



ACO BUDGET

FY 2018-19



Mandates

- Bi-Weekly payroll of 5,500 employees, 6,100 employees counting temp, turn-over
- Vendor payments, 10,000 invoices paid monthly
- Accounting and Reporting of entire County's financial data
- \$1.5 billion budget control annually
- \$650 million Property Tax calculation and distribution to 150 agencies annually
- Mandated Internal Audits

County's Financial Infrastructure

- Most mandates are not possible to carry out without ERP application operations and maintenance
- Currently eight Business Analyst filled positions provide the applications support
- At a minimum, need to keep seven, sacrificing one position due to budget constraints. Losing one position will hamper the ability to provide timely services and engage in new projects. The cost to keep the seven positions is estimated at \$1.03 million
- Need to fill the vacant manager (Chief Deputy) position responsible to manage the operations and supervise the support team. The cost to fill this position is \$160,000
- A total of \$1.2 million for ERP applications support is requested
- ACO is not able to perform its mandated functions absent the above resources

County's Payroll

- Nine payroll technicians directly responsible for 6,100 employees payroll, an average of 670 per tech bi-weekly
- The County has added 793 new positions in the last five years to its workforce without corresponding increase in ACO payroll resources
- Two resources were added for ERP project work. These resources also provide ongoing payroll services due to increased workload
- The ACO uses maximum per tech threshold of 600. Other counties comparison reveals 500 per technician threshold used
- If ACO loses one payroll resource, it will push the per tech limit to 760, if two are lost, it will jump to 870.
- The above limits render an unrealistic expectation and ACO does not guarantee timely and accurate Payroll.
- Maintaining one payroll tech will cost \$99,400, two will cost \$184,000

Accounting and Reporting

- Filling the vacant Accountant position is critical to produce the financial report (CAFR) on a timely basis, implement new GASB standards, and continue the COWCAP work
- Timely production of CAFR and COWCAP plays a direct role in making the data available to prepare the following year's budget
- General Fund will recover \$13.2 million this year and \$15.6 million next year from the Indirect Cost Allocation (COWCAP)
- The COWCAP reduces the GF budget deficit by \$28.8 million in two years.
- The Budget Office has opted to retain the budgetary surplus of Service Departments share of COWCAP while the Receiving Departments are made liable to reduce their budget
- Filling the vacant Accountant position will cost \$110,000
- The Cannabis Committee has recommended to add one new Analyst position for the program. This position is critical to safeguard the County against a federal lawsuit by keeping the Cannabis accounting separate. The cost of the position is \$122,200

Internal Audit

- The ACO is behind on mandated audits due to lack of resources
- In addition, several departments have requested specific audits
- The ACO is requesting to fund a vacant analyst position in the division – the cost is \$122,200
- Three new Internal Auditor positions are also requested
- ACO recommends to fill these positions as a long term budget strategy to improve efficiencies county-wide –the cost is \$322,800

Property Tax

- Property Tax is the County's biggest source of discretionary revenue
- The division has four staff who calculate \$650 million of property tax and prepare tax bills annually. The Tax-Collector prints the bills and collects the taxes.
- The ACO staff then distribute \$650 million in Property taxes to 150 jurisdictions county-wide
- A veteran manager who has served the ACO in this area for 40 years is retiring. The ACO is requesting a resource for knowledge transfer and succession planning in this critical function – the cost is \$122,200

County's Budget Strategy

- COWCAP uses two year old cost data
- The higher COWCAP allocation in FY 2018-19 is reflective of County's growth and higher cost of operations in FY 2016-17
- Due to the overall growth, Payroll, Accounts Payable, General Accounting, and Systems divisions of the ACO have experienced increased workload without corresponding increase in the budget
- Not allocating the COWCAP surplus budget to ACO does not render equitable allocation of budgetary dollars