



County of Cayuga

County Administrator
J. Justin Woods, JD, MPA

MEMO

Date: June 25, 2018
To: Legislature
Cc: Department Heads
RE: 2018 Priorities

Based on the recommendations of the CGR Organizational Assessment, this memo outlines priorities for important organizational changes and technology investments in 2018.

Three of the most significant CGR recommendations involved restructuring public works, finance operations, and resourcing the Administrator's Office. The best and most cost effective solutions involve filling two interim vacancies, reorganizing several areas into two new departments, and restructuring staff in the Administrator's Office. The three organizational recommendations are:

- 1) Create a Department of Public Works & Hire a Director,
- 2) Hire an Acting Deputy Treasurer & Create a Finance Department, and
- 3) Restructure Staff in Administrator's Office.

The two departmental reorganizations require time to plan and implement. In Highway we can continue with the Acting Director, and in the Treasurer's Office we need to fill the vacant Deputy Treasurer position while planning and implementing the transitions. For the Administrator's Office, administrative duties should be reorganized to accurately reflect current needs, and a Purchasing Agent should be hired. The financial details are itemized in subsequent sections discussing the concepts and rationale, and the total 2018 and 2019 financial impacts are included.

Additionally, the following three technology investments are proposed:

- A) Secure an automated time and attendance system;
- B) Build a New Website; and
- C) Codify the County's Laws.

The timeline that makes the most sense for us to implement an automated time and attendance system is January 1, 2019. The remaining technological investments are low hanging fruit that we should commit to immediately and can be paid for over time. One is the new Civic Plus website (resolution tabled) and the other is Codifying the County's Laws (resolution forthcoming in July). All three of these investments are needed, strategic, and will yield significant operational improvements. Additionally, the time and attendance system, once implemented, will allow us to either eliminate, or redeploy some human resources.

The total impact of these investments to the 2018 Budget is \$85k, which can be covered by salary sweeps and contingency. Contingency is at \$225, \$15k more than the \$210k budgeted. There are also significant budgeted expenditures not being utilized in 2018 that will not be required for 2019. These saved expenses will ensure adequate budgetary capacity to absorb any new costs into next year's budget. Details for each expense this year and is included in the discussions below.

1) **Reorganize Public Works**

The Public Works Committee voted to direct staff to draft a law creating a Department of Public Works (DPW). We are currently drafting a law that will include expanding the Highway Superintendent (\$71k) position into a DPW Director (estimated salary \$90-110k). The DPW Director would oversee a DPW with four Divisions – Highway, Buildings & Grounds, Parks, and Weights & Measures (W&M). In addition to increasing coordination among public works, these moves will integrate all of the physical asset planning and capital project management for better capital improvement planning and budgeting.

Organizationally, we will need to fill the vacant General Supervisor position to focus on Highway operations, and separate B&G and Parks into separate divisions reporting directly to the DPW Director. In considering future succession planning and organizational needs, I will eventually propose eliminating the Superintendent of Buildings & Grounds (\$79k) (whenever the incumbent chooses to retire), and replace the position with the Vacant Civil Engineer position (estimated \$70-90k) that would oversee B&G, capital planning, and be available to act as clerk of works on major capital projects.

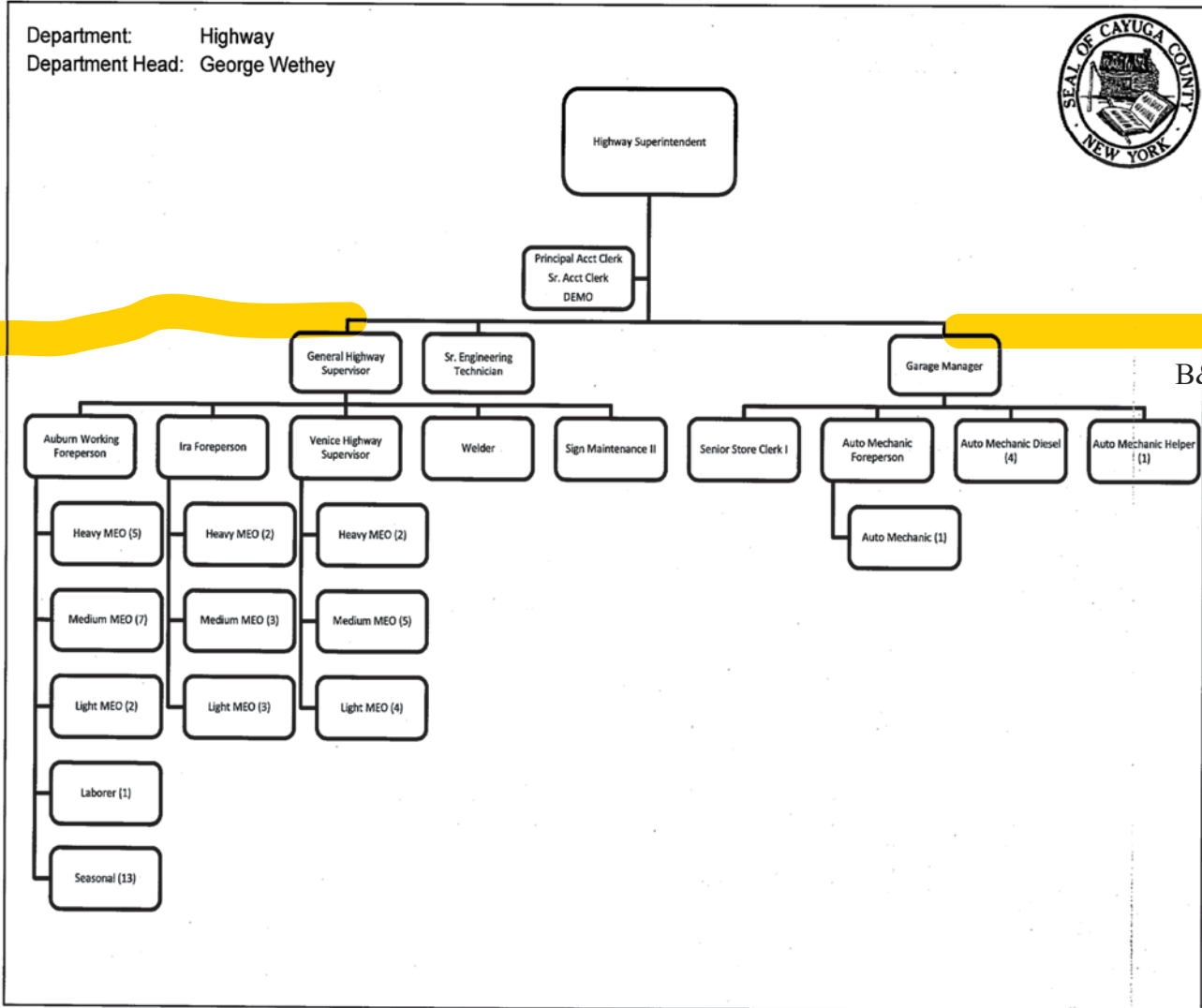
Short-Term:

The Acting Highway Superintendent was appointed to fill the balance of the previous Superintendent's term, which expired 12/31/17, and is currently holding over in an acting capacity. Bill Dashnaw, who was brought on to provide consulting support, to assist the Acting Superintendent, particularly with managing capital projects and budgets, state DOT intergovernmental relations, and staff training.

While we finalize the creation of the Public Works Department, Dashnaw will assist the Acting Superintendent with the 2019 operating and capital budgets, and help HR recruit his replacement. This will require extending Dashnaw's contract through the end of 2018. Even with the contract extension, the Highway Department is still projecting to be over \$85,000 under budget. Additionally, the salary savings from planned vacancies throughout the entire department has almost been met at the end of May (\$100k of \$125k). Together, this means that there is no negative budget impact in 2018. And the higher salary cost for the DPW Director would be the only additional impact to the 2019 Budget.

The current org charts from the 2017 budget are included below to visually illustrate these changes (Note that these are not all current in terms of vacancies, etc., rather they are shown to illustrate organizing principles):

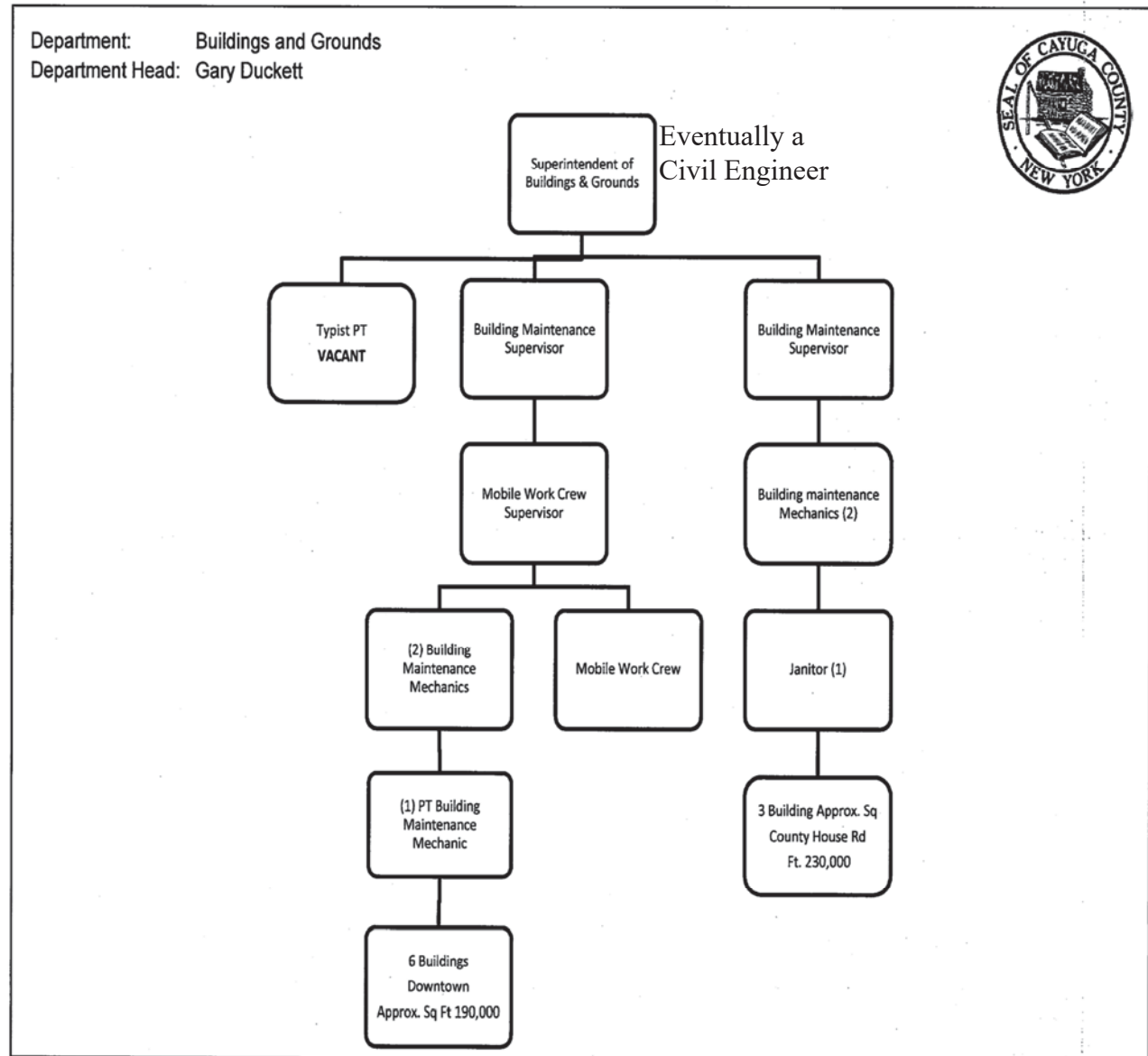
Highway Superintendent becomes DPW Director



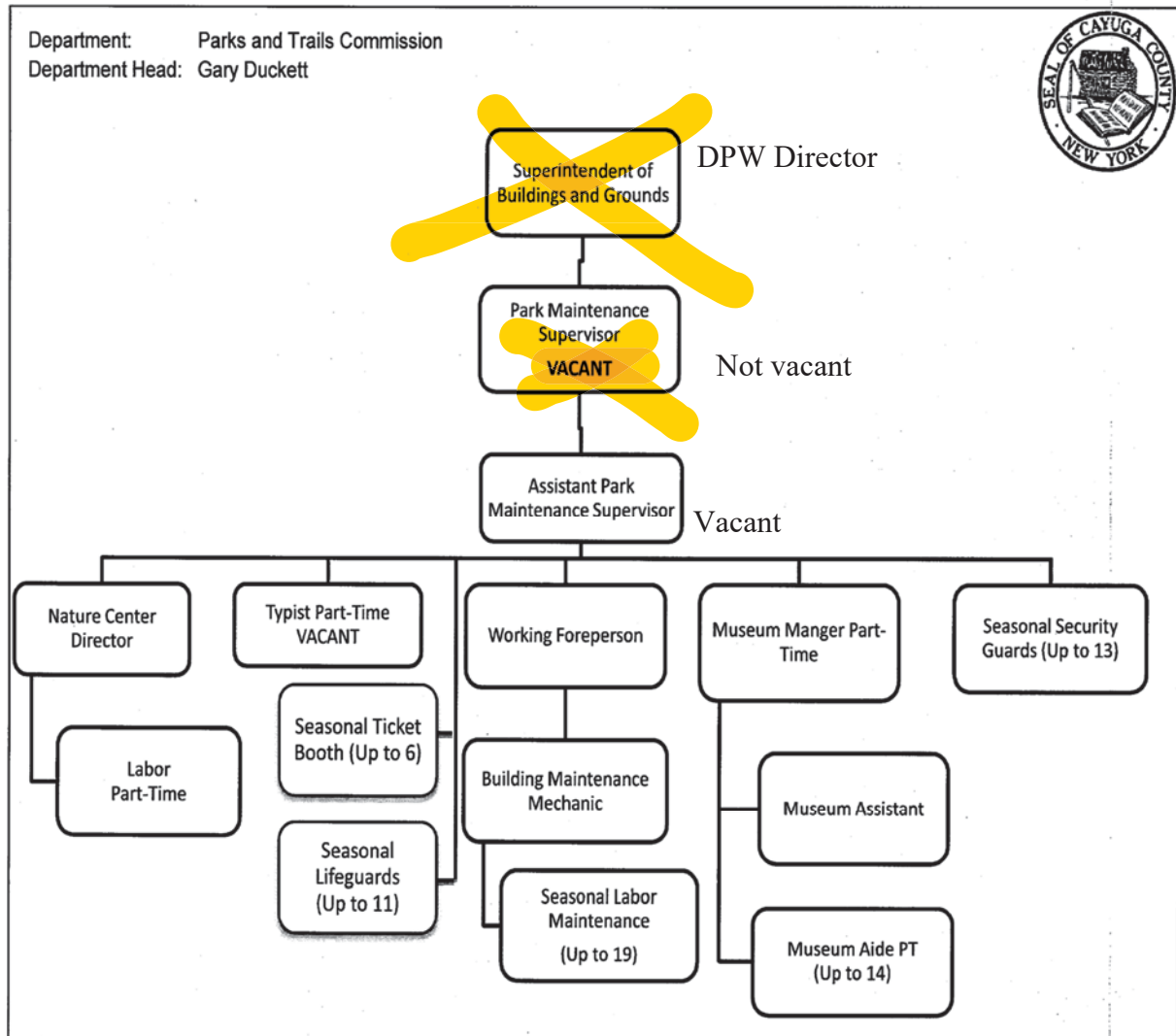
Parks &
Trails

B&G/Engineer

B&G Supt. Reports to DPW Director
– eventually eliminated & replaced by a Civil Engineer



Parks Maintenance Supervisor Reports Directly to DPW Director
Weights & Measures (no visual) Reports Directly to DPW Director



2) **Create a Finance Department.**

The current leave of the Deputy Treasurer has strained our accounting and financial management capacity, but also creates an opportunity to realign our financial accounting and management duties. We have an immediate need to fill the void created by a long term sick leave that we know will result in the Deputy Treasurer's retirement in January 2019. Therefore we have proposed immediately creating and filling an Acting Deputy Treasurer in Resolution 6-18-WM-3. We believe this is an appropriate use of contingency and looks as follows:

Account #		Increase	Decrease
A13251-51001	Salaries – FT	\$44,320	
A13251-58001	Social Security	\$3,235	
A13251-58002	Retirement	\$7,002	
A13251-58003	Health Ins.	\$5,869	
A13251-58004	Dental Ins.	\$197	
A10164-54000	Contingency		\$60,624

While considering the Acting Deputy Treasurer position, we seek to regrade the position to a Grade 12 to realign the current salary (base plus stipend – \$92,200) to accurately reflect an increase in qualifications (no Associate Degree, Bachelor's Required, Master's Preferred) and the market for municipal finance and accounting executives. For example, the City of Auburn recently recruited a new Comptroller with an advertised a salary of \$89,656 - \$107,533. This is relevant because it was the same position comparison used to justify the base plus stipend for the Deputy Treasurer, and provides an accurate range for comparable positions.

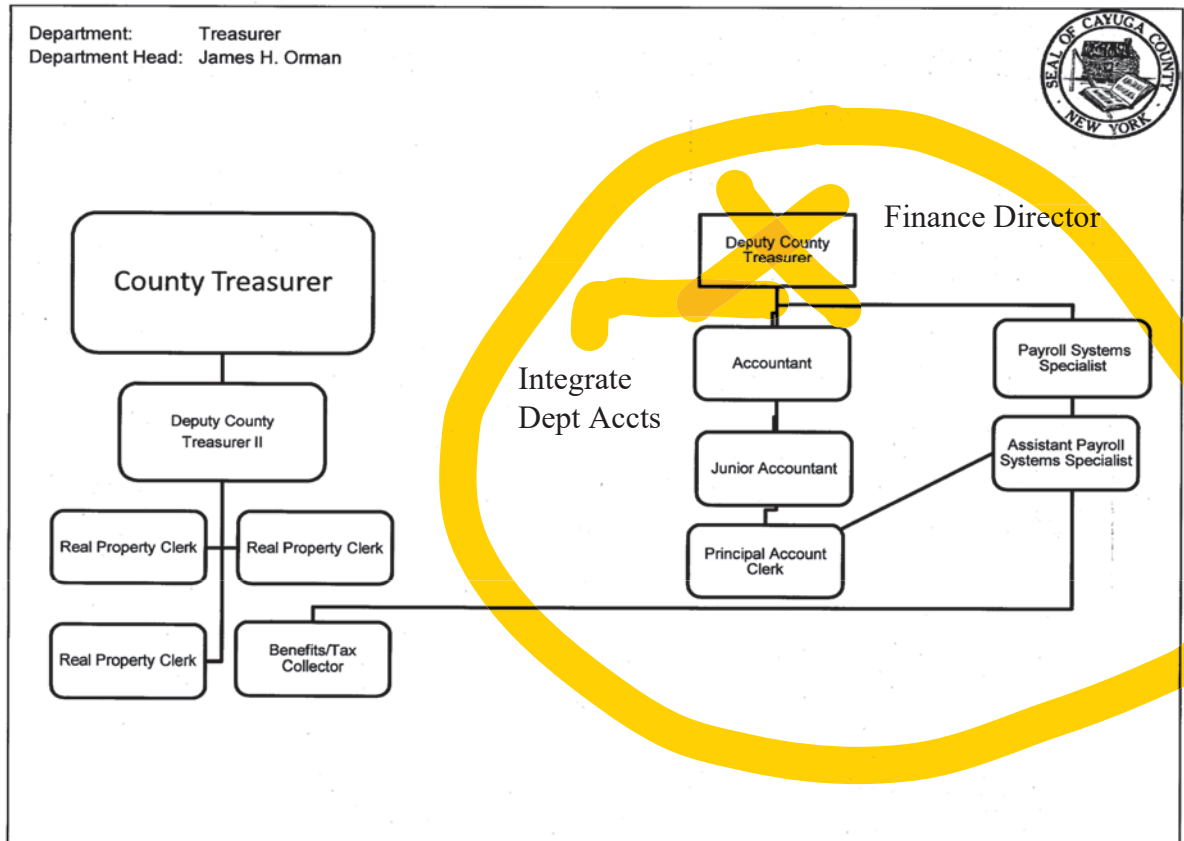
Moreover, this becomes relevant as we propose using the time between now and the Deputy Treasurer's retirement to create an independent Finance Department headed by a Finance Director. This will be overseen by a working group including staff in our financial services areas. The proposal is to eliminate Deputy Treasurer and move the Accounting, Payroll, and Benefits functions out of the Treasurer's Department into a Finance Department headed by the director. Once operational, we would integrate departmental accounting into the more centralized structure. Having the ability to hire the right Acting Deputy Treasurer will give us a 5-6 month period to finalize the transition and assess the fit of the hired candidate to potentially transition into the Finance Director role.

The 2018 Budget impact of hiring a Deputy Treasurer is from contingency as noted above. There is no other immediate impact on the 2018 or 2019 budgets at this time as we expect the Deputy Treasurer to retire in January 2019.

Deputy Treasurer eliminated, Finance Director Created

All current reports – accounting, payroll, benefits move with new Finance Director

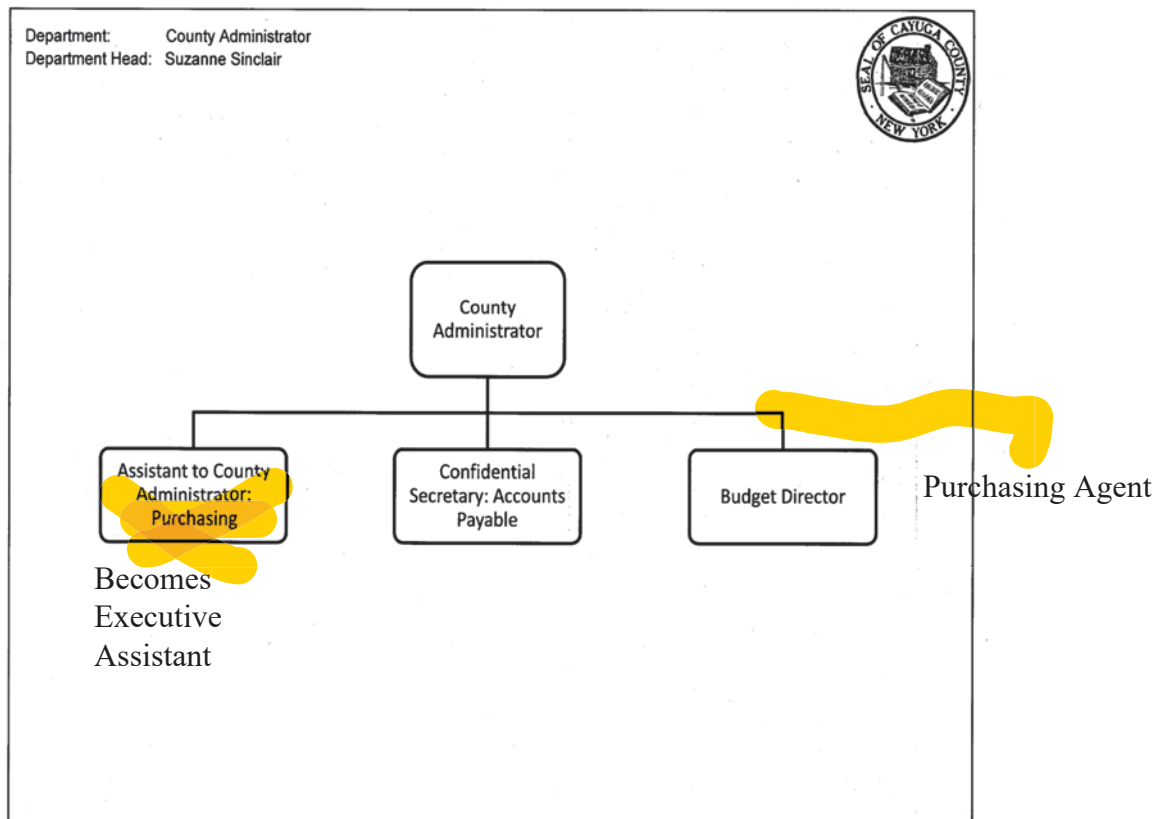
Remote accounting in other departments eventually integrated into Finance framework.



3) **Reorganize Administrator's Office & Create a Purchasing Agent**

CGR's top recommendation was to empower the County Administrator to serve as the Chief Administrative Officer and to more fully resource the Administrator's Office.

There is a currently a significant gap between the assigned duties, capacity, and needs of the staff and the workload in the Administrator's office. The bulk of this burden has been thrust on the Confidential Secretary. Prior to my arrival, the Confidential Secretary's duties consisted primarily of accounts payable and some reception duties, with minimal executive support. The expectations and demands placed on the support role increased tremendously without adequate appreciation or understanding that the Confidential Secretary was primarily doing accounts payable. The long-term sick leave and forthcoming vacancy of the Administrative Assistant with only a part-time temporary administrative support is taking its toll. This warrants a reexamination of that staff functions and needs to adequately perform a variety of tasks. The current alignment of the Administrator's office is as follows:



Confidential Secretary – Accounts Payable
Administrative Assistant – Purchasing
Budget Director (P/T)

We can optimize the office in several strategic ways:

First, by moving the Budget Director to the 6th Floor we will enable her to operate more functionally as a component of the Administrator's Office. This will create more immediate access to budgetary information, and allow us to better coordinate budgetary impacts and provide analysis in a timely manner. This has virtually no budgetary impact, except for the materials and labor to build the wall (\$1,000). Future consideration, if the Budget Director's 6th Floor role grows, we may need to consider adding more accounting support in DSS or Health. This will be driven by a combination of factors, including the integration of Accounting/Finance Duties, and projects in the Administrator's Office.

Second, eliminate the Administrative Assistant position and replace it with an Executive Assistant similar to the reclassification in the DAs office. Rather than purchasing, the Executive Assistant will be dedicated to supporting the Administrator, focusing not only on administrative support, but also project management, public relations, internal/external communications, etc. While this will change from a Grade 4 to a Grade 6, there is little budget impact because the incumbent was long tenured and highly paid grade 4 position (salary \$49,900) compared to the Grade 6 base (minimum \$50,313).

Third, add a fulltime Purchasing Agent (\$55-70,000). Adding a fulltime Purchasing Agent to this critical county function will yield a great return on investment. Improving, centralizing, and aggressively implementing a competitive procurement process can yield significant savings. It was disappointing that CGR didn't get into more details analyzing potential savings, but nevertheless the policy considerations and economies of scale discussed are sensible. Further, as we draft the County-wide shared services plan, some of the opportunities should come from joint purchasing that can only be realized through increasing our purchasing capacity.

Assuming a mid-range salary and September 1 start date, the 2018 budget impact to add the Purchasing Agent is \$25k from contingency. 2019 impact is projected at \$100k salary and fringes for all changes. For 2019, the costs of the new position can come from other expenses not budgeted. For example, we will be budgeting to lease vehicles in the Sheriff's department rather than purchase them, and we will not be budgeting money for CGR consulting. These 2018 expenses that will not be included in the 2019 Budget proposal will more than cover the new spending.

Lastly, will also include Purchasing Agent in the Shared Services Plan and apply any reimbursements from joint purchasing savings back to the position costs. We anticipate savings from the hiring of a Purchasing. For example, for large equipment we typically use OGS bids for convenience rather than bidding projects out to see if we can get better prices. While these savings are not yet quantifiable, it is something we will track going forward.

A) **Implement a Time & Attendance System**

The County currently uses a manual, labor intensive timekeeping system that is inefficient and difficult to oversee and verify. The process results in lost time and human error, and could be improved significantly by automating the time keeping system. The current system includes every staff person filling out and signing a paper timesheet, the supervisor signing the paper timesheet, and then someone from the department manually entering that time into a spreadsheet. The spreadsheets are then sent to the Treasurer's Office to be manually integrated, sent back to the departments for review, and finally uploaded to ADP who processes our payroll checks and handles withholding filings. This processes is inefficient, leads to errors that are difficult to detect, easily overlooked, and difficult to verify.

Staff has been evaluating ADP's solution to automate time and attendance with the payroll administration. This would involve installing a combination of time clocks, computer, phone, and application sign in solutions countywide. This system will increase efficiency and reduce payroll errors (including overpayment), and resulting in staff resources being realigned to meet other needs.

Our current contract for payroll and tax withholding statements is \$57k. We have been negotiating adding the time and attendance system, and have negotiated significant discounts. There is a onetime set up fee of \$31k that we have negotiated down to \$0, The annual cost to add time and attendance is \$56k, which breaks down to an increase of \$2,155 per payroll period. They have also agreed to a \$10k annual credit off of our existing contract for payroll, for a total annual cost of \$105k for time and attendance with payroll and tax withholding, I propose committing to the system in 2018, and rolling it out in 2019 so that this will be a 2019 budget expense that we would begin working on in the 4th Quarter of 2018.

B) **New Website – Civic Plus**

The County needs a new website. The current site is dated, hosted on our servers, and has limited transactional capacity. Civic plus offers a complete solution that staff recommends implementing. Our current hosting costs are \$7,999.00 annually, and we also spend \$11,000.00 annually on OpenGov, which no one is using. The combined an annual costs of these is \$18,999.00.

Civic plus is complete web solution. The costs are front-loaded, includes a complete redesign, and is remotely backed up and secured. The annual costs are \$27,733.79 in years 1-3, starting in year 4 the annual payment will be \$9,975.00 (plus 5% increase annually). The contract also provides for an update of the site after year 4, which makes this an 8 year solution. Averaged over the life of the site, based on current payments, it's a wash. IT has the money in this year's budget, and the marginal increase in annual costs beginning in 2019 is approximately \$8,000/year. See Samples: [Madison Livingston Tompkins](#)

C) **Codify Laws – E-Code 360**

Codification is the process of collecting and organizing a jurisdictions laws. Cayuga's Laws are organized by year and number, or so called session laws. The Clerk of Legislature, County Attorney, and I jointly recommend codifying the county laws into a functional code with a searchable database. See for example: [Monroe Rockland Tompkins](#) The total cost of this is \$12,500 spread over the next couple of years, with an annual maintenance cost of \$1200.