

# Pinal County - Managing For Results

## Annual Report

### FY 2009-2010

#### BUDGET

#### Budget Administration Program

##### Budget Development Activity

KR % of annual budget document completed by July 1st (excluding Tax and Levy information)

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate						
100.00%	0.00%	100.00%	0.00%	100.00%	0.00%	100.00%	93.33%	93.00%	93.33%	93.00%

Budget development was dynamic this year due to state impacts, decrease in assessed valuations and increasing need for County services. As such the tentative budget (May 26th) and the final budget (June 30th) were adopted later than originally planned. The change to the calendar and waiting for final submission of Strategic Business Plan (SBP) data from departments impacted our ability to meet this goal.

93% of the annual budget document was complete by July 1st and the final document was posted on the web July 21, 2010. We plan to modify the budget calendar to ensure this goal is met July 1, 2011. Budget kickoff will be moved from February to January and final budget adoption will be moved to late May. The modified schedule gives Budget staff more time to review state impacts, departments' revenue forecasts and develop multiple budget scenarios. The Departments will have more time to identify potential MFR target changes and communicate those changes and other revisions to their Strategic Business Plan back to the Budget Office. Significant portions of the Strategic Business Plans are included in the annual budget document. The plans replaced the goals, objectives and accomplishments that were included in the Departmental Schedules in prior years. The Departmental Schedules is the largest section (over 50%) of the document and we rely on departments to submit their revisions in a timely manner. This year the deadline to submit SBP changes for the annual budget document was Friday, June 18, 2010. The final SBP change was submitted to our office on July 20, 2010.

Although the annual budget document was not complete by July 1st all Tentative and Adopted Budget Schedules were completed and posted to the web prior to presentation and adoption by the Board of Supervisors. Also, the Budget Office web pages include all presentations, public hearing notifications, frequently asked questions and prior year budget documents.

KR % of General Fund revenue over \$15,000,000 forecast within 5% above and below actual revenues

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
100.00%	0.00%	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

There are two General Fund revenue sources over \$15M: property tax and state-shared sales tax. Actual revenues are on track to be within 5% of forecasts. Property tax collections are relatively predictable because they are based on assessed values and set tax rates. This year, we budgeted 98% collection of the levy. The actual came in 1% higher than budget due to delinquent taxes.

State-shared sales tax is tracking about 2% less than originally forecasted. Sales tax collections are elastic and more challenging to forecast because they are dependent on economic factors of consumption and growth. FY 10 projections were developed using market and local data, such as collection by state TPT classifications. We are monitoring data from the University of Arizona-Eller College of Management Forecasting Project and the ASU Blue Chip panel for forecasted economic conditions (i.e., economic growth factors, population, personal income, employment, retail, real estate and construction activity). Business leaders and economists are forecasting modest growth for AZ in calendar year 2010 and 2011; however, continuing high unemployment rates and foreclosures are contributing to low state-shared sales tax. The forecast for FY 2011 was realistic but conservative, as the national and local economic recovery is still fragile.

##### Budget Maintenance Activity

KR % of General Fund departments will not exceed 80% of supplies and outside services budget by December 31

FY10 Target	Q1		Q2		Q3		Q4		FY10 YTD	
	Actual	YE Estimate	Actual	YE Estimate						
100.00%	100.00%	98.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The Budget Office monitors department's budgets on a monthly basis to ensure all are operating within budget. The Budget Office also communicates with departments throughout each month regarding all requisitions that are placed on a system budget hold to ensure the purchase is appropriate and within budget. By December 31st, all departments managed their budgets properly and operated within budget. All departments were compliant and did not exceed 80% of their supply and outside service budgets.

# BUDGET

## Research Program

### Research Activity

KR % of project recommendations and research findings align with County Strategic Priorities

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
90.00%	0.00%	90.00%	0.00%	90.00%	0.00%	90.00%	0.00%	0.00%	0.00%	0.00%

The Budget Office did not provide any project recommendations this year. Due to the economic conditions of declining revenue and the policy of no growth base budget, we did not receive formal new program/project review requests.

When resources become available, it is important that the Budget Office review new program/project requests to ensure they are evaluated against the specific County Strategic Priorities adopted annually by the Board.

For FY 11, we adjusted our measures to separate project recommendations and research findings because research findings are not designed to be aligned with County Strategic Priorities. Research findings provide information and/or analysis, not recommendations. Therefore, in FY 11 this measure will not include "research findings". Examples of research performed this year include: analysis regarding the potential incorporation of San Tan Valley, assessed valuation, cost of maintenance and operation of motorcycles, overtime, and prior years' FTE counts.

## Administrative

### Department Director

KR % of applicable Key Results achieved

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
100.00%	100.00%	100.00%	100.00%	0.00%	100.00%	100.00%	81.82%	82.00%	95.45%	82.00%

The Budget Office achieved 9 of the 11 applicable key result measures. The calculation did not include the Vehicle Maintenance Activities, Research Activity, Training Activity and the Department Director Activity. The Vehicle Maintenance Activities were excluded because we do not have vehicles assigned to our department. The Research Activity key result measure was excluded because the Budget Office did not provide any project recommendations this year. Due to the economic conditions of declining revenue and the policy of no growth base budget, we did not receive formal new program/project review requests. The Training Activity key result measure was excluded because the Budget Office did not attend any paid training sessions.

The Budget Office achieved 82% of applicable key result measures. The Budget Office did not achieve the annual target for the key result measures in the Records Management Activity and the Budget Development Activity. The Records Management key result measure states "100% of record series managed in compliance with legal and policy requirements as directed by the Arizona State Library of Archives. Last fiscal year, we managed 496 records in compliance with legal and policy requirements by the actual number of records not the number of record series. For example the records were counted by the number of department folders managed by each analyst, number of folders by subject matter and the number of folders by fiscal year. Per the Arizona State Library, Archives and Public Records the records should be tracked by record series. For example all grant related records or general correspondence regardless of department or analyst should be grouped in a record series.

Unfortunately due to workload we were not able to change the format from actual records (# of department folders managed by each analyst, files, etc.) to record series (grant records grouped in series, general correspondence grouped in series, etc.) in FY 2009-2010. Although the format was not changed we remain in compliance with legal and policy requirements for retention and destruction of records. We expect all records to be converted to record series by the 1st quarter in FY 2010-2011.

The Budget Office did not achieve the Budget Development Activity key result measure that states 100% of annual budget document completed by July 1st (excluding tax and levy information). Budget development was dynamic this year due to state impacts, decrease in assessed valuations and increasing need for County services. As such the tentative budget (May 26th) and the final budget (June 30th) were adopted later than originally planned. The change to the calendar and waiting for final submission of Strategic Business Plan (SBP) data from departments impacted our ability to meet this goal.

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Although the annual budget document was not complete by July 1st all Tentative and Adopted Budget Schedules were completed and posted to the web prior to presentation and adoption by the Board of Supervisors. Also, the Budget Office web pages include all presentations, public hearing notifications, frequently asked questions and prior year budget documents.

We expect to achieve 100% of applicable key result measures in FY 2010-2011.

# BUDGET

## Administrative

### Department Director

KR % of surveyed customers who say they are satisfied or very satisfied with the services provided by the department

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
75.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%

The new budget development survey was available in the month of February 2010. The survey included questions related to budget kickoff training, the Online Entry application, the Supplemental Funding application and the weekly budget training sessions. We expected departments to provide feedback on the changes made to online entry, the supplemental funding application and content and flow of the training sessions and recommend future improvements. We expected 30 individuals to respond to the survey however we received 6 responses. All respondents were satisfied or very satisfied with services provided during budget development.

## Financial Services

KR % of non-construction payment authorizations (purchase orders) entered into the system within three business days of receipt of goods

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

100% of non-construction payment authorizations (purchase orders) entered into the system within three business days of receipt of goods.

## Human Resources

KR % of all annual employee appraisals will be submitted to Human Resources by the end of January due date.

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate	Actual	YE Estimate
98.00%	0.00%	100.00%	0.00%	100.00%	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%

Annual performance measure due and completed by January 31st.

## Records Management

KR % of record series managed in compliance with legal and policy requirements as determined by the Arizona State Library of Archives.

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
100.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Last fiscal year, we managed 496 records in compliance with legal and policy requirements by the actual number of records not the number of record series. For example the records were counted by the number of department folders managed by each analyst, number of folders by subject matter and the number of folders by fiscal year. Per the Arizona State Library, Archives and Public Records the records should be tracked by record series. For example all grant related records or general correspondence regardless of department or analyst should be grouped in a record series.

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## Training

KR % of training dollars spent that directly align to County or Department strategic goals.

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
85.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

We allocated \$5,000 to training in FY 2009-2010 - approximately 1 training session per employee (excludes Director). Due to schedule conflicts and workload no training dollars were spent in FY 2009-2010.

# BUDGET

## Administrative

### Vehicle Management

KR % of department vehicles operated more than 10,000 miles per year

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
95.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

NA - No Vehicles

KR % of department vehicles with preventative maintenance performed as scheduled

	Q1		Q2		Q3		Q4		FY10 YTD	
FY10 Target	Actual	YE Estimate	Actual	YE Estimate						
95.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

NA - No Vehicles