



Department of County Assets

To: County Business Partners
From: Bob Leek, Interim Director, Department of County Assets
Subject: FY 2020 County Assets Cost Allocations and Service Rates
Date: December 7, 2018

This letter provides a broad overview of the Department of County Assets (DCA) cost allocations and service rates to departments for FY 2020. Our focus is to provide the highest level of customer service with a Think Yes attitude. Our goal is to build rate models which achieve the proper balance between simplicity and equity. Our objective and our ultimate responsibility is to adequately maintain the County's assets in support of the County's mission, vision, and values.

DCA Business Priorities

DCA is aligning our Business priorities to support the County Department's priorities. In FY 2020, Information Technology will focus on mobilizing the ERP/Support Model and Release Management. In addition, the team will begin planning and preparing for the next set of capital projects. Facilities and Property Management will be focusing on the operationalizing of the new Health Headquarters building, refreshing and updating building condition assessments, overall strategic planning, improving functionality and use of our new facility asset management system, and improving physical security of our buildings through improved card access policies and procedures. Fleet Services will be focusing on developing a countywide Fleet strategic plan and working with specific departments on their fleet complement and costs. Distribution will be focusing on contract renewals, integration of the new countywide Enterprise Resource Planning tools (Workday, et.al.), and route updates for picking up and dropping off mail and packages. Motor pool will be focusing on the CarShare contract renewal, a downtown needs assessment, and integration of Workday. Record Management and Archives will begin work on countywide information governance program.

Constraint

Earlier this year DCA presented the impact / savings of a constraint to the Chair's Office, Executive Leadership, and to the Financial Managers Forum. The consensus from each of these groups and direction from the Chair was to apply a 2% constraint of DCA current service

levels. In addition to the constraint, the Budget Director instructed DCA to work with an initial current service level inflation of 5.09%. Taking everything into consideration and applying both the inflation factor and constraint, DCA constrained our budget through approximately \$1.3 million of cost reductions.

County Assets Information Technology Fund Division

The Information Technology (IT) Division provides all IT services to County programs, including business application development and support, enterprise tools and capabilities, network management, information security, desktop support, technology refresh, data center operations, and reporting services.

This program is estimated to cost \$49.9 million, excluding the Enterprise Resource Planning (ERP) debt payment of \$6.7. With these exclusions, the IT program will increase 1.1% over FY 2019 adopted budget. The increase is based on factors related to overall county growth, investments, and increases in personnel-related costs and are allocated to departments by rate drivers specific to the service being provided.

The Telecommunications program provides and manages voice and video communications. This program is estimated to cost \$3.2 million for FY 2020, a 3.2% increase from FY 2019 adopted budget, primarily due to inflationary increases. Program costs are allocated by phone number.

The Mobile Device Management program acquires, provisions, monitors, and pays for County-issued mobile devices. This program is estimated to cost \$1.2 million for FY 2020, a 1.6% increase from FY 2019.

County Assets Facilities Fund Division

The Facilities & Property Management (FPM) Division acquires, constructs, maintains, and manages the County's portfolio of building assets. This program is made up of multiple funds which receive internal service revenue, estimated to be \$63.9 million in FY 2020, an overall 4.7% increase from FY 2019. Operations charges are estimated to be \$22.7 million in FY 2020 which is a 5.3% increase over FY 2019. This increase is primarily due to increases in personnel-related costs, contractual costs, increases in enhanced services and new investments. Shredding costs moving to the Records Management Division.

County Assets Distribution Fund Divisions

The **Distribution Services Division** provides pickup and delivery of mail and select supplies. This program is estimated to cost \$1.6 million for FY 2020, a 1.15% net decrease from FY 2019 adopted budget. The net decrease is driven by the reduction of mail stops and beginning working capital subsidy.

The **Records Management Division** maintains, archives, and recycles public records; and provides records management training and consultation. This program is estimated to cost \$1.8 million in FY 2020, which includes \$257K in shredding services. Records Management Division a 35.2% increase from FY 2019. The net increase is driven by the personnel, internal service costs and shredding contract moving from FPM to Records Management program.

County Assets Fleet Fund Divisions

The **Fleet Services Division** acquires, maintains, and manages the County's Fleet vehicles. This program is estimated to cost \$7.4 million in FY 2020. The total overall change to the County is 10.5% increase over FY 2019. Replacement costs are recovered on a per-vehicle basis, based on the lifecycle of the vehicle. Rates remain the same for FY 2020.

The **Motor Pool Division** provides County-owned shared vehicles for single-trip or short-term use in two County locations and a CarShare program through Enterprise for the Downtown location. This program is expected to cost \$.97 million in FY 2020. The total overall change to the County is 8.26% increase over FY 2019. Primary increase in fixed costs are driven by increase in internal service.

Questions and Contacts

For any questions on your internal services for FY 2020, contact the resources listed below for each area, or send an email to dca.budget@multco.us for any DCA Budget questions.

Department of County Assets



For department-specific Information Technology questions, contact your department's Applications Services Manager.

For department-specific Facilities questions, please contact your department's Property Manager.

For department-specific Fleet Services questions, please contact Garret Vanderzanden at x83424.

For department-specific Distribution Services or Motor Pool questions, please contact Andrez Posada at x83533.

For department-specific Records Management questions, please contact Lauren Kelly at x83741.

Thank you to the Department of County Assets Management Team and the Administrative Hub Budget Team—Chris Brower, Johnny Fang, Joel Juve, Jayde Theobald, Jen Unruh, Becky Zou and Lisa Whedon for their hard work on this year's rates and cost allocation plans.