Department of Administrative Services

Department Purpose

The Department of Administrative Services (DAS) manages most of the internal services functions required by the county. The department consists of three divisions that are responsible for providing: procurement and contracting services; facility and real property management; risk management; and fleet services for all departments under the Pinellas County Board of County Commissioners (BCC), select appointing authorities, and select constitutional officers. More specifically, Administrative Services partners with internal customers to provide services pertaining to legal and ethical procurement, centralized real property services, centralized facility operations and maintenance, fleet asset management and fuel operations, and the mitigation of financial loss through a centralized risk management and safety program that also includes administering the County's Self-Insured General Liability and Worker's Compensation Program.

Executive Summary

DAS is made up of three divisions: Purchasing and Risk Management, Facilities and Real Property (FRP), and Fleet. Together, they offer key administrative services for the departments under the Pinellas County Board of County Commissioners (BCC). The Purchasing and Risk Management Division will focus on improving the procurement process through its implementation of BuySpeed in FY21. It also expects to complete the Occupational Safety and Health Administration (OSHA) training for field staff and begin on-boarding a Third-Party Administrator (TPA) for workers compensation claims in late FY21. FRP expects to complete the Pinellas County space study and analysis and finalize the review and assessment of Pinellas County owned properties in FY21. Fleet will also begin installing new GPS devices on Pinellas County vehicles in 2021, followed by heavy equipment and trailer installation in 2022 and watercraft and generator installation in 2023.

Staffing Summary:

For FY22, DAS FTEs reduced by 13.0 with the STAR Center Operations and Maintenance Program realigning to Economic Development.

Department of Administrative Services FTE Count by Division					
	FY18	FY19	FY20	FY21	FY22
Facilities and Real Property	113.5	117.5	114.5	109.8	110.1
Fleet Management	26.5	26.5	27.5	28.7	28.5
Purchasing and Risk Management	37.0	41.0	41.0	46.5	46.4[1]
STAR Center Operations	15.0	12.0	14.0	13.0	0.0
Totals	**192.0**	**197.0**	**197.0**	**198.0**	**185.0**

[1] Prior to FY22 proposed budget, Purchasing and Risk Management will be reduced by one FTE to reflect initial cost savings to be gained through the implementation of a TPA. Future cost saving will include the reduction of two more FTE after onboarding the TPA is completed.

Budget Summary by Fund and Program:

General Fund

Facility and Real Property Program

Facilities and Real Property (FRP) oversees facility operations and maintenance for all County government and Court buildings, including the detention facility operated by the Sheriff's Office. In addition to managing, leasing, and licensing of real property owned by others, these programs support the acquisition, design, construction, and remodels of County-owned real property. These programs also transfer and dispose of surplus County-owned personal property.

FRP General Fund Expenditures

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Estimate	FY22 Request	Budget to Budget Change	Budget to Budget % Change
Personal Services	9,138,473	9,369,499	9,845,550	10,377,880	9,815,200	10,610,600	232,720	2.2%
Operating Expenses	21,898,887	24,372,406	25,961,060	25,890,440	24,867,390	26,971,600	1,081,160	4.2%
Capital Outlay	956,557	363,594	718,834	705,930	587,500	544,000	(161,930)	-22.9%
Expenditure Totals	**$31,993,917**	**$34,105,499**	**$36,525,444**	**$36,974,250**	**$35,270,090**	**$38,126,200**	**$1,151,950**	**3.1%**

Overall expenditures increased 3.1% or $1.2M. Expenditures for personal services increased 2.2% and align with the 3.0% pay adjustment. New hires for recent vacancies starting at the entry point of the paygrade helped offset the increase. Capital Outlay expenditures decreased by 22.9% due to decreases in planned building improvements and tool purchases. Operating expenditures increased by 4.2% or $1.1M.

- COVID-19 expenditures based on early FY21 actuals for PPE, sanitizer, UV-lighting and increased janitorial services account for $1.1M However, with increasing vaccinations and updated CDC guidelines, staff is inventorying current PPE supplies, reviewing janitorial service contracts and believes they will significantly lower the COVID-19 impact for the FY22 operating budget request.

While the FY22 budget is similar to past years, the results of three studies may have significant impact on operations and ultimately the way this program is budgeted in future years.

- DAS awarded Stantec $1.3M funded through General Government, to conduct a county space study and analysis. This initiative required an adjusted timeline from its original proposal due to COVID-19; however, it is on track to be completed and presented to the BCC on September 2, 2021. The study will make recommendations on which County properties to consolidate and reduce in relation to function while maximizing efficiencies. It will also include financial projections for the next thirty years.

- DAS also awarded a $112,500 contract to Colliers to review and assess over 500 Pinellas County owned properties. The initiative utilizes real estate brokerage services to review and assess County owned properties, prioritize their alternative uses, and identify opportunities for consolidation, lease, lease termination, and sale. It also intends to reduce the amount of unneeded County-owned property through disposition or alternative use. It will assist the County with identifying and negotiating property acquisition and disposition as they relate to targeted County needs, such as affordable housing and economic development.

- DAS hired Imagine That Consulting to assist the Facilities and Real Property (FRP) Division with strategic planning, organization, and key performance measure development. The consultant will facilitate meetings to instruct FRP on process improvement, Lean Six Sigma principles, and how and what to measure to indicate the division's outcomes, quality, and efficiency. Total cost for the consultant was $40,000 and paid in FY21.

FRP General Fund Revenue

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Estimate	FY22 Request	Budget to Budget Change	Budget to Budget % Change
Charges for Services	177,191	201,077	207,215	183,660	203,600	190,430	6,770	3.7%
Rents, Surplus and Refunds	455,159	594,737	1,190,801	672,690	1,121,780	1,067,480	394,790	58.7%
Revenues Total	**632,349**	**795,814**	**1,408,995**	**856,350**	**1,325,380**	**1,257,910**	**401,560**	**46.9%**

Overall revenues are increasing 46.9%. The new revenue is generated by lease payments from the Tax Collector's Office for their Mid County Service Center. These lease payments offset the costs incurred by the County in purchasing the facility and are consistent with the lease payments previously made by the Tax Collector to the prior owner.

Charges for Services include revenue for Water Chiller fees and User Fees associated with Petitions to Vacate and Releases of Property Interest. The 3.7% increase for Charges and Services aligns with the projected usage and contracted capacity fees for the Chiller.

Procurement Program

The Procurement Program serves as the centralized purchasing function for the Board of County Commissioners and select constitutional officers.

Procurement Expenditures

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Estimate	FY22 Request	Budget to Budget Change	Budget to Budget % Change
Personal Services	1,649,406	1,954,550	2,089,001	3,062,730	2,852,600	3,055,730	(7,000)	-0.2%
Operating Expenses	53,529	54,349	58,638	48,670	51,500	179,730	131,060	269.3%
Capital Outlay	4,925	0	0	14,130	0	19,200	5,070	35.9%
Expenditure Totals	**1,707,859**	**2,008,899**	**2,147,639**	**3,125,530**	**2,904,100**	**3,254,660**	**129,130**	**4.1%**

Overall expenditures for Purchasing increased 4.1%. The budget for professional development and training increased $10,380. The increased training ensures staff is leveraging current industry practices and technology to procure competitive bids. Also driving the increase in operating expenditures is a $101,160 increase in the Intergovernmental Risk Finance Charge. The FY22 Intergovernmental Risk Finance Charge now includes salaries for a division manager and one admin support position to reflect the combining of the two departments in the FY20. The Intergovernmental Risk Finance Charge is always based on actuals from the previous two budget years. This increase also reflects the support Risk Management provides to Purchasing now that the departments are combined.

The use of purchasing cards (P-cards) helps reduce the Personal Services budget because P-cards require less staff hours to procure goods and services. In FY20, the division avoided an additional cost of $1.5M, which was 7.1% higher than FY19's cost avoidance ($1.4M).

Capital Outlay increased $5,070 to replace aging laptops and outdated docking stations identified by the Business Technology Services (BTS) Device Refresh Program.

In an effort to offer more efficient purchasing services, the Purchasing and Risk Management Division licensed BuySpeed's procurement software. Both the subscription and license costs total $169,700 for FY22 and will be paid by the Office of Technology and Innovation's FY22 budget. Subsequent annual subscription costs will also be paid for by OTI. DAS intends to track the following performance measures following the implementation of BuySpeed this summer.

- Cycle Time for Procurements by Type
- Contract Workload by Agent
- Cycle time for posting opportunities
- Cycle Time for Contract Approvals
- Number of Approval Handoffs for Contracts
- Number of Bids Received by Procurement Type

FLEET MANAGEMENT FUND

Fleet Asset Management and Fleet Fuel Management Programs:

These programs provide for the acquisition, deployment, maintenance, repair, and disposal of County-owned vehicles, heavy equipment, and stationary engines. In addition to asset management, these programs also support the purchase of fuel and maintenance of the County's 17 fuel sites and their regulatory compliance.

Fleet Asset Management and Fleet Fuel Management Expenditures

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Estimate	FY22 Request	Budget to Budget Change	Budget to Budget % Change
Personal Services	2,034,012	2,109,322	2,319,306	2,815,350	2,465,760	2,749,120	(66,230)	-2.3%
Operating Expenses	7,638,050	7,866,377	7,501,911	8,204,230	8,236,190	9,195,870	991,640	12.1%
Capital Outlay	3,434,300	2,652,971	2,332,373	5,737,410	5,737,410	4,960,330	(777,080)	-13.5%
Reserves	0	0	0	16,402,450	0	18,807,900	2,405,450	14.6%
Expenditure Totals	**$13,106,361**	**$12,628,670**	**$12,153,590**	**$33,159,440**	**$16,439,360**	**$35,713,220**	**$2,553,780**	**7.7%**

Overall expenditures increased 7.7%. The largest increase, 12.1%, occurred in Operating Expenses. Previously, departments such as Utilities and Public Works managed their own GPS services. For FY22 Fleet has budgeted $293,760 to manage and centralize all GPS services for the County under one department. Installation of the new GPS devices are expected to be completed by December 2021 and will funded by the FY21 Budget. With GPS services centralized under one contract, Fleet will ensure all maintenance and software remains current. The GPS devices will provide data for vehicle and equipment usage, including driver behavior, engine idling, and generator downtime. This data will be useful in improving asset care, driver behavior, and creating performance measures. With the cost of fuel rising, Fleet has increased the fuel markup by one cent. The additional one cent markup combined with a projected increase in the number of gallons consumed increased fuel expenditures by $190,280. Additional increases for expenditures such as parts and outside fleet services beyond our scope of services drove the increase in operating expenses too.

Although operating expenses increased, Personal Services and Capital Outlay decreased. Personal Services decreased 2.3% due to turnover and filling those positions at a lower rate of pay. Capital Outlay decreased 13.5% due to a $600,000 reduction in the capital cost associated with the Vehicle Replacement Program (VRP). This year's VRP will purchase less vehicles and less heavy equipment in comparison to FY21.

Novak Consulting was brought in to analyze the Fleet Division's fleet and fuel operations. The consultant provided two studies that identified gaps, recommended best practices, and provided key performance measures. Fleet is currently reviewing the studies with County Administration to determine what recommendations to accept, including the closure of selected fuel sites. Novak Consulting and DAS are expected to present the studies and recommendations to the BCC in Quarter IV FY21.

Fleet Asset Management and Fleet Fuel Management Revenues

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Estimate	FY22 Request	Budget to Budget Change	Budget to Budget % Change
Fund Balance	23,410,961	24,981,673	15,199,395	16,281,220	19,485,000	18,630,160	2,348,940	14.4%
Charges for Services	14,105,574	15,167,353	15,217,530	16,136,500	15,021,410	16,338,450	201,950	1.2%
Interest Earnings	137,116	479,803	424,525	285,950	216,100	241,920	(44,030)	-15.4%
Rents, Surplus and Refunds	473,604	617,085	346,736	190,950	162,000	190,950	0	0.00%
Other Misc. Revenues	400,353	282,306	261,848	264,820	185,000	311,740	46,920	17.7%
Revenue Totals	**S38,527,608**	**$41,528,221**	**$31,450,750**	**$33,159,440**	**$35,069,510**	**$35,713,220**	**$2,553,780**	**7.7%**

For FY22, Charges for Services increased 1.2% from the FY21. Charges for services include revenues for fuel, fleet replacement charges to other departments and for repair and parts. Budgeted Surplus Revenue generated by surplus vehicles and equipment sales, including scrap metal, remained the same as FY21. Interest Earnings align with current trends and will remain low for the next several quarters.

RISK FINANCING FUND

Protecting County Employees, Citizens and Assets Program:

This program provides for managing County risk due to various types of losses, including worker injuries, liability claims from citizens and others, property losses, and environmental losses.

Protecting County Employees, Citizens and Assets Expenditures

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Estimate	FY22 Request	Budget to Budget Change	Budget to Budget % Change
Personal Services	6,995,644	6,300,293	7,453,521	7,719,080	7,542,930	7,733,520	14,440	0.2%
Operating Expenses	9,899,120	11,162,918	12,161,766	13,167,190	13,105,210	14,211,440	1,044,250	7.9%
Capital Outlay	10,603	16,304	2,756	0	0	0	0	0.00%
Reserves	0	0	0	29,598,480	0	29,352,080	(246,400)	-0.8%
Expenditure Totals	**$16,905,368**	**$17,479,515**	**$19,618,043**	**$50,484,750**	**$20,648,140**	**$51,297,040**	**$812,290**	**1.6%**

Operating expenditures increased 7.9% for FY22. Projected increases in insurance premiums due to market conditions and an additional, new expenditure for a third-party administrator (TPA) to manage worker's compensation claims drove the increase.

Insurance premiums are anticipated to continue rising over the next few years. To mitigate the increase for FY21, Risk removed coverage for buildings with a value less than $500,000, reduced the excess liability limit by $5.0M, and reduced the excess cyber liability limit from $10M to $5M. Despite insurance premiums increasing by $550,000, the mitigation in FY21 avoided an additional cost increase of $1.2M. For FY22, Risk will not have the same opportunity to mitigate another large increase in premiums and has budgeted an additional $550,000 to ensure available funding.

The establishment of a TPA for worker's compensation is on track for award of this August. This initiative will allow DAS to better achieve industry best practices, add resources during times of claim volume increases, potentially accelerate resolution of claim files, provide Pinellas County Sheriff access to specialized resources, and remove internal conflicts of interest. The cost of the TPA will be initially offset by $103,000 through the elimination of one position in FY22 and two more positions once the TPA is fully on-boarded in mid to late FY22. Risk projects full cost savings will not be realized until FY23.

The percent of vendors in compliance with assigned insurance requirements was 78% in FY20, falling slightly short of its target of 85%. COVID-19 required purchasing to quickly procure various equipment and services from vendors that did not always meet Pinellas County's requirements.

DAS is on track to complete Occupational Safety and Health Administration (OSHA) training for all applicable County employees in September 2021. Following implementation, the department will adopt performance measures to make sure the County is remaining compliant with the federal regulations.

- The department reported a 9% reduction in County employee injuries in FY20 when compared to FY19. This is attributed to the additional OSHA training staff have received.

Protecting County Employee, Citizens, and Assets Revenues

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY21 Estimate	FY22 Request	Budget to Budget Change	Budget to Budget % Change
Fund Balance	5,682,889	1,536,665	31,518,466	30,780,900	31,551,690	30,336,200	(444,700)	-1.4%
Charges for Services	15,863,797	18,412,136	19,227,750	18,991,350	18,991,350	20,485,840	1,494,490	7.8%
Interest Earnings	362,288	1,034,566	744,430	380,000	357,000	380,000	0	0.00%
Other Misc. Revenues	427,991	410,019	228,478	332,500	84,300	95,000	(237,500)	-71.4%
Revenue Totals	**$22,336,966**	**$21,393,385**	**$51,756,675**	**$50,484,750**	**$50,984,340**	**$51,297,040**	**812,290**	**1.6%**

Charges for Services based on the risk cost allocation plan and increased 7.8% from the FY21. This revenue will cover the anticipated cost of claims and the maintain an appropriate reserve level. Interest Earnings align with current trends and will remain low for the next several quarters. Other Miscellaneous Revenue is comprised of reimbursements for recoveries from external sources, primarily third-party insurance companies. The FY22 request decreased due to trending and recent activity.

Attachments:

- Attachment I – Organization Chart
- Attachment II – Budget Book Performance Dashboard
- Attachment III – User Fees
- Attachment IV – Fleet Revenue Detail
- Attachment V – Risk Fund Revenue Detail