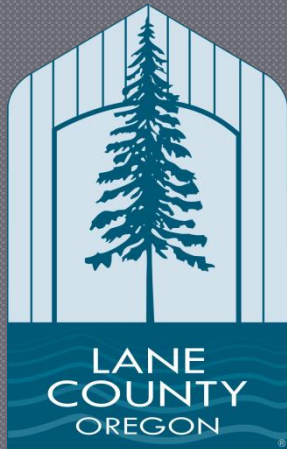


Lane County Internal Services



Presenter:
Steve Mokrohisky
County Administrator

Focused Budget Plan

- Create long-term financial stability through a structurally balanced budget
- Repair critical services to make our community safer, healthier, and more vibrant



A Responsible, Structurally Balanced Budget

- ◉ Strong financial policies
- ◉ New partnerships and collaborations
- ◉ Internal expense savings
- ◉ Maintaining critical services

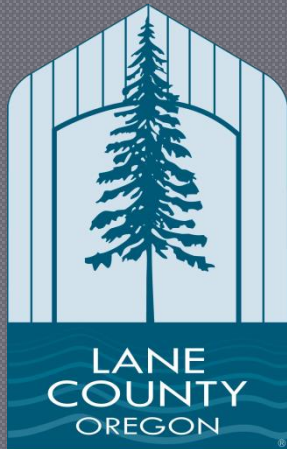


Internal Services Overview

- County Counsel
- Human Resources
- General Expense
- Technology Services
- Fleet & General Services
- County Administration
 - Administration
 - Operations



County Counsel



Presenter:
Steve Dingle
County Counsel

Overview

- Resources \$1,670,938
- Requirements \$1,629,642
- 10.0 FTE
 - 1 County Counsel
 - 4 Assistant County Counsel 2
 - 1 Assistant County Counsel 1
 - 2 Sr. Legal Secretaries
 - 1 Paralegal
 - 1 Risk Manager



Changes /Challenges Ahead

Changes

- Loss of a longtime County attorney
- Addition of Assistant County Counsel 1 position

Service challenges

- Workforce planning
- Lack of clerical-level staff



Highlights & Outcomes

Pre-litigation settlements
(\$500,000/\$21,000)

Reduced Workers' Compensation costs by 50%

Bargaining completed with 5 of 7 bargaining groups

3rd party recovery for Workers' Compensation and General Liability claims

Provided 8 trainings to supervisors and managers regarding managing within the law

UO Law School students providing law clerk services

Hired new ACC 1

Reduced and outsourced risk

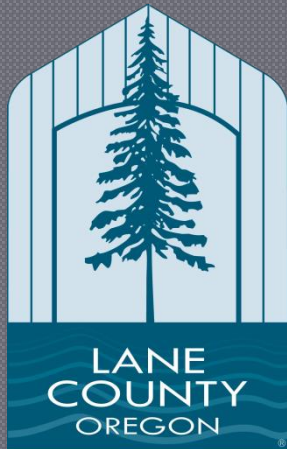
Collaborated with PW Engineering to revise County construction specifications and contracts, increasing County's ability to receive ODOT funds for road and bridge improvements



Looking Ahead

- Additional training for County staff to reduce risks
- Reduce additional risk exposures (e.g. jail medical)
- Continue team approach with other County departments to improve efficiency and reduce costs

Human Resources



Presenter:
Marsha Edwards
Human Resources Director

Overview

- Resources \$2,423,943
- Requirements \$2,473,671
- 18.0 FTE
- Divisions
 - Administration – 9.0 FTE
 - Labor & Employee Relations – 5.0 FTE
 - Benefits & Wellness – 4.0 FTE



Changes /Challenges Ahead

Changes

- Online Performance Management System
- Leadership Development Series
- Health plan redesign
- Partner with TS on Peoplesoft 9.2 migration
- Centralize and digitize recruitment files

Service challenges

- Balancing training with day-to-day operations
- Recruiting for specialized positions
- Negotiation of collective bargaining agreements
- Uncertainty of Federal health insurance requirements
- Automation of HR processes



Cost Savings

- 8/2015 – Move to self funding for health insurance
 - 9/2015 – Select Marathon Health
 - 2/2016 – Open the Live Well Center
 - Ongoing – Negotiate cost sharing
- *Marathon Health reports that in its first full year of operation the center has shown an ROI of 1.4:1*

Highlights & Outcomes

Increased learners and hours of training since intro of LEAP

Began conducting CDL physicals at Live Well Center

5 of 7 bargaining units contributing to health insurance

Increased percentage of employees utilizing Live Well Center

County-wide internship program for under-represented groups

Application workshops for internal/external applicants

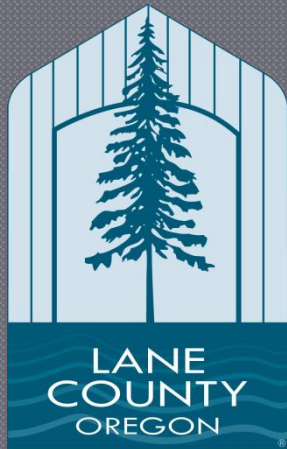
Two Lane County job fairs

Conducted needs assessment for leadership development series

Increased applicants to 7,440 in calendar year 2016



General Expense



Presenter:
Christine Moody
Budget & Financial Planning
Manager

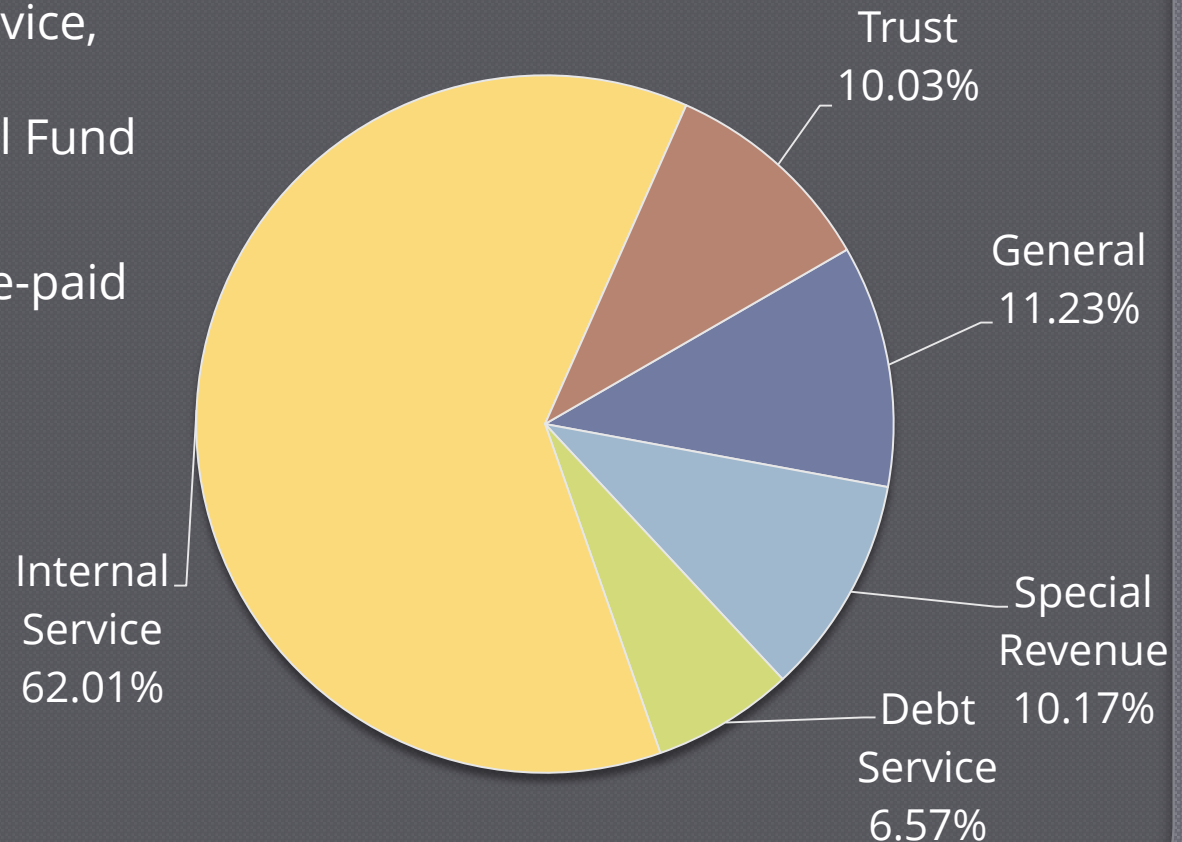
Overview

- Resources \$188,911,324
- Requirements \$141,654,999
- No FTE
- Debt Service
 - Debt Payments
- Risk & Benefits
 - Risk Fund (General Liability & Workers Comp)
 - Benefit Fund (Self-funded Health Insurance)
 - Retiree Medical Trust
- General Fund
 - Reserve & Countywide expenses (Dues)
- Title III
 - Remaining 2015 and 2016 funds (Firewise)
- Tourism & Special Projects
 - TRT & Economic Development Programs
 - Extension Service Levy (pass thru funds)
 - County School Fund (pass thru funds)



Budget Overview

- Special Revenue
 - Title 3, Extension Service, Tourism, Economic Development, School Fund
- Debt Service
 - Debt Payments & pre-paid reserve
- Internal Service
 - Risk & Benefits
- Trust
 - Retiree Medical
- General



Highlights & Outcomes

Debt prepayment & re-funding

Will save \$3.6 million



Bond Rating
Highest in County history!

Tourism
Very strong growth!

SRS Title 3 Funds
\$2.5 million left



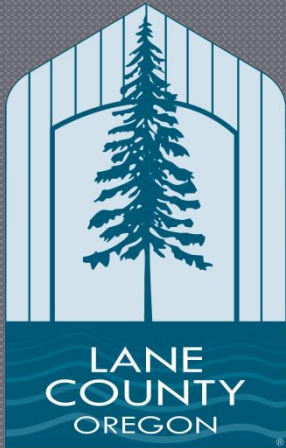
Self-funded health insurance
Rates flat for 3rd year

Risk Fund
Expenses down
Actuary due 17-18

Video Lottery Funding
3% growth at most

Economic Development
Infrastructure funds being reserved

Technology Services



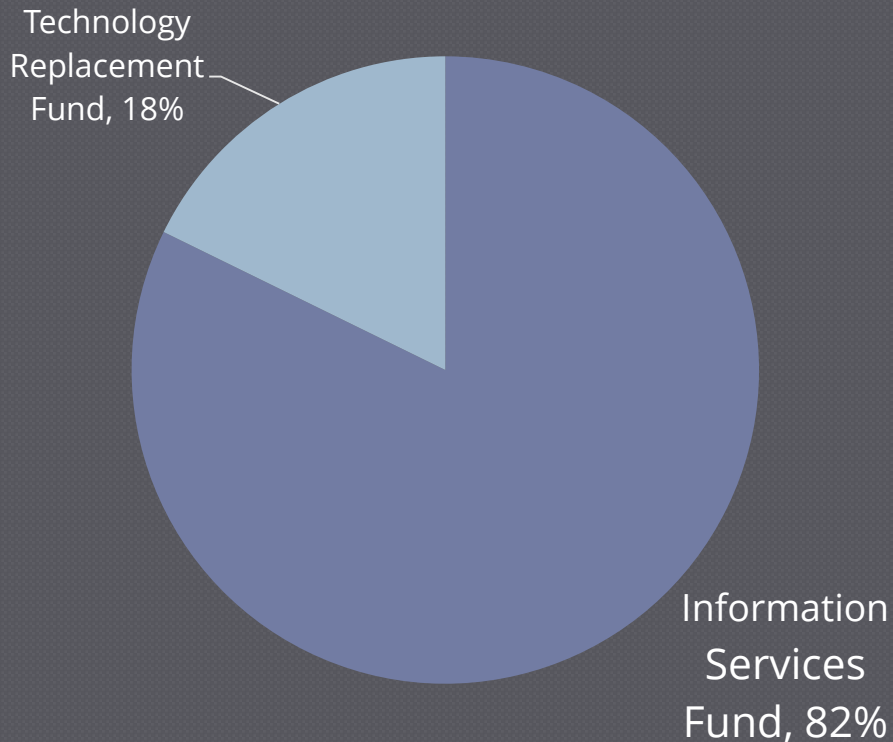
Presenter:
Mike Finch
Technology Services Director

Overview

- Resources \$16,907,714
- Requirements \$16,907,714
- 69.75 FTE
 - Administration – 6.0 FTE
 - Business Apps – 11.0 FTE
 - LRIG System Management – 1.0 FTE
 - Desktop Support Services (DSS) – 11.75 FTE
 - Enterprise Apps – 11.0 FTE
 - Geographic Info Systems (GIS) – 5.0 FTE
 - Technology Infrastructure Services (TIS) – 15.0 FTE
 - Project Management Office (PMO) – 5.0 FTE
 - Security – 4.0 FTE



Budget by Fund



- Technology Replacement Fund
- Technology Services Fund
- Total resources = \$16,907,714

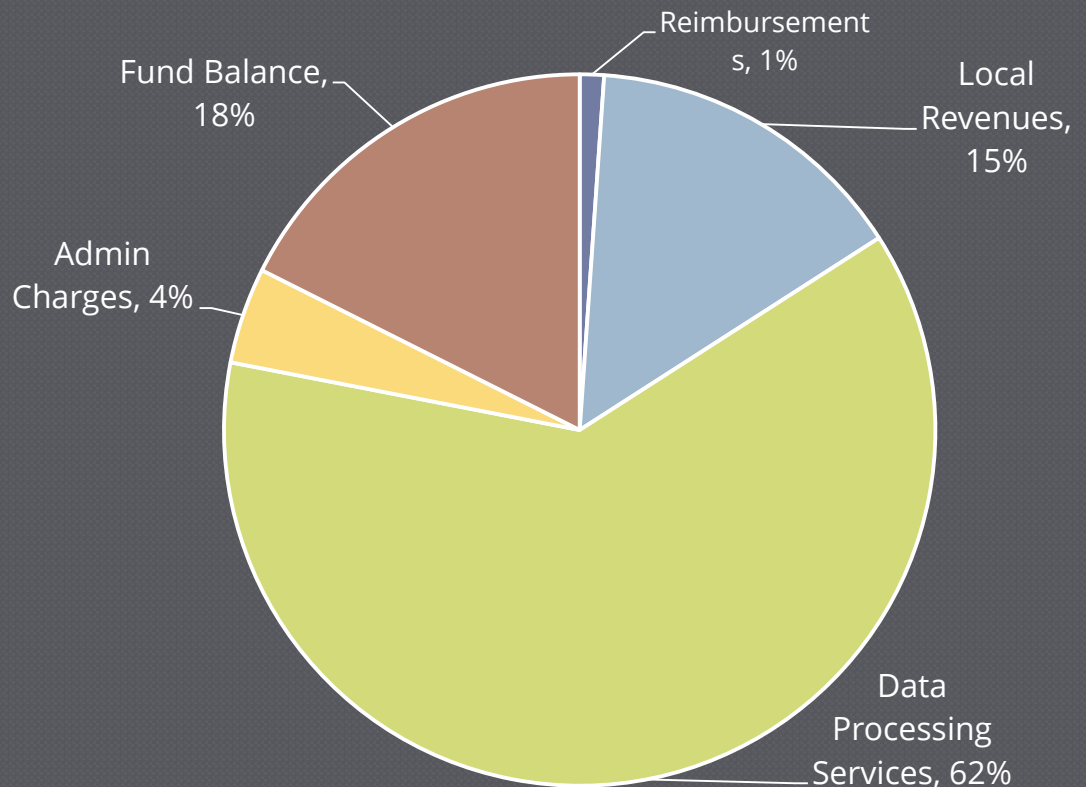
Overall Budget

17-18 RESOURCES

- Local Revenues

- Revenue from services provided to Partners

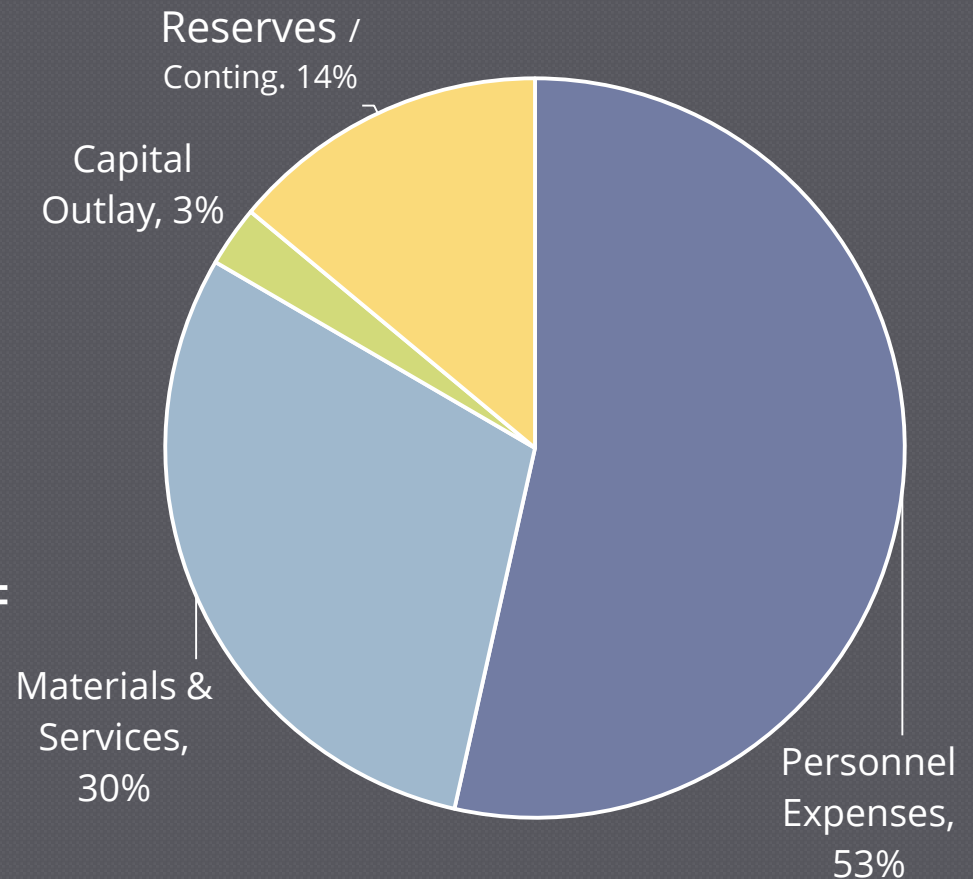
- Total Resources = \$16,907,714



Overall Budget

17-18 REQUIREMENTS

- County Indirect for Data Center depreciation
- Focus on Service Delivery Optimization
- Total Requirements= \$16,907,714



Changes /Challenges Ahead

Changes

- Service Delivery Strategy
- Restructuring of Technology Services
- Technology Replacement
- Fund modifications
- Impacts of Datacenter depreciation costs

Service challenges

- Fiscal constraints vs need for technology
- High demand for service
- Growing cybersecurity threats & compliance



Partnerships

- ◉ Regional Technology Partnership
 - Cities of Eugene & Springfield, LCOG and EWEB
 - Cost sharing for common infrastructure and services
 - Disaster Recovery, Project collaboration & information sharing
- ◉ Expanding role with other external customers
 - GIS and Software support for local municipalities and neighboring Counties



Highlights & Outcomes

Over 70%
virtualized server
infrastructure

Service Delivery
Improvements

Strengthened
Partnerships

Independent IT
Business Alignment
Review

Annual savings of
over \$230,000

Cost Saving
Regional Video
Storage Solution

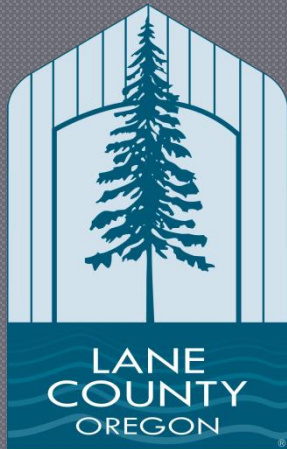
Security &
Compliance
Improvements

Remote & Mobile
Access
Improvements

Business Continuity
& Disaster Recovery
Planning



Fleet & General Services



Presenter:
Tim Elsea
Public Works Director

Overview

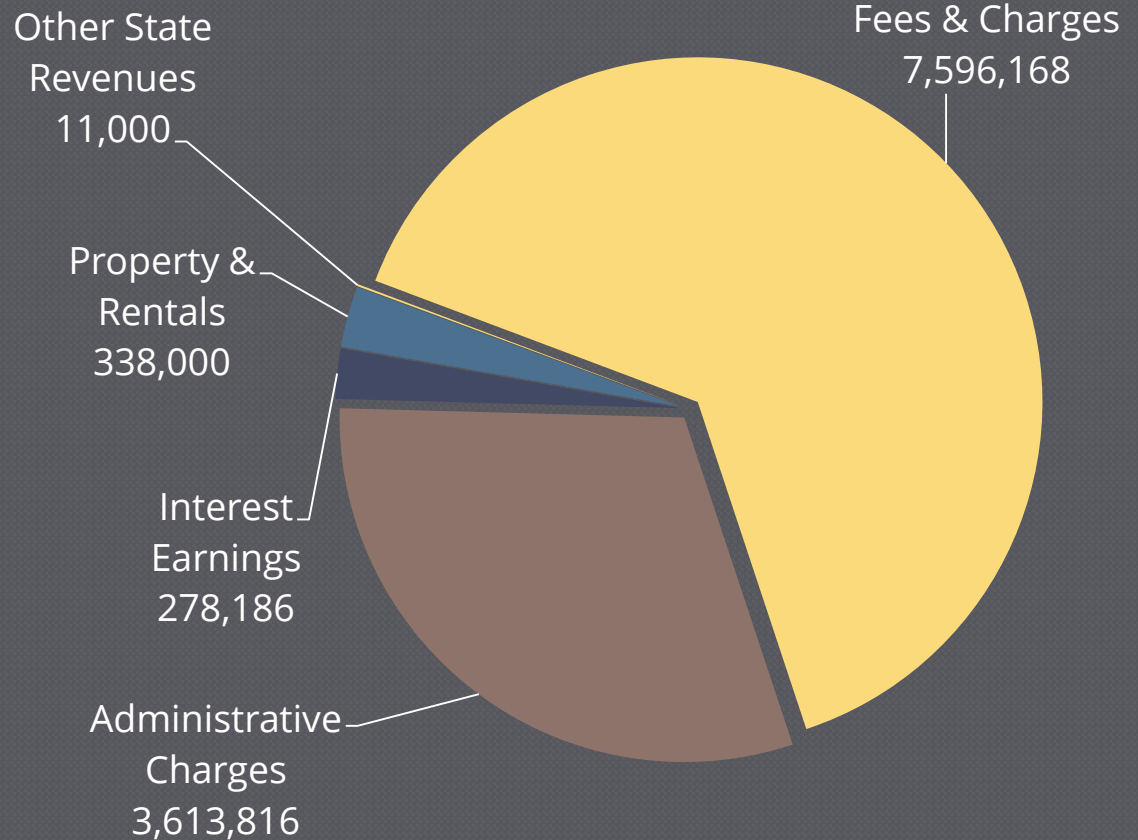
- Resources \$36,360,067
- Requirements \$36,360,067
 - Fleet operations \$8,294,528
 - Fleet reserve \$24,102,632
 - Facilities \$3,962,907
 - General Fund \$3,243,932
 - Road Fund \$718,975
- 46.49 FTE
 - Fleet 21.0
 - Facilities 25.49



Overall Budget

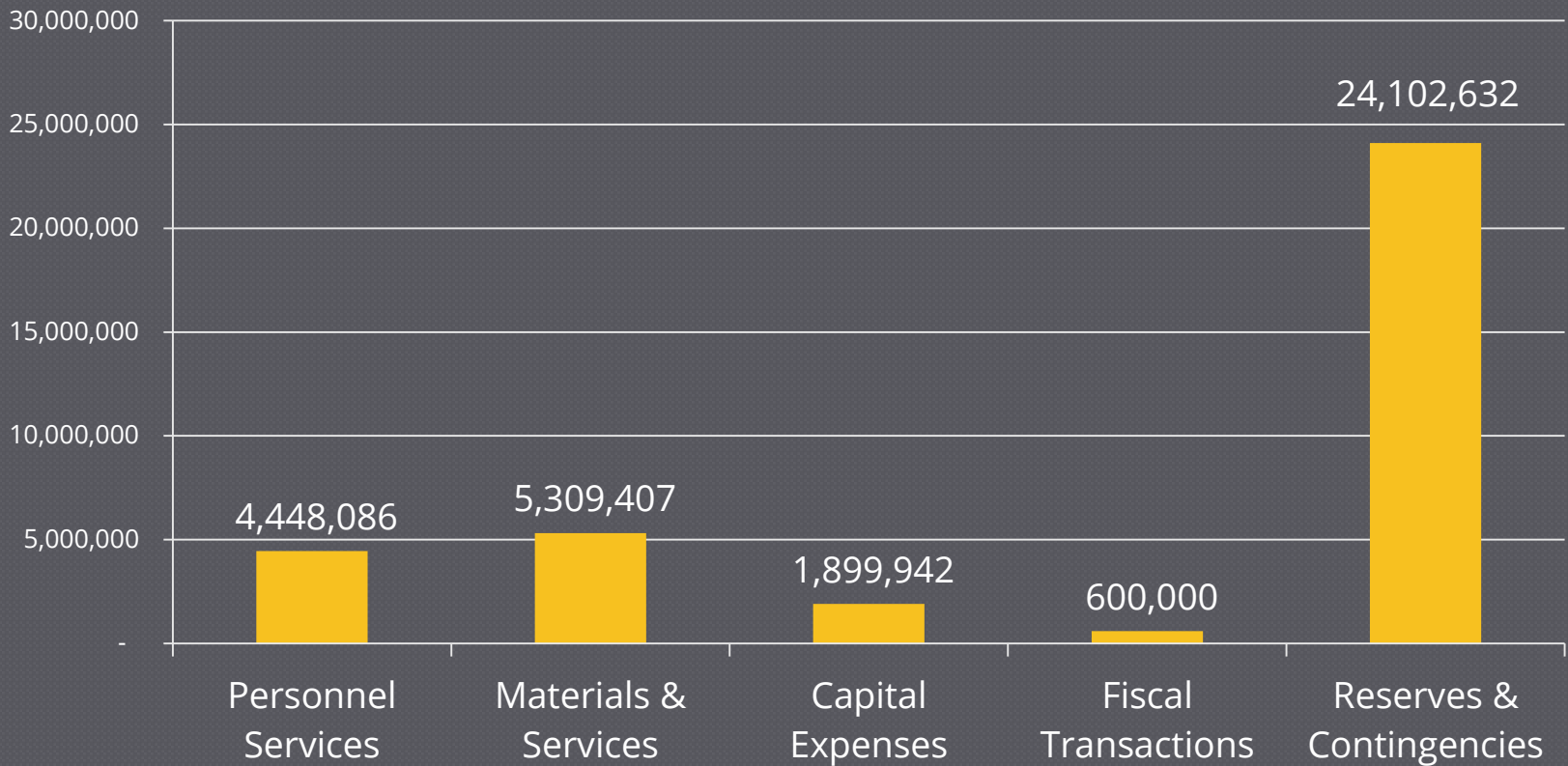
17-18 RESOURCES

- Fees & Charges
 - Fleet Vehicles & Equipment
- Administrative Charges
 - Facilities indirect revenue
- Total resources= \$11,837,170



Overall Budget

17-18 REQUIREMENTS



Total Requirements= \$36,360,067



Changes /Challenges Ahead

Changes

- ◉ Internal Services Review
 - Fleet rates, replacement & life cycle
 - Countywide facilities model

Facilities Service Challenges

- ◉ Aging Facility Assets
- ◉ Limited resources limits preventative maintenance
- ◉ Demand for service

Fleet Service Challenges

- ◉ Newer workforce



Cost Savings

- Goal to **reduce** permanent number of Fleet vehicles county-wide **by 10%** over two years
- Eliminated procurement of **diesel pickup trucks** except by exception approved by Fleet Manager.
- Tightened requirements for purchase of **additional vehicles**
- **Lifecycle of the fleet** increased approximately 20%
- **Replacement ratio** for vehicles was reduced from 90% to 80% resulting in a decrease in replacement fund contributions

Highlights & Outcomes

22 Vehicles/Equipment Replaced

398 vehicles

12 pending vehicle upfittings (SO)

Fleet Services completed 621 preventive maintenance services

Over 663,300 square feet office/clinic space cleaned each business night

6.1% reduction in number of vehicles & equipment

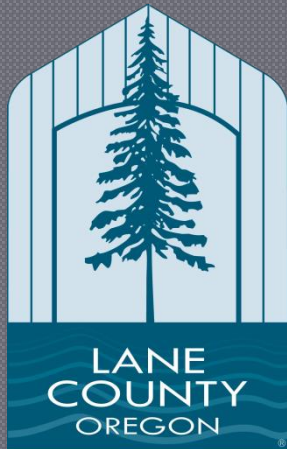
Facilities Maintenance processed 3400 service requests

212 heavy equipment units

355,355 gal of renewable diesel and gasoline dispensed

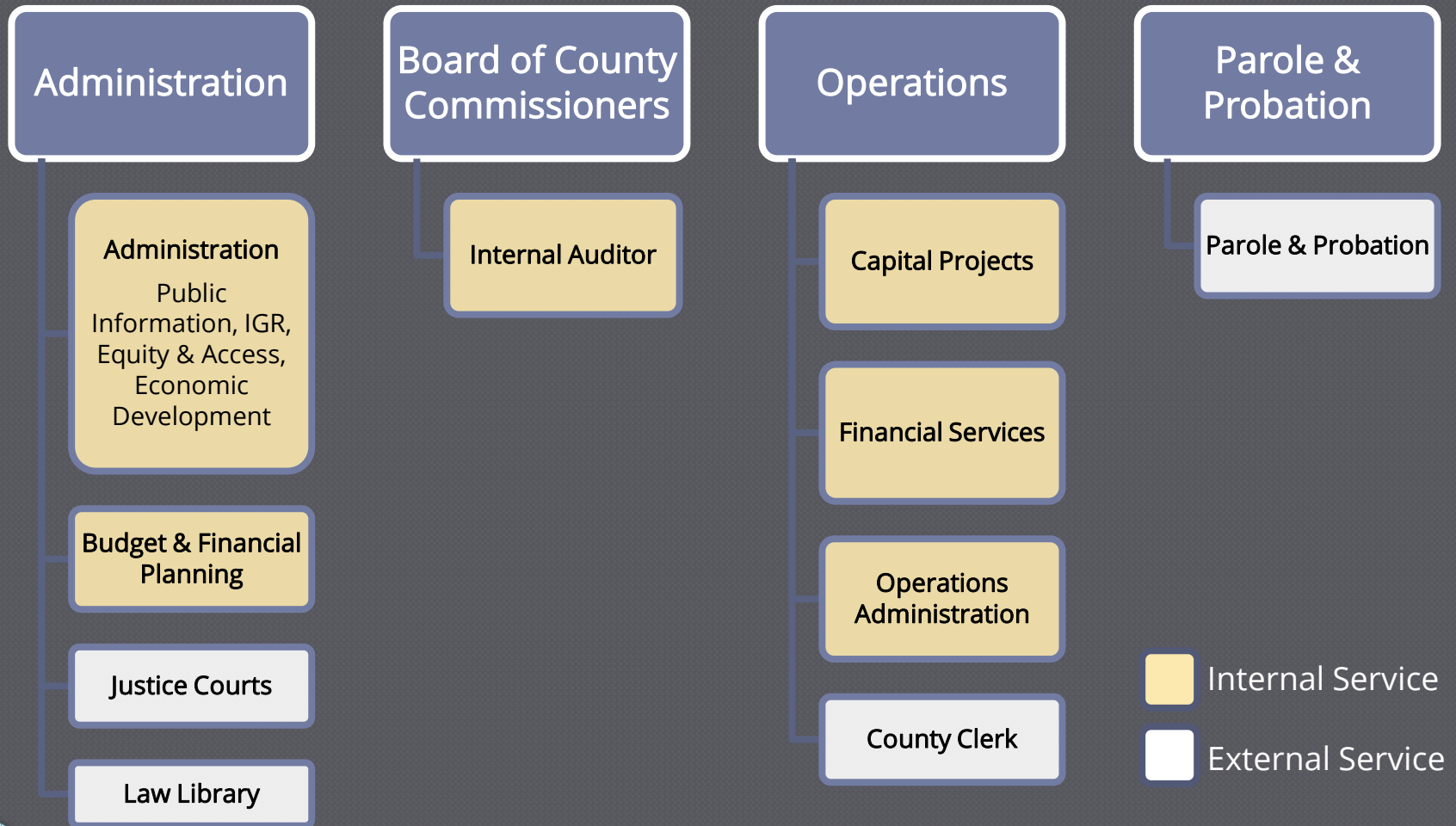


County Administration



Presenter:
Greg Rikhoff
Director of Operations

County Administration Overview



County Administration Highlights

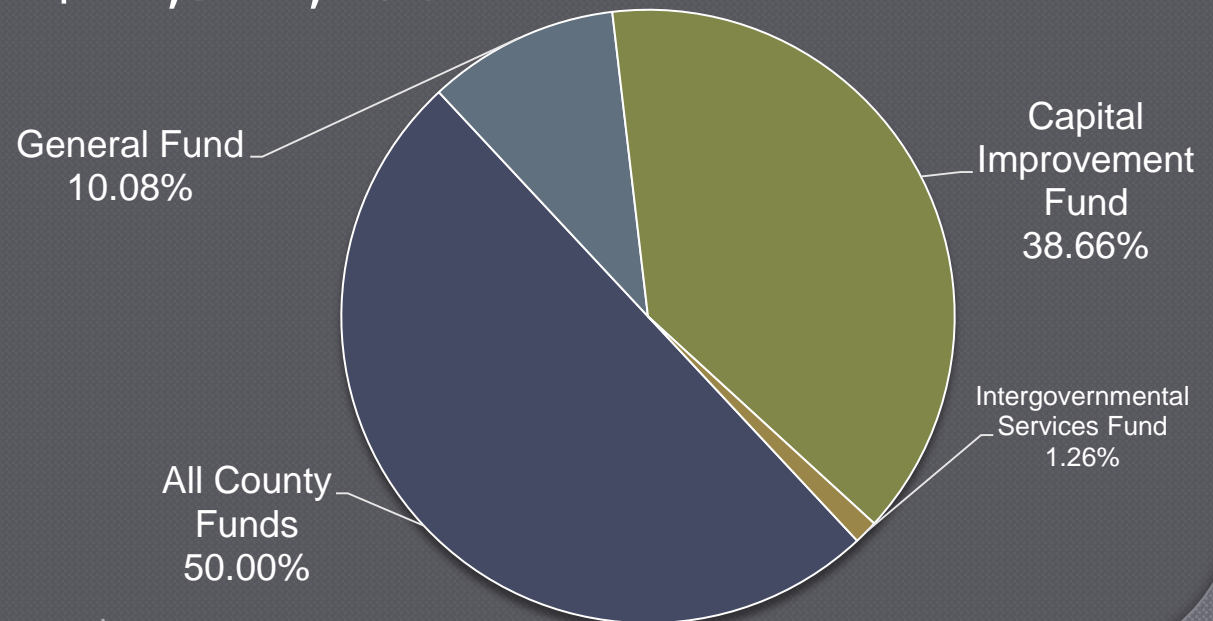
- Focused on budget plan to eliminate structural deficits and reduce debt levels
- Trained staff on how best to monitor, track and provide feedback on bills in the legislature
- Established the Equity & Access Advisory Board
- Improved internal and external communications



Operations Overview

Operations Division

- Resources \$11,946,636
- Requirements \$11,941,150
- 17.63 FTE



Changes /Challenges Ahead

Changes

- Restoring Purchasing Supervisor position
- Forest Work Camp lease to non-profit benefiting veterans

Challenges

Finance

- New financial reporting standards from GASB and GAAP
- Upgrade of payroll and accounting software applications

Facilities Planning & Construction

- Limited availability of funds
- Demand for large scale improvements
- Leveraging of outside funding



Partnerships

- State of Oregon – Courthouse Project, Purchasing
- City of Eugene – Courthouse/City Hall, Purchasing
- Lane County Farmers Market – Downtown Eugene
- Housing and Community Services Agency of Lane County (HACSA) and Market District LLC – 6th and Oak Development
- University of Oregon – Reverse Vendor Fair



Highlights & Outcomes

Certificate of Achievement for Excellence in Financial Reporting (CAFR) – 14 years

Independent Auditor's unmodified opinion for financial data

Aa2 Bond Rating

Refunding of 2009a Bond

Fully staffed in Finance

Preliminary plans for 6th and Oak development

Forest Work Camp savings of approximately \$220,000 annually



Courthouse needs assessment and site feasibility study

Equity & Access Update

- Equity & Access Advisory Board
- Framework for Lane County's equity work
 - Create a Human Rights Advisory body
 - Institutionalize equity efforts
 - Improve recruitment, selection, retention and advancement
 - Require annual equity & access training for employees
 - Engage community partners as an equity and service resource
- Lane County Values Resolution

Summary

- Focus on managing internal expenses
 - Self-funded health insurance
 - PERS reserve and rate changes
 - Risk Management and Workers' Compensation costs
 - Internal cost drivers (fleet, technology services, facilities)
- Strong financial management
 - One-time money for one-time expenses
 - Paying off and refunding debt
 - Policy changes (General Fund reserve and personnel budgeting)

Questions?

- Up Next: Budget Committee Business

