

CITY BUDGET OFFICE

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CITY OF PORTLAND, OREGON

TO: City Budget Office

FROM: Andrew Scott, Budget Director *AS*

DATE: March 31, 2014

SUBJECT: City Budget Office FY 2013-14 Spring BMP

The City Budget Office (CBO) has prepared the attached Spring Budget Monitoring Process (BMP) submittal items:

1. Summary of Requests. The City Budget Office is requesting to carry over savings in technology services billable time and external materials and services to fund a Hatfield Fellow in FY 2014-15.
2. Current year budget to actual projection
3. Updates on FY 2013-14 budget notes and decision packages

BUDGET AMENDMENT REQUEST

City Budget Office

PERIOD Spring BMP

FISCAL YEAR FY 2013-14

BO_002 - Carryover for Hatfield Fellow

Carryover savings in BTS billable time and external materials and services to fund a Hatfield Fellow in FY 2014-15 on a one-time basis.

Dollar Amount: (\$35,000)

Type: Carryover Request

Resources: General Fund Discretionary

FY 2013-14 Budget Note Updates

Span of Control

Council Budget Subcommittee 1 recommended that the City conduct a preliminary span of control analysis that results in at least \$1.1 million in General Fund ongoing savings. Specifically, the analysis should identify bureaus, divisions, or functions where the current span of control might be increased and include recommendations for maximizing the span of control or reorganizing where appropriate. The analysis and recommendations are to be completed by December 1, 2013. Current Appropriation Level targets in FY 2014-15 will be adjusted to reflect the span of control recommendations. A Council subcommittee will manage and implement this analysis, with staff assistance from the City Budget Office and Bureau of Human Resources.

Status: Complete

Estimated Completion Date: N/A

Explanation: The report was delivered to Council on March 5, 2014

Target Reduction Options for Overhead Bureaus

The City Budget Office is directed to review the process for Current Appropriation Level (CAL) target reductions for General Fund overhead-funded bureaus. Currently, overhead-funded bureaus only make reductions to their General Fund discretionary base, which is about 40% of the total General Fund CAL target. CBO is directed to look at the costs and benefits of asking overhead-funded bureaus to cut off of the total CAL target, as was done prior to 2005, and provide a report and recommendation to Council in the FY 2013-14 Fall Budget Monitoring Process.

Status: Complete

Estimated Completion Date: N/A

Explanation: During the Fall BMP (Ordinance #186330), Council authorized the City Budget Office to update overhead charges to funds throughout the budget development process. This change allows cut targets to be based off of the entire General Fund CAL target (discretionary and overhead resources).

FY 2013-14 Decision Package Updates

PERS Savings and OMF Interagency Adjustments

The packages were implemented as planned and decreased expenses and discretionary funding by \$45,631.

Administrative Support Realignment

The package realigned existing resources within the bureau to create a full-time administrative support position. The position has been filled since the beginning of the fiscal year.

Business Area Projection Report

| | Spring BMP Revised Budget | FY 2013-14 YTD Actuals Thru AP8 | Spring BMP Year-End Projection | % of Projected Actuals to Revised Bud |
|---------------------------------|---------------------------------|---------------------------------------|--------------------------------------|---|
| City Budget Office | | | | |
| EXPENDITURES | | | | |
| Personnel Services | \$1,487,037 | \$940,446 | \$1,467,958 | 99% |
| External Materials and Services | \$182,650 | \$125,515 | \$166,530 | 91% |
| Internal Materials and Services | \$218,247 | \$134,899 | \$206,853 | 95% |
| TOTAL EXPENDITURES | \$1,887,934 | \$1,200,860 | \$1,841,341 | 98% |
| REVENUES | | | | |
| Charges for Services | \$0 | \$0 | \$0 | 0% |
| Miscellaneous | \$0 | \$309 | \$309 | 0% |
| General Fund Discretionary | \$738,810 | \$0 | \$691,908 | 94% |
| General Fund Overhead | \$1,149,124 | \$0 | \$1,149,124 | 100% |
| TOTAL REVENUES | \$1,887,934 | \$309 | \$1,841,341 | 98% |

Bureau Projection Narrative

All expense categories are projected to remain within budget.