



# CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

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## OMF Advisory Meeting Committee Notes Tuesday, January 5, 2016

**Members and OMF Leadership Present:** Betsy Ames, Jeff Baer, Amy Bowles, Jane Braaten, Lois Cohen, Bryant Enge, Jay Guo (for Erin Janssens), Anna Kanwit, Satish Nath, Fred Miller, Martha Pellegrino, Catherine Reiland (for Larry O'Dea), Ken Rust, and Paul Scarlett.

**Members and OMF Leadership Absent:** Josh Alpert, Tim Crail, Mike Greenfield, Donna Hammond, Mike Jordan, Carol Justice, Robert McCullough, and Ernest Stephens.

**City Staff Present:** Kelly Ball, Aaron Beck, Claudio Campuzano, Joanne Foulkrod, Cecelia Huynh, Crystine Jividen, Julian Massenburg, Elyse Rosenberg, Katie Shifley, Ralph Smith, Janet Storm, Joe Wahl, Jeff Winkler.

### Preamble: Fred Miller

- Input and feedback from the Budget Advisory Committee on our proposed decision packages is important.
- Many of the large General Fund bureaus will be unable to make cuts without significant impacts and this will be an issue for Council.
- Another issue that Council will face is that there are several very large add packages on the horizon such as the Data Center relocation and service costs that are increasing faster than revenues.

### Welcome: Jane Braaten

- Several handouts were distributed: A decision package summary by category (Handout #1), a summary of interagency-funded decision packages (Handout #2) and a cost estimate of the Data Center Move Project (Handout #3).
- The four main categories for decision packages are cuts, realignments, add packages, and special appropriations.
- In addition, there are several packages that are responsive to Mayor/Council projects.

### Cuts (Refer to Handout #1)

- Anna Kanwit discussed two proposed cuts in the Bureau of Human Resources (BHR): a Diversity, Outreach and Employment Resources (DOER) Office Support Specialist III position and a Payroll Office Support Specialist III position. These positions are currently vacant.
- The DOER position will be the third position cut from the program in the last two years.
- The cut will mean more workload for current staff, primarily Sr. Administrative Specialists, and makes it difficult to assess whether the internal reorganization has been successful.
- The Payroll position would have provided backup to the Payroll Manager and could delay the processing of garnishments, which would present legal concerns.
- BHR will have discussions with the Bureau of Transportation (PBOT) about relocating the employee TRIP program.

### Comments

- It is important for the City to keep equity in mind, especially the impact on women and minorities, when cuts are made.
- The Model Employer for Persons with Disabilities initiative is an unfunded mandate. This should be advocated for by the Commission on Disabilities.
- As more entry level positions such as the OSSIII are cut, it is difficult to market the City to people entering the workforce.

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*An Equal Opportunity Employer*

*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons*

- The cuts relating to diversity are troubling in that the Portland Plan, the Comprehensive Plan, and neighborhood associations have all expressed a firm commitment to increasing diversity within the City. The City can't proceed in two directions at once.

#### **Questions**

- What is the estimated impact these cuts will have on the time it takes to process recruitment?
  - Recruitment time will definitely increase but there is no hard estimate. The position is vacant and many bureaus have begun taking on more of that work to lessen the delay.
- Ken Rust discussed the proposed cut of two full-time tax collection employees in the Revenue Division.
- Revenue calculations estimate that on average, each employee in the tax collection group generates \$2 in revenue for the City per \$1 dollar earned.

#### **Questions**

- Does the \$174,000 cut amount take into account the loss of revenue?
  - The \$174,000 is the base expense for the two positions. BRFS will also advise Council on the loss of revenue resulting from the cut.
- It is very difficult to understand how it can make sense to make a cut that will result in a loss of revenue. Why would the City do that?
  - Revenue-generating functions were not excused from the cut. The City operates by rules that do not always model business best practices.
- Could an argument be made that the revenue-generating positions generate more than the cost of the cut?
  - Yes.
- Kanwit discussed a proposed BHR materials and services reduction which will impact the City's ability to provide training.
- Rust said that the City is under increased external pressure to expedite the completion of the Comprehensive Annual Financial Report (CAFR). If the cut to CAFR professional services is approved, meeting an earlier deadline will a challenge.
- The reduction in grants training could cause problems with an audit. It may be possible to fund training through an IA model.
- The proposed cuts to PCDP and MEP programs make sense as those programs have changed.

#### **Realignments (Refer to Handout #1)**

- Realignments are recommendations to change funding streams from the General Fund to other funding models.
- OMF's objective is to prevent its services from being degraded to the point that bureaus must start providing those services to themselves. Should this happen, it could ultimately result in a greater overall cost to the City.
- OMF has a strong desire to maintain the integrity of its service level in the interest of good stewardship of public funds.

#### **Comments**

- OMF is an expert on process. It makes sense to move funding from less important issues to the areas of greatest need.

#### **Add Packages (Refer to Handout #1)**

- Add package funding will come from different sources including IA funding. Handout #2 provides an allocation summary of IA-funded decision packages.
- Revenue Division add packages will increase revenue and improve tax collection for the City.
- The Data Center Relocation project runs parallel to the Portland Building Reconstruction but it is an entirely separate project.
  - The \$9.7 million estimate provided in Handout #3 is a low-confidence estimate. Several years ago Standard Insurance moved its data center at a cost of \$6 million.

- BTS will bring on a firm to develop a more confident cost estimate.
- The add package for a Model Employer for Persons with Disabilities program specialist position is part of an unfunded Council mandate that cannot be supported at current staff level.
- There will be no asks to bureaus for the Portland Building Reconstruction dollars in FY 2016-17.
- Some Facilities add packages were requested by Council members. Fred Miller will find out whether these packages will be included in the OMF budget or will be communicated to Council.

#### **Comments**

- It would make more sense to include the two tax collection positions slated to be cut as add packages since they generate revenue for the City.
- Smaller bureaus do not have the flexibility to handle IA funding spikes.
- Regarding the Data Center Move, bureaus that will be expected to incur the cost in FY 2016-17 should have been notified of the estimated cost sooner.

#### **Questions**

- Is the Data Center move permanent?
  - Yes.
- Will there be ongoing support costs?
  - Yes, but there is not an estimate at this time.
- Will the bureaus be expected to bear some of this expense?
  - Bureaus will bear an expense based on their usage of the center.
- Is the \$9.7 million cost for the Data Center move built into the cost for the Portland Building Reconstruction?
  - No – the Portland Building Reconstruction is a separate project.
- Will the Data Center move cost transfer be included in any bureau's budgets?
  - General Fund bureaus will not see any direct impact on their budgets; for all other funds (Water, BES, Transportation, BDS, etc.) the transfers will have a direct impact on their budgets.
- Would the Jerome Sears Building and Campsite Cleanup add packages funding come out of dollars allocated for the Mayor's new housing initiative?
  - Campsite cleanup may fall into that category. The Sears Building will ultimately be used as a west side emergency operations center.
- How do customers feel about the BTS Electronic Equipment Replacement ask?
  - It's a very important ask and customers are on board with it.

#### **Special Appropriations (Refer to Handout #1)**

- OMF is not recommending the cut to the Innovation Fund but has been required to submit it.

#### **General Comments**

- OMF is considering a large number of add packages and it is not advisable to submit them all.
- Many bureaus are having very hard conversations and making very hard decisions. Many of OMF's add packages are not related to housing and OMF has only proposed \$1.3 million in cuts. Based on Council's guidance, it may not be realistic to expect them to be funded. OMF should go back and create a critical list of "must-dos" that are related to housing and leave the rest for another time.
- Budget direction has not been clear given conflicting directives and unfunded mandates. It is difficult to function in such an environment.

#### **Other Items and Announcements**

- Aaron Beck will discuss the IA Rate Study on Jan. 12.
- The Budget Advisory Committee report and OMF performance measures will also be shared on Jan. 12.

## OMF FY 2016-17 Requested Budget Decision Package Summary By Category

January 5, 2016 WORKING DRAFT

### Cuts

#### Cuts of Positions – Most Significant Impacts

Bureau/ Division	Package Title Package Description	Funding Source	Amount	FTE
Bureau of Human Resources	<b>BHR-OSS III Diversity, Outreach, and Employment Resources</b> This decision package would eliminate the currently vacant Office Support Specialist III position within the Diversity, Outreach, and Employment Resources program. This position provides administrative support for the Senior Human Resources Analysts to assist with the completion of forms, processes and procedures as well as recruitment and community outreach. The processing time required for hiring will continue to be significantly impacted.	General Fund Discretionary and Overhead Ongoing	(\$81,248)	(1.0)
Bureau of Human Resources	<b>BHR-OSS III Payroll Position</b> This decision package would eliminate a currently vacant Office Support Specialist III position within Human Resources Systems and Payroll Administration program. This position is primarily responsible for processing wage garnishments, writs and child support orders, direct deposit accounts, administering the TRIP program, and third party reconciliation and remittances (e.g. union dues, charitable deductions, etc.). Workload will have to shift to other team members, which could delay other payroll activities.	General Fund Discretionary and Overhead Ongoing	(\$98,017)	(1.0)
Bureau of Revenue & Financial Services	<b>Revenue – Eliminate 2.0 FTE Tax Collection Staff</b> This decision package will reduce the Tax Division section of the Revenue Division by 1.5 FTE and the Audit Section of the Revenue Division by 0.5 FTE. The positions are respectively responsible for obtaining compliance from unregistered businesses, collecting past due receivables and obtaining filing and payment compliance from non-filing accounts, and auditing the business income tax returns that are filed with the Revenue Division, among other activities. These cuts will result in lost revenues exceeding General Fund savings (\$348,000 estimated General Fund loss to the City, rising to an estimated \$696,000 including lost County revenue).	General Fund Discretionary Ongoing	(\$174,000)	(2.0)

### Cuts to Personnel Services/Materials & Services – Service Impacts

Bureau/ Division	Package Title Package Description	Funding Source	Amount	FTE
Bureau of Human Resources	<b>BHR-Bureau wide materials and services reduction</b> This decision package will reduce materials and services across Training and Workforce Development; Diversity, Outreach, and Employment Resources; and Operations. This proposed reduction, along with previous reductions in prior years, will significantly limit instruction materials for training, external professional services needed to address specific issues, special projects, grievance settlements, and civil service board costs	General Fund Discretionary and Overhead Ongoing	(\$68,063)	0
Bureau of Revenue & Financial Services	<b>Accounting – Reduce CAFR Efficiency Initiatives</b> This decision package reduces Accounting’s budget for temporary employees and overtime in personnel services and for professional services and miscellaneous in external materials and services. These reductions limit the Division’s ability to implement any new CAFR efficiency software or process improvement initiatives that require external investment. Timelier financial reporting by municipal governments is being strongly encouraged by the municipal finance community, and is also supported by the Government Finance Officers Association (GFOA). The cut in personnel services reduces the Division’s flexibility to hire temporary employees and meet overtime demands associated with accelerating the completion of the annual CAFR and audit.	General Fund Discretionary and Overhead Ongoing	(\$146,760)	0
Bureau of Revenue & Financial Services	<b>Grants – Reduce Grants Training</b> This decision package would eliminate trainings previously sponsored by the Grants Management Division to provide updated federal, state, and local guidelines and requirements for City bureaus and other regional grant recipients. It also severely curtails funding available for Grants Management staff to attend workshops to keep informed on the latest policies and requirements, impacting their ability to provide expertise and solutions to bureaus on management of their grants.	General Fund Discretionary and Overhead Ongoing	(\$30,933)	0
Bureau of Revenue & Financial Services	<b>Procurement – Reduce Software Replacement</b> This decision package reduces Procurement’s ongoing investment in software replacement and upgrade funding. Procurement owns several key pieces of software related to vendor registration, bidding, and compliance tracking, including MWESB compliance. Procurement established a software replacement fund with BTS in order to ensure funding is available for future upgrade or replacement. This reduction could necessitate requesting add packages in the future when upgrades or replacement is necessary.	General Fund Discretionary and Overhead Ongoing	(\$123,216)	0

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Revenue & Financial Services	<b>Procurement- Reduction to PCDP and MEP Programs</b> This decision package will eliminate participation in the Mentor Protégé program sponsored by the Port of Portland, reduce support for the Prime Contractor Development Program, eliminate the Prime Contractor Residential Housing start-up program in conjunction with Portland Housing Bureau, and reduce sponsorships as part of the We are Better Together program.	General Fund Discretionary and Overhead Ongoing	(\$149,000)	0
Bureau of Revenue & Financial Services	<b>Revenue – Utility Franchise/Wireless Support</b> Office for Community Technology (OCT) maintains over 50 utility franchise agreements. This decision package will eliminate resources to assist in addressing the ten backlogged utility franchise negotiations (as of 12/16/2015) and in implementing potential new FCC rules affecting local permitting procedures and policies on wireless siting by commercial wireless carriers. Potential impacts include lost General Fund revenue from an outdated utility franchise tax base, assets for IRNE not being realized, and potential legal risk as local wireless rules may not be consistent with new federal rules.	General Fund Discretionary Ongoing	(\$21,181)	0
Bureau of Revenue & Financial Services	<b>Revenue – Portland Community Media</b> There is a grant between the City of Portland and Portland Community Media (PCM) to provide financial and technology resources dedicated for public, educational, and government uses by access providers as designated by the City. This decision package reduces the grant, which will cut 0.7 FTE in PCM. PCM implements Digital Inclusion strategies from the City's Broadband Strategic Plan, Portland Plan (#61) and draft Comprehensive Plan. The cut will eliminate PCM's staff capacity to address digital inclusion.	General Fund Discretionary Ongoing	(\$44,240)	0

### Funding Realignments

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Human Resources	<b>BHR-FMLA Program Coordinator Realignment</b> This decision package will reallocate personnel costs for the FMLA Program Coordinator from 100% General Fund to 100% Health Fund and change the position's reporting structure to the Health and Financial Benefits Team. The organizational change will create more support for this position's activities as part of a larger group and it allows for cross training and growth of the individual in the position and others currently on the Health and Financial Benefits Team.	General Fund Discretionary and Overhead Ongoing	(\$131,580)	0

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Human Resources	<b>BHR-OSS III Realignment of Front Desk Support</b> This decision package will allocate a share of the cost of the Office Support Specialist III reception position in BHR to the Bureau of Technology Services (BTS), freeing up \$28,536 in General Fund resources to contribute towards the BHR General Fund cut target. BHR will enter into an annual service level agreement with BTS.	General Fund Discretionary and Overhead Ongoing	(\$28,536)	0
Bureau of Human Resources	<b>BHR-EBS IA Increase for Training</b> This decision package will increase the interagency between BHR and EBS to reflect the realignment of services provided by the Training and Workforce Development Program. This decision package will shift the focus of training staff time from Citywide training to SAP training, decreasing Citywide training and increasing SAP training.	General Fund Discretionary and Overhead Ongoing	(\$40,000)	0
Office of the Chief Administrative Officer	<b>Business Operations-Maintain Required Services: Add Revenues/Cut Costs</b> Business Operations provides required financial management, communications and administrative services to OMF bureaus and divisions, as well as City Council offices and three Council programs (COCL-COAB, Gateway Domestic Violence Center, Youth Violence Prevention). The Division also staffs nine committees, four of which are Council-appointed. This decision package would reduce resources by \$93,848 and offset that with reductions to BTS (\$13,555) and Facilities (\$22,793) interagency agreements, increased revenue from the Office for Community Technology (\$10,000) and increased revenue from the Innovation Fund (\$47,500). The last item would require approval from the Innovation Fund Review Panel and the City Council through additional actions in the fall. This would allow the Division to maintain required service delivery to our 38 direct clients.	General Fund Discretionary and Overhead Ongoing	(\$93,848)	0
Office of the Chief Administrative Officer	<b>CAO's Office-Reallocate Spectator staff costs</b> This decision package will reallocate personnel costs for the Spectator Facilities and Development Manager position from 85% Spectator Venues & Visitor Activities Fund (SVVAF) and 15% CAO's Office General Fund (GF) to 100% SVVAF. This cut is being proposed to better align funding sources with functional activities within the Spectator Program and will result in a \$25,156 reduction in GF in the CAO's Office budget. Staff will be fully funded through the SVVAF.	General Fund Discretionary and Overhead Ongoing	(\$25,156)	0

**Required 5% Reduction for Dedicated Funds**

<b>Bureau/ Division</b>	<b>Package Title Package Description</b>	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Internal Business Services	<b>BIBS Facilities – 5% Reduction for Jerome Sears Building</b> This program is funded by a cash transfer from the General Fund and is subject to the 5% reduction requirement. The building is currently being used as a temporary homeless shelter. The long-term function of the building is to become the Westside Operations Center for emergency operations. Reductions will be applied to preventative maintenance service levels so that available funding can be used to address equipment failures. There are no other budgeted sources of funding for operations or major maintenance on this building.	General Fund Discretionary Ongoing	(\$8,924)	0
Bureau of Internal Business Services	<b>BIBS Facilities – 5% Reduction for John Yeon Building</b> This program is funded by a cash transfer from the General Fund and is subject to the 5% reduction requirement. Current funding for the building is not enough to properly operate and maintain the building. There are no other budgeted sources of funding for operations or major maintenance on this building.	General Fund Discretionary Ongoing	(\$538)	0
Bureau of Internal Business Services	<b>BIBS Facilities – 5% Reduction for Mayor's Security</b> This program is funded by a cash transfer from the General Fund and is subject to the 5% reduction requirement. Specific service level reductions have not been identified at this time. If requirements exceed funding available, Facilities may have to direct funding away from other operational needs.	General Fund Discretionary Ongoing	(\$3,587)	0
Bureau of Internal Business Services	<b>BIBS Facilities – 5% Reduction for City Hall Major Maintenance</b> This program is funded by a cash transfer from the General Fund and is subject to the 5% reduction requirement. The City Hall Major Maintenance fund has a projected deficit over the next five years due to necessary HVAC replacement and roof replacement projects. The current City Hall HVAC units have reached the end of their useful life and individual units fail on a regular basis. The roof is showing signs of failure and needs to be replaced before there is water damage to the interior of the building. There are no other budgeted sources of funding for major maintenance on this building, other than savings at yearend from operations and maintenance at City Hall.	General Fund Discretionary Ongoing	(\$10,601)	0
Office of the Chief Administrative Officer	<b>PSSRP-5% Reduction in Personnel Services</b> This decision package eliminates an Information Systems Analyst, Principal-Gen (PISA) position in Public Safety System Revitalization Program (PSSRP). The PISA position has been under-filled and as PSSRP projects are successfully completed, the need for the services are not as critical as in year's past. The remaining administrative work will be absorbed by other areas of OMF.	General Fund Discretionary Ongoing	(\$43,859)	(1.0)

## Organizational Realignment

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Revenue and Financial Services	<p><b>BRFS Reorganization – Debt and Treasury</b></p> <p>In 2016, the Public Finance &amp; Treasury Division is being separated into two divisions: the Treasury Division and the Debt Management Division. This decision package realigns the cost of the City Treasurer position, and associated materials and services, to be fully funded from the Treasury Division. Previously, these costs were shared equally between Treasury and Debt Management.</p> <p>Note: Business Operations is researching the technical details of this package as it involves multiple funding streams. It may need to split into two packages, one each for Treasury and Debt Management.</p>	Interest Earnings and Interagency Rates	\$0	0

## Adds

### Investments – Increase Revenue

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Revenue & Financial Services	<p><b>Revenue – 1.0 FTE and Costs for Short Term Rental Enforcement</b></p> <p>In January 2015, City Council passed Ordinance #186985 that substantially increased Revenue Division responsibility to enforce regulations and tax compliance for thousands of local short term rental locations. This decision package requests 1.0 FTE and related costs associated with the regulating and taxing of short term rental activities, with increased tax receipts expected to offset the costs of the new position. Tax collections in FY 2014-15 from short term rentals exceeded \$1.2 million.</p>	General Fund Discretionary Ongoing	\$95,150	1.0
Bureau of Revenue & Financial Services	<p><b>Revenue – 1.0 FTE Auditor for Utility Audits</b></p> <p>This decision package requests a second year of one-time funding for one Limited-Term Revenue Auditor dedicated to perform audits annually for the Franchise Management and Utility License Programs, which generate over \$82 million annually in General Fund revenue. This position is expected to deliver a net positive return on investment for the General Fund.</p>	General Fund Discretionary One-Time	\$102,150	1.0

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Revenue & Financial Services	<b>Revenue Division – 2.0 FTE and BTS Costs for IRS Data Exchange</b> This decision package requests 2.0 FTE and related BTS costs associated with the IRS Government Liaison Data Exchange Program, allowing the Revenue Division to continue to receive Federal Taxpayer Information. This additional data will allow the Revenue Division to identify outstanding tax liabilities and increase collections. Increased General Fund revenue is expected to range from approximately \$780,000 to \$2.3 million ongoing. A similar increase is expected for Multnomah County. One-time audit recoveries are also expected to be substantial but cannot be estimated at this time.	General Fund Discretionary Ongoing	\$681,300	2.0
Bureau of Revenue & Financial Services	<b>Revenue – 1.0 FTE for Unregistered Compliance (New Position)</b> This decision package requests a new 1.0 FTE Revenue and Tax Specialist (RTS) III and related costs associated with expanding compliance activities of the Tax Division's Unregistered Compliance Team (UCT) to increase General Fund resources. This position is expected to deliver a net positive return on investment for the General Fund of at least 2:1 (4:1 including Multnomah County).	General Fund Discretionary Ongoing	\$83,038	1.0

### Investments – Data Center Move

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Technology Services	<b>BTS - Data Center Move</b> The Portland Building Data Center is the City's primary data center, housing servers for nearly all City applications, including critical ones such as SAP, Cayenta Utility Billing, and PortlandOregon.gov, as well as file and print servers for bureaus. This project completes a requirements analysis, obtains third-party data center hosting services both within and outside of this region, plans and executes the migration of all systems and services out of the Portland Building data center, and then plans and executes disaster recovery capabilities for identified critical systems.	Interagency Rates One-Time	\$9,700,000 (with \$4,000,000 in FY 2016-17)	0

### Investments – Support Council Adopted Plans, Ordinances, Resolutions

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Human Resources	<b>BHR-Program Specialist for Model Employer Resolution</b> This decision package would add a position to implement and maintain the Model Employer for Persons with a Disability initiative adopted by City Council. This position will ensure that the City meets its commitments under Council-adopted Resolution #36925.	General Fund Discretionary and Overhead Ongoing	\$103,140	1.0

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Internal Business Services	<b>BIBS Facilities - The Portland Building Reconstruction Project</b> In October 2015, City Council approved Resolution #37158 in which OMF was directed to complete the Portland Building Reconstruction Project by the year 2020 for a cost not to exceed \$195 million. \$12.8 million is required for projected FY 2016-17 costs for an owner's representative contract, an architectural and engineering design services under a Design/Build/Relocate contract, staff costs, and other design phase costs. FY 2016-17 costs will be funded with the balance of \$3.75 million of major maintenance funds and \$2.57 million of General Fund cash dedicated to the project, \$4.13M of interagency revenue, and through debt financing.	Facilities Services Major Maintenance (\$3.75M), General Fund cash (\$2.57M), Out-year IA revenue (\$4.13M), and debt financing (\$184.55M)	\$195,000,000 (with \$12,800,000 in FY 2016-17)	0
Bureau of Revenue & Financial Services	<b>Procurement – Sustainability Spend Analysis (CAP)</b> This decision package requests funds for a one-time analysis of the City's spending from FY 2014-15 to calculate and map the greenhouse gas (GHG), water consumption, waste generation, and related environmental impacts of the City's supply chain. The results of the analysis will form the basis for a strategic approach to reduce the City's supply chain environmental and human health impacts over time. The GHG analysis portion of the this project fulfills action item 19M of the City-County Climate Action Plan, while also supporting other City sustainability policies such as the City's Sustainable Procurement Policy.	General Fund Discretionary and Overhead One-Time	\$250,000	0
Bureau of Revenue & Financial Services	<b>Revenue – Digital Equity Action Plan Implementation</b> The joint City/County Digital Equity Action Plan (DEAP) will be presented to City Council/County Commission for adoption in February. This package requests both ongoing and one-time resources to implement the Plan. One-time resources include: funding to develop an inventory of digital inclusion programs/services/activities that would be available on a searchable web-based tool and funding to develop sustainable revenue options. One FTE Program Coordinator is requested ongoing to implement the Plan.	General Fund Discretionary Ongoing	\$199,000 (\$50,000 one-time \$149,000 ongoing)	1.0
Bureau of Revenue & Financial Services	<b>Treasury – Socially Responsible Investment Research</b> In 2014, Council approved Resolution #37102 to form a permanent Socially Responsible Investments Committee of community members to recommend corporate debt issuers for inclusion on, or removal from, the City's Corporate Securities Do-Not-Buy List. In order to make its recommendations to Council, the Committee is required to consult specialized research procured by the City about social- and values-based investing, including composite scoring that weighs the relative importance of individual issues and criteria, for the corporate debt issuers eligible for the City's direct investment. This decision package requests funds to pay for an ongoing subscription to this research.	Interest Earnings Ongoing	\$30,000	0

### Investments – Support Employer of Choice

Bureau/ Division	Package Title Package Description	Funding Source	Amount	FTE
Bureau of Human Resources	<p><b>BHR-Training &amp; Development Analyst</b></p> <p>This decision package would convert the one-time carryover funding that was approved in FY 2014-15 and FY 2015-16 for a limited-term position in Training and Workforce Development into ongoing funding for the position. Currently, the Training and Workforce Development Manager and the BHR HR Business Partners are primarily responsible for training all City employees in Council mandated trainings, such as HRAR 2.02, Cultural Competency, Bias Awareness, Child Abuse Reporting and Manager and Supervisory training. Without the ongoing addition of this position, it will be difficult to provide mandated trainings, maintain the Citywide onboarding program, and develop new trainings. This add package would also mitigate service reductions to Citywide training caused by the cut package that shifts resources to provide more services to Training in support of EBS.</p>	General Fund Discretionary and Overhead Ongoing	\$126,366	1.0
Bureau of Human Resources	<p><b>BHR – Employee Training Fund</b></p> <p>This decision package would fund a program for educational assistance and professional development to reimburse City employees for academic program coursework and professional development training opportunities (\$200,000) and the administration of the fund (\$50,000). The City of Portland, as part of its Employer of Choice strategy, supports the development of its workforce and encourages employees to pursue training and formal education to enhance their knowledge and skills. A program for tuition reimbursement and educational assistance is the most frequently cited request by City employees as a desired program to support their learning, development, and career growth. While some represented employees have access to a professional development fund similar to this proposal, the majority of City employees do not receive this opportunity. This program would be open to all City employees, subject to annual maximum reimbursements (\$1,500 per employee). The program would operate as a qualified plan under Internal Revenue Code Section 127 which allows employers to exclude certain reimbursements for educational assistance from employees' gross income. This package includes funding for administration needed to support this program. However, if the Training Analyst add package is approved this request could be reduced to \$200,000 assuming that the Training Analyst could assume this additional workload.</p>	General Fund Discretionary and Overhead One-Time	\$250,000	0

### Mayor/Council Initiatives

Bureau/ Division	Package Title Package Description	Funding Source	Amount	FTE
Bureau of Internal Business Services	<p><b>BIBS Facilities – Jerome Sears Building Immediate Occupancy Improvements</b></p> <p>This decision package requests one-time General Fund resources to make immediate occupancy improvements to mechanical systems, emergency power systems, and fire protection systems, plus ADA and restroom improvements required for long-term occupancy. These improvements continue work started when \$1 million was approved in the FY 2015-16 Fall BMP for immediate occupancy improvements required for use of the facility as a temporary homeless shelter. Completion of this project will allow for continued development of the planned Westside Operations Center, as well as provide lease revenue to offset operations and maintenance costs. Having emergency response operations located in the Sears facility is considered to be essential for continuity of critical city operations on the west side of the Willamette River in the event of an emergency.</p>	General Fund Discretionary One-time	\$1,505,434	0
Bureau of Internal Business Services	<p><b>BIBS Facilities – PSU/City Jasmine Block Building Feasibility Study</b></p> <p>In partnership with Portland State University (PSU), this decision package will allow Facilities to begin redeveloping the “Jasmine Block” property at SW 4th and SW Montgomery by conducting a preliminary site and building analysis. This property was identified as a key redevelopment site in 2014, by the City, PDC and PSU. This package supports the City’s portion of the preliminary site and building analysis (25% of contract services), which will inform the building size and scope and the creation of owner agreements. Facilities Services staff will review consultant and PSU-produced materials, negotiate and complete an intergovernmental agreement with PSU, and owner agreements with PSU and other building partners, as appropriate.</p>	General Fund Discretionary One-time	\$20,000	0
Bureau of Internal Business Services	<p><b>BIBS Facilities - Coordinated Campsite and Shelter Program</b></p> <p>This decision package requests incremental ongoing funding to expand the scope of the Coordinated Campsite Cleanup program and related homeless services programs. The package includes a Senior Management Analyst position to manage homeless related activities including shelter identification and commissioning; coordinated campsite cleanup and day storage; R2DToo operations on City property; the corresponding increase in cross-bureau and inter-agency coordination; vendor management and contract administration; and other duties as assigned. Funds would also be used for day storage administration and operating expenses, R2DToo operating expenses, OMF project and property management services, and services provided by other bureaus in support.</p>	General Fund Discretionary Ongoing	\$500,000	1.0

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Internal Business Services	<b>BIBS Facilities – City Hall Security</b> This decision package would improve security for Council members, employees and visitors at City Hall through increased security staffing and installation of a more functional and extensive duress system. City Hall Commissioners and employees have expressed significant concerns regarding security of occupants and visitors to City Hall. This decision package addresses many of those concerns.	General Fund Discretionary One-time (\$75,000) and Ongoing (\$256,000)	\$331,000	0
Bureau of Internal Business Services	<b>BIBS Administration – Ongoing Funding for Staff Support to Equitable Contracting and Purchasing Commission</b> The Equitable Contracting and Purchasing Commission (ECPC) was established by Ordinance #187030 to focus on increasing use of minorities and women-owned businesses in City contracting, and increasing inclusion of minorities and women in the workforce on City funded projects. Staff support performs professional level administrative support and works with the ECPC Chair, Procurement Services Division, City bureaus and external agencies in project-based work. The position is currently funded one-time within BIBS and this decision package would make funding ongoing through the General Fund.	General Fund Discretionary Ongoing	\$25,000	0.5 (CSA)
Bureau of Revenue & Financial Services	<b>Treasury – Abandoned Property Foreclosure Support</b> The Mayor's Office is signaling that they may start taking action on foreclosures of abandoned properties. Per City Code, the City Treasurer has a role in this process and could incur up-front costs, to be reimbursed from property sale proceeds if and when the properties sell. Treasury is meeting with the City Auditor and the Bureau of Development Services regarding the program and may need to be submit a request for General Fund resources to support these costs as Treasury's revenue source, Interest Earnings, is not appropriate to spend on this effort.	General Fund Discretionary Ongoing	TBD	0

### Customer Bureaus Support and Will Provide Funding

Bureau/ Division	Package Title Package Description	Funding Source	Amount	FTE
Bureau of Technology Services	<b>BTS - Electronic Equipment Replacement</b> This decision package requests ongoing replacement funding for electronic equipment assigned to customer bureaus. Electronic equipment includes portable and mobile radios, video systems, radar and lidar guns, mobile computers and other assorted equipment maintained by the Bureau of Technology Services. Ongoing funding would be through the addition of a replacement component in the interagency equipment rates. Customers will benefit by having replacement funding available through incremental ongoing payments rather than needing to request one-time funding to replace critical infrastructure. The primary benefit to the bureau is that, when replacement is included in the rates, the rates reflect the true cost of service.	Interagency Rates Ongoing	\$2,377,654	0
Bureau of Technology Services	<b>BTS Vertical Applications Analyst – BDS</b> This position is requested by and will be funded by BDS. There is currently a filled limited-term position in place. This permanent position will support the ITAP system for both the one-time project and ongoing sustainment. BDS identified this position as a significant issue due to the complexity of the ITAP system and the switch to a Microsoft web application platform.	Interagency Rates Ongoing	\$158,213	1.0

### Requests to Address Workload or Other Requirements

Bureau/ Division	Package Title Package Description	Funding Source	Amount	FTE
Bureau of Internal Business Services	<b>BIBS Facilities - SAP Enterprise Asset Management Staff Support</b> This decision package would provide funding for two limited-term positions to backfill Facilities staff that will be supporting configuration and implementation of three new SAP Enterprise Asset Management (EAM) modules. EBS is managing the project and is funding implementation costs for EBS staff and outside vendors. Configuration and implementation, however, will require extensive input from Facilities Services subject matter experts.	Facilities Services Contingency Reserve One- time	\$212,220	2.0 (Limit ed- term)

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Bureau of Revenue & Financial Services	<p><b>Procurement – Two Construction Procurement Positions</b></p> <p>This decision package requests two positions to specifically work with construction projects based on the large number of high dollar, complex projects coming forward during the next four to six years. Some of the City's largest projects will be solicited and contracted by Procurement Services (for example, the Portland Building, Pioneer Courthouse Square, Willamette River Crossing, Parks bond projects, multiple PBOT road repair projects, etc.), all needing to keep the normal volume of goods, services, construction and maintenance projects compliant and moving forward. Procurement needs these two positions to keep up with the increased demand forecasted by the bureaus.</p>	General Fund Discretionary and Overhead Ongoing	\$185,164	2.0

### **Special Appropriations**

<b>Bureau/ Division</b>	<b>Package Title</b> Package Description	<b>Funding Source</b>	<b>Amount</b>	<b>FTE</b>
Special Appropriation	<p><b>Cut: Innovation Fund-Comply with 5% Cut Requirement</b></p> <p>The City Council approved \$1 million in ongoing Special Appropriations funding for the City of Portland Innovation Fund, managed by OMF since FY 2014-15. Special Appropriations will be subject to the 5% cut target. OMF Business Operations recommends that this cut not be taken. The \$50,000 cut from the Innovation Fund would result in up to one major grant and two micro-grants not being approved in the next fiscal year. City Council has supported these proposals because they promote equity and opportunity, improve customer service, save time or money for the City or community, and improve overall service delivery.</p>	General Fund Discretionary Ongoing	(\$50,000)	0
Special Appropriation	<p><b>Add: Council Transition Costs</b></p> <p>This decision package requests funding for transition-related costs for the Mayor's Office. Funds will be used to refresh facilities and technology in preparation for the new administration, as well as to provide staffing for the incoming elected official after the General Election. If additional funds are needed for Commissioner transitions, they will be requested in the Fall BMP.</p>	General Fund Discretionary One-Time	TBD	0

**OMF FY 2016-17 Requested Budget**  
**OMF Advisory Committee**  
**Summary of IA-Funded Decision Packages - 1/5/2016 WORKING DRAFT**

Bureau & Fund	Ongoing			Grand Total
	BTS - Electronic Equipment Replacement	BTS Vertical Applications Analyst - BDS	PF&T Re-org	
<b>Bureau of Development Services</b>	<b>\$2,040</b>	<b>\$158,213</b>		<b>\$160,253</b>
Development Services Fund	\$2,040	\$158,213		\$160,253
<b>Bureau of Emergency Communications</b>	<b>\$54,405</b>		<b>(\$710)</b>	<b>\$53,695</b>
General Fund	\$54,405		(\$710)	\$53,695
<b>Bureau of Fire &amp; Police Disability and Retirement</b>	<b>\$665</b>		<b>(\$3,549)</b>	<b>(\$2,884)</b>
Fire & Police Disability and Retirement Fund	\$665		(\$3,549)	(\$2,884)
<b>Environmental Services</b>	<b>\$26,783</b>		<b>(\$17,032)</b>	<b>\$9,751</b>
Sewer System Operating	\$26,783		(\$17,032)	\$9,751
<b>Office of Management and Finance</b>	<b>\$60,486</b>		<b>(\$17,033)</b>	<b>\$43,453</b>
General Fund	\$4,060			\$4,060
Spectator Fac Op			(\$5,678)	(\$5,678)
CityFleet Operating Fund	\$445			\$445
Facilities Services Operating Fund	\$55,874		(\$6,387)	\$49,487
Workers' Compensation Self Insurance Operating Fund	\$107			\$107
EBS Services Fund			(\$1,419)	(\$1,419)
Technology Services Fund			(\$3,549)	(\$3,549)
<b>Office of the City Auditor</b>			<b>(\$9,936)</b>	<b>(\$9,936)</b>
Local Improvement District Fund			(\$9,936)	(\$9,936)
<b>Office of the Mayor</b>	<b>\$369</b>			<b>\$369</b>
General Fund	\$369			\$369
<b>Portland Bureau of Emergency Management</b>	<b>\$15,120</b>			<b>\$15,120</b>
General Fund	\$15,120			\$15,120
<b>Portland Bureau of Transportation</b>	<b>\$246,969</b>		<b>(\$13,485)</b>	<b>\$233,484</b>
Parking Facilities			(\$2,839)	(\$2,839)
Transportation Operating Fund	\$246,969		(\$10,646)	\$236,323
<b>Portland Fire &amp; Rescue</b>	<b>\$453,862</b>		<b>(\$5,678)</b>	<b>\$448,184</b>
General Fund	\$453,862		(\$5,678)	\$448,184
<b>Portland Housing Bureau</b>			<b>(\$6,387)</b>	<b>(\$6,387)</b>
General Fund			(\$6,387)	(\$6,387)
<b>Portland Parks &amp; Recreation</b>	<b>\$42,294</b>		<b>(\$4,259)</b>	<b>\$38,035</b>
General Fund	\$42,294		(\$3,549)	\$38,745
Portland International Raceway			(\$710)	(\$710)
<b>Portland Police Bureau</b>	<b>\$1,306,390</b>			<b>\$1,306,390</b>
General Fund	\$1,306,390			\$1,306,390
<b>Water</b>	<b>\$168,271</b>		<b>(\$14,194)</b>	<b>\$154,077</b>
Hydroelectric Power Operating			(\$2,129)	(\$2,129)
Water	\$168,271		(\$12,065)	\$156,206
<b>Grand Total</b>	<b>\$2,377,654</b>	<b>\$158,213</b>	<b>(\$92,263)</b>	<b>\$2,443,604</b>

**Data Center Move Project**  
**FY 2016-17 Requested Budget Decision Package - 1/5/2016 WORKING DRAFT**

Estimated Project Cost: **\$9,700,000**

Estimated Annual Project Costs

	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>
	\$4,000,000	\$4,000,000	\$1,700,000

**Fund Allocations**

<b>Fund</b>	<b>Managing Agency</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Total Amount</b>
General Fund	City Budget Office	\$1,989,279	\$1,989,279	\$845,442	\$4,824,000
Transportation Operating Fund	Portland Bureau of Transportation	\$178,969	\$178,969	\$76,062	\$434,000
Development Services Fund	Bureau of Development Services	\$295,258	\$295,258	\$125,485	\$716,000
Parks Capital Improvement Program Fund	Portland Parks & Recreation	\$2,474	\$2,474	\$1,052	\$6,000
SDC Parks Capital Construction Maintenance	Portland Parks & Recreation	\$2,474	\$2,474	\$1,052	\$6,000
Water Fund	Portland Water Bureau	\$519,175	\$519,175	\$220,649	\$1,259,000
Sewer System Operating Fund	Bureau of Environmental Services	\$508,866	\$508,866	\$216,268	\$1,234,000
Golf Fund	Portland Parks & Recreation	\$412	\$412	\$175	\$1,000
Health Insurance Operating Fund	OMF - HR	\$825	\$825	\$351	\$2,000
Facilities Services Operating Fund	OMF - BIBS	\$26,392	\$26,392	\$11,216	\$64,000
CityFleet Operating Fund	OMF - BIBS	\$40,000	\$40,000	\$17,000	\$97,000
Printing & Distribution Services Operating Fund	OMF - BIBS	\$8,660	\$8,660	\$3,680	\$21,000
Insurance and Claims Operating Fund	OMF - BIBS	\$3,299	\$3,299	\$1,402	\$8,000
Workers' Comp. Self Insurance Operating Fund	OMF - BIBS	\$3,299	\$3,299	\$1,402	\$8,000
EBS Services Fund	OMF - CAO	\$400,412	\$400,412	\$170,176	\$971,000
Fire & Police Disability & Retirement Fund	Bureau of Fire & Police Disability & Retirement	\$20,206	\$20,206	\$8,588	\$49,000
<b>Total</b>		<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>\$1,700,000</b>	<b>\$9,700,000</b>