costs of asset replacements are recovered over time through internal service reimbursements, per the County's "pay as you go" preference stated in our financial policies.
- Large, one-time capital asset replacements are typically paid for with large, one-time revenue sources:
 - One-time General Fund
 - Debt Issues



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IT Specific Project Funding Discussion

- Internal Service Reimbursements (ISRs)
 - Routine System and Hardware Maintenance, Upgrades or Enhancements.
 - New or Replacement Systems. Existing ISR Funding Capacity Available.
 - Routine Hardware Replacements and Desktop Software (Asset Replacements)
- Grant Funding
 - Usually New System.
 - Department Specific.
- One Time Only Request or Debt Issue
 - Large, Complex, Expensive Systems and/or Hardware. No Other Funding Source Available.
 - Departmental or Enterprise.



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IT Project Funding, Current Status

- Internal Service Program Offers
 - POs 78014 through 78027
 - ISR Program Offers for Departments and Enterprise System Support
 - Includes Routine Asset Replacements
- Grant Program Offers—None in FY 2014 Proposed Budget
- One Time Only or Debt Issue Program Offers
 - IT Innovation and Investment Funding, Offer 78013A, \$6.1M
 - Projects in Process or Planned for FY 2014 (No Other Funding Source)
 - IT Capital Replacement, Offer 78013B, \$1.0M
 - One Time Only Request to Establish Funding Source
 - No Debt Issue Currently



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Net FTE Changes by Division

Division	FY 2013	FY 2014	Change
Director's Office	2.00	2.00	0.00
Facilities and Property Management	85.10	88.50	3.40
Information Technology	151.15	157.15	6.00
Fleet, Distribution, Records & Strategic Sourcing	31.80	28.00	(3.80)
Administrative Services Hub	<u>36.50</u>	<u>35.50</u>	<u>(1.00)</u>
Total:	306.55	311.15	4.60

Reorganizations include:

- Electronics Services moved from Fleet Fund to Facilities
- Mobile Device Management moved from Administrative Services Hub to IT



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Summary of Vacancies: 0-1 Year (as of January 1, 2013)

Classification	FTE	Base Salary	Status
Procurement Analyst, Senior	2.00	\$133,600	Filled 3/11/2013
Fleet & Support Services Specialist	1.00	\$62,000	Position reclassified; filled 5/06/2013
Inventory Specialist 1	0.40	\$15,700	Cut in FY 2014
Development Analyst	1.00	\$73,000	Recruitment Planning
Development Analyst, Senior	2.00	\$136,300	Recruitment in Process/Planning
IT Manager, Senior	1.00	\$134,400	Reclassified to Deputy CIO. May, 2013
IT Manager 2	1.00	\$82,100	Filled 3/01/2013
IT Business Consultant, Senior	2.00	\$182,500	Filled 2/13/2013 & 2/19/2013
Network Administrator, Senior	1.00	\$87,200	Filled 7/29/2013 (start date)
IT Project Manager 1	1.00	\$73,400	Filled 1/16/2013
SAP Vacancies, below:			
Business Analyst, Senior	1.00	\$84,600	Recruitment in Process
Database Administrator, Senior	1.00	\$100,700	Recruitment in Process
SAP Developer, Senior	2.00	\$180,200	Recruitment in Process
Systems Administrator, Senior	1.00	\$101,000	Recruitment in Process



DCA FY 2014 Proposed Budget

Summary of Vacancies: >1 Year (as of January 1, 2013)

Classification	FTE	Base Salary	Status
Fleet Maintenance Technician 3	3.00	\$148,000	Vacant in FY 2013 pending Fleet Maintenance Pilot, cut in FY 2014
IT Project Manager 1	1.00	\$73,400	Cut in FY 2014
Business Analyst, Senior (SAP)	1.00	\$84,600	Filled as of 8/5/2013 (start date)
Network Administrator, Senior (SAP)	1.00	\$87,200	Filled as of 6/01/2013 (start date)

No DCA positions have been vacant longer than 20 months, as of 1/1/ 2013.

Current SAP vacancies represent 50% of the SAP program.



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Our focus in FY 2014 will be on larger-scale County asset improvements, replacements, and capital replacement plans in all DCA divisions.

One-Time Only	PO #	Amount
Facilities Capital		
Health Dept Building on U2 Block:	78006A	\$5,400,000
Hansen Site Re-development:	78006A	\$2,200,000
Energy-saving Facilities capital projects:	78006A	\$1,100,000
Concept RFP/real estate site selection:	78006A	<u>\$161,646</u>
Subtotal:		\$8,861,646
Information Technology		
SAP Life Cycle Analysis	78013B	\$500,000
IT Software Capital Replacement	78013A	<u>\$1,000,000</u>
Subtotal:		\$1,500,000
Fleet Services		
Fleet Replacement	78031	\$1,200,000



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Highlight: Fleet Vehicle Replacement Gap (78031)



\$1.2M one-time funding. Replace 90 aged vehicles over a three-year period.



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Cuts and Keeps

- Generally, Current Service Levels
- Minor Reorganizations within DCA
- Realigned Resources between Customer Departments
- Converted Limited Duration to Regular for Hard to Fill Positions



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State Impacts and Federal Impacts

- Awaiting Impacts from Departments
- Pursuing State Funding for DT Courthouse



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Policy Choices

- Security: Physical, Data, and Network
- Asset Utilization: Space, Fleet, and Motor Pool
- Capital Investments and Funding Mechanisms



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Issues, Risks & Challenges

- Ongoing Change Management
- Recruitment, Retention and Succession Planning
- Network Convergence Project Implementation
- Moving e-Timesheets Beyond Exempt Employee Groups
- Large Number of Facilities Reaching Functional Obsolescence
- Ongoing Funding for IT Capital Replacements
- Continued Challenges Associated with Operational Complexity
- Taking the Long Term View, Thinking Strategically



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Opportunities

- Strategic Plan
- Organizational Development
- Mid-Year Briefing Regarding IT Recommendations
- Proactive Recruitment and Retention

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Questions?

