



May 9, 2017

Communications and Graphic Services Budget Hearing Presentation

Requested operating department expenditures, revenues and operating transfers:

	FY 2017 Adopted	FY 2018 Requested
Operating Expenditures	\$1,874,594	\$2,052,081
Operating Revenues	\$237,000	\$302,425

Significant changes in the requested FY2018 budget vs. FY2017 adopted:

- **Revenue** – anticipated \$65,425 increase due to expected \$58,125 increase in department use of the Print Shop after it moves downtown; and an expected \$7,300 from the sale of Loop jerseys
- **Personnel Expenses** – Down \$34,365 due to a change in personnel – new employee hired at a lower pay rate and didn’t take county health benefits.
- **Operating Expenses** – Up \$211,852 for the following reasons:
 - *Software and IT*: IT allocation charges and license renewals for social media management and archiving.
 - *Print Shop*: Department requests for Print Shop services increased significantly in FY2017 and a further increase is anticipated for FY2018 after the Print Shop moves back to downtown.

Major programs and related services provided by the department

The Communications and Graphic Services Office is actually three bureaus with distinct missions that work collaboratively to inform the public of the programs, services and actions of the County.

Communications Office:

The Communications Office works with County central government departments to develop and implement communications strategies to inform the public of the activities, programs and services of their departments.

Graphic Services:

The Graphic Services Office works with County departments to develop their printed materials, from business cards to lobby brochures. It also oversees the County’s branding guidelines to ensure all county printed ephemera are professional, effective and complies with the County’s branding standards.

The Print Shop:

The Print Shop prints the majority of the County’s forms, booklets, brochures, posters, business cards and other printed materials.



Budget request by Bureau:

• Communications:	Graphic Services:	Print Shop:
\$619,369	\$551,281	\$881,431
FTEs: 6	FTEs: 6	FTEs: 8

Major costs of providing programs and related services by the department

- **Personnel:** Seventy percent of the cost of the Communications and Graphic Services Office is personnel costs. However, for the bureaus, personnel costs are 77% of Communications; 90% for Graphic Services; and 54% for the Print Shop.
- **Printing Supplies:** Over a third of the Print Shop's annual expenses are for printing supplies - paper, ink and bindery, primarily.

Major departmental budget issues the department is facing in FY2018

- **Overtime in Graphic Services:** The change in exempt status for some employee classes affected the Graphic Services bureau, switching the designers from exempt to hourly. Our design work is currently at capacity and the need for overtime is increasing. If job requests and complexity continue to increase in FY2018, we may seek an increase in designer FTEs in our FY2019 budget request.
- **Loop Merchandising:** An initial program to promote use and awareness of The Loop through the sale of bicycling jerseys proved successful and County administration decided to move the nascent merchandising program from NRPR to Communications so that a more robust marketing and merchandising plan could be developed and implemented.

Supplemental Funding Requests

None

CM-Communications & Graphic Service
 FY17/18 Budget Hearing

CM-Department Summary

FTE	8	8	0	
	FY16/17 Adopted Budget	FY17/18 Requested Budget	Variance	Explanation
Revenues	237,000	302,425	65,425	Increased revenue based on Loop merchandise sales and Print Shop.
Expenditures				
Personnel Expense	1,488,491	1,454,126	34,365	Savings due to new incumbents hired at lower rates and selection of benefits.
				Variance due to addition of new software, increased ITD rates, higher anticipated
Operating Expense	386,103	597,955	(211,852)	expenditures due to the relocation of the Print Shop to the downtown location.
Total Expenditures	1,874,594	2,052,081	(177,487)	

Bureau B032 - Communications Office

FTE	6	6	0	
	FY16/17 Adopted Budget	FY17/18 Requested Budget	Variance	Explanation
Revenues	-	7,300	7,300	Anticipated revenue for the sale of Loop merchandise. Offsets cost.
Expenditures				
Personnel Expense	505,895	477,519	28,376	Savings is due to changes in selected health plans.
				\$76,175 of the increase is due to CM taking over the software renewal for Hootsuite and Archive Social. A base budget adjustment was given for \$75,000 in support of this change. Other increases due to ITD increases and small increases in various other object codes. \$7,300 was added for the new unit created for the sale of Loop merchandise. This increase is offset by
Operating Expense	49,279	141,850	(92,571)	the anticipated revenue.
Total Expenditures	555,174	619,369	(64,195)	

B0293 - Design and Print Shop
Design - Unit 2574

FTE	6	6	0	
	FY16/17 Adopted Budget	FY17/18 Requested Budget	Variance	Explanation
Revenues	-	-	-	
Expenditures				
Personnel Expense	485,073	496,010	(10,937)	Increase due to unbudgeted salary increases in FY17, an increase in overtime due to the new FLSA change and change in benefits.
Operating Expense	36,310	55,271	(18,961)	\$15,985 due to moving the cost for Widen and MaPublisher from the Communications unit to Design where this software is utilized. Increase in ITD rates.
Total Expenditures	521,383	551,281	(29,898)	

Print Shop - Unit 2575

FTE	8	8	0	
	FY16/17 Adopted Budget	FY17/18 Requested Budget	Variance	Explanation
Revenues	237,000	295,125	58,125	Anticipated increase in revenues based on current activity and in anticipation of Print Shop relocating Downtown.
Expenditures				
Personnel Expense	497,523	480,597	16,926	Savings due to hiring of new incumbent, due to a retirement, at a lower rate than previously budgeted.
Operating Expense	300,514	400,834	(100,320)	Increase due to addition of new software (the Cloud), ITD increases, equipment leases and repair & maintenance increases. Also increases in print supplies in anticipation of increased job once relocated downtown.
Total Expenditures	798,037	881,431	(83,394)	
Net Fund Impact	(1,637,594)	(1,749,656)	(112,062)	

SUMMARY BY OBJECT

Department: Communications Office

Object Name	2015/2016 Actual	2016/2017 Adopted	Actuals Thru Feb 28 2017	2017/2018 Recommended	Increase / Decrease	Explanation
EXPENDITURE OBJECTS						
5400 Salaries & Wages	623,273	1,011,724	651,435	1,002,269	(9,455)	
5401 Overtime	-	4,000	1,666	4,000	-	
5409 Social Security & Medicare	43,798	74,577	46,725	76,674	2,097	
5410 Unemployment Insurance	632	759	504	700	(59)	
5411 Health Insurance Premiums	119,054	237,237	156,707	191,261	(45,976)	H SA moved to object code 5457
5412 Workers Compensation	1,425	10,075	6,362	10,770	695	
5413 Life Insurance	358	680	445	680	-	
5415 Employer Paid Subsidy	500	588	335	630	42	
5416 Arizona State Retirement	70,987	111,914	75,229	119,199	7,285	
5422 Dental Insurance Premiums	2,192	3,101	1,860	2,786	(315)	
5424 Interdepartmental Salaries - Charged in/Debit	2,611	21,660	8,141	12,948	(8,712)	
5425 Interdepartmental Fringe - Charged out/Credit	-	-	(869)	-	-	
5426 Interdepartmental Fringe - Charged in/Debit	748	5,004	2,047	3,209	(1,795)	
5431 Budgeted Benefits	-	7,172	-	-	(7,172)	
5441 Vacation Payout	1,287	-	256	-	-	
5457 HSA Contribution - Employer	-	-	-	29,000	29,000	New object code
Personnel Services Total	866,865	1,488,491	950,843	1,454,126	(34,365)	
5000 Office Supplies	6,521	139,688	77,105	164,688	25,000	Variance due to increase in anticipated supplies needed once the Print Shop relocates downtown.
5001 Software Under \$5M	2,347	8,780	2,057	-	(8,780)	
5002 Computer Equipment less than \$1,000	2,146	1,000	171	1,000	-	
5008 Books, Subscriptions & Videos	385	800	327	555	(245)	
5010 Repair & Maintenance Supplies	16	7,025	1,098	7,025	-	
5013 Janitorial Supplies	-	150	-	150	-	

SUMMARY BY OBJECT

Department: Communications Office

Object Name	2015/2016 Actual	2016/2017 Adopted	Actuals Thru Feb 28 2017	2017/2018 Recommended	Increase / Decrease	Explanation
5015 Promotional Items	-	-	-	7,300	7,300	
5017 Cameras, Film & Equipment	2,396	3,000	2,515	3,000	-	
5018 Other Operation Supplies	-	4,000	5,618	4,000	-	
5020 Tools & Equipment Under \$1,000	-	100	60	100	-	
5021 Furniture Under \$1,000	1,540	-	-	-	-	
5022 Signage Supplies & Services	1,349	-	-	-	-	
5104 Expert Witness & Interpreters	-	-	160	-	-	
5125 Software Maintenance and Support	12,849	10,350	14,082	108,840	98,490	Variance is due to the net difference of moving the budget for Widen and MaPublisher to Design-Unit 2574 where they utilize those items. Renewals for HootSuite and Archive Social Media Pro have been added to the CM budget this year. A base budget adjustment was done to cover the majority of the cost.
5138 In State Training	519	-	279	-	-	
5142 Postage & Freight	97	3,600	1,466	3,600	-	
5143 Printing & Microfilming	42	20,100	23,711	50,100	30,000	Variance due to increase in anticipated supplies needed once the Print Shop relocates downtown.
5149 R&M-Machinery & Equipment Services	3,431	96,542	63,899	117,000	20,458	Variance due to increase in anticipated supplies needed once the Print Shop relocates downtown.
5150 R&M Building Services	725	1,500	-	1,500	-	
5152 Other Professional Services	2,506	7,500	2,100	7,500	-	
5162 Advertising	634	5,000	540	5,000	-	
5163 Laundry & Linen Services	-	1,200	719	1,200	-	
5167 Leases & Rental - Other Mchnry Telecomm etc	-	17,000	9,089	30,000	13,000	Variance due to increased rates for renewed leases with Ricoh and Toshiba.
5203 Interdepartmental Supplies & Services - Charged In/Debit	13	-	9	-	-	
5300 Telephone & Internet	13,776	22,452	15,186	-	(22,452)	Charges moved to new object codes 5359, 5360, 5361, 5362
5305 Mileage Reimbursement	103	200	-	200	-	
5306 Motor Pool Charges	47	1,299	254	1,299	-	
5309 Dues and Memberships	125	250	390	515	265	
5312 Other Miscellaneous Charges	1,159	900	3	5,200	4,300	
5351 Computer Hardware - ISF Charges	9,564	18,869	12,576	12,012	(6,857)	
5352 Server and Storage - ISF Charges	5,579	8,442	5,624	35,512	27,070	Variance due to allocation increase by ITD.
5353 Software - ISF Charges	2,912	6,356	4,240	5,373	(983)	

SUMMARY BY OBJECT

Department: Communications Office

Object Name	2015/2016 Actual	2016/2017 Adopted	Actuals Thru Feb 28 2017	2017/2018 Recommended	Increase / Decrease	Explanation
5361 Mobile Devices - External	-	-	-	7,082	7,082	
5362 ISF- IT Port Charges	-	-	-	18,204	18,204	New object code
5503 Furniture - Non-Capital	1,256	-	-	-	-	
5504 Office Machines & Computers - Non-Capital	6,761	-	4,495	-	-	
5508 Other Machines & Equipment - Non-Capital	523	-	-	-	-	
Operating Expenses Total	79,321	386,103	247,773	597,955	211,852	
5560 Office Machines & Computers - Capital	1	-	-	-	-	
5564 Other Machines & Equipment - Capital	18,058	-	-	-	-	
Capital Equipment > \$5,000 Total	18,059	-	-	-	-	
EXPENDITURE OBJECTS TOTAL	964,245	1,874,594	1,198,616	2,052,081	177,487	
REVENUE OBJECTS						
4200 General Government Fees	-	4,500	4,271	4,500	-	
4247 Interdepartmental Revenue	-	232,500	181,136	290,625	58,125	Variance due to anticipated increase in revenue once the Print Shop relocates downtown.
Charges for Services Total	-	237,000	185,407	295,125	58,125	
4407 Interest Revenue Pooled Investments Operating	-	-	1,910	-	-	
Investment Earnings Total	-	-	1,910	-	-	
4404 Other Misc. Revenue Operating	-	-	-	7,300	7,300	
Miscellaneous Revenue Total	-	-	-	7,300	7,300	
REVENUE OBJECTS TOTAL	-	237,000	187,317	302,425	65,425	