

# Pinal County Performance Management

## Annual Report

### FY 2012-2013

#### BUDGET

**R**  
**SBP** % of General Fund Departments/Offices that exceeded their Board Approved budget at year end (including those requesting General Fund money to cover deficits in their non-General funds).

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
| 3.00%       | 0.00%  | 0.00%       | 0.00%  | 0.00%       | 0.00%  | 0.00%       | 8.33%  | 8.33%    |

The count for this measure is going to be based on the consolidated responsible manager. The books for the fiscal year are not yet closed, but it appears that at least one area is going to exceed General Fund budget. The County Attorney's Office incurs the expenses for outside legal services for the entire county for which they do not have control over. Many expensive continuing cases were occurring and it was estimated at mid year that this line item would exceed budget. We purposefully wanted to wait until year end to cover the exact overage with contingency and the County Attorney's Office was able to cover a substantial amount of it with their own savings in other areas. Potential budgeting options for this type of expense will be discussed. Although risk management is technically exceeding budget capacity, it is not counted because it is due to a major flood incident that is being reimbursed through insurance. This measure exists to encourage expenditure control and relates to the Strategic Goal of reducing the primary property tax revenue as a percentage of aggregate personal income below 1.00%. Based on calendar year 2011 income (the most recent data available), the FY 12-13 primary property tax levy was 0.88% of aggregate personal income.

**O**  
**SBP** 1,000 account code budget amendments processed.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
| 1,000       | 1,185  | 2,500       | 1,606  | 3,000       | 1,913  | 2,100       | 2,172  | 2,172    |

Through 3/31/13 the Budget Office processed 2,172 account code budget amendments: 210 for FY 11/12 and 1,962 for FY 12/13. The majority of amendments for FY 11/12 were due to the legislative change for ASRS and GF allocation for unemployment. The FY 12/13 amendments were unusually high because of the redesign of the chart of accounts, a change in workers comp rates, and the one time financial award approved in December. As we design the new financial system, budget amendments will be processed more efficiently because we will eliminate the need for a separate database and will be able import budget journals from Excel.

**O**  
**SBP** 1,094 budgeted and monitored cost centers.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
| 1,094       | 703    | 703         | 713    | 713         | 728    | 730         | 756    | 756      |

This is the number of cost centers currently being used for budgets or actuals on the County's GL. This number will change based on the redesign of the Chart of Accounts and the implementation of the financial system upgrade.

**O**  
**SBP** 202 budgeted and monitored funds.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
| 202         | 178    | 178         | 180    | 180         | 180    | 180         | 182    | 182      |

This is the number of funds currently being used for budgets or actuals on the County's GL.

**O**  
**SBP** 57 budget units monitored and forecasted.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
| 57          | 57     | 57          | 57     | 57          | 56     | 56          | 56     | 56       |

This number may change in the future if there are department reorganizations. The number changed from 57 to 56 this fiscal year as the Elections department was consolidated into the Recorder's Office.

**S**  
**SBP** Adopt the final budget by July 1st (or at the latest by the third Monday in July) in accordance with State Statute and in compliance with the official Auditor General forms to be posted on the Pinal County Website.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
|             | OT     |             | OT     |             | OT     |             | OT     | OT       |

SBP - In SBP  
OT - On Track

R - Result  
NOT - Not On Track

O - Output

D - Demand

S - Statement

E - Efficiency

# BUDGET

The Tentative Budget was adopted on May 29th and the Final Budget was adopted on June 19th. One new schedule, "Schedule G" which itemizes FTEs and personnel expenditures, was created this year to comply with State requirements.

S  
SBP

Develop the current year budget within the context of a 3 to 5 year financial forecast and plan.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
|             | OT     |             | OT     |             | OT     |             | OT     | OT       |

On February 27, The Board of Supervisors was given a 6 year financial look at the General Fund, consisting of two prior years of actuals and four projected years. The presentation gave an overview of the County Budget, General Fund revenues and expenses, and property tax comparisons. The Board was asked to give policy direction for the development of the FY 13/14 budget. The forecast will continue to be updated as new information is known and future policy decisions are made.

S  
SBP

Implement the Financial System Upgrade and look for opportunities to gain budget management efficiencies and improvements.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
|             | OT     |             | OT     |             | OT     |             | OT     | OT       |

While configuring the financial system, we are designing processes to be faster, more user friendly, and more reliable. Budget journals will be used to enable us to eliminate an external database that required duplicative and reconciliation efforts. In addition, departments will have the ability to submit budget journals for approval and posting in the system. The new system will enable us to import and export large budget amendments and facilitate budget development. We are also working to develop improved reporting and budgeting for a more formal CIP. We have researched and chosen a reporting tool to improve budget visibility, monitoring, forecasting, and analysis. We have submitted a request to develop a position budget/actual/forecasting report.

S  
SBP

The General Fund financial stability reserve (unrestricted) balance as a portion of General Fund operating expenditures will be at least %15, unless the Board changes the policy.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
|             | OT     |             | OT     |             | OT     |             | OT     | OT       |

The current unrestricted General Fund balance is greater than 15% and is projected to be at year end. The Board has indicated an openness to discuss potentially changing the 15% policy in the future.

S  
SBP

Work with Public Works, Facilities, IT, and Fleet to begin developing the implementation of a more formally communicated and adopted Capital Improvement Program.

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
|             | OT     |             | OT     |             | OT     |             | OT     | OT       |

The Budget Office has had discussions with departments on the direction here and has seen some skeleton plans. The financial system upgrade is being configured with the goal of budgeting for and reporting on capital projects. This has been considering when developing the new chart of accounts, using the job costing module, and using future ledgers for project forecasts in the new reporting tool. 5 year plans were requested for budget development purposes. Public works has developed a broad 5 year CIP document.

E  
SBP

Program Budget Per Capita

|             | Q1     |             | Q2     |             | Q3     |             | Q4     | FY13 YTD |
|-------------|--------|-------------|--------|-------------|--------|-------------|--------|----------|
| FY13 Target | Actual | YE Estimate | Actual | YE Estimate | Actual | YE Estimate | Actual | Actual   |
| \$0.77      | \$0.77 | \$0.77      | \$0.76 | \$0.76      | \$0.78 | \$0.74      | \$0.73 | \$0.73   |

The FY 2012-2013 budget for the Office of Management & Budget was \$303,414. Although the books are not closed for the fiscal year yet, the department spent \$284,493, which was \$18,921 less than budget. The actual spending per capita at this point was \$0.73.