



Department of County Management FY 2018 Proposed Budget

Presented to the
Board of County Commissioners

Multnomah County
April 25, 2017

Located at: www.multco.us/budget

Agenda

- Introduction
 - Mission, Vision, Values
 - Citizen Budget Advisory Committee
- Department Budget Overview
- Budget Overview by Division
 - Trends
 - Budget and Policy Changes
- General Fund Reductions
- New, One-Time-Only, General Fund Backfill, General Fund Restorations
- Legislative Impacts & Future Policy Issues
- Summary
- Questions



Mission & Vision

Compassionate and responsible management of what is entrusted to us – safeguarding our county's financial foundation and human capital.

Adaptive government serving a dynamic community.



Values

- Our core values include collaboration, responsibility, integrity, equity, community – and are captured in one mission critical concept, stewardship.
- Stewardship: A deep commitment and accountability to governance of what is entrusted to us.



Community Budget Advisory Committee

Committee Members:

- Cormac Burke, Committee Chair
- Ben Brady
- Scott Eissfeldt
- Brandon Harris
- Robert Stabbert
- Trent Wilson



Budget Highlights

Department of County Management:

- Managing the ERP Implementation
- Managing countywide impacts of State and Federal revenue cuts
- New appraisal and collection software slated to go live in FY 2018
- New DART Residential Development Program to improve accuracy of the county assessment records, provide appraisal training opportunities and increase future property tax revenues
- New capacity to manage MWESB compliance
- Negotiating five successor collective bargaining agreements
- The Research and Evaluation unit will continue to analyze and evaluate programs that affect the diversity and inclusion of our workforce
- Continue to develop Strategic Framework for Capital Infrastructure



Who We Serve/What We Do

Filled **5,494** seats
in training and
learning events

Processed
136,096 vendor
payments

2,900 employees
participating in
wellness activities

Maintained
346,000 property
tax accounts

Awarded **1,131**
contracts &
amendments valued
at \$185 million

Bond rating all
categories
upgraded to **Aaa**

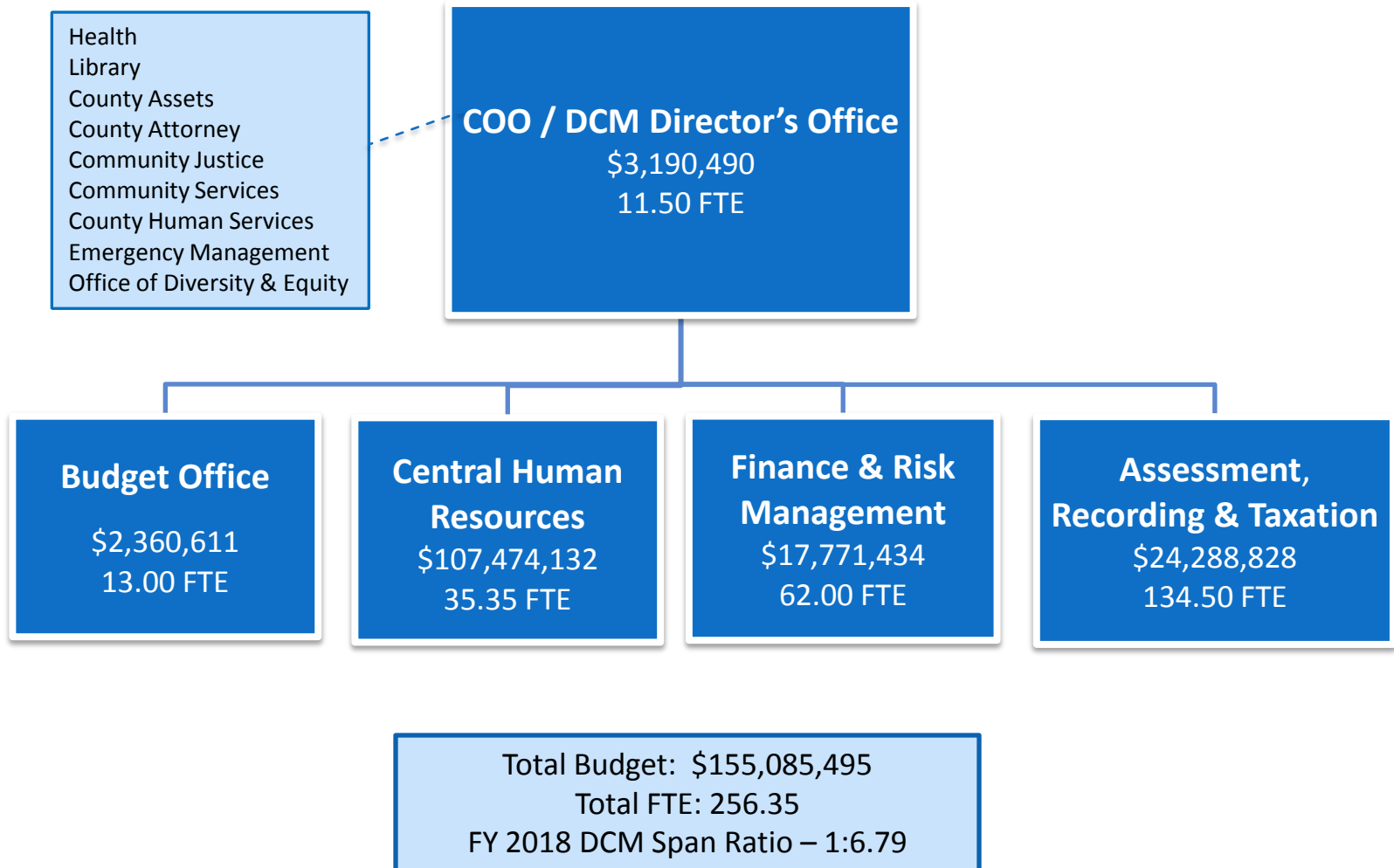
DART served over
56,000 walk-in
customers

Administered
medical benefits
for **12,600**
members

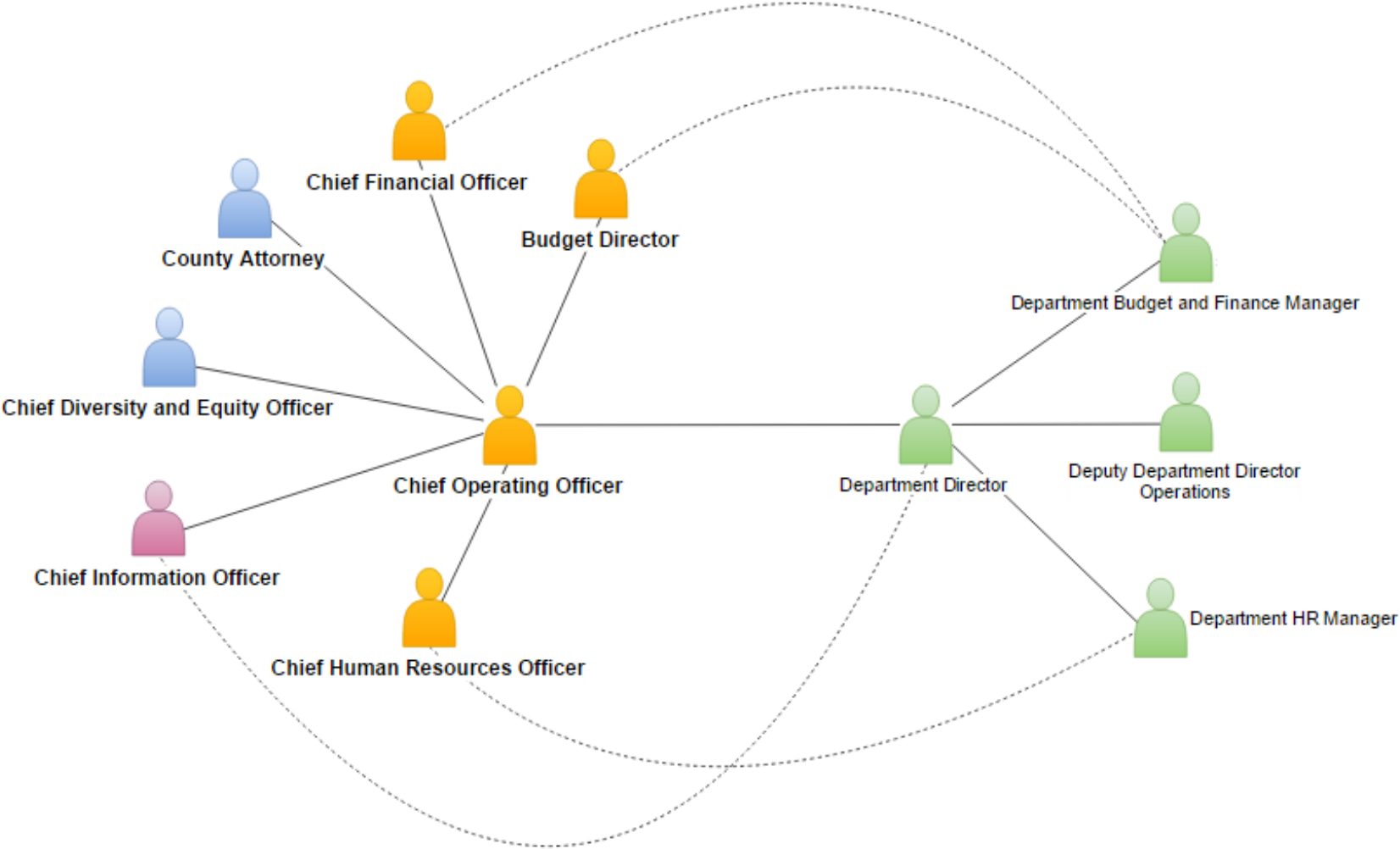
Tracked **26,476**
job applications
in NEOGOV
system



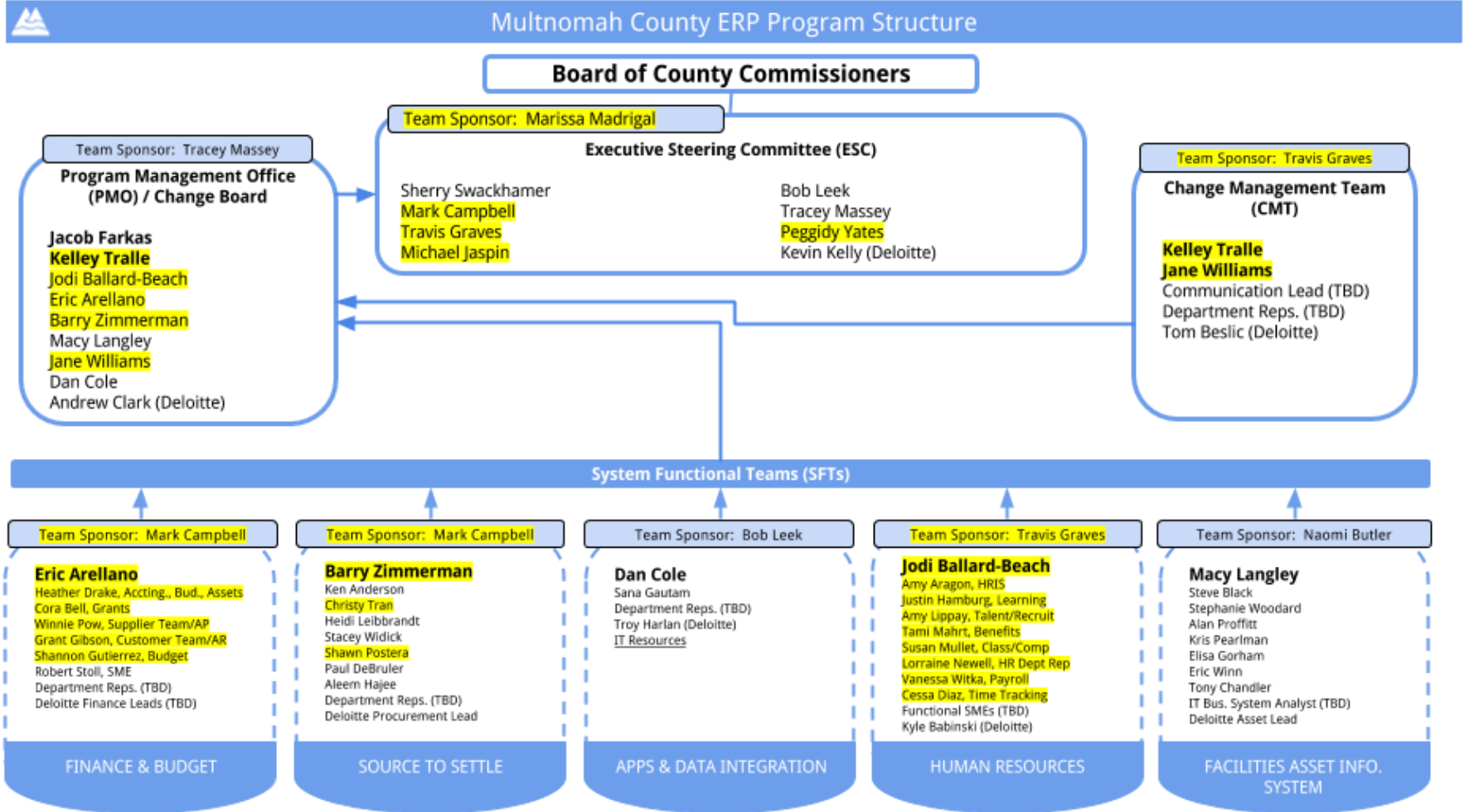
Organizational Chart



Countywide Corporate Management Role

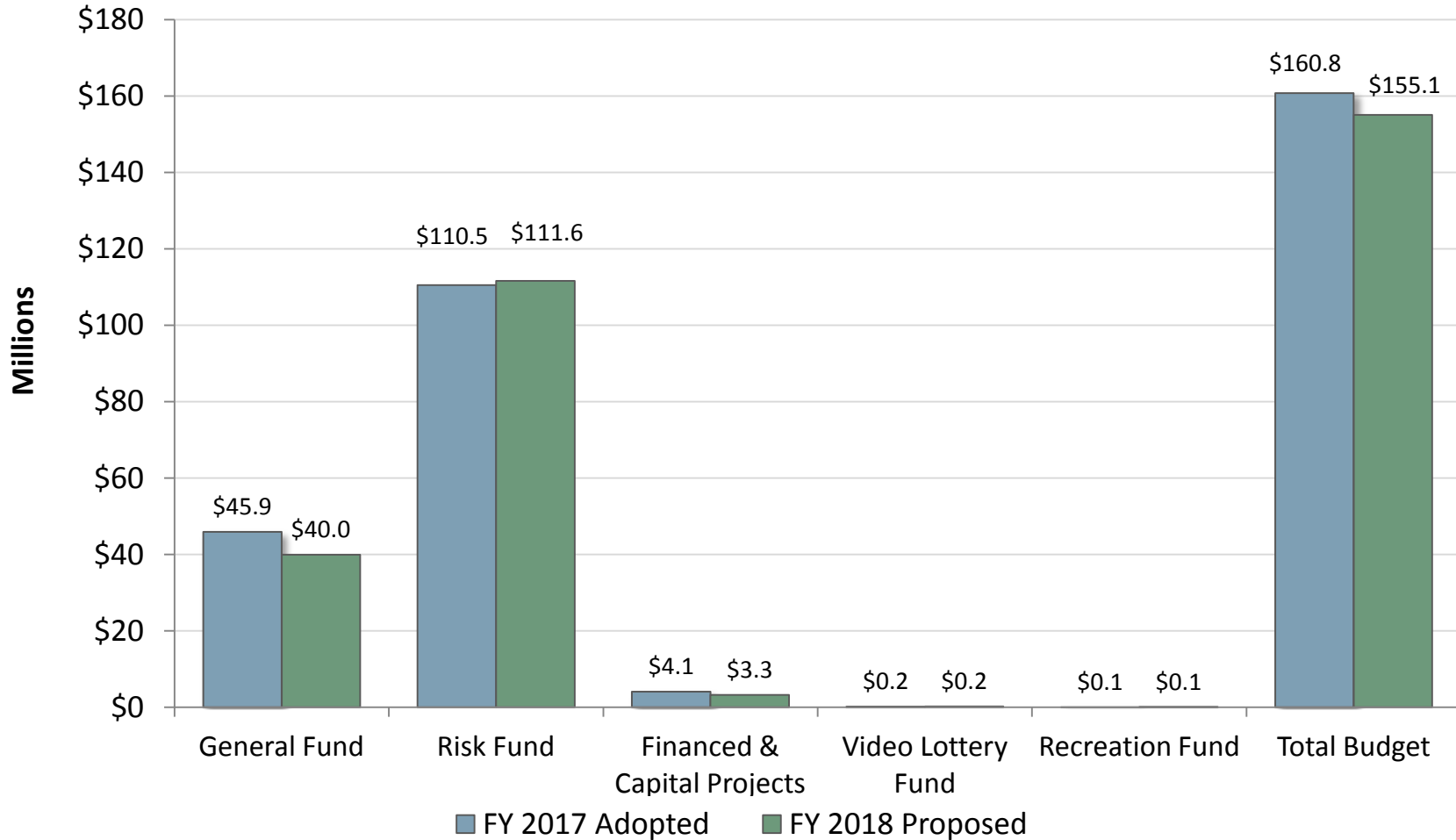


ERP Program Structure

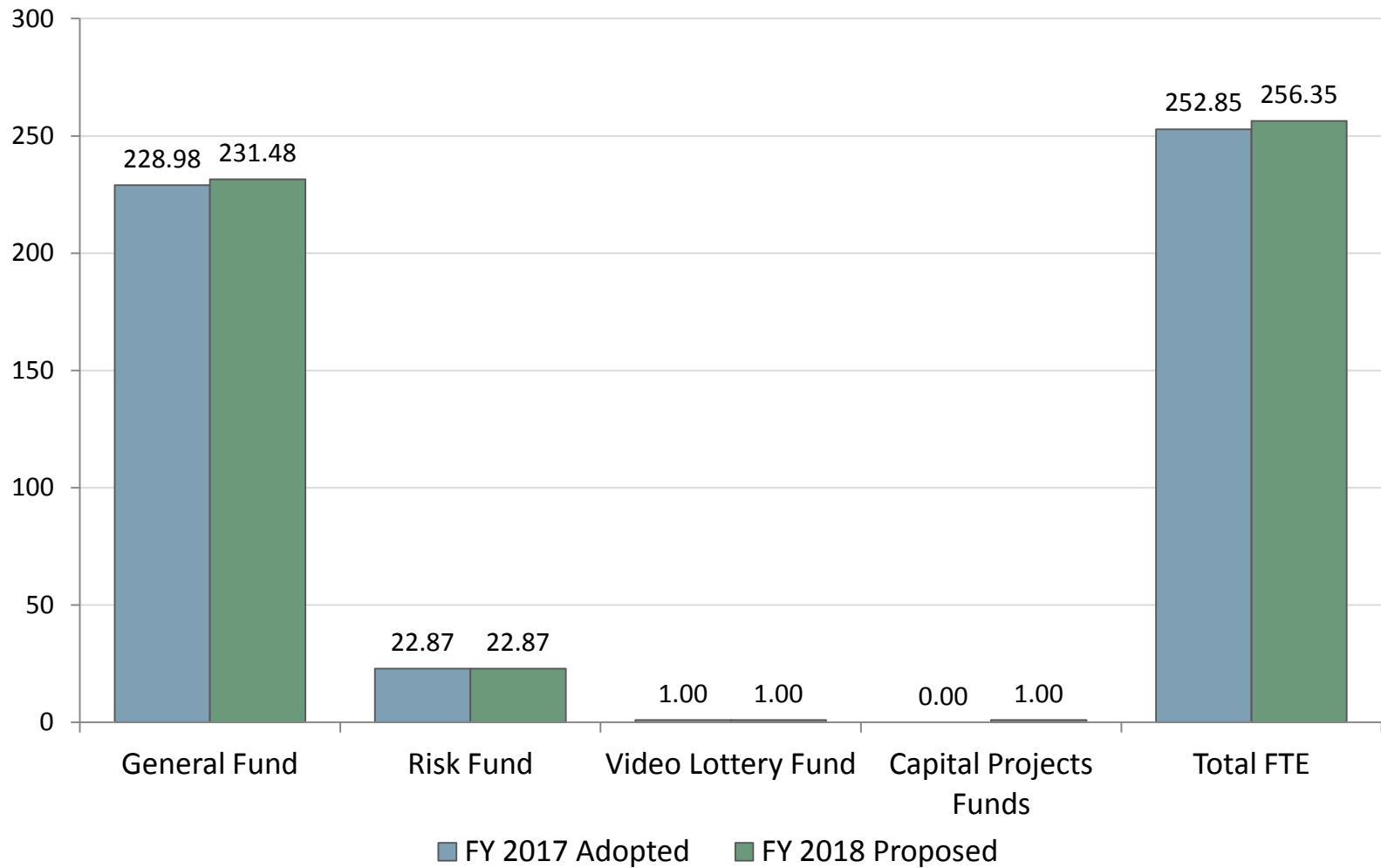


Budget by Fund - \$155,085,495

(Expenditures)



FTE by Fund

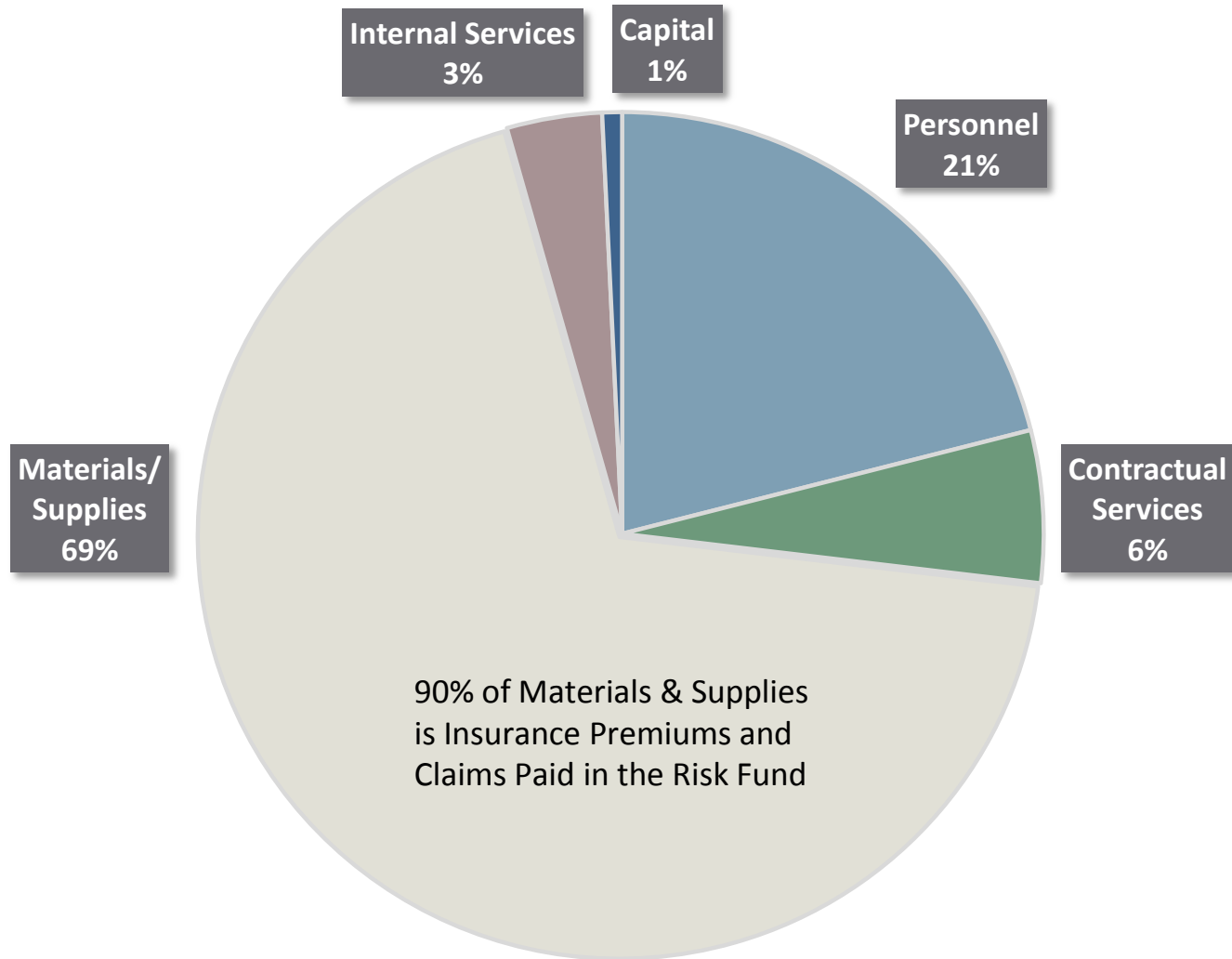


Budget by Funding Source - \$129,081,167

(Revenues)



Budget by Category - \$155,085,495





FY 2018 Proposed Budget by Division

COO/DCM Director

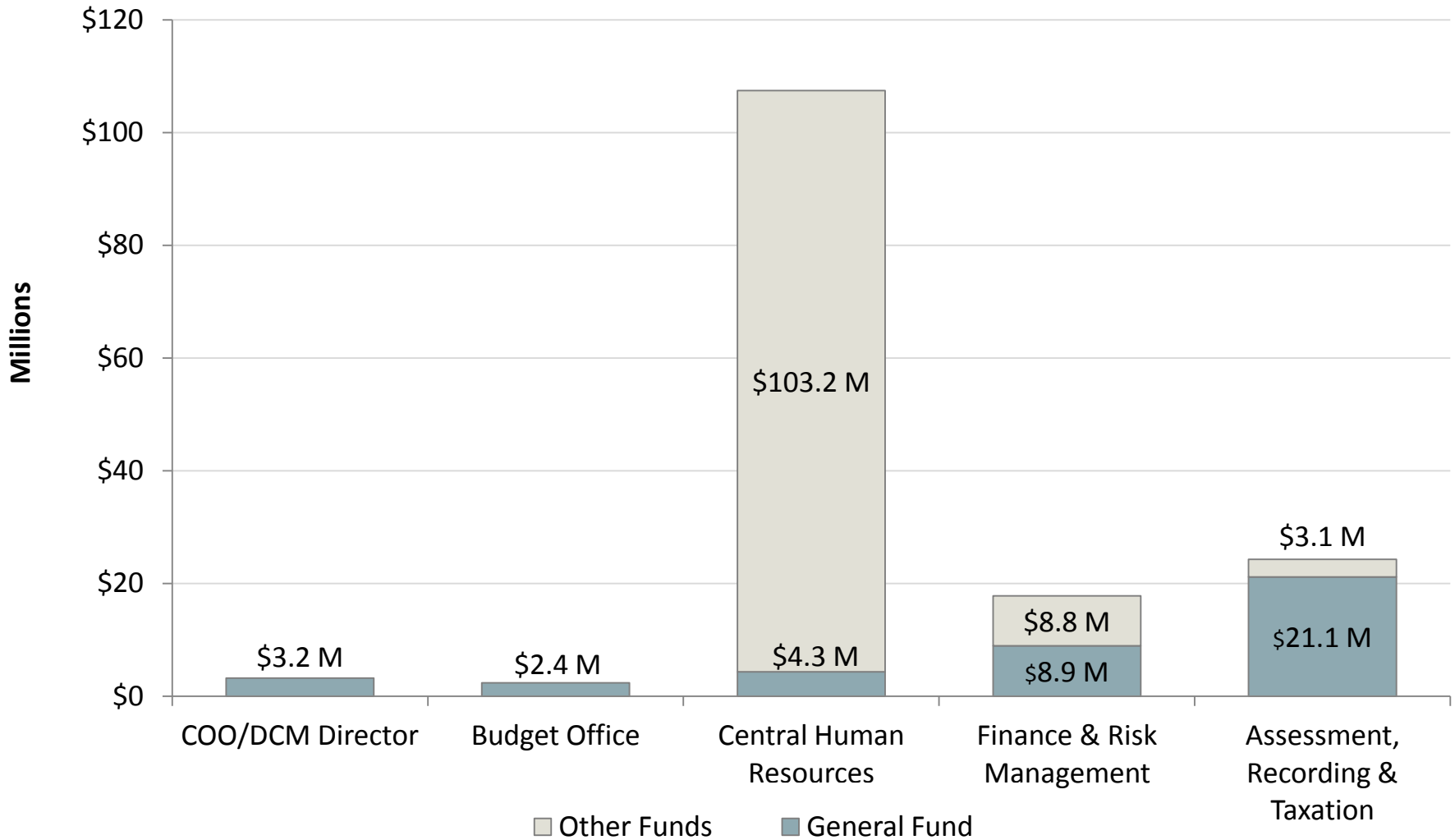
Budget Office

Central Human Resources

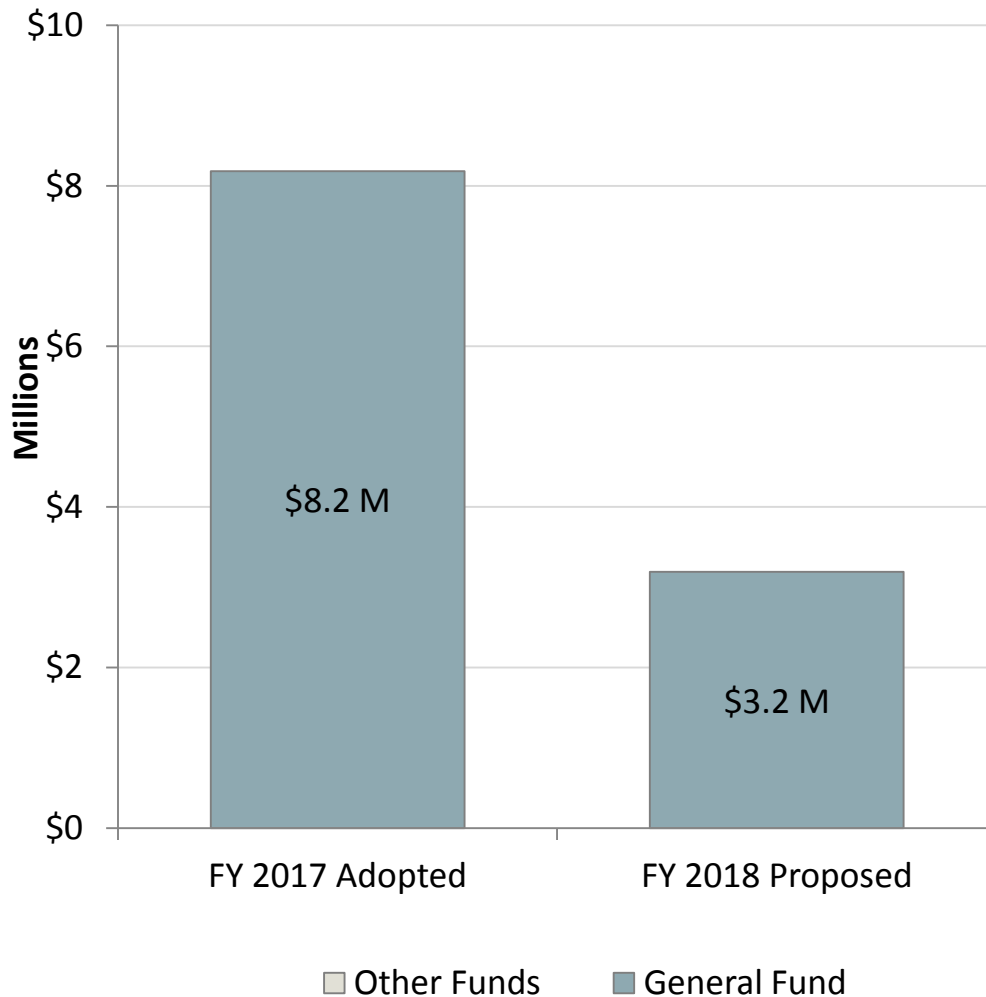
Finance & Risk Management

Assessment, Recording & Taxation

Budget by Division



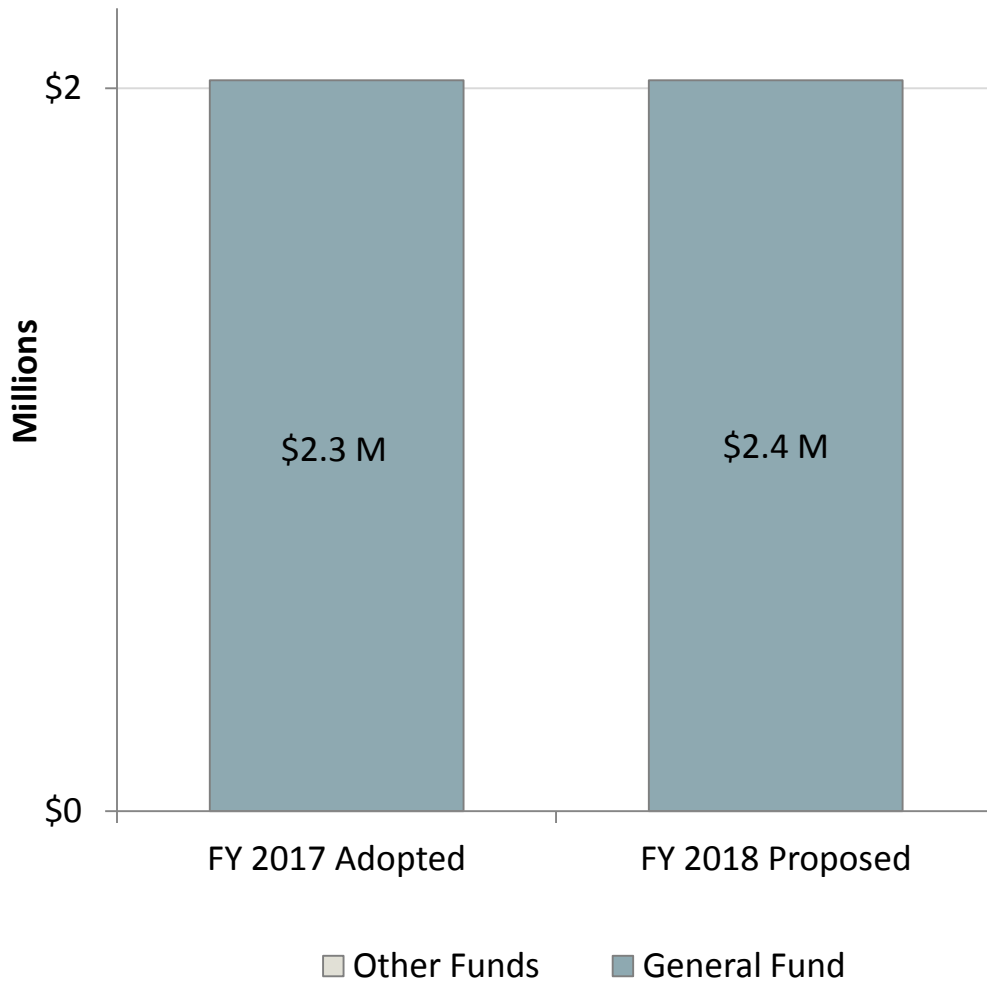
DCM Director's Office



- GF decreased by \$5 M
- A Home for Everyone Capital Investments 72041 decreased \$6.225 M
 - \$5 M transfer to City of Portland
 - \$1.225 M for shelter
 - \$1.175 M OTO Carryover in FY18
- DCM Business Services Program 72015 transferred from DART to DCM Director's Office, 8.50 FTE and \$1,094,942
- Converted 1 FTE to professional services to support the Capital Asset Strategic Planning program



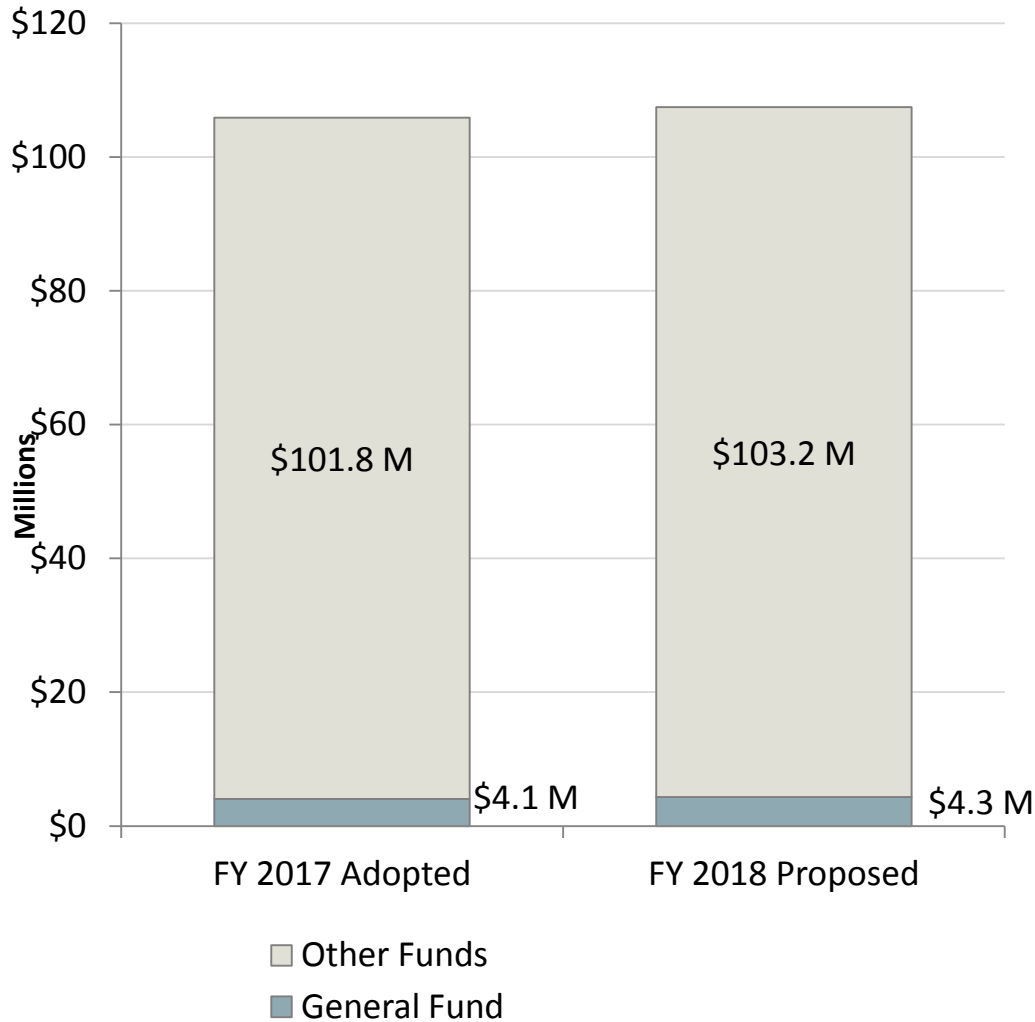
Budget Office



- No significant change
- Net increase of \$12.2 K
 - Reduction in position costs year over year utilized for department constraint and reallocations within general fund target



Central Human Resources

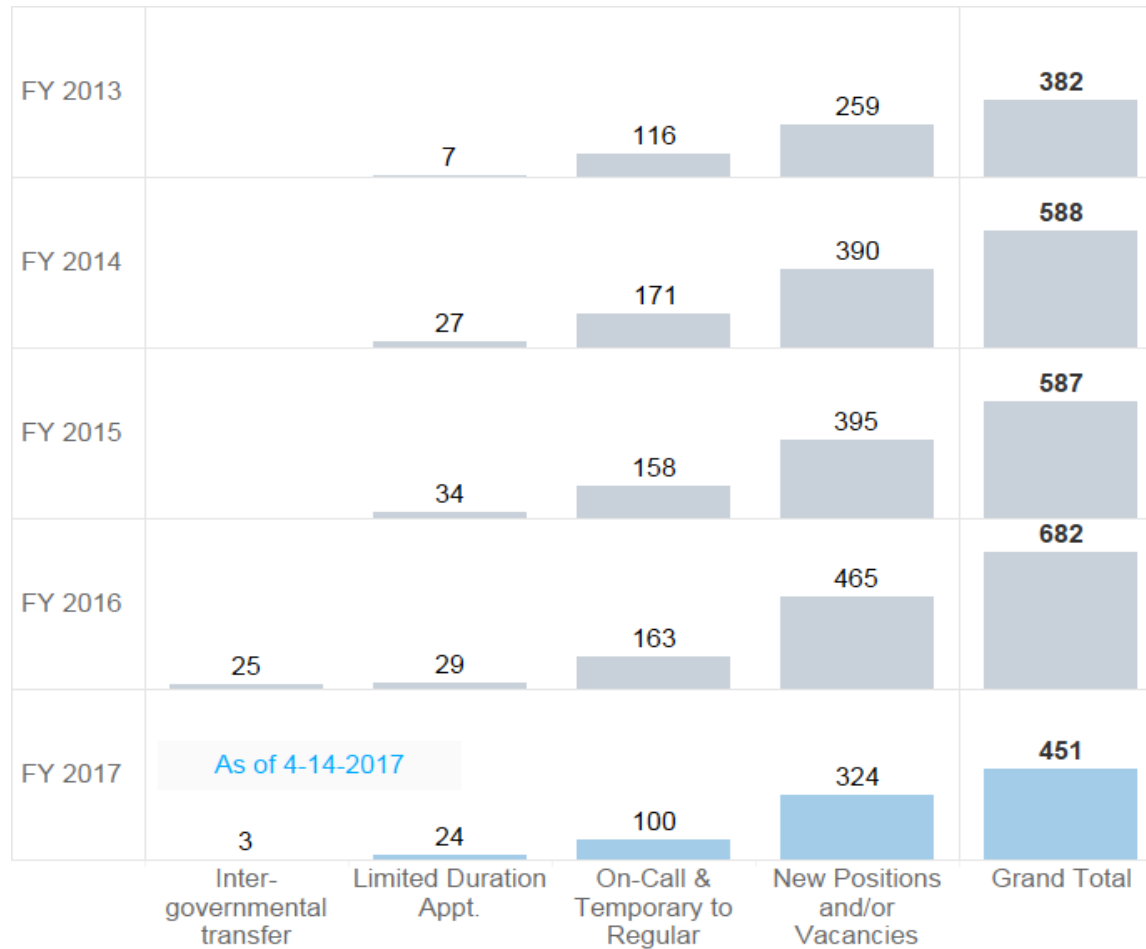


- Risk Fund increased by \$1.35 M
- GF increased by \$248K within department target

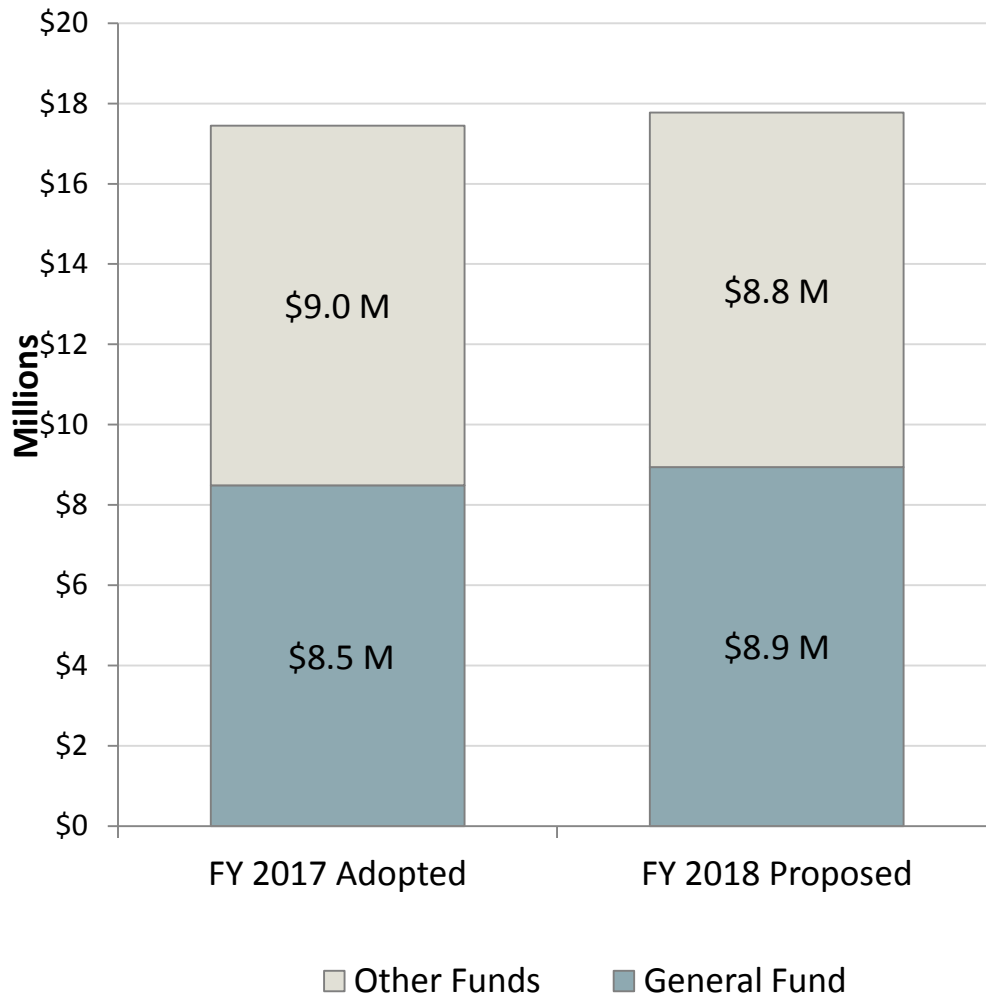


Central Human Resources: Service Trends

Hiring Trends, FY 2013- FY 2017 YTD (Regular Hires; excludes rehires, recall and temporary hiring)



Finance & Risk Management



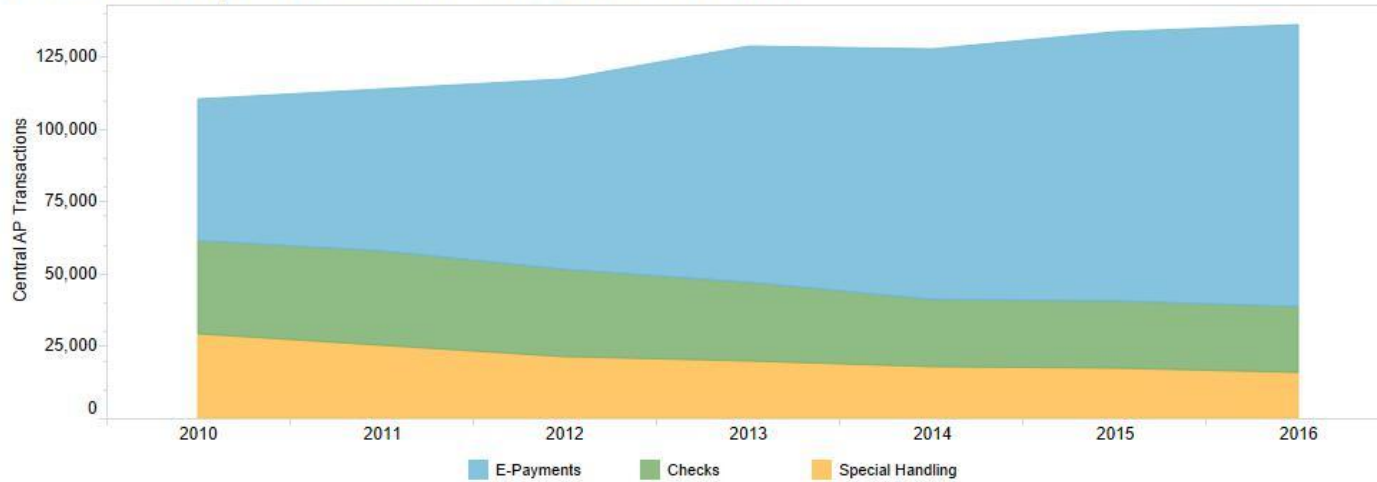
- Gen Fund increased by \$456 K within department general fund target
- Other Funds decreased by \$131K
- Accounts Payable 72002 increased expanded audit capacity in the P-card program
- Purchasing Program 72005 converted an existing position to manage change resulting from ERP project.
- Added new Purchasing Program Offer 72021, \$118 K to validate compliance with County's MWESB program by contractors and subcontractors on capital projects, paid for out of Project Funds



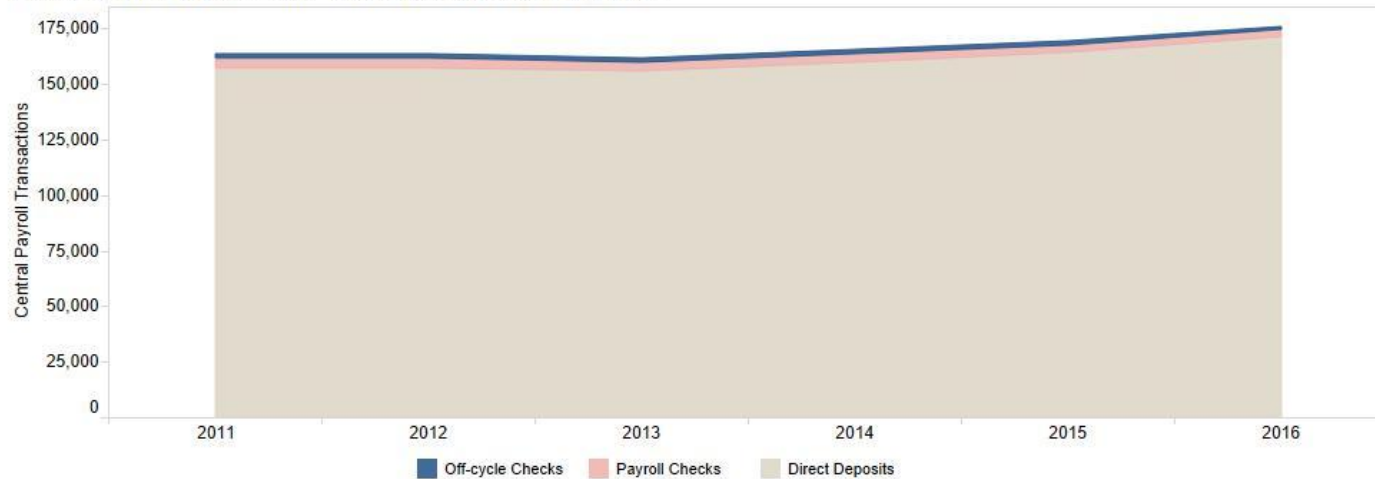
Finance & Risk Management: Service Trends

Finance & Risk Management: Transaction Volume

Central Accounts Payable Transactions - 25% increase in volume since 2010

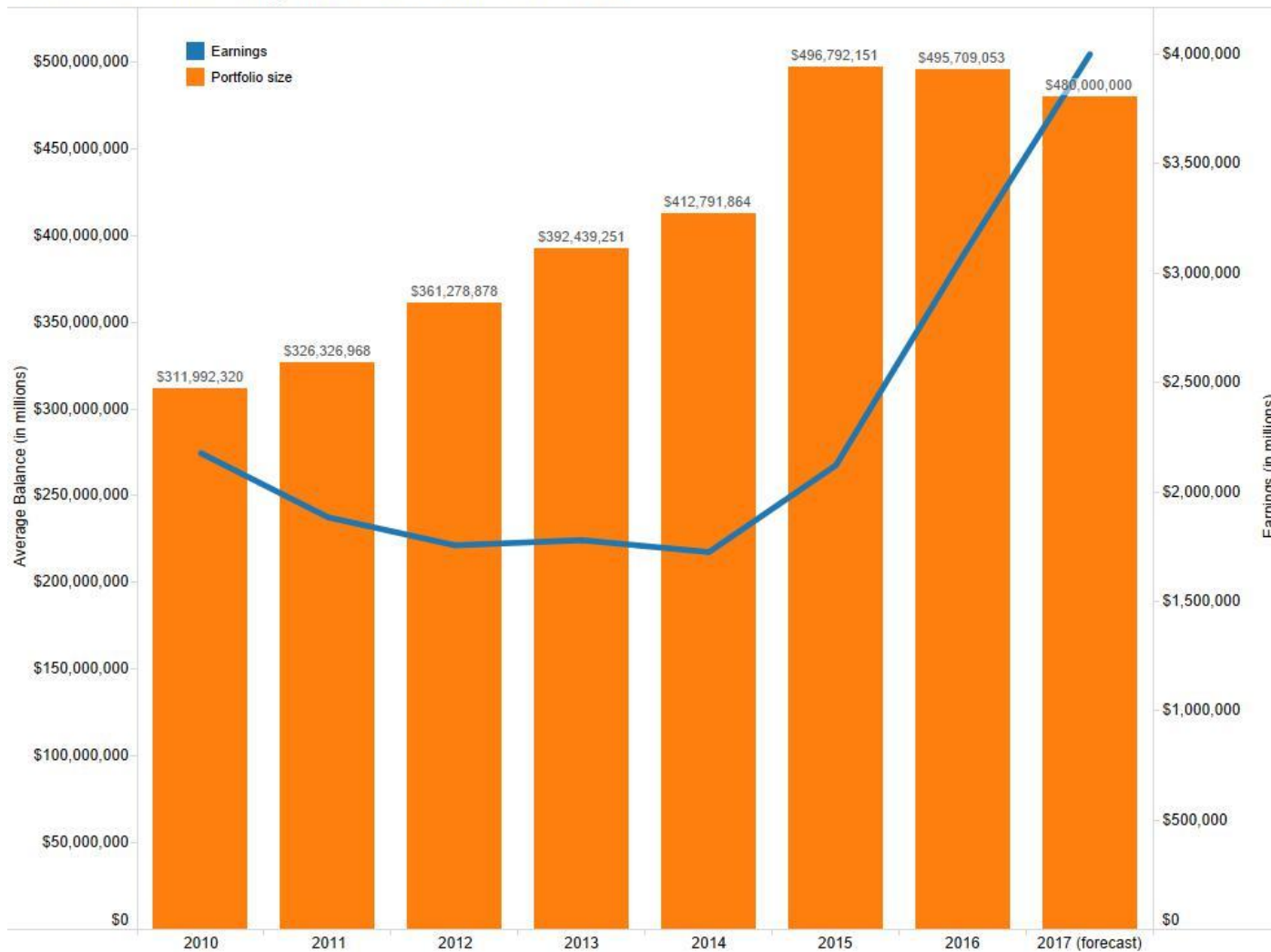


Central Payroll Transactions - 8% increase in volume since 2011

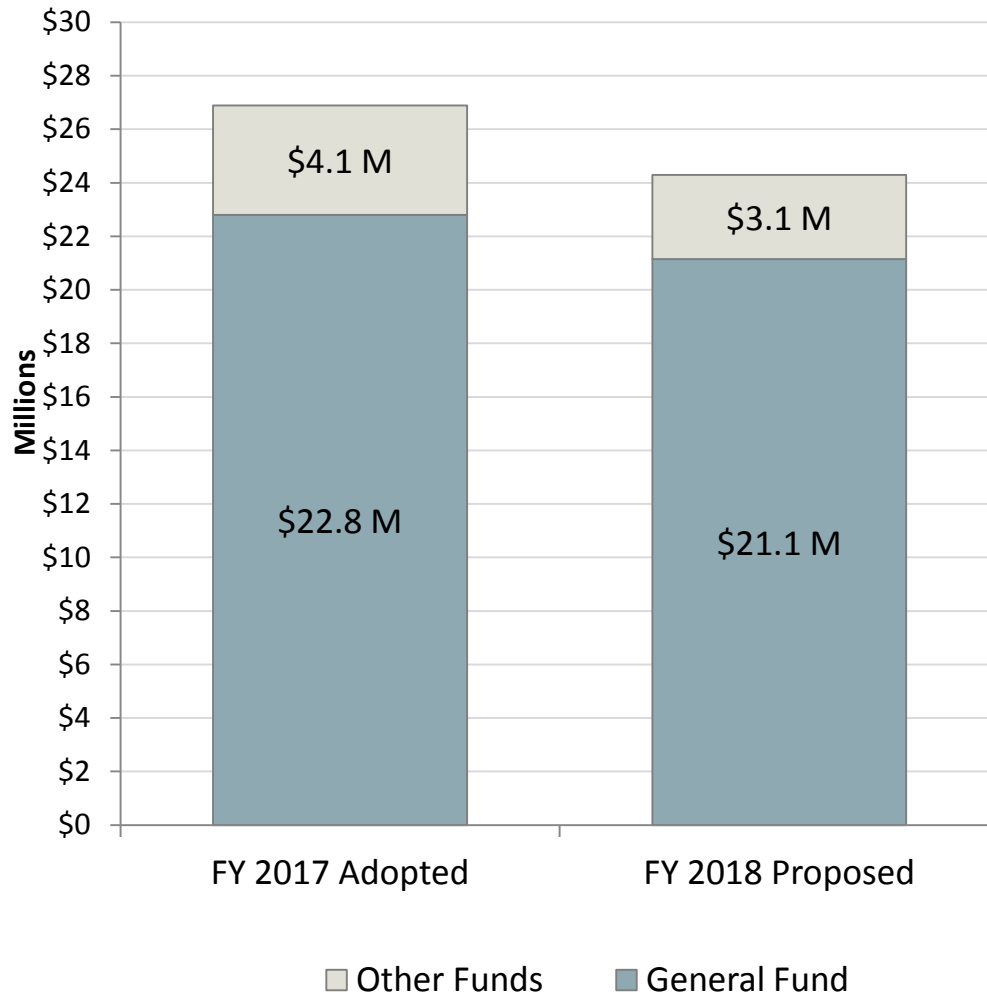


Finance & Risk Management: Service Trends

Finance & Risk Management: Investment Portfolio



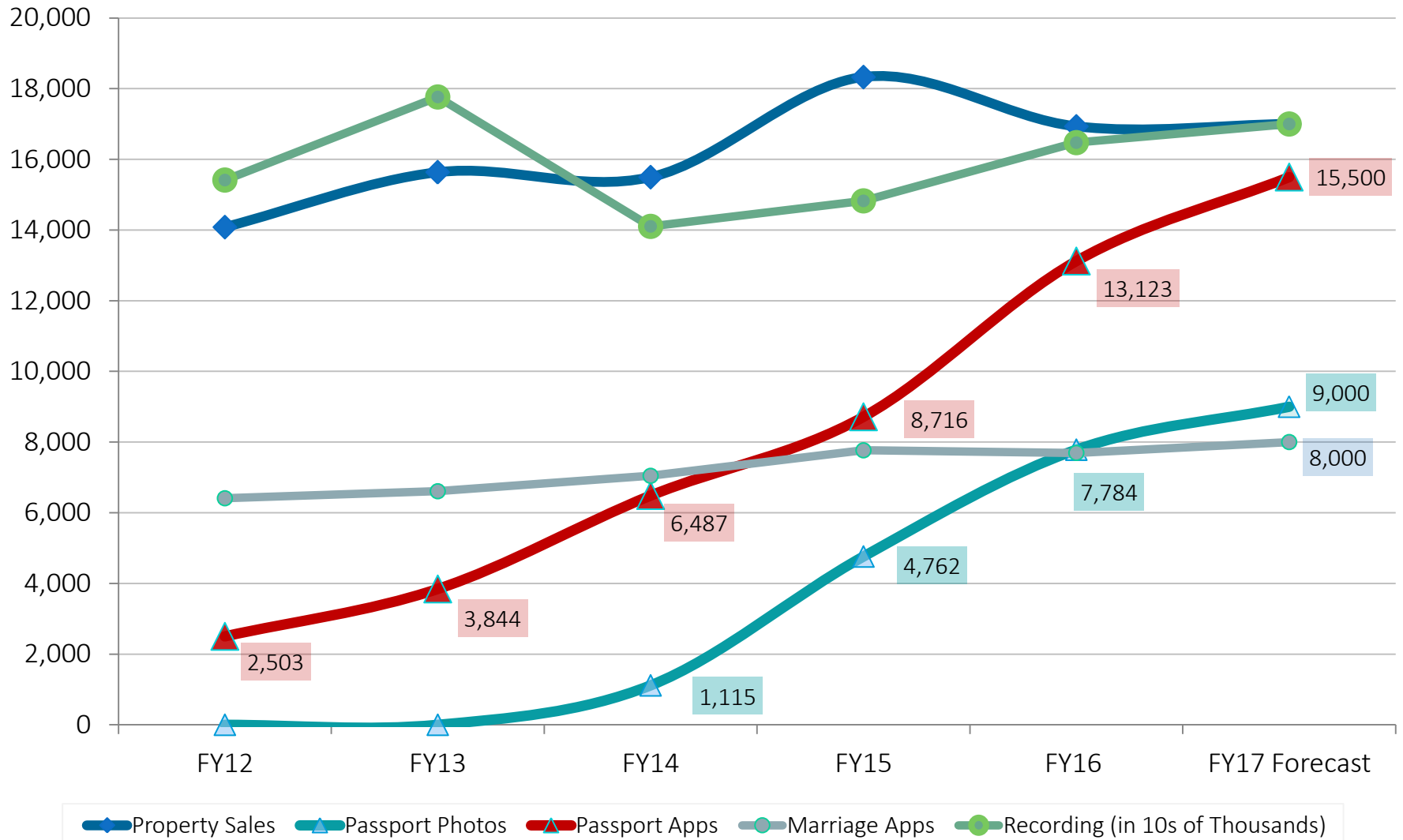
Assessment, Recording & Taxation (DART)



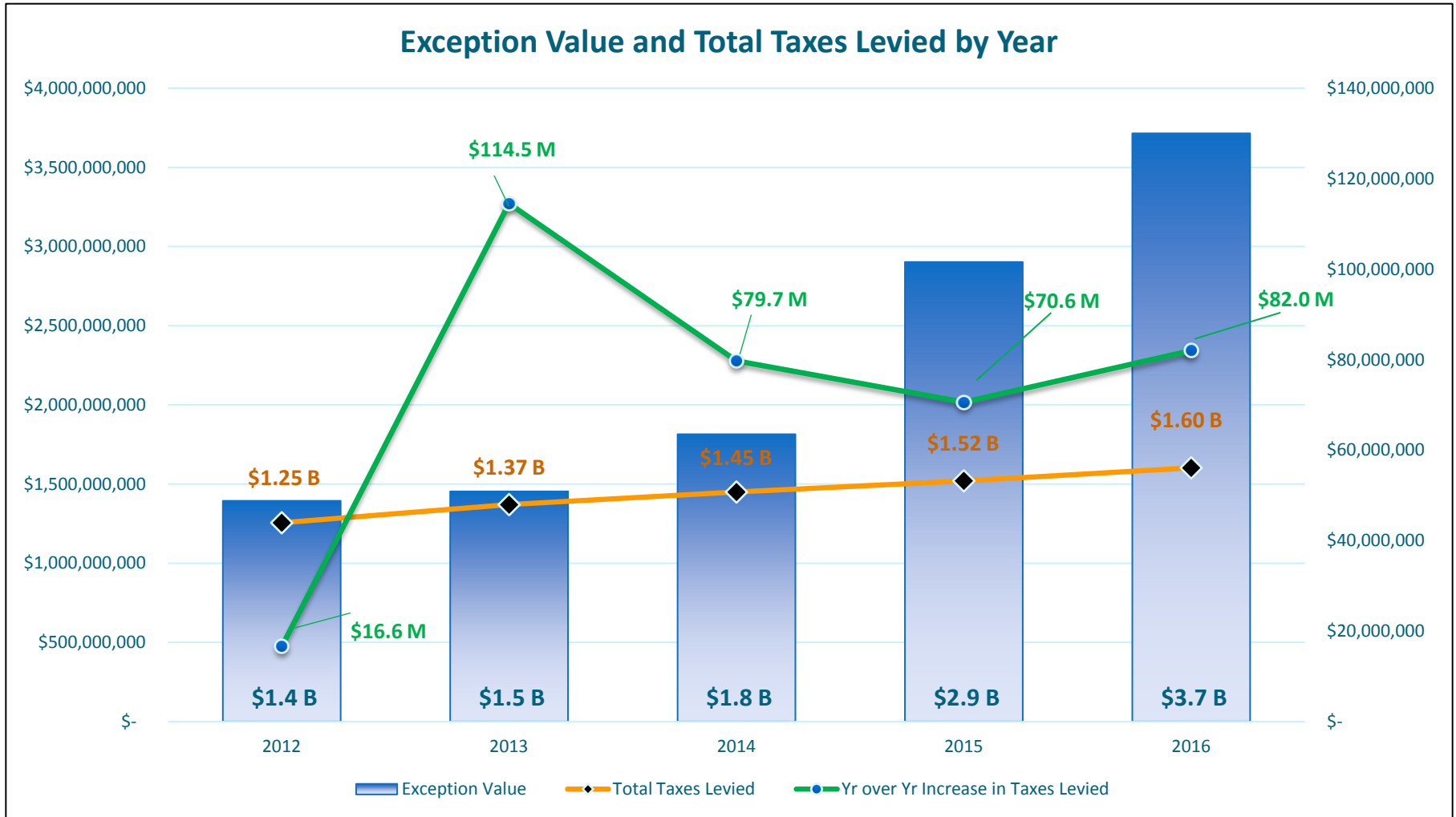
- Transferred DCM Business Services from DART to DCM Director's Office, Program 72015 \$1,094,942
- Added New DART Residential Development Program 72036, OTO funding \$635,648
- Converted Temp staffing to permanent staff positions within department general fund target



Assessment, Recording & Taxation: Service Trends



DART: Exception Value & Taxes Levied



A stylized graphic on the left side of the page. It features two dark green mountain peaks with rounded tops. Below the mountains is a dark green wavy band representing a forest or a valley. At the bottom is a dark blue wavy band representing water. The entire graphic is composed of solid colors and simple shapes.

FY 2018 Proposed Budget Summary & Impacts

General Fund Reductions

Prog. Name/# or Description	FY 2018 General Fund	General Fund FTE
Department-wide – Internal Services allocation from DCA less than General Fund allocation target - no service reduction	\$73,992	NA
Various DART Programs – Reduction to Position Costs, budgeted in FY18 at less than FY17 adopted inflated - no service reduction	\$205,692	NA
72001 / Budget Division -Reduction to Position costs, budgeted in FY18 at less than FY17 inflated - no service reduction	\$49,107	NA
72030 / DCM DART Special Programs – Moved Temp staffing from General Fund to A&T System Upgrade Project Fund 2504 where work is being performed – no service reduction	\$39,542	NA
72013 /Capital Asset Strategic Planning – cut 1.00 FTE	\$100,000	(1.00)
Department of County Management Total	\$468,333	(1.00)



General Fund Reallocations within target

Prog. Name/# or Description	FY 2018 General Fund	General Fund FTE
Budget Office (72001): personnel costs in FY18 less than budgeted in FY17	(\$41,782)	NA
DART Programs: Converted Temp Staffing to permanent positions (\$304,980, project work ended, various programs); Added temp staffing \$21,236 in Personal Property Appraisal (72031)	(\$283,744)	NA
DART various programs: personnel costs in FY18 less than budgeted in FY17	(\$118,898)	NA
DART GIS Cartography (72028) Increase Class Comp Study Implementation \$7,273	\$7,273	NA
DART : 2 new positions converted from temp, Industrial Appraisal (72032) A&T Tech 2 \$77,546, GIS Cartography (72028) Data Analyst \$93,986	\$171,532	2.00
DART Application Support (72037): Net increase in Software Support for A&T Software System upon conversion to new ORION software.	\$103,130	NA
FRM Purchasing (72005): converted existing position, M&S and Professional services to new Finance Supervisor position at mid range \$120,608 (\$120,608 in offsetting reductions)	0	0
FRM Accounts Payable (72002): Increased Finance Specialist 2 from .50 FTE to 1.00 FTE	\$43,646	.50
DCM Business Services (72015): New position, Finance Specialist Sr.	\$98,843	1.00
Capital Asset Strategic Planning (72013): Increase Professional Services for consulting services for unified capital asset strategic plan, and data forecasting	\$20,000	NA
Department of County Management Total \$586,268 reallocated within existing resources	Net Change \$0	3.50



New, OTO, Backfill & Restored Offers

Prog. Name & # or Description	FY 2018 General Fund	GF Backfill	FY 2018 Other Funds	Total	Restoration	OTO	NEW
County Clerk Carryover (72025B)	\$211,000	\$0	\$0	\$211,000		X	
DART Residential Development Program (72036)	\$635,648	\$0	\$0	\$635,648		X	X
A Home for Everyone Capital Investments Carryover (72041)	\$1,175,000	\$0	\$0	\$1,175,000		X	
FRM MWESB Contract Compliance (72021)	\$0	\$0	\$118,861	\$118,861			X
\$100,000 of Capital Asset Strategic Planning budget (72013) is funded on a OTO basis (total program budget \$404,539 w/OTO)	\$100,000	\$0	\$0	\$100,000		X	
Department of County Management Total	\$2,121,648	\$0	\$118,161	\$2,239,809			



Legislative Impacts & Future Policy Issues

- **State Impacts**

- PERS Reform
- State Budget Rebalance
- Property Tax system reform
- Courthouse match from State of Oregon

- **Federal Impacts**

- Countywide impacts of federal funding
- Uncertainty about the Affordable Care Act

- **Other Policy Issues**

- Capital Policy



DCM Successes in FY 2017

- Restructured county leadership governance groups and meetings
- The County's Investment Portfolio earnings increased dramatically as a result of enhanced portfolio strategy and rising interest rates
- The County has had no repeat audit findings for four years
- Upgraded to Aaa Bond Rating in all categories
- Purchasing successfully negotiated project labor agreements for capital projects
- Increased countywide property taxes levied by \$82 million



DCM Challenges for FY18

- Financing for major capital and IT projects including the MC Courthouse, Health Dept HQ and Enterprise Resource Planning (ERP)
- ERP System implementation
- DART Appraisal & Collection system implementation
- Implementation of new financial accounting standards GASB 75 and GASB 77
- Managing Countywide layoff process
- Negotiating five successor collective bargaining agreements
- Assisting the Board and county leaders in maintaining our financial resiliency in the face of the uncertainty created by the State budget gap and policy changes at the Federal level



Summary

**Assist County
leaders in
maintaining
financial resiliency**

**Successfully
implement new
ERP System**

**Assessment &
Taxation System
Upgrade go live**

**Secure financing
for capital
projects**

**Manage
countywide impacts
of state and federal
revenue cuts**

**Negotiate five
successor collective
bargaining
agreements**

**MWESB contract
compliance for
capital construction
projects**

**Restructured
County Leadership
Governance Groups**

**Analyze and
evaluate programs
affecting workforce
diversity and
inclusion**



Questions

