



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE

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To: Director Amalia Alarcon Morris
From: Yung Ouyang
Date: May 3, 2012
Subject: Proposed Budget Decisions

Along with one-time funding for various programs, the FY 2012-13 Proposed Budget includes a reduction of 5% to the bureau's General Fund appropriation. Details include:

- Cuts to the Crime Prevention Program, including the elimination of half of a vacant Office Support Specialist, as well as a whole Crime Prevention Coordinator position.
- Ongoing funds for Neighborhood Small Grants (\$99,318) are eliminated, but \$93,855 in one-time funds are awarded for the same purpose.
- The Mediation program is experiencing an ongoing reduction of \$20,230 but will also be receiving a one-time award of \$104,692 to continue the program.
- The Graffiti Abatement Program is funded again one-time with \$447,232.
- Funding for Neighborhood Partners is being reduced by a minimal amount, with no reductions to the Elders in Action or Disability programs, and the preservation of COLA for partner organizations.
- The East Portland Action Plan is again receiving a one-time infusion of \$279,692 for an advocate position and grants to the community.

Please see the attached BRASS report for a complete listing of the decision packages included in the FY 2012-13 Proposed Budget. The final decisions are included in the last column of the report under 'Mayor's Proposed'.

In addition to the items noted above, there were several actions taken Citywide in the Mayor's Proposed. These are discussed below.

Non-Represented Merit Freeze and COLA Delay

The Mayor's Proposed budget includes delaying cost of living adjustments (COLA) for 11 months and freezing merit increases for all non-represented employees with a salary over \$45,000 per year. The savings generated from these actions were captured from all General Fund bureaus as part of the Mayor's balancing efforts.

Citywide Vacancy Savings

The Mayor's Proposed budget includes \$2 million of expected General Fund savings from delayed hiring into vacant positions. The savings generated are currently budgeted as a reduction in the General Fund Compensation Set-Aside. Financial Planning is working with the Mayor and Council to develop a process for capturing the savings. Bureaus will receive additional information in the next few weeks.

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 with disabilities upon request.

BRASS

BRASS is open and will close on May 7th at 12:00 p.m. As a reminder, all funds, business areas, interagencies, and cash transfers are required to balance before the deadline noted above. Bureaus should run the Budget Tracking spreadsheet view to check for balanced funds and business areas, and the IA1, IA2, and IA3 reports to check for balanced interagencies and cash transfers. Remember that capital project interagencies must also balance at the project level. If you are adjusting any interagency or cash transfer, please inform your partner bureau and allow them sufficient time to enter the adjustment before the deadline.

PatternStream

PatternStream will open on May 4th and close at 12:00 pm on May 7th. Bureaus only need to edit the Overview section in Volume 1 and all Fund narratives in Volume 2. Please call Yung Ouyang 3-6956 or Bob Tomlinson 3-6960 if you have any questions.

OMF Interagencies

As a result of mandatory reduction packages submitted by OMF internal service operations, interagencies have decreased. The Office of Management and Finance will distribute the detailed interagency adjustments by bureau, fund, funded program, and commitment item tomorrow, May 4th.

The interagency savings passed on to bureaus or funds that received General Fund discretionary dollars have already been captured and used to balance the Mayor's Proposed Budget. Financial Planning added a decision package for each bureau and fund that reduced General Fund discretionary by the amounts identified by OMF and offset the reduction in revenue with a reduction in external materials and services (549000) as a plug. Bureaus are responsible for reducing the detailed interagency agreements as identified by OMF via a technical adjustment or infrastructure form. The bureau's reductions in interagency services should be offset by an increase in external materials and services (549000), thus zeroing out the entries made by FPD in this commitment item.

No entries have been made by FPD to balance the interagencies or capture any of the savings for those bureaus or funds that do not receive General Fund support. Bureaus should use the technical adjustment forms to enter the balancing entries for each of the interagency agreements.