

# Chief Administrative Office – Central Services

RECOMMENDED BUDGET • FY 2020-21

## MISSION

In addition to the responsibility for overall County administration, the Chief Administrative Office oversees the Procurement and Contracts, Facilities, and two centralized fiscal units, the Central Fiscal unit, and the Community Development Finance unit, as part of the Central Services Division. The mission of the Chief Administrative Office – Central Services Division is to provide a centralized and consistent service model resulting in the highest level of customer service to internal and external customers.

## DIVISION BUDGET SUMMARY

### CENTRAL SERVICES

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
License, Pmt, Fran	143,831	154,000	0	(154,000)
Rev Use Money/Prop	3,285	5,000	7,500	2,500
IG Rev - State	77,074	64,094	76,696	12,602
Service Charges	2,508,731	2,480,513	2,762,376	281,863
Miscellaneous Rev	8,553	2,420	0	(2,420)
Other Fin Sources	1,012,182	585,428	438,517	(146,911)
<b>Total Revenue</b>	<b>3,753,655</b>	<b>3,291,455</b>	<b>3,285,089</b>	<b>(6,366)</b>
Salaries & Benefits	8,662,051	9,093,272	9,046,070	(47,202)
Services & Supplies	3,302,407	3,530,993	3,896,093	365,100
Serv/Supply Abate	(309,983)	(427,960)	(427,875)	85
Other Charges	20,467	12,000	14,000	2,000
Fixed Assets	17,053	0	10,000	10,000
Other Fin Uses	0	0	40,000	40,000
Intrafund Transfers	725,300	885,504	1,033,150	147,646
Intrafund Abatement	(1,780,247)	(2,790,412)	(2,539,741)	250,671
<b>Total Appropriations</b>	<b>10,637,048</b>	<b>10,303,397</b>	<b>11,071,697</b>	<b>768,300</b>
<b>FUND 1000 GENERAL FUND TOTAL</b>	<b>6,883,392</b>	<b>7,011,942</b>	<b>7,786,608</b>	<b>774,666</b>

## MAJOR BUDGET CHANGES

### Revenue

#### *License and Permit*

(\$154,000) Decrease in License & Permits revenue from Community Development Finance due to directly budgeting Technology Fee revenue in Planning and Building.

#### *Service Charges*

\$91,770 Increase in Central Fiscal interfund service charges primarily due to updated fiscal support charges to reflect time study and actual service levels across all programs receiving Central Fiscal support.

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\$320,867 Increase in Community Development Finance interfund service charges primarily due to a change in methodology whereby charges to departments are to be based on time study hours rather than allocated based on salary dollars. This is offset by a decrease in intrafund abatements.

### *Other Financing Sources*

(\$146,911) Decrease in Facilities operating transfers in from the Accumulative Capital Outlay Fund. The capitalization threshold for facilities projects has increased from \$10,000 to \$25,000. Many projects that were capitalized and completed in the ACO fund are now completed in Facilities causing a reduction in operating transfers in from the ACO fund for facilities projects.

### Appropriations

#### *Salaries & Benefits*

\$82,863 Increase in salaries and benefits in Central Fiscal to reflect the addition of staff during Fiscal Year 2019-20.

\$141,501 Increase in salaries and benefits in Facilities to reflect the addition of a Building Maintenance Worker for the new Public Safety Facility and due to step and salary schedule increases.

(\$156,939) Decrease in salaries and benefits in Community Development Finance due to the reassignment of one employee to another unit within the department, as well as reductions to retirement costs, offset by an increase in health insurance costs.

(\$76,086) Decrease in Workers' Compensation premium charge to bring the program funding level to an acceptable confidence level, as provided by the Risk Management Division.

#### *Services & Supplies*

\$201,548 Increase to Grounds Maintenance and Janitorial Services in Facilities to accommodate services at remote county locations including the Public Safety Facility.

\$395,350 Increase to Building Maintenance Supplies due the increased capitalization threshold resulting in an increase in projects completed outside of the ACO fund.

#### *Intrafund Transfers*

\$144,223 Increased A-87 Cost Plan Intrafund transfers out of the Community Development Finance unit.

\$220,493 Increase in Central Fiscal General Fund service charges due to the addition of ambulance billing to Central Fiscal support and updated fiscal support charges to reflect time study and actuals across all programs with Central Fiscal support.

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## *Intrafund Abatement*

(\$497,583) Decreased Intrafund transfer from Community Development Finance due to the change in budget methodology whereby charges to departments are to be based on time study actuals rather than allocated based on salary dollars. This is offset by an increase in interfund service charges.

## PROGRAM SUMMARIES

### *Central Fiscal and Administration*

The Central Fiscal and Administration unit was established in FY 2011-12 within the Chief Administrative Office. This unit provides services to all divisions of the Chief Administrative Office, and to the Departments of Human Resources / Risk Management and Information Technologies, and the offices of the Surveyor, District Attorney, Public Defender, and the Board of Supervisors as well as Court MOE. These services include processing accounts payable/receivable, payroll, journal entries, budgeting, financial reporting and general administration.

In October 2018, a second finance unit that serves the departments of Transportation, Environmental Management, Building and Planning was moved into this unit.

The Administration and Finance unit provides centralized administration and fiscal services to the Environmental Management Department, the Planning & Building Department, and the Department of Transportation. These services include processing accounts payable/receivable, payroll, journal entries, budgeting, billing and financial reporting. This unit also, coordinates funding for the Department of Transportation's capital projects, and works on special projects.

Revenue is from overhead allocations charged via interfund transfers to the Department of Transportation, Environmental Management Department's CSA #3 and CSA #10, Special Districts, Fleet Management, and Airports. Additionally, the division transfers administrative costs through intrafund abatements to the Planning & Building Department, the Environmental Management Department, and Cemetery Operations.

The Recommended Budget reflects the centralization of these two units into the Chief Administrative Office under the leadership of a Deputy Chief Administrative Officer.

### *Procurement and Contracts/Central Stores/Mail-Courier*

Procurement and Contracts provides purchasing and contract processing services county-wide. The Division is also responsible for administering the County's surplus property program. Central Stores provides mail and courier service to County departments and operates the County's warehouse and surplus property programs.

In October, 2018, the Division merged with the Community Development Services Contracts & Procurement Unit which serves the departments of Transportation, Environmental Management and Building and Planning. This unit prepares contracts for the Departments, tracks insurance and Disadvantaged Business Enterprise (DBE) requirements, performs purchasing functions, and prepares and issues Requests for Qualifications (RFQs) and Requests for Proposals (RFPs). The Recommended Budget reflects the centralization of these two units into the Chief Administrative Office.

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### *Facilities*

The Facilities Division manages the County Accumulative Capital Outlay program and provides administrative oversight for buildings and grounds maintenance and custodial services.

### BUDGET SUMMARY BY PROGRAM

	Appropriations	Revenues	Net County Cost	Staffing
Central Fiscal	\$ 314,933	\$ 329,933	\$ (15,000)	35
Procurement & Contracts	\$ 1,510,746	\$ 28,008	\$ 1,482,738	15
Purchasing	\$ 1,478,452	\$ -	\$ 1,478,452	
Stores	\$ 7,217	\$ 8,322	\$ (1,105)	
Mail Service	\$ 25,077	\$ 19,686	\$ 5,391	
Facilities	\$ 6,984,083	\$ 663,013	\$ 6,321,070	41.35
Community Development Finance	\$ 2,261,935	\$ 2,264,135	\$ (2,200)	
<b>Total</b>	<b>\$ 11,071,697</b>	<b>\$ 3,285,089</b>	<b>\$ 7,786,608</b>	<b>\$ 91.35</b>

### STAFFING TREND

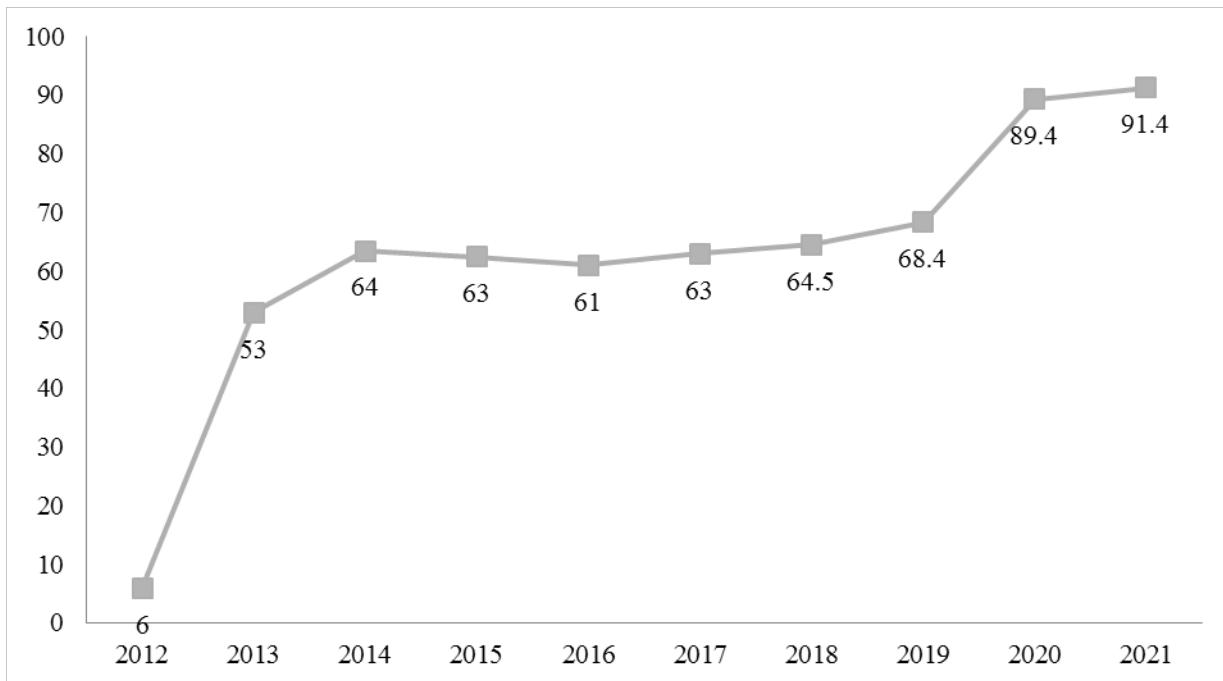
Changes in staffing for the Chief Administrative Office reflect the addition of central service functions and other organizational changes throughout the past ten years. In FY 2011-12 a centralized fiscal and administrative group was formed within the Chief Administrative Office, adding seven FTEs. Three FTEs were added for facilities functions, which were offset with reductions in administrative and fiscal staff in other departments. In FY 2012-13, 31 positions were transferred from the Department of Transportation to the Chief Administrative Office for county-wide facilities, grounds, and custodial functions. In FY 2015-16, three FTEs were deleted in the government affairs and facilities functions. FY 2016-17 included the addition of one Building Maintenance Worker II for the deferred maintenance program, and the transfer of one Department Analyst I in the Central Fiscal/Administration Division to provide services to the District Attorney's Office.

Before FY 2016-17, the positions in Community Development Services Administration and Finance Division were counted in the Development Services Division. Beginning in FY 2017-18, the positions were counted in the Administrative and Finance Division of the Community Development Agency, which became the Community Development Services Administration and Finance Division. In FY 2018-19, the Administration and Finance Division increased by 2.0 FTEs. The 89.35 FTEs in the Fiscal Year 2019-20 Recommended Budget reflected the addition of staff to the Central Fiscal division as more programs were added to Central Fiscal Support and the deletion of positions with the move of Cemeteries out of Central Fiscal.

The 91.35 FTEs included in the Recommended Budget for Central Services reflects the addition of an Administrative Analyst during FY 2019-20 with the addition of ambulance billing fiscal support to the division. The personnel allocation incorporates changes made during FY 2019-20: an Accountant I/II position was underfilled with a Fiscal Services Supervisor allocation and in Procurement and Contracts a Senior Administrative Analyst allocation was underfilled with an Administrative Analyst position. The Recommended Budget also includes an additional 1.0 FTE Building Maintenance Worker position to primarily provide assistance to the new Public Safety Facility.

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## RECOMMENDED BUDGET

The Central Services Division budget reflects an overall budget of \$11,071,697, which is an increase of \$768,300 (7.4%) when compared with the FY 2019-20 Adopted Budget. The General Fund provides \$7,786,608 for this Division, and is increased by \$774,666 (11%) when compared to the FY 2019-20 Budget.

### *Central Fiscal*

The total budget for the Central Fiscal unit serving the CAO, HR, Risk, IT, Surveyor, District Attorney, Public Defender, BOS, Courts and EMS is \$314,933, a decrease of \$153,211 (32%) compared to FY 2019-20, resulting in a total General Fund cost of -\$15,000. The negative net county cost is due the division reducing services & supplies expenses pursuant to Chief Administrative Office direction after the charges to departments had already been incorporated into all budgets. The overall decrease is largely the result of interfund charges and intrafund abatement charges to other departments served by this unit.

### *Community Development Finance*

The total budget for the Fiscal unit serving the Departments of Transportation, Environmental Management, and Building & Planning is recommended at \$2,261,935, a \$120,962 (5.65%) increase when compared with the FY 2019-20 budget. There is no direct General Fund contribution for this unit, as all costs for administration and finance are allocated to the departments served. The negative net county cost is budget at -\$2,200, a \$45,205 decrease from the prior year, due to reducing services & supplies expenses pursuant to Chief Administrative Office direction after the charges to departments had already been incorporated into all budgets.

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### *Procurement and Contracts*

The budget for the Procurement and Contracts Unit totals \$1,510,746; a decrease of \$77,543 (4.9%) compared to the FY 2019-20 Adopted Budget. The decrease can be attributed to reduced salary and benefits costs for the Procurement and Contracts groups and by an increase in the chargeable mail-courier program overhead rate for FY 2020-21.

### *Facilities*

The Facilities Division budget totals \$6,984,083, a total increase of \$878,092 (14%). The capitalization threshold has moved from \$10,000 to \$25,000. On June 25, 2019 with Board item 19-0877, the Board received a memo from the Auditor-Controller notifying the county of the increased capitalization threshold which is set by the Auditor-Controller. The Fiscal Year 2020-21 Recommended Budget is the first budget year that incorporates the increased threshold. Therefore, many of the smaller maintenance projects that used to be eligible for ACO funds, are now categorized as maintenance projects that are funded by the departments and transferred into the general fund Facilities Division.

The increase in the Recommended Budget can also be attributed to the addition of the Public Safety Facility into the division duties during FY 2019-20. The Recommended Budget includes the addition of a Building Maintenance Worker allocation, a truck for the new allocation, and the necessary supplies in order to maintain the new facility.

Revenues in this unit have decreased by \$81,919 overall mainly due to the change in the capitalization threshold. Operating Transfers In have decreased by \$146,911, as this is where projects from the ACO fund would be transferred into the division. The decrease in Operating Transfers is partially offset by an increase in Interfund transfers of \$49,890.

### CAO Adjustments

The Division requested additional appropriations that were deferred in the Recommended Budget, and will be considered in the fall with the Adopted Budget.

### Sources & Uses of Funds

Revenue for this division is sources from several special revenue funds, state and federal grant funding, user fees, loans, and from overhead allocations charged via interfund transfers to all offices and departments served. Central Fiscal funds are transferred from all divisions of the Chief Administrative Office, and from the Departments of Human Resources / Risk Management and Information Technologies, and the offices of the Surveyor, District Attorney, Public Defender, Board of Supervisors, Court MOE, Transportation, Environmental Management, Building & Planning, Special Districts, Fleet Management, and Airports. All of these costs are funded from State, Federal, Realignment, fees, and General Fund (with a large majority of the cost funds coming from non-General Fund sources).

Procurement and Contracts, which includes the mail and stores programs, received funding from the General Fund, although costs will be included in the Countywide Cost Allocation (A-87 Cost Plan) in future years. Facilities funding is provided through a combination of charges to departments served and the Accumulative Capital Outlay fund.