

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY	)	ORDINANCE NO. 06-1122
2005-06 BUDGET AND APPROPRIATIONS	)	
SCHEDULE REPLACING COPIERS IN THE	)	Introduced by Mike Jordan, Chief Operating
METRO REGIONAL CENTER, PURCHASING	)	Officer, with the concurrence of Council
AND INSTALLING TIMEKEEPING SOFTWARE	)	President Bragdon
THROUGHOUT METRO; AMENDING THE FY	)	
2005-06 THROUGH FY 2009-10 CAPITAL	)	
IMPROVEMENT PLAN; AND DECLARING AN	)	
EMERGENCY	)	

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2005-06 Budget; and

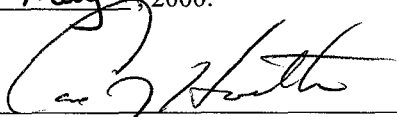
WHEREAS, the need for the increase of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

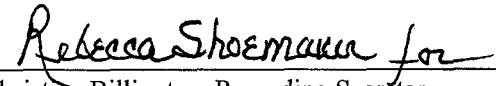
THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2005-06 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of replacing copiers in the Metro Regional Center, and purchasing and installing timekeeping software throughout Metro.
2. That the FY 2005-06 through FY 2009-10 Capital Improvement Plan is amended as shown in Exhibit C to this ordinance.
3. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

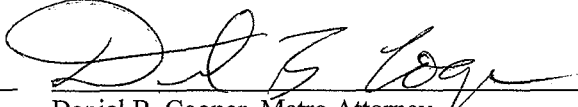
ADOPTED by the Metro Council this 25<sup>th</sup> day of May, 2006.

  
 \_\_\_\_\_  
 David Bragdon, Council President

Attest:

  
 \_\_\_\_\_  
 Christina Billington, Recording Secretary

Approved as to Form:

  
 \_\_\_\_\_  
 Daniel B. Cooper, Metro Attorney

**Exhibit A**  
**Ordinance No. 06-1122**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>Metro Capital Fund</b>							
<b>Total Personal Services</b>		<b>1.00</b>	<b>\$98,279</b>	<b>-</b>	<b>\$0</b>	<b>1.00</b>	<b>\$98,279</b>
<b>Total Materials &amp; Services</b>			<b>\$500,000</b>		<b>\$0</b>		<b>\$500,000</b>
<b>Total Capital Outlay</b>			<b>\$4,375,500</b>		<b>\$0</b>		<b>\$4,375,500</b>
<b><u>Interfund Transfers</u></b>							
<i>EQTCH Fund Equity Transfers</i>							
5810	Transfer of Resources						
	* to General Fund (Support Services)		0		181,000		181,000
	* to General Fund (Pension Obligation)		9,634		0		9,634
	* to General Fund (Regional Parks-Tibbets)		500		0		500
<b>Total Interfund Transfers</b>			<b>\$10,134</b>		<b>\$181,000</b>		<b>\$191,134</b>
<b><u>Contingency &amp; Unappropriated Balance</u></b>							
<i>CONT Contingency</i>							
5999	Contingency						
	* General contingency		1,207,000		(181,000)		1,026,000
	* Prior Year PERS Reserve		518		0		518
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance						
	* Renewal & Replacement - IT		316,570		(61,000)		255,570
	* Renewal & Replacement - MRC		396,625		61,000		457,625
	* Oregon Zoo Projects Account		1,763,911		0		1,763,911
	* Parks Capital Projects Account		233,822		0		233,822
	* Parks Renewal & Replacement		173,150		0		173,150
	* Parks Cap. Imp, R&R (Mult. Cty Res)		982,660		0		982,660
	* Oxbow Park Nature Center Account		303,100		0		303,100
<b>Total Contingency &amp; Unappropriated Balance</b>			<b>\$5,377,356</b>		<b>(\$181,000)</b>		<b>\$5,196,356</b>
<b>TOTAL REQUIREMENTS</b>		<b>1.00</b>	<b>\$10,361,269</b>	<b>-</b>	<b>\$0</b>	<b>1.00</b>	<b>\$10,361,269</b>

**Exhibit A**  
**Ordinance No. 06-1122**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>General Fund</b>							
<b>Resources</b>							
<i>BEGBAL Beginning Fund Balance</i>							
3500	Beginning Fund Balance						
	* Prior year ending balance		8,180,930		0		8,180,930
	* Undesignated		1,503,573		0		1,503,573
	* Cash Flow Reserve		936,668		0		936,668
	* Project Carryover		477,362		0		477,362
	* Tourism Opportunity & Comp. Account		42,354		0		42,354
	* Recovery Rate Stabilization Reserve		1,333,034		0		1,333,034
	* Reserve for Future Debt Service		1,682,054		0		1,682,054
	* General Renewal & Replacement Reserve		250,000		0		250,000
	* Renewal, Replace., Cap Imp (Mult. Cty)		1,032,660		0		1,032,660
	* IT Renewal & Replacement Reserve		350,000		0		350,000
	* Prior year PERS Reserve		2,660,801		0		2,660,801
<i>EXCISE Excise Tax</i>							
4050	Excise Taxes		12,805,010		0		12,805,010
<i>RPTAX Real Property Taxes</i>							
4010	Real Property Taxes-Current Yr		9,024,168		0		9,024,168
4015	Real Property Taxes-Prior Yrs		270,725		0		270,725
<i>GRANTS Grants</i>							
4100	Federal Grants - Direct		3,336,509		0		3,336,509
4105	Federal Grants - Indirect		5,212,398		0		5,212,398
4110	State Grants - Direct		1,815,633		0		1,815,633
4115	State Grants - Indirect		345,700		0		345,700
4120	Local Grants - Direct		4,854,805		0		4,854,805
4125	Local Grants - Indirect		2,235,372		0		2,235,372
<i>LGSHRE Local Gov't Share Revenues</i>							
4135	Marine Board Fuel Tax		118,125		0		118,125
4139	Other Local Govt Shared Rev.		378,362		0		378,362
<i>GVCNTB Contributions from Governments</i>							
4145	Government Contributions		81,500		0		81,500
<i>LICPER Licenses and Permits</i>							
4150	Contractor's Business License		400,000		0		400,000
<i>CHGSVC Charges for Service</i>							
4160	Boat Ramp Use Permits		500		0		500
4165	Boat Launch Fees		166,550		0		166,550
4180	Contract & Professional Service		144,500		0		144,500
4200	UGB Fees		50,000		0		50,000
4230	Product Sales		1,775		0		1,775

**Exhibit A**  
**Ordinance No. 06-1122**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>General Fund</b>							
<b>Resources</b>							
4280	Grave Openings		194,901		0		194,901
4285	Grave Sales		139,707		0		139,707
4500	Admission Fees		6,168,023		0		6,168,023
4510	Rentals		739,371		0		739,371
4550	Food Service Revenue		4,115,953		0		4,115,953
4560	Retail Sales		1,917,209		0		1,917,209
4580	Utility Services		2,100		0		2,100
4610	Contract Revenue		912,953		0		912,953
4620	Parking Fees		639,553		0		639,553
4630	Tuition and Lectures		812,487		0		812,487
4635	Exhibit Shows		433,778		0		433,778
4640	Railroad Rides		487,442		0		487,442
4645	Reimbursed Services		186,047		0		186,047
4650	Miscellaneous Charges for Service		29,625		0		29,625
4760	Sponsorships		14,000		0		14,000
<i>INTRST</i>	<i>Interest Earnings</i>						
4700	Interest on Investments		329,419		0		329,419
<i>DONAT</i>	<i>Contributions from Private Sources</i>						
4750	Donations and Bequests		1,151,295		0		1,151,295
4670	Charges for Service		869,007		0		869,007
<i>MISCRV</i>	<i>Miscellaneous Revenue</i>						
4170	Fines and Forfeits		25,000		0		25,000
4890	Miscellaneous Revenue		80,212		0		80,212
<i>INFREQ</i>	<i>Special Items-Infrequent Items</i>						
4810	Sale of Fixed Assets		2,000		0		2,000
<i>DBTREV</i>	<i>Bond &amp; Loan Proceeds</i>						
4905	Revenue Bond Proceeds		24,313,286		0		24,313,286
<i>EQTREV</i>	<i>Fund Equity Transfers</i>						
4970	Transfer of Resources						
	* from MERC Operating Fund		1,778,272		0		1,778,272
	* from MERC Pooled Capital Fund		61,160		0		61,160
	* from Metro Capital Fund-Tibbets Acct		500		0		500
	* from Metro Capital Fund-Zoo Projects		9,634		0		9,634
	* from Metro Capital Fund-IT R&R Acct		0		61,000		61,000
	* from Metro Capital Fund-MRC R&R Acct		0		120,000		120,000
	* from Open Spaces Fund		58,485		0		58,485
	* from Risk Management Fund		32,384		0		32,384
	* from Solid Waste Revenue Fund		1,205,549		0		1,205,549

**Exhibit A**  
**Ordinance No. 06-1122**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>General Fund</b>							
<b>Resources</b>							
<i>INDTRV</i>	<i>Interfund Reimbursements</i>						
4975	Transfer for Indirect Costs						
	* from MERC Operating Fund		1,659,536		0		1,659,536
	* from Open Spaces Fund		312,499		0		312,499
	* from Solid Waste Revenue Fund		3,463,419		0		3,463,419
<i>INTSRV</i>	<i>Internal Service Transfers</i>						
4980	Transfer for Direct Costs						
	* from MERC Operating Fund		72,677		0		72,677
	* from Open Spaces Fund		31,796		0		31,796
	* from Smith & Bybee Lakes Fund		21,700		0		21,700
	* from Solid Waste Revenue Fund		359,466		0		359,466
<b>TOTAL RESOURCES</b>			<b>\$112,321,513</b>	<b>\$181,000</b>		<b>\$112,502,513</b>	

**Exhibit A  
Ordinance No. 06-1122**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>General Fund</b>							
<b>Finance &amp; Administrative Services Department</b>							
<b>Total Personal Services</b>		<b>59.40</b>	<b>\$4,744,191</b>	<b>0.00</b>	<b>\$0</b>	<b>59.40</b>	<b>\$4,744,191</b>
<i><u>Materials &amp; Services</u></i>							
<i>GOODS Goods</i>							
	5201 Office Supplies		81,287		0		81,287
	5205 Operating Supplies		83,148		0		83,148
	5210 Subscriptions and Dues		10,126		0		10,126
	5214 Fuels and Lubricants		821		0		821
	5215 Maintenance & Repairs Supplies		40,825		0		40,825
<i>SVCS Services</i>							
	5240 Contracted Professional Svcs		128,696		0		128,696
	5250 Contracted Property Services		53,000		0		53,000
	5251 Utility Services		244,771		0		244,771
	5255 Cleaning Services		153,750		0		153,750
	5260 Maintenance & Repair Services		507,652		(69,000)		438,652
	5265 Rentals		50,225		0		50,225
	5280 Other Purchased Services		100,590		0		100,590
<i>CAPMNT Capital Maintenance</i>							
	5262 Capital Maintenance - Non-CIP		58,000		0		58,000
<i>IGEXP Intergov't Expenditures</i>							
	5300 Payments to Other Agencies		326,852		0		326,852
<i>OTHEXP Other Expenditures</i>							
	5450 Travel		27,746		0		27,746
	5455 Staff Development		46,477		0		46,477
	5490 Miscellaneous Expenditures		16,677		0		16,677
<b>Total Materials &amp; Services</b>			<b>\$1,930,643</b>		<b>(\$69,000)</b>		<b>\$1,861,643</b>
<i><u>Capital Outlay</u></i>							
<i>CAPNON Capital Outlay (Non-CIP Projects)</i>							
	5720 Buildings & Related (non-CIP)		70,000		0		70,000
	5750 Office Furn & Equip (non-CIP)		5,000		0		5,000
<i>CAPCIP Capital Outlay (CIP Projects)</i>							
	5755 Office Furniture & Equip (CIP)		251,000		250,000		501,000
<b>Total Capital Outlay</b>			<b>\$326,000</b>		<b>\$250,000</b>		<b>\$576,000</b>
<b>TOTAL REQUIREMENTS</b>		<b>59.40</b>	<b>\$7,000,834</b>	<b>0.00</b>	<b>\$181,000</b>	<b>59.40</b>	<b>\$7,181,834</b>

**Exhibit B**  
**Ordinance No. 06-1122**  
**FY 2005-06 SCHEDULE OF APPROPRIATIONS**

<b>GENERAL FUND</b>	<b><u>Current</u></b>	<b><u>Revision</u></b>	<b><u>Amended</u></b>
	<b><u>Appropriation</u></b>	<b><u>Revision</u></b>	<b><u>Appropriation</u></b>
<b>Council Office</b>			
Operating Expenses (PS & M&S)	1,594,311	0	1,594,311
Subtotal	1,594,311	0	1,594,311
<b>Finance &amp; Administrative Services</b>			
Operating Expenses (PS & M&S)	6,674,834	(69,000)	6,605,834
Capital Outlay	326,000	250,000	576,000
Subtotal	7,000,834	181,000	7,181,834
<b>Human Resources</b>			
Operating Expenses (PS & M&S)	1,136,818	0	1,136,818
Subtotal	1,136,818	0	1,136,818
<b>Metro Auditor</b>			
Operating Expenses (PS & M&S)	631,742	0	631,742
Subtotal	631,742	0	631,742
<b>Office of Metro Attorney</b>			
Operating Expenses (PS & M&S)	1,390,347	0	1,390,347
Subtotal	1,390,347	0	1,390,347
<b>Oregon Zoo</b>			
Operating Expenses (PS & M&S)	21,412,240	0	21,412,240
Capital Outlay	462,150	0	462,150
Subtotal	21,874,390	0	21,874,390
<b>Planning</b>			
Operating Expenses (PS & M&S)	18,608,746	0	18,608,746
Capital Outlay	32,000	0	32,000
Subtotal	18,640,746	0	18,640,746
<b>Public Affairs &amp; Government Relations</b>			
Operating Expenses (PS & M&S)	1,228,768	0	1,228,768
Subtotal	1,228,768	0	1,228,768
<b>Regional Parks &amp; Greenspaces</b>			
Operating Expenses (PS & M&S)	6,314,599	0	6,314,599
Capital Outlay	75,000	0	75,000
Subtotal	6,389,599	0	6,389,599

**Exhibit B**  
**Ordinance No. 06-1122**  
**FY 2005-06 SCHEDULE OF APPROPRIATIONS**

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Amended Appropriation</u>
<b>GENERAL FUND (continued)</b>			
Non-Departmental			
Operating Expenses (PS & M&S)	34,375,694	0	34,375,694
Debt Service	825,907	0	825,907
Subtotal	35,201,601	0	35,201,601
General Expenses			
Interfund Transfers	7,623,242	0	7,623,242
Contingency	7,656,686	(181,000)	7,475,686
Subtotal	15,279,928	(181,000)	15,098,928
Unappropriated Balance	1,952,429	181,000	2,133,429
<b>Total Fund Requirements</b>	<b>\$112,321,513</b>	<b>\$181,000</b>	<b>\$112,502,513</b>
<b>METRO CAPITAL FUND</b>			
Operating Expenses (PS & M&S)	\$598,279	0	\$598,279
Capital Outlay	4,375,500	0	4,375,500
Interfund Transfers	10,134	181,000	191,134
Contingency	1,207,518	(181,000)	1,026,518
Unappropriated Balance	4,169,838	0	4,169,838
<b>Total Fund Requirements</b>	<b>\$10,361,269</b>	<b>\$0</b>	<b>\$10,361,269</b>

*All Other Appropriations Remain As Previously Adopted*



**EXHIBIT C  
Ordinance 06-1122**

**Capital Project Request - Project Detail**

<b>Project Title:</b>	Copier Replacement	<b>Fund:</b>	Support Services Fund
<b>Project Status:</b>	Incomplete	<b>Funding Status:</b>	Funded
		<b>FY First Authorized:</b>	2005-06
		<b>Department:</b>	Finance
<b>Project Number:</b>	65110	<b>Active:</b>	<input checked="" type="checkbox"/>
		<b>Dept. Priority:</b>	0
		<b>Facility:</b>	
		<b>Division:</b>	
<b>Source Of Estimate</b>	Preliminary	<b>Source:</b>	
		<b>Start Date:</b>	1/06
		<b>Date:</b>	1/1/2006
<b>Type of Project:</b>	New	<b>Request Type</b>	Initial
		<b>Completion Date:</b>	6/06
		<b>Prepared By:</b>	Kathy Rutkowski

Project Estimates	Actual	Budget/Est	Prior						
Capital Cost:	Expend	2004-2005	Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
Equipment/Furnishings	\$0	\$0	\$0	\$138,000	\$0	\$0	\$0	\$0	\$138,000
<b>Total:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$138,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$138,000</b>

Funding Source:	Actual	Budget/Est	Prior						
	Expend	2004-2005	Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
Other - Cost Allocation Plan	\$0	\$0	\$0	\$18,000	\$0	\$0	\$0	\$0	\$18,000
Fund Balance - Renewal and Replacement	\$0	\$0	\$0	\$120,000	\$0	\$0	\$0	\$0	\$120,000
<b>Total:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$138,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$138,000</b>

**Annual Operating Budget Impact:**

**Annual Expenditures**

Materials and Services	\$0	(\$27,300)	(\$27,300)	(\$27,300)	(\$27,300)	(\$109,200)
Renewal and Replacement	\$0	\$20,900	\$20,900	\$20,900	\$20,900	\$83,600
Subtotal, Expenditures:	\$0	(\$6,400)	(\$6,400)	(\$6,400)	(\$6,400)	(\$25,600)
<b>Net Operating Contribution (Cost):</b>	<b>\$0</b>	<b>\$6,400</b>	<b>\$6,400</b>	<b>\$6,400</b>	<b>\$6,400</b>	<b>\$25,600</b>

<b>Project Description / Justification:</b>	<b>Estimated Useful Life (yrs)</b>	0	<b>First Full Fiscal Year of Operation</b>	2006-07
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The estimated budget for this project is \$138,000, funded \$18,000 from department allocations through the cost allocation plan and \$120,000 from Metro Regional Center renewal & replacement reserves. The actual total cost is \$135,600. The anticipated savings per year is \$27,300 resulting in a payback period for the project of approximately five years. The estimated useful life of the equipment is between six and seven years providing a 30 percent overall return on investment and about a 4.6 percent annual return. This calculation does not include expected reductions in maintenance efforts that had been provided by Information Technology staff on the eliminated copiers as that savings will be deployed to other needed tasks.

**EXHIBIT C**  
**Ordinance 06-1122**

**Capital Project Request - Project Detail**

<b>Project Title:</b>	Time Collection software			<b>Fund:</b>	Support Services Fund			
<b>Project Status:</b>	Incomplete	<b>Funding Status:</b>	Funded	<b>FY First Authorized:</b>	2005-06		<b>Department:</b>	Finance
<b>Project Number:</b>	65630	<b>Active:</b>	<input checked="" type="checkbox"/>	<b>Dept. Priority:</b>	2		<b>Facility:</b>	Information Technology
<b>Division:</b>	Information Technology							
<b>Source Of Estimate</b>	Based on Design		<b>Source:</b>			<b>Start Date:</b>	3/05	
<b>Date:</b>	2/10/2006							
<b>Type of Project:</b>	New		<b>Request Type</b>	Initial		<b>Completion Date:</b>	7/06	
<b>Prepared By:</b>	David Biedermann							

Project Estimates	Actual	Budget/Est	Prior						
Capital Cost:	Expend	2004-2005	Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
Equipment/Furnishings	\$0	\$96,349	\$96,349	\$173,651	\$0	\$0	\$0	\$0	\$270,000
<b>Total:</b>	\$0	\$96,349	\$96,349	\$173,651	\$0	\$0	\$0	\$0	\$270,000

Funding Source:									
Other	\$0	\$96,349	\$96,349	\$173,651	\$0	\$0	\$0	\$0	\$270,000
<b>Total:</b>	\$0	\$96,349	\$96,349	\$173,651	\$0	\$0	\$0	\$0	\$270,000

**Annual Operating Budget Impact:**

**Annual Expenditures**

Personal Services	\$0	(\$73,700)	(\$73,700)	(\$73,700)	(\$73,700)	(\$294,800)
Materials and Services	\$0	\$20,000	\$20,000	\$20,000	\$20,000	\$80,000
Subtotal, Expenditures:	\$0	(\$53,700)	(\$53,700)	(\$53,700)	(\$53,700)	(\$214,800)
<b>Net Operating Contribution (Cost):</b>	\$0	\$53,700	\$53,700	\$53,700	\$53,700	\$214,800

<b>Project Description / Justification:</b>	<b>Estimated Useful Life (yrs)</b>	15	<b>First Full Fiscal Year of Operation</b>	2006-07
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This project will provide for automated timekeeping throughout Metro. The Information Technology department has estimated staff savings from implementation of the project at approximately \$146,000. Ongoing operating costs include about one-third of an IT analyst to maintain the system and \$20,000 per year for maintenance, licensing and software upgrade. Full discussion of the project is provided as part of the staff report to ordinance 06-1122, adopting the budget actions necessary in FY 2005-06 to implement the project.

## **STAFF REPORT**

IN CONSIDERATION OF ORDINANCE NO. 06-1122 FOR THE PURPOSE OF AMENDING THE FY 2005-06 BUDGET AND APPROPRIATIONS SCHEDULE REPLACING COPIERS IN THE METRO REGIONAL CENTER; PURCHASING AND INSTALLING TIMEKEEPING SOFTWARE THROUGHOUT METRO; AMENDING THE FY 2005-06 THROUGH FY 2009-10 CAPITAL IMPROVEMENT PLAN; AND DECLARING AN EMERGENCY

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Date: May 4, 2006

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## **BACKGROUND**

Information Technology within the Finance and Administrative Services Department has examined a number of areas of technology with a goal of both ultimate costs savings and enhanced efficiency. Two areas with considerable promise are in the areas of copier consolidation and timekeeping automation. The Chief Financial Officer had indicated in the FY 2005-06 Second Quarter Report that a budget amendment to the Capital Improvement Plan would be forthcoming providing for additional spending in FY 2005-06, which would allow for additional savings and/or efficiencies in out years. These are “soft-savings” in that they allow Metro to redirect resources towards alternative projects and products.

### **Copier Consolidation and Replacement Project**

Beginning in 2004, the Information Technology and Property Services divisions of the Finance and Administrative Services Department embarked on a study of printing use and behavior in the Metro Regional Center. This included a detailed analysis of the types, capacities and placement of printers throughout the building.

Of major interest was the proliferation of small single user black and white and color “desktop” ink jet printers. While the purchase price of these printers is relatively small, the supplies (largely ink and toner cartridges) are very expensive compared to the larger high production printers. On a per page basis, these small desktop printers are the most expensive option for printing documents. Black and white prints on these machines cost between 5 and 10 cents per page; color prints cost 15 to 75 cents.

As a result of a request for proposal, staff contracted with IKON to assist in the analysis of the printer usage at Metro. Detailed research was conducted to identify the amount and type of printing on all printers. Software was installed to monitor all printer usage for 60 days. An on-line computer survey of Metro Regional Center staff was used to develop broad themes and individual interviews were conducted to ensure the contractor and staff understood the needs of users within the organization.

At the time of the study, Metro Regional Center had 186 printers, using 1.3 million sheets of paper per year in printers alone, the equivalent of over 5,000 sheets a day. Annual cost for all printing (not including photocopying) was approximately \$65,000 in the Metro Regional Center.

When compared with using large capacity multi-function devices (which also copy, fax and scan and provide “finishing” capabilities such as hole punching, page numbering, etc), the research showed we could cut the present printing costs by \$27,300 annually, a savings of 42 percent. The reduction is through efficiency; the larger machines print at a significantly lower cost per page (for black and white-- 3 cents vs. 5 to 10 cents) and at a faster pace than a small desktop unit.

To capitalize on the potential savings, Metro purchased and installed eight multi-function devices at the Metro Regional Center. Two existing machines with remaining life presently located at the Metro Regional Center were relocated to the Oregon Zoo to replace failing copiers at that location. Two other existing machines were relocated within the Metro Regional Center to accommodate usage needs within the departments. The total equipment cost was about \$135,600. The anticipated savings per annum is \$27,300 resulting in a payback period for the equipment of approximately five years. The estimated useful life of the equipment is between six and seven years providing a 30% overall return on investment and about a 4.6% annual return. This calculation does not include expected reductions in maintenance efforts that had been provided by Information Technology staff on the eliminated copiers as that savings would be deployed to other needed tasks.

The projected investment cost includes training all Regional Center staff and removing the inefficient printers. This project will assist Staff in reaching its goal to reduce the number of printers by 90% and to remove approximately 20 fax machines and scanners made redundant by the additional capabilities of the copiers. Serviceable units were offered to other jurisdictions, and as of this date, 21 units have been placed in cities, schools and nonprofit organizations.

The new technology includes the ability to track all printing, and, through the cost allocation plan, to allocate to each department based on usage. The estimated cost per print is 2.9 cents for black and white and 12.7 cents for color. This amount includes paper, toner, supplies such as staples, maintenance, service and equipment replacement costs when the equipment reaches its useful life cycle in 6 to 7 years.

Based on direction from the Chief Operating Officer and the Chief Financial Officer, the Information Technology and Building Divisions implemented the changes in order to realize the savings as soon as possible. Councilors were briefed on the nature of the project, and all were supportive to proceed. The units were purchased earlier in the fiscal year with existing undedicated appropriations.

Staff will conduct a similar analysis of the Oregon Zoo campus to identify potential savings. We do not expect dramatic savings due to the many buildings on the Zoo campus; however, the Zoo Director believes the study will return some benefit in reducing present operating costs.

This ordinance moves available funds from the Metro Regional Center renewal & replacement reserves to replace the appropriations used to fund the expenditures related to the copier replacement project.

As this project was not identified in the Capital Improvement Plan for FY 2005-06 through FY 2009-10, this ordinance will also amend the CIP.

### **Electronic Timekeeping Software Project**

The Chief Financial Officer established the Business Design Team (BDT) process in March 2005. One of the recommendations from the BDT was to assess the timekeeping/ payroll process. The basis for the recommendation was both efficiency and potential cost saving, but the recommendation was also based on the recognition that the system would allow for better management of overtime, better coding of activities and better tracking of attendance patterns. Two departments (Solid Waste and Recycling and the Oregon Zoo) and the Metro Exposition Recreation Commission use local versions of electronic timekeeping in connection with the Metro wide paper timesheet system.

The BDT's recommendation was to install software to allow electronic timekeeping throughout Metro, and to upgrade the existing department use to that standard. It was anticipated that a 0.8 FTE

Administrative Assistant position from the Oregon Zoo could be eliminated if the agency-wide software was installed.

The Chief Operating Officer and the Business Design Team Steering Committee directed Information Technology to implement the software in order to realize the position savings potential at the Oregon Zoo, at MERC and within the Metro Regional Center. Solid Waste and Recycling had already begun the implementation and use of the software.

Solid Waste and Recycling and the Oregon Zoo are now completely implemented on agency-wide centralized timekeeping software. The project is now in the MERC implementation phase, and will conclude with the installation and implementation at the Metro Regional Center this spring and early summer. When the project is completed, there will be no paper timesheets and all timekeeping will be done with automated time clocks and computer entry. Supervisor approvals will be done electronically via computers.

The software implementation cost to date is \$209,000 and includes some consulting and training. It is funded in three ways: Solid Waste and Recycling and MERC funded their respective portions (\$96,349 and \$46,809 respectively), while Information Technology funded the Zoo portion (\$65,842) out of the department's existing operating budget by reducing the capacity of other technology initiatives and improvements, and by delaying some purchases until next year.

The remaining costs for installation and implementation at the Metro Regional Center and the Regional Parks and Greenspaces sites are estimated to cost \$61,000. This portion of the project will be funded from the Information Technology Renewal and Replacement Fund. This brings the total project cost for all Metro departments to \$270,000.

At the time the BDT estimated staff efficiency (time saved by eliminating some work in all departments) to be \$145,790 annually. A conservative estimate of savings is \$100,000 a year. At that rate of savings net of new resources needed this project provides about a 20% Return on Investment each year. The payback period for the investment would be about 4.65 years. Additional resources for training and implementation were absorbed by existing staff and not included in this analysis. Improved accuracy of timekeeping, enhanced ability to manage overtime and temporary help, and increased ability to track employee work hours are efficiencies that cannot be captured by payback period calculations.

Ongoing support for the agency-wide system is included in Information Technology's work plan for FY 2006-07, and in the approved FY 2006-07 budget. Next year's budget includes \$20,000 in the Materials and Services account for the licensing costs of the software and the addition of a 1.0 FTE Systems Analyst I to provide central support for additional software needs within the agency. The cost for this position is budgeted at \$78,814 (fully loaded). Only one-third of this FTE or \$26,300 is attributable to this project.

As this project was not identified in the Capital Improvement Plan for FY 2005-06 through FY 2009-10, this ordinance will also amend the CIP.

## **ANALYSIS/INFORMATION**

### **1. Known Opposition** None.

2. **Legal Antecedents:** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.

3. **Anticipated Effects:** This ordinance moves the funds from the reserves into the operating budgets for these expenditures and amends the Capital Improvement Plan to include two additional projects in Finance and Administrative Services. The total cost for the copier replacement project is \$120,000 and the total cost for the timekeeping software is presently estimated at \$270,000. These costs do not include additional FTE for the Information Technology support nor do they include the costs identified with staff training.

4. **Budget Impacts:** There are sufficient funds in the respective Information Technology and Metro Regional Center reserves to fund start-up costs of these expenditures. The entire copier project will be funded from the Metro Regional Center Renewal and Replacement fund and the remaining KRONOS implementation costs of \$61,000 will be paid for out of the Information Technology Renewal and Replacement fund.

Ongoing budget impacts include operational impacts to the Information Technology personnel services accounts for the .33 FTE (\$26,300) and the materials service account for the software licensure and upgrades (\$20,000). Ongoing operational costs for the printer projects include maintenance and repairs and eventually, copier replacements as scheduled (\$18,000 per copier). These costs are costs included in the Approved 2006-07 Budget.

**RECOMMENDED ACTION:**

The Chief Operating Officer recommends approval of Ordinance 06-1122.