



**CITY OF PORTLAND**  
OFFICE OF MANAGEMENT AND FINANCE

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To: Mayor Sam Adams  
Commissioner Nick Fish  
Commissioner Amanda Fritz  
Commissioner Randy Leonard  
Commissioner Dan Saltzman  
City Auditor LaVonne Griffin-Valade

From: Andrew Scott, Financial Planning Manager

Date: May 6, 2011

Subject: Spring Budget Monitoring Process (BMP) FY 2010-11

In the Spring Budget Monitoring Process (BMP), City bureaus report on financial and program performance during the current fiscal year and request adjustments to the current fiscal year budget. The Spring BMP will be discussed by Council on Tuesday, May 10, 2011 at 9:30am in Council Chambers. The Spring BMP ordinance is scheduled to be heard by Council on May 18, 2011 at 10:45am.

This memo summarizes the highlights of bureau submissions for the Winter BMP and the Financial Planning Division (FPD) recommendations. FPD's full analysis of the requests from bureaus and the financial performance of the bureaus is attached and posted online. Bureau submittals are also available online on FPD's website.

In addition to the FPD review packet, two reports are attached. One summarizes all requests and recommendations affecting General Fund discretionary resources. The second is a detailed summary of changes in all funds.

### **General Fund Discretionary**

The BMP, as recommended, includes a total draw on contingencies and set-asides in the General Fund of \$3.4 million in FY 2010-11. These recommendations are detailed in the General Fund Reconciliation report (Attachment A). This includes the following allocations:

- **\$4,897,278 Compensation Set-Aside:** A total of \$2.3 million in Compensation Set-Aside is recommended, including \$1.3 million for Police, \$500,000 for Fire, \$242,117 for Parks, and \$58,257 for Planning and Sustainability. Additionally, \$1.9 million is set aside for FY 2011-12 balancing and \$821,397 is set-aside for retirement payouts in FY 2011-12. Of the bureau requests, FPD did not recommend the OMF request because sufficient underspending bureau-wide is anticipated. There is a possibility that bureaus that did not receive or request compensation set-aside in the Spring BMP will need to make the request again during the Overexpenditure Ordinance should spending projections change materially in the next few weeks.
- **\$593,037 Contingency:** There is currently \$713,268 budgeted in contingency for the remainder of the fiscal year. FPD recommends a number of requests for approval including:
  - \$151,000 to reorganize the tenancy of City Hall
  - \$100,000 for Parkrose sports fields
  - \$50,000 to correct an issue in the granting of tax abatements for affordable housing

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- \$53,037 for maintenance and operations of new parks.
- \$250,000 is included to fund Police enforcement of illegal drug impact areas. This item was previously approved by Council and is requested now for appropriation. A significant portion of this allocation will simultaneously be set aside to be carried over into FY 2011-12.
- \$11,000 is added to contingency to reflect an increase in utility license fees.
- FPD does not recommend a request of \$150,000 by OMF for a focused review of OMF operations. Although Council authorized OMF to request contingency funding for this contract, FPD anticipates materials and services underspending sufficient to fund this request with existing budgets.
- **(\$1,792,320) Carryover Requests:** FPD recommends the removal of funding from several bureau budgets and the setting aside of these funds for FY 2011-12, to be appropriated in the Fall BMP. Bureaus with recommended carryover requests include Cable (\$215,076), Human Relations (\$40,000), Special Appropriations (\$50,000), ONI (\$122,680), the Auditor (\$35,000), Parks (\$154,000), and Police (\$444,167). As noted above, the total carryover request also requests a portion of compensation set-aside for the establishment of a set-aside in FY 2011-12 for citywide retirement payouts and FY 2011-12 balancing. Please see FPD's bureau review for details on the carryover requests.
- **(\$70,000) Reductions.** FPD recommends the redirection of two Police FY 2010-11 Adopted Budget decision packages: in-car video cameras, the technology of which is not ready for purchase, and IPR implementation, for which actual costs proved below initial estimates. The commissioner in Charge requested that these funds be moved to support the Lloyd District contact office and overtime costs for Last Thursday, with a net result of \$70,000 returned to the General Fund.

### Major Non-General Fund Changes

The following summarizes the changes recommended in all non-General Fund bureaus. The total increase in appropriation Citywide for the FPD recommended BMP changes is currently estimated at \$28 million.

- **Transportation Operating Fund (200):** A number of changes in the fund net increase in appropriation of \$5.43 million. Adjustments include shifting of funds from capital outlay (\$19.4 million), personal services (\$552,878) and internal materials and services (\$277,570) into external materials and services, \$5.4 million and contingency, \$4.7 million, to reflect revised capital project schedules and fiscal year schedule adjustments for a net reduction of (\$10.1 million). These transactions are balanced against PBOT's anticipation of a bond sale which will yield \$15 million in additional appropriation if the sale is executed by the end of the year.
- **Emergency Communication Fund (202):** Bureau expenses are increased by \$509,793, drawing on fund contingency.
- **Development Services Fund (203):** External M&S is reduced by \$865,190. Personal services is increased by \$800,000. The fund is simultaneously repaying and borrowing \$1.5 million from the Bancroft Bond Fund, increasing both bond and note revenues and expenses by that amount.
- **Property Management License Fund (204):** License and permits increase by \$571,536 to reflect higher than anticipated payments. These fees are paid for by business owners within the Business Improvement Districts (BID). The additional revenues support the Downtown Clean and Safe program and the Lloyd BID.
- **Cable Fund (206):** The fund recognizes \$3.8 million of beginning and ending fund balance. These funds are primarily PEG grants that were not awarded in FY2009-10. Additionally, \$414,000 is moved from contingency, primarily to the PEG grant line item.
- **Convention and Tourism Fund (209):** The fund recognizes \$313,609 in additional resources including \$247,370 of additional taxes. As transient lodgings taxes increase, the fund must recognize the additional revenues and increase its payment to Travel Portland.
- **General Reserve Fund (210):** Fire apparatus funding in the General Fund (\$543,239) is transferred to this fund for carryover.
- **Housing Investment Fund (213):** Appropriation in this fund is reduced by a net of \$2.5 million reflecting a decrease of \$2.9 million to carry over Section 108 spending and a net increase of \$438,006 in cash transfers from the fund primarily for HOME and CDBG program income that was incorrectly received in the fund.

- **Parks Local Option Levy Fund (215):** Contingency is reduced by \$390,831 to fund a cash transfer to the Parks Construction Fund.
- **Children's Investment Fund (216):** Contingency is reduced by \$1.1 million to reflect revised tax estimates; Measure 5 compression disproportionately impacts local option levies.
- **Grants Fund (217):** A number of changes are made by various bureaus in the fund. Most notable is the increase in beginning balance resulting from FY 2009-10 year-end loans made to the fund to maintain non-negative cash position. The additional balance funds repayment of the loans in FY 2010-11.
- **Community Development Block Grant Fund (218):** Appropriation is decreased by \$2.6 million, primarily reflecting projects that are carried over into FY 2011-12.
- **HOME Grant Fund (219):** Appropriation is decreased by \$1.9 million, primarily reflecting projects that are carried over into FY 2011-12.
- **Tax Increment Financing Reimbursement Fund (221):** Appropriation in this fund is reduced by \$8.4 million to reflect the timing of actual spending of several major projects. These projects are to be rebudgeted in FY 2011-12.
- **Police Special Revenue Fund (222):** Beginning fund balance is increased in this fund by \$802,795 to cover planned expenditures.
- **BFRES Facilities GO Bond Construction Fund (400):** External M&S and capital outlay are increased through a \$500,000 draw on contingency.
- **Local Improvement District Construction Fund (401):** Appropriation in the fund is reduced by \$3.4 million and is the net change of the following adjustments: decreased beginning fund balance, increased principle revenues, decreased note sales revenues, increased debt retirement, decreased interest expenses, and decreased contingency.
- **Portland Parks Capital Construction and Maintenance Fund (402):** Appropriation in this fund is reduced by \$5.4 million primarily due to delays with large capital projects related to issues with obtaining easements and/or land purchases, project funding agreements, acceptable contract bids and in some cases weather.
- **Sewer System Operating Fund (600):** Appropriation in this fund is increased by \$3.6 million. This is a result of several changes; primary adjustments include a \$5.0 million increase to contingency from the rate stabilization fund to make up for lower than anticipated System Development Charges (SDCs) in order to maintain the bureau's debt service coverage ratio.
- **Water Fund (602):** Appropriation in this fund is increased by \$4.4 million. This results from a \$1.3 million increase in a BES interagency and a \$3M transfer from the Water Construction Fund.
- **Golf Fund (603):** Appropriation in this fund is decreased by \$710,621, reflecting primarily a \$741,408 decrease in charges for service resulting from lower customer demand due to weather.
- **Environmental Remediation Fund (608):** Contingency is reduced by \$290,861 and moved to materials and services and personal services to cover additional bureau expenses.
- **Sewer System Debt Redemption Fund (609):** A \$2.5 million cash transfer the Sewer System Operating Fund to adjust for lower than anticipated SDCs.
- **Sewer System Construction Fund (614):** Fund transfer revenues and fund contingency are reduced by \$5.5 million reflecting lower SDC revenues.
- **Water Construction Fund (615):** Appropriation transfer from Water Fund resulting from a decrease in planned capital expenditures.
- **Sewer System Rate Stabilization Fund (617):** Appropriation is reduced by \$8.7 million reflecting a beginning balance reduction of \$21.7 million and bond resources of \$12.9 million. Contingency is reduced by \$13.7 million and cash transfers to the Sewer System Operating Fund are increased by \$5 million.
- **Headwaters Apartment Complex Fund (621):** Appropriation is reduced by \$350,658 reflecting the netting of operating expenses and revenues before the transfer from PDC.
- **Health Insurance Operating Fund (700):** Beginning balance and fund contingency are reduced by \$3.0 million reflecting increased claims experience in FY2009-10.
- **Facilities Services Operating Fund (701):** Appropriation increases by \$1.1 million. The increase is related to additional costs to CityFleet (\$725,000) for work related to the replacement of the fuel tank at

the Kerby Garage and to Transportation (\$166,588) for parking storage at the Autoport not billed in FY 2009-10. Additionally, the fund increases its appropriation by \$151,000 due to a transfer from the General Fund for work related to the City Hall Restack project.

- **City Fleet Operating Fund:** Appropriation increases by \$776,07 due primarily to additional work related to the fuel tank replacement at the Kerby Garage. This project is funded by the Facilities Services Operating Fund.
- **Technology Services Fund (706):** Appropriation increases by \$1.2 million. \$815,000 of the increase is due to the Public Safety Systems Revitalization Project carrying over of unspent funds for the Portland Police Data Systems and the Fire Records Management System. Another \$279,000 of the increase is due to additional work requests from other bureaus in the City.
- **Fire & Police Disability & Retirement Fund (800):** \$1.2 million is moved from interagencies with Fire and Police to contingency.

### **Position Changes**

There are no position changes in the Spring BMP.

Attachments.

C: Ken Rust  
Rich Goward

**General Fund Reconciliation**

Attachment A

	<u>Bureau Request</u>	<u>Mayor's Proposed</u>
<b>Carryover Request</b>		
Cable Communications and Franchise Management - Litigation Fund - GF Carryover (CF	(\$119,930)	(\$119,930)
Cable Communications and Franchise Management - Revolving Audit Fund Carryover (T	(\$95,146)	(\$95,146)
Office of Human Relations - Carryover request for Intergroup Dialogues (HN_006)	(\$40,000)	(\$40,000)
Office of Management and Finance - OMF General Fund Personal Services Carryover (M	(\$216,000)	\$0
Office of Management and Finance - SA - Carryover Mental Health Crisis (MF_284)	(\$50,000)	(\$50,000)
Office of Management and Finance - Carry over remaining Comp Set-Aside to 11-12 (MF	(\$2,796,904)	(\$2,796,904)
Office of Neighborhood Involvement - Carryover of BTS database improvements (NI_019	(\$10,000)	(\$10,000)
Office of Neighborhood Involvement - Carryover of Charter Review funding (NI_020)	(\$16,000)	(\$16,000)
Office of Neighborhood Involvement - Enhanced Graffiti Grants carryover (NI_021)	(\$95,000)	(\$95,000)
Office of Neighborhood Involvement - Carryover request for Last Thursday funding (NI_0	(\$1,680)	(\$1,680)
Office of the City Auditor - Carryover for Review of Liens Collection Process (AU_011)	(\$50,000)	(\$50,000)
Office of the City Auditor - Carryover for On-Call Land Use Hearings Officer (AU_012)	(\$10,000)	(\$10,000)
Office of the City Auditor - Carryover: Review of Officer-Involved Shootings (AU_013)	(\$25,000)	(\$25,000)
Portland Parks & Recreation - Spring BuMP Carryover Requests (PK_028)	(\$154,000)	(\$154,000)
Portland Police Bureau - Police Spring Carryover (PL_017)	(\$35,000)	(\$444,167)
<b>Total Carryover Request</b>	<b>(\$3,714,660)</b>	<b>(\$3,907,827)</b>

<b>Compensation Set Aside Request</b>		
Bureau of Planning and Sustainability - Request additional GF appropriation from COLA	\$58,257	\$58,257
Office of Management and Finance - OMF GF-COLA Set Aside (MF_196)	\$53,802	\$0
Office of Management and Finance - Move remaining Comp Set-Aside to Contingency (M	\$2,796,904	\$2,796,904
Office of Management and Finance - Allocate Comp Set-Aside Special Appropriation (M	(\$4,897,278)	(\$4,897,278)
Portland Fire and Rescue - COLA Set-Aside Request (FR_009)	\$500,000	\$500,000
Portland Parks & Recreation - GF Compensation Set-Aside Request (PK_029)	\$242,117	\$242,117
Portland Police Bureau - Compensation Set-Aside Request (PL_014)	\$1,300,000	\$1,300,000
<b>Total Compensation Set Aside Request</b>	<b>\$53,802</b>	<b>\$0</b>

<b>Mid-Year Reductions</b>		
Portland Police Bureau - Return Unused Decision Package Funding (PL_019)	\$0	(\$70,000)
<b>Total Mid-Year Reductions</b>	<b>\$0</b>	<b>(\$70,000)</b>

<b>New Request</b>		
Office of Management and Finance - Facilities - City Hall Re-Stack (MF_190)	\$151,000	\$151,000
Office of Management and Finance - Financial Planning-Focused Review (MF_207)	\$150,000	\$0
Office of Management and Finance - Increase revenues from IRNE ULF payment (MF_2	(\$11,000)	(\$11,000)
Office of Management and Finance - SA - Sports Field Parkrose (SA_006)	\$100,000	\$100,000
Portland Housing Bureau - Spring BMP - General Fund Request (HC_015)	\$50,000	\$50,000
Portland Parks & Recreation - Parks GF - New Operations & Maintenance Request (PK_	\$53,037	\$53,037
Portland Police Bureau - Illegal Drug Impact Areas (PL_018)	\$20,833	\$250,000
<b>Total New Request</b>	<b>\$513,870</b>	<b>\$593,037</b>

<b>Technical Adjustment</b>		
Office of Management and Finance - PSSRP Gen. Fund to Tech Serv. Fund Cash Trans	(\$815,000)	(\$815,000)

General Fund Reconciliation

Attachment A

	<u>Bureau Request</u>	<u>Mayor's Proposed</u>
<b>Technical Adjustment</b>		
Office of Management and Finance - Fire apparatus budget to reserve (MF_285)	\$543,239	\$543,239
Office of Management and Finance - Transfer GF from Parks Trust to Parks (MF_291)	(\$13,400)	(\$13,400)
Office of Management and Finance - PSSRP - GF Transfer to Tech Serv Fund (MF_325)	\$815,000	\$815,000
Portland Fire and Rescue - Transfer FY2010-11 apparatus budget to reserve (FR_013)	(\$543,239)	(\$543,239)
Portland Parks & Recreation - Parks Cash Transfer from GF - Spring BuMP (PK_027)	\$13,400	\$13,400
<b>Total Technical Adjustment</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>	<b>(\$3,146,988)</b>	<b>(\$3,384,790)</b>

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 100 - General Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	2,307,382	0	2,307,382
Licenses & Permits	13,872,119	0	13,872,119
Charges for Services	1,383,279	125,526	1,508,805
Intergovernmental Revenues	2,717,835	190,000	2,907,835
Interagency Revenue	1,843,029	(1,091,968)	751,061
Fund Transfers - Revenue	12,207,715	122,288	12,330,003
Miscellaneous	227,865	176,284	404,149
General Fund Discretionary	0	0	0
General Fund Overhead	0	0	0
<b>TOTAL REVENUES</b>	<b>34,559,223</b>	<b>(477,870)</b>	<b>34,081,353</b>
<b>EXPENSES</b>			
Personal Services	22,066,804	1,139,149	23,205,953
External Materials and Services	4,218,177	(6,724,543)	(2,506,366)
Internal Materials and Services	4,309,674	189,571	4,499,245
Capital Outlay	31,858	(191,869)	(160,011)
Bond Expenses	9,513	0	9,513
Fund Transfers - Expense	3,027,522	1,725,032	4,752,554
Contingency	0	3,384,790	3,384,790
<b>TOTAL EXPENSES</b>	<b>33,663,549</b>	<b>(477,870)</b>	<b>33,185,679</b>

<b>Fund: 200 - Transportation Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Licenses & Permits	159,571	0	159,571
Charges for Services	2,215,994	(1,726,889)	489,105
Intergovernmental Revenues	8,461,153	0	8,461,153
Interagency Revenue	1,757,842	188,700	1,946,542
Fund Transfers - Revenue	762,318	(7,338,507)	(6,576,189)
Bond and Note	0	14,350,000	14,350,000
Miscellaneous	248,687	(33,648)	215,039
General Fund Discretionary	0	0	0
<b>TOTAL REVENUES</b>	<b>13,605,564</b>	<b>5,439,656</b>	<b>19,045,220</b>
<b>EXPENSES</b>			
Personal Services	4,616,941	(430,378)	4,186,563
External Materials and Services	3,716,752	5,330,753	9,047,505
Internal Materials and Services	1,941,863	(121,570)	1,820,293
Capital Outlay	(22,107,168)	(19,465,896)	(41,573,064)
Bond Expenses	5,504	0	5,504
Fund Transfers - Expense	338,044	97,888	435,932
Contingency	0	20,028,859	20,028,859
<b>TOTAL EXPENSES</b>	<b>(11,488,064)</b>	<b>5,439,656</b>	<b>(6,048,408)</b>

<b>Fund: 201 - Assessment Collection Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 201 - Assessment Collection Fund</b>			
<b>REVENUES</b>			
Miscellaneous	35	0	35
<b>TOTAL REVENUES</b>	<b>35</b>	<b>0</b>	<b>35</b>
<b>EXPENSES</b>			
Internal Materials and Services	110	0	110
Fund Transfers - Expense	3	0	3
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>113</b>	<b>0</b>	<b>113</b>
<b>Fund: 202 - Emergency Communication Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	2,580	0	2,580
Intergovernmental Revenues	272,430	0	272,430
Interagency Revenue	0	0	0
Fund Transfers - Revenue	910,779	0	910,779
Bond and Note	0	26,207	26,207
Miscellaneous	3,448	0	3,448
<b>TOTAL REVENUES</b>	<b>1,189,238</b>	<b>26,207</b>	<b>1,215,445</b>
<b>EXPENSES</b>			
Personal Services	985,584	213,000	1,198,584
External Materials and Services	359,077	2,559	361,636
Internal Materials and Services	404,697	320,441	725,138
Bond Expenses	241	0	241
Fund Transfers - Expense	38,140	0	38,140
Contingency	0	(509,793)	(509,793)
<b>TOTAL EXPENSES</b>	<b>1,787,739</b>	<b>26,207</b>	<b>1,813,946</b>
<b>Fund: 203 - Development Services Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Licenses & Permits	1,141,583	0	1,141,583
Charges for Services	209,024	0	209,024
Interagency Revenue	13,026	62,532	75,558
Fund Transfers - Revenue	787,148	0	787,148
Bond and Note	1,500,000	1,500,000	3,000,000
Miscellaneous	159,846	0	159,846
<b>TOTAL REVENUES</b>	<b>3,810,628</b>	<b>1,562,532</b>	<b>5,373,160</b>
<b>EXPENSES</b>			
Personal Services	1,222,377	800,000	2,022,377
External Materials and Services	48,452	(865,190)	(816,738)
Internal Materials and Services	495,835	25,190	521,025
Capital Outlay	0	10,000	10,000
Bond Expenses	1,510,886	1,539,679	3,050,565
Fund Transfers - Expense	184,615	0	184,615



	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 203 - Development Services Fund</b>			
<b>EXPENSES</b>			
Contingency	0	52,853	52,853
<b>TOTAL EXPENSES</b>	<b>3,462,165</b>	<b>1,562,532</b>	<b>5,024,697</b>
<b>Fund: 204 - Property Management License Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(41,009)	(41,009)
Licenses & Permits	809,306	571,536	1,380,842
Charges for Services	1,364	(1,350)	14
Miscellaneous	183	(7,835)	(7,652)
<b>TOTAL REVENUES</b>	<b>810,853</b>	<b>521,342</b>	<b>1,332,195</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
External Materials and Services	27,101	521,342	548,443
Internal Materials and Services	0	0	0
<b>TOTAL EXPENSES</b>	<b>27,101</b>	<b>521,342</b>	<b>548,443</b>
<b>Fund: 206 - Cable Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	3,873,472	3,873,472
Licenses & Permits	1,190,190	0	1,190,190
Charges for Services	0	0	0
Interagency Revenue	0	8,000	8,000
Fund Transfers - Revenue	0	0	0
Miscellaneous	2,450	0	2,450
<b>TOTAL REVENUES</b>	<b>1,192,640</b>	<b>3,881,472</b>	<b>5,074,112</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	3,873,472	3,873,472
Personal Services	32,847	22,000	54,847
External Materials and Services	1,169,296	393,000	1,562,296
Internal Materials and Services	5,170	7,000	12,170
Fund Transfers - Expense	1,429	0	1,429
Contingency	0	(414,000)	(414,000)
<b>TOTAL EXPENSES</b>	<b>1,208,741</b>	<b>3,881,472</b>	<b>5,090,213</b>
<b>Fund: 207 - Private for Hire Transportation Safety Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	28,152	28,152
Miscellaneous	97	(1,270)	(1,173)
<b>TOTAL REVENUES</b>	<b>97</b>	<b>26,882</b>	<b>26,979</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
External Materials and Services	0	(30,000)	(30,000)
Fund Transfers - Expense	49	0	49

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 207 - Private for Hire Transportation Safety Fund</b>			
<b>EXPENSES</b>			
Contingency	0	56,882	56,882
<b>TOTAL EXPENSES</b>	<b>49</b>	<b>26,882</b>	<b>26,931</b>
<b>Fund: 209 - Convention and Tourism Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	84,239	84,239
Taxes	174,820	247,370	422,190
Fund Transfers - Revenue	0	0	0
Miscellaneous	326	(18,000)	(17,674)
<b>TOTAL REVENUES</b>	<b>175,146</b>	<b>313,609</b>	<b>488,755</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
External Materials and Services	505,626	310,000	815,626
Internal Materials and Services	26	0	26
Fund Transfers - Expense	1,113	0	1,113
Contingency	0	3,609	3,609
<b>TOTAL EXPENSES</b>	<b>506,765</b>	<b>313,609</b>	<b>820,374</b>
<b>Fund: 210 - General Reserve Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Fund Transfers - Revenue	0	543,239	543,239
Miscellaneous	20,528	0	20,528
<b>TOTAL REVENUES</b>	<b>20,528</b>	<b>543,239</b>	<b>563,767</b>
<b>EXPENSES</b>			
Fund Transfers - Expense	2,700,000	0	2,700,000
Contingency	0	543,239	543,239
<b>TOTAL EXPENSES</b>	<b>2,700,000</b>	<b>543,239</b>	<b>3,243,239</b>
<b>Fund: 211 - Special Finance and Resource Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Bond and Note	50,612,451	0	50,612,451
Miscellaneous	83	0	83
<b>TOTAL REVENUES</b>	<b>50,612,534</b>	<b>0</b>	<b>50,612,534</b>
<b>EXPENSES</b>			
External Materials and Services	50,588,306	0	50,588,306
Bond Expenses	24,145	0	24,145
Fund Transfers - Expense	0	0	0
<b>TOTAL EXPENSES</b>	<b>50,612,451</b>	<b>0</b>	<b>50,612,451</b>
<b>Fund: 212 - Transportation Reserve Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 212 - Transportation Reserve Fund</b>			
<b>REVENUES</b>			
Miscellaneous	2	0	2
<b>TOTAL REVENUES</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>EXPENSES</b>			
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Fund: 213 - Housing Investment Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(186,726)	(186,726)
Charges for Services	43,894	(12,850)	31,044
Intergovernmental Revenues	36,908	10,000	46,908
Interagency Revenue	0	0	0
Bond and Note	1,439,420	(2,883,000)	(1,443,580)
Miscellaneous	131,750	558,006	689,756
<b>TOTAL REVENUES</b>	<b>1,651,972</b>	<b>(2,514,570)</b>	<b>(862,598)</b>
<b>EXPENSES</b>			
Personal Services	56,727	20,000	76,727
External Materials and Services	873,171	(2,743,148)	(1,869,977)
Internal Materials and Services	0	(46,428)	(46,428)
Bond Expenses	0	17,000	17,000
Fund Transfers - Expense	0	438,006	438,006
Contingency	0	(200,000)	(200,000)
<b>TOTAL EXPENSES</b>	<b>929,898</b>	<b>(2,514,570)</b>	<b>(1,584,672)</b>

<b>Fund: 214 - Campaign Finance Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Fund Transfers - Revenue	0	0	0
Miscellaneous	237	0	237
<b>TOTAL REVENUES</b>	<b>237</b>	<b>0</b>	<b>237</b>
<b>EXPENSES</b>			
External Materials and Services	7	0	7
Internal Materials and Services	0	0	0
Fund Transfers - Expense	1,254	0	1,254
<b>TOTAL EXPENSES</b>	<b>1,261</b>	<b>0</b>	<b>1,261</b>

<b>Fund: 215 - Parks Local Option Levy Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	2,744	0	2,744
Miscellaneous	2,184	0	2,184
<b>TOTAL REVENUES</b>	<b>4,928</b>	<b>0</b>	<b>4,928</b>
<b>EXPENSES</b>			
Personal Services	105,189	0	105,189

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 215 - Parks Local Option Levy Fund</b>			
<b>EXPENSES</b>			
External Materials and Services	0	0	0
Internal Materials and Services	133,931	0	133,931
Fund Transfers - Expense	661,198	390,831	1,052,029
Contingency	0	(390,831)	(390,831)
<b>TOTAL EXPENSES</b>	<b>900,317</b>	<b>0</b>	<b>900,317</b>

<b>Fund: 216 - Children's Investment Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	90,912	(1,067,427)	(976,515)
Miscellaneous	4,961	0	4,961
<b>TOTAL REVENUES</b>	<b>95,873</b>	<b>(1,067,427)</b>	<b>(971,554)</b>
<b>EXPENSES</b>			
Personal Services	33,213	0	33,213
External Materials and Services	1,955,044	(8,250)	1,946,794
Internal Materials and Services	2,463	8,250	10,713
Fund Transfers - Expense	2,083	0	2,083
Contingency	0	(1,067,427)	(1,067,427)
<b>TOTAL EXPENSES</b>	<b>1,992,803</b>	<b>(1,067,427)</b>	<b>925,376</b>

<b>Fund: 217 - Grants Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	13,000,000	13,000,000
Intergovernmental Revenues	5,085,517	(4,065,829)	1,019,688
Interagency Revenue	135	0	135
Miscellaneous	12,860	0	12,860
<b>TOTAL REVENUES</b>	<b>5,098,512</b>	<b>8,934,171</b>	<b>14,032,683</b>
<b>EXPENSES</b>			
Personal Services	455,669	(461,491)	(5,822)
External Materials and Services	1,683,061	194,589	1,877,650
Internal Materials and Services	65,839	(1,863,975)	(1,798,136)
Capital Outlay	2,987,977	(1,934,952)	1,053,025
Bond Expenses	0	13,000,000	13,000,000
<b>TOTAL EXPENSES</b>	<b>5,192,547</b>	<b>8,934,171</b>	<b>14,126,718</b>

<b>Fund: 218 - Community Development Block Grant Fund</b>			
<b>REVENUES</b>			
Intergovernmental Revenues	1,358,185	(3,145,140)	(1,786,955)
Fund Transfers - Revenue	0	483,961	483,961
Miscellaneous	115	0	115
<b>TOTAL REVENUES</b>	<b>1,358,300</b>	<b>(2,661,179)</b>	<b>(1,302,879)</b>
<b>EXPENSES</b>			
Personal Services	138,143	50,000	188,143
External Materials and Services	529,324	(2,586,447)	(2,057,123)
Internal Materials and Services	(246,784)	0	(246,784)

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 218 - Community Development Block Grant Fund</b>			
<b>EXPENSES</b>			
Bond Expenses	19,915	(364,128)	(344,213)
Contingency	0	239,396	239,396
<b>TOTAL EXPENSES</b>	<b>440,599</b>	<b>(2,661,179)</b>	<b>(2,220,580)</b>
<b>Fund: 219 - HOME Grant Fund</b>			
<b>REVENUES</b>			
Intergovernmental Revenues	1,163,521	(1,976,530)	(813,009)
Fund Transfers - Revenue	0	74,045	74,045
<b>TOTAL REVENUES</b>	<b>1,163,521</b>	<b>(1,902,485)</b>	<b>(738,964)</b>
<b>EXPENSES</b>			
Personal Services	26,512	0	26,512
External Materials and Services	1,030,860	(1,883,861)	(853,001)
Contingency	0	(18,624)	(18,624)
<b>TOTAL EXPENSES</b>	<b>1,057,372</b>	<b>(1,902,485)</b>	<b>(845,113)</b>
<b>Fund: 220 - Portland Parks Memorial Trust Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	54,649	54,649
Licenses & Permits	4,400	0	4,400
Charges for Services	7,893	0	7,893
Fund Transfers - Revenue	0	11,200	11,200
Miscellaneous	16,127	70,500	86,627
<b>TOTAL REVENUES</b>	<b>28,420</b>	<b>136,349</b>	<b>164,769</b>
<b>EXPENSES</b>			
Personal Services	41,041	99,649	140,690
External Materials and Services	7,277	56,700	63,977
Internal Materials and Services	34,535	10,000	44,535
Capital Outlay	0	(13,400)	(13,400)
Fund Transfers - Expense	0	13,400	13,400
Contingency	0	(30,000)	(30,000)
<b>TOTAL EXPENSES</b>	<b>82,854</b>	<b>136,349</b>	<b>219,203</b>
<b>Fund: 221 - Tax Increment Financing Reimbursement</b>			
<b>REVENUES</b>			
Charges for Services	48	0	48
Intergovernmental Revenues	4,243,058	(8,940,115)	(4,697,057)
Fund Transfers - Revenue	0	0	0
Miscellaneous	120,761	520,000	640,761
<b>TOTAL REVENUES</b>	<b>4,363,867</b>	<b>(8,420,115)</b>	<b>(4,056,248)</b>
<b>EXPENSES</b>			
Personal Services	175,361	0	175,361
External Materials and Services	2,724,663	(8,420,115)	(5,695,452)
Internal Materials and Services	0	0	0

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 221 - Tax Increment Financing Reimbursement</b>			
<b>EXPENSES</b>			
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>2,900,024</b>	<b>(8,420,115)</b>	<b>(5,520,091)</b>
<b>Fund: 222 - Police Special Revenue Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Intergovernmental Revenues	88,801	0	88,801
Fund Transfers - Revenue	0	0	0
Miscellaneous	6,548	0	6,548
<b>TOTAL REVENUES</b>	<b>95,349</b>	<b>0</b>	<b>95,349</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
External Materials and Services	42,712	0	42,712
Fund Transfers - Expense	141	0	141
<b>TOTAL EXPENSES</b>	<b>42,852</b>	<b>0</b>	<b>42,852</b>
<b>Fund: 301 - River District URA Debt Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	210,306	0	210,306
Miscellaneous	10,865	0	10,865
<b>TOTAL REVENUES</b>	<b>221,170</b>	<b>0</b>	<b>221,170</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	21,000,613	0	21,000,613
<b>TOTAL EXPENSES</b>	<b>21,000,613</b>	<b>0</b>	<b>21,000,613</b>
<b>Fund: 302 - Bonded Debt Interest and Sinking Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	63,023	0	63,023
Fund Transfers - Revenue	0	0	0
Miscellaneous	3,173	0	3,173
<b>TOTAL REVENUES</b>	<b>66,197</b>	<b>0</b>	<b>66,197</b>
<b>EXPENSES</b>			
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 303 - Waterfront Renewal Bond Sinking Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	77,584	0	77,584
Miscellaneous	5,985	0	5,985
<b>TOTAL REVENUES</b>	<b>83,569</b>	<b>0</b>	<b>83,569</b>

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 303 - Waterfront Renewal Bond Sinking Fund</b>			
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 304 - Interstate Corridor Debt Service Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	93,849	0	93,849
Bond and Note	0	0	0
Miscellaneous	4,935	0	4,935
<b>TOTAL REVENUES</b>	<b>98,784</b>	<b>0</b>	<b>98,784</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	8,000,233	0	8,000,233
<b>TOTAL EXPENSES</b>	<b>8,000,233</b>	<b>0</b>	<b>8,000,233</b>
<b>Fund: 305 - Pension Debt Redemption Fund</b>			
<b>REVENUES</b>			
Fund Transfers - Revenue	0	0	0
Miscellaneous	40,976	0	40,976
<b>TOTAL REVENUES</b>	<b>40,976</b>	<b>0</b>	<b>40,976</b>
<b>EXPENSES</b>			
Bond Expenses	33,403	0	33,403
Fund Transfers - Expense	0	0	0
<b>TOTAL EXPENSES</b>	<b>33,403</b>	<b>0</b>	<b>33,403</b>
<b>Fund: 306 - South Park Block Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	54,062	0	54,062
Miscellaneous	5,855	0	5,855
<b>TOTAL REVENUES</b>	<b>59,917</b>	<b>0</b>	<b>59,917</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 307 - Airport Way Debt Service Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	40,811	0	40,811
Miscellaneous	2,457	0	2,457
<b>TOTAL REVENUES</b>	<b>43,268</b>	<b>0</b>	<b>43,268</b>

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 307 - Airport Way Debt Service Fund</b>			
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 308 - Gas Tax Bond Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Fund Transfers - Revenue	0	0	0
Miscellaneous	2	0	2
<b>TOTAL REVENUES</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>EXPENSES</b>			
Bond Expenses	0	0	0
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 309 - Lents Town Ctr URA Debt Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	68,551	0	68,551
Miscellaneous	3,758	0	3,758
<b>TOTAL REVENUES</b>	<b>72,308</b>	<b>0</b>	<b>72,308</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	6,450,188	0	6,450,188
<b>TOTAL EXPENSES</b>	<b>6,450,188</b>	<b>0</b>	<b>6,450,188</b>
<b>Fund: 310 - Central Eastside Ind District Debt Service Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	39,283	0	39,283
Miscellaneous	3,042	0	3,042
<b>TOTAL REVENUES</b>	<b>42,326</b>	<b>0</b>	<b>42,326</b>
<b>EXPENSES</b>			
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 311 - Bancroft Bond Interest and Sinking Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Bond and Note	1,500,000	0	1,500,000
Miscellaneous	395,321	0	395,321
<b>TOTAL REVENUES</b>	<b>1,895,321</b>	<b>0</b>	<b>1,895,321</b>



	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 311 - Bancroft Bond Interest and Sinking Fund</b>			
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	1,500,000	0	1,500,000
Fund Transfers - Expense	3,500,000	0	3,500,000
<b>TOTAL EXPENSES</b>	<b>5,000,000</b>	<b>0</b>	<b>5,000,000</b>
<b>Fund: 312 - Convention Center Area Debt Service Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	77,649	0	77,649
Miscellaneous	4,036	0	4,036
<b>TOTAL REVENUES</b>	<b>81,685</b>	<b>0</b>	<b>81,685</b>
<b>EXPENSES</b>			
Bond Expenses	3,500,102	0	3,500,102
<b>TOTAL EXPENSES</b>	<b>3,500,102</b>	<b>0</b>	<b>3,500,102</b>
<b>Fund: 313 - North Macadam URA Debt Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	90,648	0	90,648
Miscellaneous	5,560	0	5,560
<b>TOTAL REVENUES</b>	<b>96,207</b>	<b>0</b>	<b>96,207</b>
<b>EXPENSES</b>			
Bond Expenses	6,400,187	0	6,400,187
<b>TOTAL EXPENSES</b>	<b>6,400,187</b>	<b>0</b>	<b>6,400,187</b>
<b>Fund: 314 - Special Projects Debt Service Fund</b>			
<b>REVENUES</b>			
Intergovernmental Revenues	0	0	0
Miscellaneous	11	0	11
<b>TOTAL REVENUES</b>	<b>11</b>	<b>0</b>	<b>11</b>
<b>EXPENSES</b>			
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 315 - Gateway URA Debt Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	22,708	0	22,708
Miscellaneous	720	0	720
<b>TOTAL REVENUES</b>	<b>23,428</b>	<b>0</b>	<b>23,428</b>
<b>EXPENSES</b>			

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 315 - Gateway URA Debt Redemption Fund</b>			
<b>EXPENSES</b>			
Bond Expenses	2,940,086	0	2,940,086
<b>TOTAL EXPENSES</b>	<b>2,940,086</b>	<b>0</b>	<b>2,940,086</b>
<b>Fund: 316 - Willamette Industrial URA Debt Service Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	7,949	0	7,949
Miscellaneous	490	0	490
<b>TOTAL REVENUES</b>	<b>8,439</b>	<b>0</b>	<b>8,439</b>
<b>EXPENSES</b>			
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 317 - Governmental Bond Redemption Fund</b>			
<b>REVENUES</b>			
Fund Transfers - Revenue	0	(120,000)	(120,000)
Miscellaneous	7	0	7
<b>TOTAL REVENUES</b>	<b>7</b>	<b>(120,000)</b>	<b>(119,993)</b>
<b>EXPENSES</b>			
External Materials and Services	0	(120,000)	(120,000)
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>(120,000)</b>	<b>(120,000)</b>
<b>Fund: 400 - BFRES Facilities GO Bond Construction Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Fund Transfers - Revenue	0	0	0
Miscellaneous	2,593	0	2,593
<b>TOTAL REVENUES</b>	<b>2,593</b>	<b>0</b>	<b>2,593</b>
<b>EXPENSES</b>			
External Materials and Services	33,601	350,000	383,601
Internal Materials and Services	12,781	0	12,781
Capital Outlay	212,836	150,000	362,836
Fund Transfers - Expense	8,588	0	8,588
Contingency	0	(500,000)	(500,000)
<b>TOTAL EXPENSES</b>	<b>267,806</b>	<b>0</b>	<b>267,806</b>
<b>Fund: 401 - Local Improvement District Construction Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(627,129)	(627,129)
Charges for Services	82,579	0	82,579
Fund Transfers - Revenue	0	0	0
Bond and Note	0	(3,538,548)	(3,538,548)

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 401 - Local Improvement District Construction Fu</b>			
<b>REVENUES</b>			
Miscellaneous	12,230	724,575	736,805
<b>TOTAL REVENUES</b>	<b>94,809</b>	<b>(3,441,102)</b>	<b>(3,346,293)</b>
<b>EXPENSES</b>			
External Materials and Services	421,060	440,000	861,060
Internal Materials and Services	45,602	0	45,602
Bond Expenses	5,480	4,243,980	4,249,460
Fund Transfers - Expense	4,379	(7,638,507)	(7,634,128)
Contingency	0	(486,575)	(486,575)
<b>TOTAL EXPENSES</b>	<b>476,521</b>	<b>(3,441,102)</b>	<b>(2,964,581)</b>
<b>Fund: 402 - Parks Capital Construction &amp; Maintenance F</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	94,774	1,300,000	1,394,774
Intergovernmental Revenues	383,465	(7,477,242)	(7,093,777)
Interagency Revenue	169	0	169
Fund Transfers - Revenue	753,877	565,424	1,319,301
Bond and Note	0	0	0
Miscellaneous	20,945	185,395	206,340
<b>TOTAL REVENUES</b>	<b>1,253,230</b>	<b>(5,426,423)</b>	<b>(4,173,193)</b>
<b>EXPENSES</b>			
Personal Services	105,563	(14,636)	90,927
External Materials and Services	175,779	1,123,220	1,298,999
Internal Materials and Services	31,685	77,300	108,985
Capital Outlay	1,248,740	(8,796,681)	(7,547,941)
Bond Expenses	117	506,194	506,311
Fund Transfers - Expense	33,533	0	33,533
Contingency	0	1,678,180	1,678,180
<b>TOTAL EXPENSES</b>	<b>1,595,416</b>	<b>(5,426,423)</b>	<b>(3,831,007)</b>
<b>Fund: 403 - Public Safety GO Bond</b>			
<b>REVENUES</b>			
Fund Transfers - Revenue	0	0	0
Bond and Note	0	0	0
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENSES</b>			
Personal Services	0	13,118	13,118
External Materials and Services	0	(203,118)	(203,118)
Internal Materials and Services	0	190,000	190,000
Bond Expenses	0	20,000	20,000
Contingency	0	(20,000)	(20,000)
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 500 - Parks Endowment Fund</b>			
<b>REVENUES</b>			

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 500 - Parks Endowment Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Miscellaneous	80	0	80
<b>TOTAL REVENUES</b>	<b>80</b>	<b>0</b>	<b>80</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
External Materials and Services	0	0	0
Internal Materials and Services	550	0	550
<b>TOTAL EXPENSES</b>	<b>550</b>	<b>0</b>	<b>550</b>

<b>Fund: 600 - Sewer System Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Licenses & Permits	45,477	0	45,477
Charges for Services	15,944,555	(3,000,000)	12,944,555
Intergovernmental Revenues	363,385	0	363,385
Interagency Revenue	18,479	276,149	294,628
Fund Transfers - Revenue	17,522,446	4,557,000	22,079,446
Bond and Note	1,265,758	1,840,030	3,105,788
Miscellaneous	42,172	0	42,172
<b>TOTAL REVENUES</b>	<b>35,202,272</b>	<b>3,673,179</b>	<b>38,875,451</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Personal Services	4,397,131	763,335	5,160,466
External Materials and Services	3,998,788	8,357,298	12,356,086
Internal Materials and Services	3,006,047	1,494,232	4,500,279
Capital Outlay	14,822,668	(8,361,306)	6,461,362
Bond Expenses	3,305	100,000	103,305
Fund Transfers - Expense	4,714,806	(3,000,000)	1,714,806
Contingency	0	4,319,620	4,319,620
<b>TOTAL EXPENSES</b>	<b>30,942,745</b>	<b>3,673,179</b>	<b>34,615,924</b>

<b>Fund: 601 - Hydroelectric Power Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Interagency Revenue	3,203	0	3,203
Fund Transfers - Revenue	0	0	0
Miscellaneous	63	0	63
<b>TOTAL REVENUES</b>	<b>3,267</b>	<b>0</b>	<b>3,267</b>
<b>EXPENSES</b>			
Personal Services	18,200	(25,000)	(6,800)
External Materials and Services	0	(15,000)	(15,000)
Internal Materials and Services	14,379	40,000	54,379
Bond Expenses	25	0	25
Fund Transfers - Expense	7,862	0	7,862

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 601 - Hydroelectric Power Operating Fund</b>			
<b>EXPENSES</b>			
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>40,467</b>	<b>0</b>	<b>40,467</b>
<b>Fund: 602 - Water Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	7,091,262	0	7,091,262
Intergovernmental Revenues	0	0	0
Interagency Revenue	130,542	1,358,000	1,488,542
Fund Transfers - Revenue	4,002,201	3,000,000	7,002,201
Miscellaneous	81,792	0	81,792
<b>TOTAL REVENUES</b>	<b>11,305,797</b>	<b>4,358,000</b>	<b>15,663,797</b>
<b>EXPENSES</b>			
Personal Services	4,291,742	0	4,291,742
External Materials and Services	1,290,623	(555,000)	735,623
Internal Materials and Services	1,532,960	262,000	1,794,960
Capital Outlay	1,857,102	1,438,000	3,295,102
Bond Expenses	3,433	0	3,433
Fund Transfers - Expense	2,180,579	3,600,000	5,780,579
Contingency	0	(387,000)	(387,000)
<b>TOTAL EXPENSES</b>	<b>11,156,439</b>	<b>4,358,000</b>	<b>15,514,439</b>
<b>Fund: 603 - Golf Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(51,589)	(51,589)
Licenses & Permits	0	0	0
Charges for Services	187,322	(741,408)	(554,086)
Fund Transfers - Revenue	0	94,000	94,000
Miscellaneous	639	(11,624)	(10,985)
<b>TOTAL REVENUES</b>	<b>187,962</b>	<b>(710,621)</b>	<b>(522,659)</b>
<b>EXPENSES</b>			
Personal Services	225,795	0	225,795
External Materials and Services	174,337	(286,678)	(112,341)
Internal Materials and Services	34,105	(30,000)	4,105
Capital Outlay	0	(179,000)	(179,000)
Bond Expenses	207	0	207
Fund Transfers - Expense	15,671	5,280	20,951
Contingency	0	(220,223)	(220,223)
<b>TOTAL EXPENSES</b>	<b>450,115</b>	<b>(710,621)</b>	<b>(260,506)</b>
<b>Fund: 604 - Portland International Raceway Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(29,323)	(29,323)
Charges for Services	35,329	(56,000)	(20,671)
Fund Transfers - Revenue	0	0	0

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 604 - Portland International Raceway Fund</b>			
<b>REVENUES</b>			
Miscellaneous	294	(12,000)	(11,706)
<b>TOTAL REVENUES</b>	<b>35,623</b>	<b>(97,323)</b>	<b>(61,700)</b>
<b>EXPENSES</b>			
Personal Services	45,620	0	45,620
External Materials and Services	67,078	(80,000)	(12,922)
Internal Materials and Services	15,041	9,500	24,541
Capital Outlay	0	0	0
Bond Expenses	40	0	40
Fund Transfers - Expense	3,141	0	3,141
Contingency	0	(26,823)	(26,823)
<b>TOTAL EXPENSES</b>	<b>130,919</b>	<b>(97,323)</b>	<b>33,596</b>
<b>Fund: 605 - Solid Waste Management Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Licenses & Permits	0	0	0
Charges for Services	0	0	0
Interagency Revenue	(0)	137,000	137,000
Fund Transfers - Revenue	0	0	0
Miscellaneous	8,359	0	8,359
<b>TOTAL REVENUES</b>	<b>8,359</b>	<b>137,000</b>	<b>145,359</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Personal Services	192,966	0	192,966
External Materials and Services	95,525	137,000	232,525
Internal Materials and Services	41,600	0	41,600
Bond Expenses	64	0	64
Fund Transfers - Expense	11,417	0	11,417
<b>TOTAL EXPENSES</b>	<b>341,573</b>	<b>137,000</b>	<b>478,573</b>
<b>Fund: 606 - Parking Facilities Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	1,032,563	0	1,032,563
Interagency Revenue	157,152	166,588	323,740
Fund Transfers - Revenue	0	0	0
Miscellaneous	11,898	0	11,898
<b>TOTAL REVENUES</b>	<b>1,201,613</b>	<b>166,588</b>	<b>1,368,201</b>
<b>EXPENSES</b>			
Personal Services	3,195	0	3,195
External Materials and Services	269,522	0	269,522
Internal Materials and Services	125,796	0	125,796
Bond Expenses	0	0	0
Fund Transfers - Expense	15,092	300,000	315,092

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 606 - Parking Facilities Fund</b>			
<b>EXPENSES</b>			
Contingency	0	(133,412)	(133,412)
<b>TOTAL EXPENSES</b>	<b>413,604</b>	<b>166,588</b>	<b>580,192</b>
<b>Fund: 607 - Spectator Facilities Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	829,063	0	829,063
Intergovernmental Revenues	0	0	0
Fund Transfers - Revenue	0	0	0
Bond and Note	1,798,656	0	1,798,656
Miscellaneous	7,357	0	7,357
<b>TOTAL REVENUES</b>	<b>2,635,076</b>	<b>0</b>	<b>2,635,076</b>
<b>EXPENSES</b>			
External Materials and Services	58,728	0	58,728
Internal Materials and Services	28,280	0	28,280
Capital Outlay	1,798,656	0	1,798,656
Bond Expenses	0	100,000	100,000
Fund Transfers - Expense	0	0	0
Contingency	0	(100,000)	(100,000)
<b>TOTAL EXPENSES</b>	<b>1,885,663</b>	<b>0</b>	<b>1,885,663</b>
<b>Fund: 608 - Environmental Remediation Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	70,355	0	70,355
Interagency Revenue	30,568	0	30,568
Fund Transfers - Revenue	62,715	0	62,715
Miscellaneous	1,575	0	1,575
<b>TOTAL REVENUES</b>	<b>165,214</b>	<b>0</b>	<b>165,214</b>
<b>EXPENSES</b>			
Personal Services	61,696	90,861	152,557
External Materials and Services	130,920	200,000	330,920
Internal Materials and Services	4,975	0	4,975
Bond Expenses	1	0	1
Fund Transfers - Expense	6,681	0	6,681
Contingency	0	(290,861)	(290,861)
<b>TOTAL EXPENSES</b>	<b>204,273</b>	<b>0</b>	<b>204,273</b>
<b>Fund: 609 - Sewer System Debt Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Fund Transfers - Revenue	0	2,500,000	2,500,000
Bond and Note	0	0	0
Miscellaneous	11,928	0	11,928
<b>TOTAL REVENUES</b>	<b>11,928</b>	<b>2,500,000</b>	<b>2,511,928</b>

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 609 - Sewer System Debt Redemption Fund</b>			
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	2,500,000	2,500,000
Bond Expenses	27,270,307	0	27,270,307
<b>TOTAL EXPENSES</b>	<b>27,270,307</b>	<b>2,500,000</b>	<b>29,770,307</b>
<b>Fund: 610 - Golf Revenue Bond Redemption Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(3,753)	(3,753)
Fund Transfers - Revenue	0	5,280	5,280
Miscellaneous	284	(1,500)	(1,216)
<b>TOTAL REVENUES</b>	<b>284</b>	<b>27</b>	<b>311</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	27	27
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>27</b>	<b>27</b>
<b>Fund: 611 - Hydroelectric Power Bond Redemption</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Miscellaneous	(0)	0	(0)
<b>TOTAL REVENUES</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund: 612 - Water Bond Sinking</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Fund Transfers - Revenue	0	0	0
Bond and Note	0	0	0
Miscellaneous	4,569	1	4,570
<b>TOTAL REVENUES</b>	<b>4,569</b>	<b>1</b>	<b>4,570</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Bond Expenses	0	1	1
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Fund: 614 - Sewer System Construction</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	63,006	0	63,006
Fund Transfers - Revenue	0	(5,500,000)	(5,500,000)
Bond and Note	0	0	0



	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 614 - Sewer System Construction</b>			
<b>REVENUES</b>			
Miscellaneous	83,124	0	83,124
<b>TOTAL REVENUES</b>	<b>146,131</b>	<b>(5,500,000)</b>	<b>(5,353,869)</b>
<b>EXPENSES</b>			
Bond Expenses	0	0	0
Fund Transfers - Expense	17,522,446	(443,000)	17,079,446
Contingency	0	(5,057,000)	(5,057,000)
<b>TOTAL EXPENSES</b>	<b>17,522,446</b>	<b>(5,500,000)</b>	<b>12,022,446</b>
<b>Fund: 615 - Water Construction Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	75,034	0	75,034
Fund Transfers - Revenue	1,946,534	3,600,000	5,546,534
Bond and Note	0	0	0
Miscellaneous	9,002	0	9,002
<b>TOTAL REVENUES</b>	<b>2,030,571</b>	<b>3,600,000</b>	<b>5,630,571</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
Fund Transfers - Expense	4,002,201	3,000,000	7,002,201
Contingency	0	600,000	600,000
<b>TOTAL EXPENSES</b>	<b>4,002,201</b>	<b>3,600,000</b>	<b>7,602,201</b>
<b>Fund: 617 - Sewer System Rate Stabilization Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(21,700,000)	(21,700,000)
Bond and Note	0	12,900,000	12,900,000
Miscellaneous	16,861	100,000	116,861
<b>TOTAL REVENUES</b>	<b>16,861</b>	<b>(8,700,000)</b>	<b>(8,683,139)</b>
<b>EXPENSES</b>			
Fund Transfers - Expense	0	5,000,000	5,000,000
Contingency	0	(13,700,000)	(13,700,000)
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>(8,700,000)</b>	<b>(8,700,000)</b>
<b>Fund: 618 - Hydroelectric Power Renewal Replacement</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Miscellaneous	0	0	0
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENSES</b>			
Fund Transfers - Expense	0	0	0
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 621 - Headwaters Apartment Complex</b>			
<b>REVENUES</b>			
Intergovernmental Revenues	779,731	(350,658)	429,073
Miscellaneous	2	0	2
<b>TOTAL REVENUES</b>	<b>779,733</b>	<b>(350,658)</b>	<b>429,075</b>
<b>EXPENSES</b>			
External Materials and Services	0	(350,658)	(350,658)
Bond Expenses	0	0	0
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>(350,658)</b>	<b>(350,658)</b>
<b>Fund: 700 - Health Insurance Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	(2,983,879)	(2,983,879)
Charges for Services	2,402,802	0	2,402,802
Interagency Revenue	0	8,000	8,000
Miscellaneous	6,191	0	6,191
<b>TOTAL REVENUES</b>	<b>2,408,993</b>	<b>(2,975,879)</b>	<b>(566,886)</b>
<b>EXPENSES</b>			
Personal Services	75,692	0	75,692
External Materials and Services	2,904,409	8,000	2,912,409
Internal Materials and Services	19,990	0	19,990
Bond Expenses	38	0	38
Fund Transfers - Expense	28,296	0	28,296
Contingency	0	(2,983,879)	(2,983,879)
<b>TOTAL EXPENSES</b>	<b>3,028,426</b>	<b>(2,975,879)</b>	<b>52,547</b>
<b>Fund: 701 - Facilities Services Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	62,639	0	62,639
Intergovernmental Revenues	103,019	0	103,019
Interagency Revenue	1,823,839	839,942	2,663,781
Fund Transfers - Revenue	0	151,000	151,000
Bond and Note	0	62,318	62,318
Miscellaneous	74,313	0	74,313
<b>TOTAL REVENUES</b>	<b>2,063,810</b>	<b>1,053,260</b>	<b>3,117,070</b>
<b>EXPENSES</b>			
Personal Services	248,057	250,001	498,058
External Materials and Services	906,093	4,220,390	5,126,483
Internal Materials and Services	241,544	166,588	408,132
Capital Outlay	0	(3,429,448)	(3,429,448)
Bond Expenses	206	0	206
Fund Transfers - Expense	64,091	725,000	789,091
Contingency	0	(879,271)	(879,271)
<b>TOTAL EXPENSES</b>	<b>1,459,992</b>	<b>1,053,260</b>	<b>2,513,252</b>

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 702 - CityFleet Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Intergovernmental Revenues	9,915	0	9,915
Interagency Revenue	2,248,669	900	2,249,569
Fund Transfers - Revenue	0	725,000	725,000
Bond and Note	0	50,171	50,171
Miscellaneous	9,147	0	9,147
<b>TOTAL REVENUES</b>	<b>2,267,731</b>	<b>776,071</b>	<b>3,043,802</b>
<b>EXPENSES</b>			
Personal Services	464,507	0	464,507
External Materials and Services	678,003	60,900	738,903
Internal Materials and Services	122,807	73,364	196,171
Capital Outlay	721,359	591,636	1,312,995
Bond Expenses	484	0	484
Fund Transfers - Expense	71,697	64,000	135,697
Contingency	0	(13,829)	(13,829)
<b>TOTAL EXPENSES</b>	<b>2,058,856</b>	<b>776,071</b>	<b>2,834,927</b>

<b>Fund: 703 - Printing and Distribution Services Operating</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	9,536	0	9,536
Intergovernmental Revenues	78,369	0	78,369
Interagency Revenue	367,028	17,950	384,978
Fund Transfers - Revenue	0	0	0
Miscellaneous	5,246	0	5,246
<b>TOTAL REVENUES</b>	<b>460,179</b>	<b>17,950</b>	<b>478,129</b>
<b>EXPENSES</b>			
Personal Services	132,219	0	132,219
External Materials and Services	247,128	11,950	259,078
Internal Materials and Services	39,986	0	39,986
Capital Outlay	0	6,000	6,000
Bond Expenses	164	0	164
Fund Transfers - Expense	25,486	0	25,486
Contingency	0	0	0
<b>TOTAL EXPENSES</b>	<b>444,983</b>	<b>17,950</b>	<b>462,933</b>

<b>Fund: 704 - Insurance and Claims Operating Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Interagency Revenue	891,121	0	891,121
Fund Transfers - Revenue	0	0	0
Miscellaneous	18,085	0	18,085
<b>TOTAL REVENUES</b>	<b>909,206</b>	<b>0</b>	<b>909,206</b>
<b>EXPENSES</b>			
Personal Services	86,650	0	86,650

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 704 - Insurance and Claims Operating Fund</b>			
<b>EXPENSES</b>			
External Materials and Services	141,428	131,000	272,428
Internal Materials and Services	20,141	6,000	26,141
Capital Outlay	0	0	0
Bond Expenses	90	0	90
Fund Transfers - Expense	41,175	0	41,175
Contingency	0	(137,000)	(137,000)
<b>TOTAL EXPENSES</b>	<b>289,485</b>	<b>0</b>	<b>289,485</b>
<b>Fund: 705 - Workers' Comp Self Insurance Operating Fu</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Interagency Revenue	327,339	0	327,339
Fund Transfers - Revenue	0	0	0
Miscellaneous	9,467	0	9,467
<b>TOTAL REVENUES</b>	<b>336,806</b>	<b>0</b>	<b>336,806</b>
<b>EXPENSES</b>			
Personal Services	74,778	0	74,778
External Materials and Services	188,997	263,000	451,997
Internal Materials and Services	16,554	6,000	22,554
Capital Outlay	0	0	0
Bond Expenses	84	0	84
Fund Transfers - Expense	18,114	0	18,114
Contingency	0	(269,000)	(269,000)
<b>TOTAL EXPENSES</b>	<b>298,528</b>	<b>0</b>	<b>298,528</b>
<b>Fund: 706 - Technology Services Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	25,539	0	25,539
Intergovernmental Revenues	773,077	0	773,077
Interagency Revenue	3,468,701	279,180	3,747,881
Fund Transfers - Revenue	470,279	815,000	1,285,279
Bond and Note	0	64,996	64,996
Miscellaneous	69,387	0	69,387
<b>TOTAL REVENUES</b>	<b>4,806,983</b>	<b>1,159,176</b>	<b>5,966,159</b>
<b>EXPENSES</b>			
Personal Services	1,844,965	0	1,844,965
External Materials and Services	903,964	(555,000)	348,964
Internal Materials and Services	268,177	236,356	504,533
Capital Outlay	44,001	555,000	599,001
Bond Expenses	575	100	675
Fund Transfers - Expense	160,061	11,000	171,061
Contingency	0	911,720	911,720
<b>TOTAL EXPENSES</b>	<b>3,221,742</b>	<b>1,159,176</b>	<b>4,380,918</b>

	FY 2010-11 AP8 Actuals	Total Adjustments	New Revised Budget
<b>Fund: 708 - EBS Services Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Interagency Revenue	898,092	108,572	1,006,664
Miscellaneous	2,783	0	2,783
<b>TOTAL REVENUES</b>	<b>900,875</b>	<b>108,572</b>	<b>1,009,447</b>
<b>EXPENSES</b>			
Personal Services	133,161	0	133,161
External Materials and Services	92,093	80,000	172,093
Internal Materials and Services	302,201	75,000	377,201
Bond Expenses	0	0	0
Fund Transfers - Expense	3,641	0	3,641
Contingency	0	(46,428)	(46,428)
<b>TOTAL EXPENSES</b>	<b>531,096</b>	<b>108,572</b>	<b>639,668</b>

<b>Fund: 800 - Fire &amp; Police Disability &amp; Retirement Fund</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
Taxes	815,341	0	815,341
Interagency Revenue	600	0	600
Fund Transfers - Revenue	0	0	0
Bond and Note	0	0	0
Miscellaneous	(84,578)	0	(84,578)
<b>TOTAL REVENUES</b>	<b>731,362</b>	<b>0</b>	<b>731,362</b>
<b>EXPENSES</b>			
Personal Services	131,633	52,000	183,633
External Materials and Services	8,215,750	0	8,215,750
Internal Materials and Services	906,975	(1,190,000)	(283,025)
Capital Outlay	0	20,000	20,000
Bond Expenses	52	0	52
Fund Transfers - Expense	31,467	0	31,467
Contingency	0	1,118,000	1,118,000
<b>TOTAL EXPENSES</b>	<b>9,285,877</b>	<b>0</b>	<b>9,285,877</b>

<b>Fund: 801 - Fire &amp; Police Disability &amp; Retirement Res Fu</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXPENSES</b>			
Fund Transfers - Expense	0	0	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Fund: 802 - Fire &amp; Police Supplemental Retirement Res</b>			
<b>REVENUES</b>			
Budgeted Beginning Fund Balance	0	0	0

	<b>FY 2010-11 AP8 Actuals</b>	<b>Total Adjustments</b>	<b>New Revised Budget</b>
<b>Fund: 802 - Fire &amp; Police Supplemental Retirement Res</b>			
<b>REVENUES</b>			
Miscellaneous	21	0	21
<b>TOTAL REVENUES</b>	<b>21</b>	<b>0</b>	<b>21</b>
<b>EXPENSES</b>			
Unappropriated Fund Balance	0	0	0
External Materials and Services	653	0	653
<b>TOTAL EXPENSES</b>	<b>653</b>	<b>0</b>	<b>653</b>

# **Spring BMP FY 2010-11 Analysis**

**City of Portland, Oregon**

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**Prepared by:**

**Office of Management and Finance  
Financial Planning Division**

**May 6, 2011**

## TABLE OF CONTENTS

<b>Bureau of Emergency Communications</b>	<b>3</b>
<b>Bureau of Fire &amp; Police Disability &amp; Retirement</b>	<b>6</b>
<b>Portland Police Bureau</b>	<b>8</b>
<b>Portland Fire and Rescue</b>	<b>15</b>
<b>Office of Emergency Management</b>	<b>19</b>
<b>Portland Parks &amp; Recreation</b>	<b>22</b>
<b>Bureau of Environmental Services</b>	<b>34</b>
<b>Portland Water Bureau</b>	<b>44</b>
<b>Bureau of Development Services</b>	<b>50</b>
<b>Portland Housing Bureau</b>	<b>54</b>
<b>Bureau of Planning and Sustainability</b>	<b>60</b>
<b>Office of Cable Communications and Franchise Management</b>	<b>66</b>
<b>Office of Neighborhood Involvement</b>	<b>69</b>
<b>Portland Bureau of Transportation</b>	<b>74</b>
<b>Office of the City Attorney</b>	<b>83</b>
<b>Auditor's Office</b>	<b>84</b>
<b>Office of Government Relations</b>	<b>90</b>
<b>Office of Human Relations</b>	<b>91</b>
<b>Council Offices</b>	<b>93</b>
<b>Office of Management and Finance (General Fund Bureaus)</b>	<b>101</b>
<b>Bureau of Internal Business Services</b>	<b>105</b>
<b>Bureau of Technology Services</b>	<b>119</b>
<b>Enterprise Business Solution</b>	<b>122</b>
<b>Office of Management and Finance – Citywide Projects</b>	<b>125</b>
<b>Public Safety General Obligation Bond Fund</b>	<b>129</b>
<b>General Fund Special Appropriation</b>	<b>132</b>



**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Bureau of Emergency Communications**

**Recommended Requests**

1. *EC\_005/Grant Fund Loan Repayment to BOEC, \$26,207*

BOEC requests to recognize loan repayment revenue of \$26,207 from the Grants Fund for a FY 2009-10 loan related to a BOEC project (four servers purchased for the CAD-to-CAD project). At year-end, the Grants Fund was not reimbursed by the federal grant source. City policy, when this occurs, is for the Grants Fund to borrow funds from the grant recipient in order for the Grants Fund to maintain a positive fund balance. The \$26,207 is now being repaid to BOEC during the Spring BMP.

*FPD Recommendation: \$26,207*

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

**FY 2010-11 Adopted Budget Decision Packages**

Overtime Reduction – The bureau reduced its overtime budget by \$344,068 (half ongoing and half one-time) in order to meet the directive for City bureaus to submit reduction packages during the budget development process. BOEC has been able to manage its overtime expenditures without any problems during the current fiscal year.

**Service Improvement Plans**

BOEC's Service Improvement Plan listed two areas of focus:

- Quality Awareness Focus - BOEC has instituted a performance evaluation process that involves randomly evaluating a number of police and fire/EMS calls each month, and if needed, a path of correction is put into place. In addition, calls are evaluated for professionalism, and any problems discovered are quickly rectified.
- Focus on Effective and Responsive Operational Supervision – The bureau has adopted various measures to encourage self-responsibility and accountability, including the continuation of regular meetings with the supervisors to ensure adequate information flow, consistent application of performance standards, and dialogue among supervisors and management.

With the implementation of the Quality Awareness program, there has been a decrease in customer service complaints, and out of those received, few were substantiated against BOEC staff. The bureau believes that the decrease in complaints is directly correlated to its conducting of supervisor evaluations and transitioning the achieved results directly into the improved performance of call takers and dispatchers.

## FY 2010-11 Projection

BOEC Operations in the Emergency Communications Fund (202)	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Beginning Fund Balance	\$1,658,142	\$0	\$2,959,382	78.48%
Charges for Services	200,000	162,645	200,000	0.00%
Intergovernmental Revenues	6,523,800	3,334,760	6,423,800	-1.53%
▶ Intercency Revenues	230,511	0	150,000	-34.93%
Fund Transfer - Revenues	10,328,298	6,880,394	10,320,591	-0.07%
Bond and Note	26,207	0	26,207	0.00%
▶ Miscellaneous	50,000	18,284	35,739	-28.52%
<b>Total Resources</b>	<b>\$19,016,958</b>	<b>\$10,396,083</b>	<b>\$20,115,719</b>	<b>5.78%</b>
<b>Requirements</b>				
Personal Services	\$14,109,600	\$8,557,538	\$13,228,041	-6.25%
External Materials and Services	559,753	205,905	267,660	-52.18%
Internal Materials and Services	2,535,302	1,611,102	2,381,514	-6.07%
Bond Expenses	138,736	31,979	138,736	0.00%
Fund Transfers - Expenses	486,000	321,643	485,995	0.00%
Contingency / Ending Fund Balance	1,187,567	0	3,613,773	204.30%
<b>Total Requirements</b>	<b>\$19,016,958</b>	<b>\$10,728,167</b>	<b>\$20,115,719</b>	<b>5.78%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Intercency Revenues are projected to be about 35% below the budgeted amount. The interagency agreement in question is with the Public Safety Systems Revitalization Project, which is providing funding for overtime costs for the implementation period of about 10 days after the new CAD system goes-live. The current plan does not require all the budgeted resources, so the year-end projection is less than the initial budget.

Miscellaneous revenues are projected to be almost 29% below budget because interest income is expected to be much less than the budgeted amount.

All expenses are projected to be within budget.

### FY 2010-11 Capital Program Projections & Narrative

CAD-Next Project in the Emergency Communications Fund (202)	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Beginning Fund Balance	\$8,099,795	\$0	\$8,099,795	0.00%
Fund Transfers - Revenue	\$50,730	\$50,730	\$50,730	0.00%
Miscellaneous	\$0	\$17,976	\$20,276	I/A
<b>Total Resources</b>	<b>\$8,150,525</b>	<b>\$68,706</b>	<b>\$8,170,801</b>	<b>0.25%</b>
<b>Requirements</b>				
Personal Services	\$387,804	\$94,052	\$377,572	-2.64%
External Materials and Services	\$4,525,375	\$2,090,199	\$4,495,444	-0.66%
Internal Materials and Services	\$1,359,074	\$655,910	\$1,195,073	-12.07%
Bond Expenses	\$1,177,500	\$123,750	\$1,177,500	0.00%
Contingency / Ending Fund Balance	\$700,772	\$0	\$925,212	32.03%
<b>Total Requirements</b>	<b>\$8,150,525</b>	<b>\$2,963,911</b>	<b>\$8,170,801</b>	<b>0.25%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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More PSSRP staff time, as well as support from the Bureau of Technology Services, were needed to ensure the successful implementation of the new CAD system. Thus, without the budget adjustments, specifically a draw down from contingency, requested by PSSRP (see request MF\_232 in the review for OMF-Citywide Projects), over-expenditures of \$202,000 and \$156,000 would have been forecasted for the Personal Services and Internal Materials and Services major object categories, respectively. However, with the \$536,000 draw down (out of a total of \$736,000) in project contingency and the budget adjustments, the project's budget will have sufficient resources to cover these projected expenditures.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Bureau of Fire & Police Disability & Retirement**

**Recommended Requests**

1. DR\_002/Prevent Overexpenditure in Major Categories, \$0

The request transfers \$82,000 from contingency to cover increased costs in personal services (\$52,000), a BTS interagency (\$10,000), and capital expenses related to the bureau's client tracking system (\$20,000). Financial Planning's projections confirm the need to transfer the funds to prevent an over-expenditure, and recommends approval of the request.

*FPD Recommendation: \$0*

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

**Service Improvement Plans**

The FPDR Community Conversations, held in September 2009, brought staff and members together and helped to educate both sides of the service relationship. The conversations brought about a number of action items to help with communication efforts. Since then, FPDR has completed a biennial membership survey, an informational notice on how to access FPDR benefits, and a resource guide for members. FPDR also offers full and half-day retirement workshops.

## FY 2010-11 Projection

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$9,543,144	\$0	\$12,341,042	29.32%
Taxes	\$109,330,290	\$99,782,778	\$110,560,000	1.12%
Interagency Revenue	\$7,200	\$4,800	\$7,200	0.00%
▶ Fund Transfers - Revenue	\$751,678	\$0	\$1,678	-99.78%
▶ Bond and Note	\$32,450,000	\$22,170,272	\$22,170,272	-31.68%
▶ Miscellaneous	\$475,000	\$193,513	\$317,000	-33.26%
<b>Total Resources</b>	<b>\$152,557,312</b>	<b>\$122,151,363</b>	<b>\$145,397,192</b>	<b>-4.69%</b>
<b>Requirements</b>				
Personal Services	\$1,636,867	\$1,062,933	\$1,636,867	0.00%
External Materials and Services	\$103,173,727	\$57,796,600	\$99,291,129	-3.76%
Internal Materials and Services	\$4,028,860	\$1,525,588	\$4,028,860	0.00%
Capital Outlay	\$20,000	\$0	\$20,000	0.00%
Bond Expenses	\$32,844,224	\$21,707	\$22,277,124	-32.17%
Fund Transfers - Expense	\$1,133,671	\$255,278	\$384,734	-66.06%
Contingency	\$9,719,963	\$0	\$0	-100.00%
Unappropriated Fund Balance	\$0	\$0	\$17,758,478	NA
<b>Total Requirements</b>	<b>\$152,557,312</b>	<b>\$60,662,106</b>	<b>\$145,397,192</b>	<b>-4.69%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Fund transfer revenues remain uncollected because the \$750,000 transfer from the reserve fund was not needed to maintain a positive cash balance before the November property tax turnover. Bond and note proceeds are below budget because the bureau did not require the full budgeted amount for Tax Anticipation Notes (TANs) to maintain a positive cash flow. The corresponding under-expenditure in bond expenses reflects the lower than anticipated repayment of TANs. Miscellaneous revenues are projected below budget due to continuing low interest rates. Financial Planning's projections are consistent with the bureau's projections as reflected above.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Portland Police Bureau**

**Summary of Significant Issues**

The Police Bureau managed expenses within budget this year despite the challenge of sharp external revenue reductions that limited funding available for equipment, training and overtime, and with 35 fewer non-sworn support staff (a 12% reduction). Year-end projections put bureau expenses within \$160,000 of its \$157 million budget, a 0.1% margin.

- Personal services is projected to come in just above budget, including the bureau's request for \$1.3 million in compensation set-aside (about 50% of the dollars set aside for the bureau). Overtime remains a vulnerability, as expenses spiked in March and April compared to the first eight months of the fiscal year. The bureau is strongly encouraged to analyze the drivers behind that increase and ensure that spending remains within the bureau's means in May and June (below \$700,000 per month).
- External materials and services has been projected by the bureau at \$8.5 million. This is about \$120,000 above budget after budget adjustments for carry-over dollars and decision package redistribution/reductions (*see PL\_17 and PL\_19*).
- FPD projects significant savings for Internal Materials and Services of \$1.3 million. The bureau projects more modest savings of around \$400,000.
- Straight-lining external revenues received to date projects \$11.2 million by year end. The bureau is more optimistic for external revenues, anticipating \$12.0 million. If the bureau's revenue projection holds true, it can afford more modest IM&S savings.

Combining the FPD and PPB forecast elements produces a year end spending estimate ranging from \$1 million under spending to a \$900,000 overexpenditure. This is a normal variance at this time of year for such a large bureau. FPD and the bureau will continue to monitor the budget closely to determine if spending reductions in overtime and EM&S may be necessary during the final two months of the year, as well as possible action in the Overexpenditure Ordinance.

The bureau's spending should be less constrained next year, with a \$2 million increase to its EM&S budget and funds restored for nine non-sworn support positions in the FY 2011-12 Proposed Budget (although the bureau reports it will maintain seven of these support vacancies to fund reclassifications). The bureau expects to approach full sworn staffing by year end with an anticipated two vacancies (out of 981). This may be short lived, as July retirements are expected to reduce staffing levels by an unknown amount, potentially up to 40 officers.

**Recommended Requests**

1. *PL\_014/Compensation Set Aside, \$1,300,000*

This requests roughly 50% of the funds the bureau would have required for health cost increases if it had maintained full staffing throughout the year.

*FPD Recommendation: \$1,300,000*

2. PL\_015/Reduce Internal Transfer Revenue, (\$950,000)

This request adjusts the bureau's FPD&R revenue budget downwards to match revenue projections. This revenue source was overstated in the FY 2010-11 Adopted Budget.

*FPD Recommendation: (\$950,000)*

3. PL\_016/Spring Technical Adjustments (\$15,570)

Moves funds to appropriate fund centers; allocates general fund match dollars for a variety of grants; moves training center pre-development dollars to OMF facilities to cover IA expenses; reduces grant expense and revenue by \$15,570.

*FPD Recommendation: (\$15,570)*

4. PL\_017/Police Spring Carryover, (\$444,167)

There are four components to this request:

- 1) \$35,000 for professional development and training, dollars set-aside as mandated by the PPCOA contract. These are restricted.
- 2) \$229,167 (out of \$250,000) to support the patrol and prosecution of drug possession within Illegal Drug Impact Areas, as defined.
- 3) \$40,000 for graffiti officer funds allocated in the Winter BMP. This position was held vacant until funding for a full year's position was available.
- 4) \$140,000 for training center pre-development work out of the \$200,000 allocated in the Winter BMP. The bureau has spent \$60,000 of this amount.

*FPD Recommendation: (\$444,167)*

5. PN\_018, Illegal Drug Impact Areas, \$250,000

Appropriates funds for one-year of support for patrol and prosecution of drug possession within Illegal Drug Impact Areas. Funds support: 1. Multnomah County Deputy DA to prosecute drug possession cases (\$129,335) and 2. Overtime to support a walking beat patrol in Old Town (\$120,665). The program is expected to expend 1/12<sup>th</sup> of these funds and carry over the remainder for use in FY 2011-12. This program was authorized by Resolution No. 36858, passed on 4/20/11.

*FPD Recommendation: \$250,000*

6. PN\_019, Redirection of Decision Package Funding (\$70,000)

*This redirects General Fund dollars associated with two current year decision packages for which funding needs were over-estimated or on which the bureau was unable to act:*

- 1) *FY 2010-11 Adopted Budget allocated \$50,000 to purchase, install and assess the performance of in-car video camera systems on approximately five patrol vehicles. The bureau pursued personal video equipment due to operational and financial considerations; however, through internal interviews and external research, the bureau determined that appropriate equipment is not yet available on the market. Some staff time was devoted to product research but ultimately Council's direction could not be followed due to lack of adequate technology available on today's market. FPD recommends that \$45,000 be returned to the General Fund.*
- 2) *The FY 2010-11 Adopted Budget allocated \$200,000 for professional facilitation of monthly IPR meetings, as required for implementation of the IPR Ordinance. Costs proved well below this amount, ranging from \$3,100 to \$3,800 per meeting (monthly). FPD recommends that \$150,000 be returned to the General Fund.*

*The Commissioner-in-Charge has requested that \$80,000 of these funds be redirected to support the Police contact office in Lloyd District and \$45,000 to reimburse the bureau for Last Thursday overtime expenses. The next result of these actions is a return to the General Fund of \$70,000.*

FPD Recommendation: (\$70,000)

## Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans

### Budget Notes

Public Safety Systems Revitalization Program (PSSRP) – Council directed the public safety bureaus and OMF to continue refining the funding plan for PSSRP and report back to Council in a work session presentation. In the development of the City’s FY 2011-12 budget, ongoing funds of \$1.2 million will be dedicated to PSSRP to continue progress on the development and replacement of the projects. On December 16, 2010, PSSRP conducted the work session, reporting on cost projections and project statuses while OMF presented the funding plan. In November 2010, the voters of Portland approved a General Obligation (GO) bond funding the Radio System replacement project with \$38,940,000. All the PSSRP projects are now fully funded with the revenues from the bond sales adding to other dedicated funding from grants and the Technology Services Fund.

### FY 2010-11 Adopted Budget Decision Packages

**Add Packages:** CHIERS van and Hooper Detoxification Sobering Station, Prostitution Coordination Team, and Service Coordination Team have proceeded as planned with no significant changes from the Winter BMP. Addition details are provided for three packages:

- **Crisis Intervention/Mobile Crisis Unit (MCU), \$105,000:** This program completed its one year pilot in April 2011. During its first year it was reconceptualized twice, and assigned to the SCT manager in October 2010. Funding supports one Project Respond mental health professional to ride along in a dedicated Central Precinct patrol car. The MCU’s mission is to identify individuals who, as a result of a suspected mental disorder (including those with a co-occurring substance abuse issue), have experienced an elevated number of contacts with the Police Bureau. The MCU connects individuals to treatment services and resources in order to reduce the number of unwanted police contacts and to decrease involvement in the corrections system. The MCU is now working with the Bazelon Center for Mental Health, a D.C. based non-profit that works to improve the lives of people with mental illness through policy and law. The Bazelon Center guides the MCU on selection of clients, who the program tracks and what services it provides.
- **In-car Video Systems, \$50,000:** This package was intended to purchase, install, and assess the performance of in-car video camera systems on approximately five patrol vehicles. The bureau pursued personal video equipment due to operational and financial considerations; however, through internal interviews and external research, the bureau determined that appropriate equipment is not yet available on the market. *See PN\_019, which redirects a portion of these savings and returns a portion to the General Fund.*
- **IPR Ordinance Implementation, \$200,000:** This package estimated the cost of providing professional facilitation services at the IPR’s monthly meetings. Actual costs were much lower, ranging between \$3,100 and \$3,800 per meeting for the roughly six meetings held through February 2011. By year end, total costs are estimated not to exceed \$50,000. *See PN\_019, which redirects a portion of these savings and returns a portion to the General Fund.*

**Cut Packages:** The current year’s Adopted Budget cut 35 non-sworn positions; 11 ongoing and 24 one-time. Of these cuts, the bureau reports that work has been successfully redeployed at a manageable level, at least in the short-term, in most instances. One exception is the ongoing elimination of a Risk and Safety Officer in the Standards and Accountability Unit, with tasks assigned to various members throughout the bureau. The bureau is studying how to more effectively accomplish the redeployed tasks.



The bureau attributes two on-going reductions packages with revenue decreases:

1. Elimination of Identification Technician, who provided fingerprinting services to the public for a fee, and
2. Decrease in Interagency with City Attorney's Office, resulting in an agreement with a private attorney to be paid for with state asset forfeiture funds.

As in the Winter BMP, FPD urges the bureau to quantify the impact to revenue of these budget actions to assess whether these actions have or will result in a net savings.

Fifteen of the positions cut in the current fiscal year are proposed to be held vacant again in the FY 2011-12 Proposed Budget to meet the Mayor's requested 0.75% cut to public safety bureaus. Positions proposed to continue to hold vacant are:

- Administrative Support Specialist, Chief's Office
- Senior Administrative Specialist, Strategic Services Division
- Fleet Coordinator (replaced by sworn officer)
- Background Investigators (12, replaced by eight sworn officers)

In the FY 2011-12 Proposed Budget, funding is restored for nine non-sworn positions held vacant in FY 2010-11.

#### **Fall and Spring BMP Non-Technical Requests**

- **Hiring Resource, \$800,000:** City Council set aside a total of \$1.5 million in its Fall Budget Retreat for public safety retirements. PPB requested \$800,000 of these funds in the Winter BMP to increase staffing in preparation for expected July 2011 retirements. Between January and April the bureau hired 21 new recruits and targets an additional 10 by year end. Projections indicate that PPB will come very close to expending its personal services budget this year.
- **Graffiti position, \$40,000:** This request was added late in the Winter BMP process as a complement to ONI's \$130,000 graffiti abatement package, which funds a volunteer coordinator and seasonal clean ups. PPB did not hire into this position due to the very limited duration for which funding was assured (four months). Funding to support this position for 12 months (an additional \$64,600) is included in the FY 2011-12 Proposed Budget. *See PN\_17, which requests that this money be carried into FY 2011-12.*
- **Training Center pre-development, \$200,000:** OMF Facilities managed the completion of an initial feasibility report and conceptual cost estimate, completed April 1 2011. The bureau had incurred roughly \$45,000 in costs as of May 2, 2011 and reports that minimal if any additional expenses are expected through year end. *See PN\_17, which requests that \$140,000 of this money be carried into FY 2011-12, which together with \$250,000 in the FY 2011-12 Proposed Budget would allocate \$390,000 to support training center development in FY 2011-12.*

In total, adjustments to Adopted Budget and Budget Monitoring Process Add Packages result in a recommended \$195,000 returned to the general fund (from External Materials & Services) and \$180,000 in carry over dollars (\$40,000 from personal services and \$140,000 from External Materials and Services). The bureau's available budget for FY 2010-11 would correspondingly decrease.

#### **Service Improvement Plans**

The Winter BMP reported on two technology initiatives to improve communication internally and between police and residents, E-box and Project 162/Rosewood Initiative.

- E-box: The project goal was to create a platform for officers from all shifts to share information on a conversation level and to provide broad access to these conversations. The bureau implemented an alternative to E-box after the vendor withdrew project funding. A new system was developed from

internal resources, MDC Home, which is now posted to the bureau's intranet and implemented at all three precincts.

- **Rosewood Initiative:** This includes multiple efforts across organizations and jurisdictions with the aim of better connecting the Rosewood area (NE 162<sup>nd</sup>) residents and stakeholders with one another and with Portland and Gresham police officers.
  - For the new Rosewood café space, the lease has been delivered and they are waiting for insurance. Demotion is scheduled for Saturday, May 14 and the next community meeting is scheduled for May 18. Design ideas are being solicited for the future community café logo with submissions due May 17 and voting on the logo to take place on May 18.
  - PBOT is considering accessibility changes to the apartment building housing several limited mobility tenants.
  - TriMet's installation of classical music playing at the MAX platform has decreased calls for service at the 162<sup>nd</sup> stop; however other platforms are experiencing increases in calls for service. East Precinct officers are researching new approaches to deal with the increase of calls.
  - AmeriCorps funded one outreach worker who is working on the planning and implementation of the community café.

Other technology initiatives the bureau has pursued are online crime and problem solving for citizens and increased communication via Twitter and Facebook.

### FY 2010-11 Projection

#### General Fund 100

	Post BMP Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Annual Variance
<b>Resources</b>				
Licenses & Permits	1,751,000	1,320,232	1,758,703	7,703
▶ Charges for Services	2,089,192	1,245,166	1,607,540	(481,652)
Federal, State, and Local Sources	5,282,362	3,776,957	5,319,710	37,348
▶ Interagency Revenues	2,463,352	1,161,608	1,669,074	(794,278)
Miscellaneous Sources	962,150	699,988	883,048	(79,102)
<i>External revenues subtotal</i>	<i>12,548,056</i>	<i>8,203,951</i>	<i>11,238,075</i>	<i>(1,309,981)</i>
General Fund Discretionary	144,523,941	-	144,523,941	
<b>Total Resources</b>	<b>157,071,997</b>	<b>8,203,951</b>	<b>155,762,016</b>	<b>(1,309,981)</b>
<b>Expenditures</b>				
Personal Services	118,604,018	88,389,754	118,662,091	(58,073)
External Materials & Services	8,418,932	4,346,068	8,536,041	(117,109)
Internal Materials & Services	30,026,847	21,579,719	28,699,930	1,326,917
▶ Capital Outlay	22,200	22,180	22,180	20
<b>Total Requirements</b>	<b>157,071,997</b>	<b>114,337,721</b>	<b>155,920,243</b>	<b>\$1,151,754</b>
<i>Resources - Expenditures</i>			<i>(158,227)</i>	

▶ Revenue was not within 10% of target, or expense exceeded budget

This projection differs from the PPB projection in the following ways:

- Revised budget for Personal Services and EM&S has been adjusted to reflect FPD carryover and redistribution./reduction recommendations related to current year decision packages (\$255,000 reduced from EM&S budget and \$5,000 added to Personal Services budget).

- Lower external revenues (\$11.3M vs. \$12.0M). The FPD projection is more optimistic than during the Winter BMP (up from \$10.5M), but continues to straight-line funds received to date and does not account for billing lags. If the PPB revenue projection proves correct the bureau could end the year with revenues \$900,000 in excess of expenses.
- FPD projects Personal Services spending \$600,000 higher than does PPB. Spending in all PS categories other than overtime has been consistent over the past few months. This projection assumes the bureau keeps monthly overtime spending below \$700,000 in May and June, a number the bureau exceeded in March and approached in April but was well below for the first half of the year. The bureau is strongly encouraged to undertake the analysis necessary to understand drivers behind the overtime increase and assess whether it can afford continued high overtime expenses.
- The EM&S projection is taken from the PPB's BMP submittal, as expenditures in this category are not smooth and are difficult to project.
- The IM&S projection is straight-lined based on nine closed accounting periods; it projects expenses \$1.3 M below budget. The PPB projection is more conservative, anticipating expenses \$400,000 below budget. If the PPB revenue projection is realized, the bureau's budget could accommodate higher IM&S expenses.

### Police Special Revenue Fund 605

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Annual Variance
<b>Resources</b>				
▶ Beginning Fund Balance	1,306,795	-	1,008,790	(298,005)
Federal, State, and Local Sources	200,000	642,265	1,147,235	947,235
▶ Miscellaneous Sources	216,000	65,351	78,541	(137,459)
<b>Total Resources</b>	<b>1,722,795</b>	<b>707,616</b>	<b>2,234,566</b>	<b>511,771</b>
<b>Requirements</b>				
EM&S	1,621,175	234,697	350,000	(1,271,175)
Cash Transfers	1,728	1,265	1,265	(464)
Ending Fund Balance	100,000		1,883,302	1,783,302
<b>Total Requirements</b>	<b>\$1,722,795</b>	<b>235,961</b>	<b>2,234,566</b>	<b>511,771</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

This projection differs from the bureau's in that it uses the Comprehensive Annual Financial Report beginning fund balance (\$1,008,790). The Winter BMP recognized \$802,975 in revenue carry-over, but allocated it to beginning fund balance rather than revenue. This projection assigns those funds to revenue instead, and due to the initial over-estimation in beginning fund balance, anticipates a slightly lower ending fund balance (\$2.2 million versus \$2.4 million). Expenditures were minimal in the current fiscal year. This fund has no target reserve requirement; the bureau could opt to use these funds for EM&S purchases such as new technology in FY 2011-12.

## Grants Fund 217: PPB Projection

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Annual Variance
<b>Resources</b>				
Intergovernmental Revenues	5,477,861	591,684	3,776,400	(1,701,461)
<b>Total Resources</b>	<b>5,477,861</b>	<b>591,684</b>	<b>3,776,400</b>	<b>(1,701,461)</b>
<b>Requirements</b>				
Personal Services	1,778,869	815,365	1,296,400	(482,469)
External Materials and Services	3,368,014	813,407	1,756,000	(1,612,014)
Internal Materials and Services	93,501	32,515	50,000	(43,501)
Capital Outlay	237,477	364,709	674,000	436,523
<b>Total Requirements</b>	<b>5,477,861</b>	<b>2,025,996</b>	<b>3,776,400</b>	<b>(1,701,461)</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

- The bureau's projection (above) is as of AP 8. Current actuals are higher at \$2,160,000. With roughly \$420,000 in outstanding billings, revenues and requirements are much closer today than earlier in the year.
- FPD estimates that year end requirements and revenues will be about \$500,000 below the bureau's projection, given the pace of grants spending to date.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Portland Fire and Rescue**

**Summary of Significant Issues**

Retirements

Portland Fire and Rescue (PF&R) has been in a period of peak retirements over the last several years, although the number of actual retirements in FY 2009-10 was below normal. The peak is expected to end next fiscal year due to the year having two pay periods with 27 pay dates in the final lookback period for retirement calculations, providing a material incentive to retire that year. Earlier this fiscal year, it was expected that the number of retirements for FY 2010-11 will be normal, and the bureau should be able to absorb the costs of the retirements within its existing budget. PF&R is now expecting a total of 20 retirements this year, with 13 confirmed through the end of March, and another seven during the last quarter of the year. Assuming that its projection is correct, with \$1.0 million in its budget for retirement payouts, the bureau will face a shortfall of about \$200,000 for payouts, assuming that each payout costs \$60,000. During this Spring BMP, the bureau is requesting \$500,000 from its compensation set-aside to cover unbudgeted health insurance cost increases (see request FR\_009 below).

During the FY 2011-12 budget development process, PF&R requested \$2.0 million for retirement payouts for next year, but the request was not recommended. Financial Planning recommended that the bureau make a request in the FY 2011-12 Spring BMP if it needs additional resources to cover personal services costs above the budgeted amount, since savings may materialize due to the difference in salaries between the retirees and the new recruits. During this year's Fall BMP, Council set aside \$1.5 million in additional discretionary balance to address the retirement issues in PF&R and the Police Bureau. The Police Bureau requested \$800,000 from that set-aside during this Winter BMP, and Financial Planning recommended that during the Spring BMP, PF&R request the remaining \$700,000 be set-aside for FY 2011-12 in order to meet the requirements of the additional retirements that year resulting from the two pay periods with 27 pay dates. The bureau has made that request.

**Recommended Requests**

*1. FR\_009/Cost of Living Adjustment (COLA) Set-Aside Request, \$500,000*

Financial Planning is recommending PF&R's request for \$500,000 from compensation set-aside to cover unbudgeted health insurance cost increases. Financial Planning notes that the bureau also has an estimated additional \$220,500 in personal services expenses this year due to the new contract with the Portland Fire Fighters Association. The bureau requested the funds for the new contract during the Winter BMP, but Financial Planning recommended that the bureau wait until the Spring BMP to see if it needs additional resources to cover personal services expenditures. Furthermore, the bureau expects a total of 20 retirements this year, amounting to approximately \$1.2 million in payouts, which is \$200,000 more than what PF&R has in its budget for retirement payouts. As of the end of March, the bureau has already had 13 retirements and expects an additional seven during the last quarter of the fiscal year.

*FPD Recommendation: \$500,000*

*2. FR\_010/Fire and Police Disability and Retirement (FPDR) Interagency Agreement (IA) Technical Adjustment, (\$250,000)*

PF&R is requesting to lower its IA with FPDR for return-to-work position reimbursements due to a number of return-to-work position vacancies. In addition, the Oregon Public Service Retirement Plan (OPSRP) reimbursement is also projected to be lower than anticipated. The decreased reimbursements are offset by savings of return-to-work position salaries and the OPSRP expenditures.

*FPD Recommendation: (\$250,000)*

3. *FR\_011/Bureau of Technology Services (BTS) IA Technical Adjustment, \$0*

This request reduces the IA with BTS by \$160,000 for engineering, radio, and other billable charges and transfers the resources to partially cover the cost of a training modular. The training modular is needed due to the merging of the Emergency Medical Services (EMS) Section, which has five permanent positions and regularly two or three light-duty staff and interns, into the Training and Safety Division.

*FPD Recommendation: \$0*

4. *FR\_012/Transfer External Materials and Services to Capital Outlay, \$0*

PF&R is requesting to transfer \$177,670 from External Materials and Services to Capital Outlay to cover the remaining costs of the training modular (\$69,600) and additional expenses associated with current outstanding orders/encumbrances for apparatus replacement (\$108,070). The training modular is expected to cost a total of \$229,600, with \$160,000 of that to be paid for with savings from a reduction in the IA with BTS (see request FR\_011 above).

*FPD Recommendation: \$0*

5. *FR\_013/Transfer FY 2010-11 Apparatus Budget to Reserve, (\$543,239)*

Council passed a resolution to set aside PF&R's General Fund apparatus replacement resources for five years beginning the current fiscal year, and this request seeks to accomplish that for this year's appropriation. The bureau is reducing its General Fund apparatus replacement budget by \$543,239 (the whole of its General Fund budget for apparatus replacement), and Financial Planning will transfer the funds to the General Reserve Fund.

*FPD Recommendation: (\$543,239)*

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **FY 2010-11 Adopted Budget Decision Packages**

One Rescue Unit – Rescue 19 went out of service at the end of the last fiscal year, but Council provided one-time funds to continue the operation of Rescue 11 this year.

Reduced Apparatus Replacement Budget – As part of the budget reduction process, the bureau's apparatus replacement budget was reduced by almost \$1.1 million. However, with the passage of the Public Safety General Obligation Bond and the set-aside of the bureau's annual General Fund resources for apparatus replacement, the bureau's apparatus replacement needs will be met for the next 15 years starting this year.

COLA Reductions from FY 2009-10 – The reduction of \$373,334 was restored to PF&R's budget during the Fall BMP.

**Fall and Winter BMP Non-Technical Requests**

Encumbrance Carryover – During the Fall BMP, PF&R carried over close to \$2.9 million from the prior fiscal year to ensure the completion of approved contracts and purchases. The bureau has been using the funds to purchase items that the funds were intended for, which include emergency apparatus, self-contained breathing apparatus air compressors, and the new fire rescue boat.

**Service Improvement Plans**

Improve outreach with underrepresented groups – PF&R’s recruiter worked together with the City’s HR recruiter to develop relationships with several dozens of community and trade organizations and schools in order to raise awareness of career opportunities with PF&R. The bureau spent over 500 hours teaching and preparing members of these groups to participate in the Fire Fighter entrance exam.

Improve promotional testing and the evaluation process for entry-level supervisors – PF&R created a written test that was used during the most recent Lieutenant recruitment. The process identified qualified supervisors and scored them in a ranked civil service exam. The bureau successfully recruited for the position and had an established promotional list before the deadline.

Grant-funded Smoke Detector Program – This program utilized a two-phase approach to distribute 4,500 smoke alarms to over 1,200 households. The first phase involved four fire stations whose fire fighters installed smoke alarms during the normal course of their daily routine. Phase two involved all of the City’s fire stations and consisted of media outreach and neighborhood canvassing by emergency operations crews to deliver educational messages regarding the importance of smoke alarms.

**FY 2010-11 Projection**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Licenses & Permits	\$1,290,000	\$802,837	\$1,320,000	2.33%
Charges for Services	1,200,000	1,222,485	1,170,000	-2.50%
Intergovernmental Revenues	470,000	0	470,000	0.00%
Interagency Revenue	1,869,869	381,035	1,869,869	0.00%
Miscellaneous Revenue	301,000	11,558	301,000	0.00%
General Fund Discretionary	90,035,371	0	90,034,474	0.00%
General Fund Overhead	182,657	0	182,657	0.00%
<b>Total Resources</b>	<b>\$95,348,897</b>	<b>\$2,417,915</b>	<b>\$95,348,000</b>	<b>0.00%</b>
<b>Requirements</b>				
Personal Services	\$81,074,246	\$53,166,844	\$81,074,000	0.00%
External Materials and Services	5,902,011	3,164,655	5,902,000	0.00%
Internal Materials and Services	5,529,629	3,593,904	5,529,000	-0.01%
Capital Outlay	2,843,011	1,266,500	2,843,000	0.00%
<b>Total Requirements</b>	<b>\$95,348,897</b>	<b>\$61,191,903</b>	<b>\$95,348,000</b>	<b>0.00%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Resources

Year-to-date actuals for Charges for Services are already above the budgeted amount. This is due to a miscoding of what is supposed to be Intergovernmental Revenue, and PF&R is working to correct the error.

Requirements

With the requested \$500,000 from PF&R's compensation set-aside added to the bureau's personal services budget, the bureau's spending on personal services at year-end should be within budget.

The bureau's capital outlay budget was reduced by \$543,239 due to the transfer of the bureau's General Fund resources for apparatus replacement to the General Reserve Fund. The amount left in the major object category are funds encumbered during the last fiscal year and carried over to this year's budget during the Fall BMP to cover expenses associated with current outstanding orders for apparatus replacement

**FY 2010-11 Capital Program Projections & Narrative**

<b>Public Safety General Obligation Bond Fund (403)</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
▶ Intergovernmental Revenues	\$7,293,000	\$0	\$0	-100.00%
<b>Total Resources</b>	<b>\$7,293,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-100.00%</b>
<b>Requirements</b>				
Contingency	\$7,293,000	\$0	\$0	-100.00%
<b>Total Requirements</b>	<b>\$7,293,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-100.00%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

In addition to the above-mentioned General Fund resources for apparatus replacement, PF&R had budgeted almost \$7.3 million of bond funds for apparatus replacement in the Public Safety General Obligation Bond Fund. However, the first bond sale will not occur until late May or early June 2011, and the bureau will not order any apparatus until the next fiscal year.



**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of Emergency Management**

**Recommended Requests**

1. *EM\_013/UASI 2008 – Reduce Grant Appropriation, (\$1,487,846)*

POEM is reducing their appropriation in the City Grants Fund for the UASI 2008 Grant by \$1.5 million after adjusting their budget to reflect the actual funds they intend to expend this fiscal year. The current year appropriation for this grant is \$4.2 million. The grant expiration date is December 31, 2011.

*FPD Recommendation: (\$1,487,846)*

2. *EM\_014/UASI 2009 - Reduce Grant Appropriation, (\$1,330,474)*

POEM is reducing their appropriation in the City Grants Fund for the UASI 2009 Grant by \$1.3 million after adjusting their budget to reflect the actual funds they intend to expend this fiscal year. The current year appropriation for this grant is \$2.5 million and the grant is schedule to expire April 30, 2012.

*FPD Recommendation: (\$1,330,474)*

3. *EM\_015/Citizen Corps Program grant 2009 – Reduce Grant Appropriation (\$7,000)*

POEM is reducing their appropriation in the City Grants Fund for the CCP 2009 grant by \$7,000. The total grant appropriation for the current fiscal year is \$16,435 and the grant expiration date is December 31, 2011.

*FPD Recommendation: (\$7,000)*

4. *EM\_016/Tech Adjustment – EM&S to Personal Services, \$0*

POEM is requesting to move \$30,000 from their External Materials & Services budget to Personal Services in anticipation of potential unemployment expenses in the current fiscal year. The funding will reduce miscellaneous EM&S, supplies, and out-of-town travel budgets. The adjustment will ensure that POEM does not overspend Personal Services budget.

*FPD Recommendation: \$0 net adjustment, moving \$30,000 from EM&S to Personal Services*

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

**Budget Notes**

**Emergency Coordination Center**

*Beginning in July of 2011, the General Fund will pay the General Fund portion of POEM's ongoing debt service for the ECC. Bureaus will pay their share to the OMF Facilities Fund through interagency agreements. Current appropriation level targets will be adjusted to include the General Fun share of the debt service. Ongoing operations and maintenance (O&M) expenses will be charged to the General Fund and the overhead model beginning in FY 2012-13.*

The ECC project is at the 90% contract document phase. The plan to achieve gold LEED certification is on track. Bidding is expected to occur in mid-2011 and construction to begin at the end of calendar year 2011. The current O&M estimate is approximately \$269K for POEM's share of the costs and will be included in the economist's FY 2012-13 forecast.

#### **FY 2010-11 Adopted Budget Decision Packages**

Cut Package – Reduce Assistant Financial Analyst (AFA) Position (\$7,104) – the package reduced a vacant part time AFA down to .39 FTE.

STATUS: the position is still vacant and the impact is a reduced level of coordination between the Central Grants Office and POEM's grants staff.

Cut Package – Reduce the Out of Town Travel Budget (\$7,051) – the package reduced POEM's out of town travel budget on a one-time basis.

STATUS: the impact of the cut is fewer professional development opportunities for POEM staff

#### **Fall and Spring BMP Non-Technical Requests**

Fall BMP – Reclassify Accountant II limited term position to permanent – POEM's reallocated their General Fund resources to fund the position on an ongoing basis.

STATUS: the position performs accounting functions for the bureau's Finance & Grants section.

#### **Service Improvement Plans**

##### **Planning Section**

POEM is currently working on updating annexes and appendices to the Comprehensive Emergency Management Plan including the Terrorism Appendix, Communications Annex, Basic Emergency Operations Plan, Alert and Warning Annex and Flood Appendix. POEM is also completing a strategic plan that will guide the work of the office.

##### **Coordination Section**

###### **WebEOC**

POEM is enhancing WebEOC (crisis information sharing tool) by adding mapping capabilities. In addition, POEM has finalized standard operating guidelines for each ECC section and has begun scheduling trainings for designated staff.

##### **Preparedness Section**

###### **West Side Staging Area**

POEM is still working with City Council regarding the option to develop the Jerome Sears Armory site in SW Portland to use as a west side emergency operations center. The City's application for site use will have to be approved by Housing and Urban Development and the Department of Defense.

###### **NET Team Development**

The Neighborhood Emergency Team (NET) program is working to collaborate with neighboring jurisdictions to coordinate and enhance community preparedness training opportunities. Additionally the recently-established NET steering committee and sub-committees are currently working to strengthen the governance structure of the NET program.

## FY 2010-11 Projections

POEM Operating Budget - Fund 100	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
IA revenues	\$14,000	\$6,450	\$14,000	0.00%
General Fund Discretionary	\$670,170	\$0	\$625,222	-6.71%
General Fund Overhead	\$1,000,502	\$0	\$1,000,502	0.00%
<b>Total Resources</b>	<b>\$1,684,672</b>	<b>\$6,450</b>	<b>\$1,639,724</b>	<b>-2.67%</b>
<b>Requirements</b>				
Personal Service	\$1,132,040	\$714,819	\$1,093,252	-3.43%
External Materials & Services	\$116,577	\$46,060	\$115,443	-0.97%
Internal Materials & Services	\$436,055	\$274,907	\$431,029	-1.15%
<b>Total Requirements</b>	<b>\$1,684,672</b>	<b>\$1,035,786</b>	<b>\$1,639,724</b>	<b>-2.67%</b>
POEM Grants Budget - Fund 217	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Intergovernmental Revenues	\$5,941,808	\$2,630,181	\$5,932,514	-0.16%
<b>Total Resources</b>	<b>\$5,941,808</b>	<b>\$2,630,181</b>	<b>\$5,932,514</b>	<b>-0.16%</b>
<b>Requirements</b>				
Personal Services	\$527,927	\$345,756	\$518,634	-1.76%
External M&S	\$5,378,995	\$2,298,206	\$5,378,994	0.00%
Internal M&S	\$34,886	\$8,195	\$34,886	0.00%
<b>Total Requirements</b>	<b>\$5,941,808</b>	<b>\$2,652,157</b>	<b>\$5,932,514</b>	<b>-0.16%</b>

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Portland Parks & Recreation**

**Summary of Significant Issues**

Parks is requesting funding from the General Fund compensation set-aside for Personal Services totaling \$242,117. This is for a higher than normal number of retirees with increased accrued vacation payouts and a mid-year increase in the minimum wage from \$8.40 to \$8.50 per hour for seasonal workers.

**Recommended Requests**

1. *PK\_024/Technical Adjustments, \$0, 0 FTE*

Technical adjustments that net to zero and are movements between major object categories or between cost centers including:

- Adjust Flavel loan accounts for early payoff
- BES working on Metro acquisition site stabilization projects
- Correct original budget entries in CIP
- Re-Organization - Community Relations Budget
- Various net zero adjustments between expense & revenue accounts
- Various net zero adjustments between cost centers or funded programs
- GF Discretionary portion of net zero adjustments between cost centers
- Adjust FTE budget between cost centers due to re-organization
- Adjust utilities, copier and telecom from Senior Rec to AIR

*FPD Recommendation: \$0, 0 FTE*

2. *PK\_025/Revenue Adjustments, (\$5,661,953), 0 FTE*

Adjustments for any changes in level of appropriation including:

**General Fund**

Adjust misc revenues for subrogation - Workers Comp - \$20,000  
Adjust PDC revenue for Lents Master Plan - \$40,000  
Adjust revenue target for SUN Community School Programs - \$36,963  
Correct interagency budget with PDOT - Sullivan's Gulch grant - (\$33,648)  
Fanno Creek planting/irrigation and stabilization - BES IA - \$50,000  
Increase revenue target for East Portland Community Center - \$86,000  
Increase revenue target for portable restroom sports field rentals - \$24,500  
Lower revenue targets for Mt Scott Community Center - (\$80,000)  
Increased Forestry work - Forestry IAA - \$35,000

**Grants Fund**

Dishman Community Center solar panel grant - \$300,000  
Waud Bluff grant - \$192,000  
Sullivans Gulch grant - \$15,000

Parks Memorial Trust Fund

Center Street improvements from tree mitigation - \$5,413  
Summer Free-4-All trust funding for Movies in Parks - \$20,500  
Summer Free-4-All trust funding for Summer Playgrounds - \$50,000

Capital Construction Fund

Flavel Maintenance Facility loan payoff - \$390,831  
Kelly Point canoe launch reduced funding - (\$101,500)  
Metro Bond acquisition budget true-up - (\$3,125,000)  
PDC true up funding for Bridgeton Marine Trail - (\$160,000)  
PDC true up funding for River District, S Waterfront, and Lents URA parks - (\$4,035,132)  
PDC true up funding for Clarendon community garden - \$46,890  
Washington Monroe budget correction - (\$202,500)  
Zengar Farms-Furey community gardens true up - \$31,835  
Oregon Railway Heritage Foundation interest true-up - (\$14,620)  
Increase SDC contract assessments - \$168,180  
Increase SDC revenues to forecast - \$1,400,000

Golf Fund

Decrease Golf revenue to forecast - (\$766,408)  
Increase revenue from sale of equipment - \$12,000

PIR Fund

Decrease PIR revenue to forecast - (\$68,000)

Golf Debt Redemption Fund

Balance to bonded debt cash transfer adjustment - \$5,280  
Decrease interest revenue to projections - (\$1,500)

*FPD Recommendation: (\$5,661,953), 0 FTE*

3. PK\_026/*Beginning Fund Balance, (\$30,610), 0 FTE*

True up Beginning Fund Balance to balance with CAFR.

*FPD Recommendation: (\$30,610), 0 FTE*

4. PK\_027/*Parks Cash Transfer from General Fund, \$77,400, 0 FTE*

Cash Transfers within the General Fund including:

- Partial funding of P00359 Cathedral Park Ramp in CIP Fund - (\$20,198)
- Partial funding of P00566 Irving Park Sidewalk in CIP Fund - (\$20,395)
- Splash Pad Study in CIP Fund - (\$10,000)
- Whitaker Ponds Demolition in CIP Fund - (\$14,000)
- Equipment Reserve P00094 in CIP Fund - (\$110,000)
- Parks Memorial Trust for Sullivans Gulch match to General Fund - \$13,400
- Golf equipment transferred to Parks General Fund – transfer replacement fund via cash transfer – (\$30,000)

Cash Transfers not within the General Fund:

- City Fleet to Golf for replacement fund of vehicle turned in and sold - \$64,000

*FPD Recommendation: \$77,400, 0 FTE*

5. *PK\_028/Spring BMP Carryover Requests, (\$154,000), 0 FTE*

- Encumbrance - Turf Aerator - (\$14,000)
- Encumbrance - City Nature Database Consultant Contract - (\$20,000)
- Encumbrance – Sidewalk Contract - (\$120,000)

*FPD Recommendation: (\$154,000), 0 FTE*

6. *PK\_029/GF Compensation Set-Aside Request, \$242,117, 0 FTE*

Compensation set-aside request for items that weren't included in CAL but are realized expenses that will cause personnel services to come in over appropriation including:

- Abnormal number of retirees with increased accrued leave vacation payouts - \$202,981
- Request for half year minimum wage increase for numerous seasonal staff - \$8.40 to \$8.50/hour - \$39,136

*FPD Recommendation: \$242,117, 0 FTE*

7. *PK\_030/Parks GF – New Operations & Maintenance Request, \$53,037, 0 FTE*

Request General Fund discretionary for O&M on new park acquisitions and development that have been or will be put into service during FY 2010-11 including:

- Acquired J Holding & PBOT Mocks Crest - Ord 184222 - \$7,250
- Acquired Right of Way, N Terminal Road - Chimney Park - PBOT Ord 183937 - \$500
- Tanner Springs Rain Pavilion - \$200
- Killingsworth Landfill - Ord 175291 DEQ/Metro Landfill closure - \$11,200
- Columbia Park Wade Pool to ADA Splash Pad - \$5,100
- Kenton Park Wade Pool to ADA Splash Pad - \$5,100
- Peninsula Park Wade Pool to ADA Splash Pad - \$5,100
- Maricara NA Trail Improvement - \$1,605
- In Faith Acquisition 1.9 acres - Ord 181710 Col Slough P00577 - \$1,428
- Roughton Acquisition 20.0 acres - Ord 181710 16 acres NA P00569 E205 - \$9,635
- Roughton acquisition 20.0 acres - Ord 181710 4 acres Neigh Park P00569 E205 - \$805
- Roughton acquisition 20.0 acres - Ord 181710 4 acres Neigh Park P00569 E205 - \$2,743
- US Bank acquisition 0.81 acres - Ord 181710 Deardorff Natural Area P00579 - \$486
- Sayers acquisition 0.23 acres - Ord 181710 Marquam NP P00580 - \$69
- Pardun acquisition 0.46 acres - Ord 181710 Marquam NP P00585 - \$138
- Knapp St Triangle 6.2 acres - Ord 181710 Johnson Creek P00574 - \$933
- Jameson 2.98 acres - Ord 181710 Springwater Corridor P00578 - \$448
- Waud Bluff - Port of Portland - Metro/Grant .94 acres - \$295

*FPD Recommendation: \$53,037, 0 FTE*

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **FY 2010-11 Adopted Budget Decision Packages**

#### **Teen Programming - \$300,000**

The PP&R Teen Services Program continued another year of programming and engagement with teens throughout Portland, though funding has been reduced.

The Program provides a programming structure focused on:

- Physical Activity/Health & Wellness/Fitness
- Environmental Stewardship/Outdoor Experiences
- Leadership/Employment
- Arts Experiences
- Positive Social Interaction/Fun

The PP&R Teen Program has created enhanced specialized programming out of seven PP&R community centers located throughout Portland. These specialized programs provide the opportunity to connect youth in specialized areas of interest, provide smaller youth/instructor ratios, increase the opportunity to engage with youth as individuals, and enable Parks to focus on specific areas of the teen population (middle school vs. high school).

### **Fall and Spring BMP Non-Technical Requests**

#### **O&M Request - \$99,264**

In the Fall BMP Parks received funding for O&M for projects and properties that were either placed into service or were to be placed into service soon. With few exceptions the O&M costs are being incurred for mowing, pruning, and property cleanup.

#### **Multnomah County Aging Services - \$59,496**

In the Fall BMP Parks received one-time funding for aging services. The \$59,496 is expected to be paid in June 2011.

#### **O&M Request - \$53,037**

In this Spring BMP Parks is requesting additional funding for O&M for projects and properties that have been placed into service or will be placed into service soon. With few exceptions the O&M costs are being incurred for mowing, pruning, and property cleanup.

#### **Compensation Set-Aside - \$242,117**

In this Spring BMP Parks is requesting compensation set-aside for an abnormal amount of vacation payouts due to retirements and an increase in the minimum wage for seasonal employees.

## Service Improvement Plans

### **Service Improvement**

#### Manage and Protect Assets

##### *Desired Outcomes*

- Effective management of built and natural assets
- Adequate land and facilities are provided to meet identified recreation, open space, and biodiversity needs

##### *Status*

- Develop Ecosystem Management plans completed
- Continue to implement the Urban Forest Master plan

#### Reach and Involve the Community

##### *Desired Outcomes*

- Increased community awareness and appreciation through participation in a healthy parks system
- Diverse and plentiful opportunities for engagement with parks exist throughout the community

##### *Status*

- Communication plan completed
- Implement a new Friends policy completed

#### Improve Service Delivery

##### *Desired Outcomes*

- Prioritized Parks' services that balance the greater community needs with individuals' demands
- Improved service delivery through partnerships

##### *Status*

- Service delivery strategy is underway
- Business plans are on track

#### Enhance Organizational Capacity

##### *Desired Outcomes*

- An organization that attracts, cultivates, and develops a creative and empowered workforce
- An organization that reflects the customers it serves

##### *Status*

- Ongoing implementation of employee communication work plan
- Performance measures and targets now linked to Strategic Plan



## FY 2010-11 Projection

Parks Fund 100 - General Fund	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
▶ Licenses & Permits	274,019	129,005	207,533	-24.26%
Charges for Services	14,266,282	8,146,423	14,096,752	-1.19%
Intergovernmental Revenues	278,110	147,473	268,783	-3.35%
Interagency Revenue	3,012,009	1,635,556	2,821,946	-6.31%
Fund Transfers - Revenue	239,882	239,882	239,882	0.00%
Miscellaneous	539,753	319,939	540,544	0.15%
General Fund Discretionary	41,091,826	0	41,158,729	0.16%
<b>Total Resources</b>	<b>\$59,701,881</b>	<b>\$10,618,278</b>	<b>\$59,334,169</b>	<b>-0.62%</b>
<b>Requirements</b>				
Personal Services	38,705,059	25,935,738	38,544,673	-0.41%
External Materials and Services	13,645,224	7,195,791	13,190,615	-3.33%
▶ Internal Materials and Services	6,925,283	4,670,073	7,172,476	3.57%
Capital Outlay	181,315	110,235	181,523	0.11%
Fund Transfers - Expense	245,000	239,882	244,882	-0.05%
<b>Total Requirements</b>	<b>\$59,701,881</b>	<b>\$38,151,719</b>	<b>\$59,334,169</b>	<b>-0.62%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Licenses & Permits – This variance relates directly to the slow recovery that is occurring with the development community. Tree permits are down 25% while non-park use permits are down almost 50%.

Internal Materials and Services - Currently, Mt Tabor Stores charges inventory through the interface between Maximo and SAP. This design has actual charges being recorded in Internal M&S while the budget resides in External M&S. Parks, PBOT, and OMF are looking into resolving this problem but may involve programming at the system application level.

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Parks Fund 215 - Local Option Levy</b>				
<b>Resources</b>				
▶ Taxes	65,039	31,461	51,900	-20.20%
▶ Miscellaneous	39,503	21,900	27,403	-30.63%
Budgeted Beginning Fund Balance	5,725,011	0	6,074,282	6.10%
<b>Total Resources</b>	<b>\$5,829,553</b>	<b>\$53,361</b>	<b>\$6,153,585</b>	<b>5.56%</b>
<b>Requirements</b>				
Personal Services	413,570	315,566	413,570	0.00%
External Materials and Services	141	0	0	-100.00%
Internal Materials and Services	547,241	404,521	547,241	0.00%
Fund Transfers - Expense	1,449,706	888,057	1,449,706	0.00%
Contingency	3,418,895	0	3,743,068	9.48%
<b>Total Requirements</b>	<b>\$5,829,553</b>	<b>\$1,608,144</b>	<b>\$6,153,585</b>	<b>5.56%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Taxes - Property tax revenue, which for this fund is only delinquent taxes, has generally reflected about 66% of actual receipts, so the resulting projection is 80% of budget or about \$14,000 under estimated budget.

Miscellaneous Revenue – Interest earnings is projected at 69% or about \$12,000 under budget, as earning rates continue to remain under 1%.

These shortfalls do not have any negative impact on the ability to fund the remaining planned capital expenditures or O&M funding for the remaining life of this fund.

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Parks Fund 217 - Grants</b>				
<b>Resources</b>				
▶ Intergovernmental Revenues	3,379,794	684,466	1,026,699	-69.62%
<b>Total Resources</b>	<b>\$3,379,794</b>	<b>\$684,466</b>	<b>\$1,026,699</b>	<b>-69.62%</b>
<b>Requirements</b>				
Personal Services	878,247	257,311	385,967	-56.05%
External Materials and Services	732,743	91,983	137,975	-81.17%
Internal Materials and Services	30,568	2,359	3,539	-88.42%
Capital Outlay	1,738,236	748,467	1,122,701	-35.41%
<b>Total Requirements</b>	<b>\$3,379,794</b>	<b>\$1,100,120</b>	<b>\$1,650,180</b>	<b>-51.18%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Intergovernmental Revenues - Several projects are funded with revenue from the Portland Development Commission (PDC) or the Metro Local Bond Share. In the case of PDC, revenue is recorded based upon billings of reimbursable costs incurred, thus revenues lag expenditures. Metro property acquisitions are

directly funded by Metro to the title company at closing. This causes a direct journal entry to Land and Donated Capital Assets account, and not to local share revenues.

<b>Parks Fund 220 - Memorial Trust</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Licenses & Permits	22,000	29,900	34,500	56.82%
Charges for Services	25,750	58,645	78,950	206.60%
Fund Transfers - Revenue	47,200	36,000	47,000	-0.42%
Miscellaneous	723,532	366,991	663,181	-8.34%
Budgeted Beginning Fund Balance	2,171,372	0	2,171,372	0.00%
<b>Total Resources</b>	<b>\$2,989,854</b>	<b>\$491,536</b>	<b>\$2,995,003</b>	<b>0.17%</b>
<b>Requirements</b>				
Personal Services	508,698	133,467	184,275	-63.78%
External Materials and Services	1,528,853	194,488	349,600	-77.13%
Internal Materials and Services	152,844	49,076	94,600	-38.11%
Capital Outlay	94,021	0	94,553	0.57%
Fund Transfers - Expense	38,400	0	25,000	-34.90%
Contingency	667,038	0	813,838	22.01%
Unappropriated Fund Balance	0	0	1,433,137	N.A.
<b>Total Requirements</b>	<b>\$2,989,854</b>	<b>\$377,031</b>	<b>\$2,995,003</b>	<b>0.17%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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<b>Parks Fund 402 - Capital Construction &amp; Maintenance</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Charges for Services	4,040,000	2,399,597	3,945,000	-2.35%
▶ Intergovernmental Revenues	2,774,890	537,743	1,322,873	-52.33%
Interagency Revenue	20,000	10,887	19,500	-2.50%
Fund Transfers - Revenue	4,233,244	1,986,535	4,123,244	-2.60%
▶ Bond and Note	774,800	0	215,474	-72.19%
Miscellaneous	814,075	675,357	805,357	-1.07%
Budgeted Beginning Fund Balance	6,547,781	0	6,547,781	0.00%
<b>Total Resources</b>	<b>\$19,204,790</b>	<b>\$5,610,119</b>	<b>\$16,979,229</b>	<b>-11.59%</b>
<b>Requirements</b>				
Personal Services	1,278,491	806,094	1,209,143	-5.42%
External Materials and Services	5,284,272	985,094	3,310,000	-37.36%
Internal Materials and Services	455,714	373,360	455,000	-0.16%
Capital Outlay	7,421,154	3,112,068	4,277,478	-42.36%
Bond Expenses	1,153,924	15,496	1,062,375	-7.93%
Fund Transfers - Expense	1,302,302	294,107	1,302,302	0.00%
Contingency	2,308,933	0	0	-100.00%
Unappropriated Fund Balance	0	0	5,362,931	N.A.
<b>Total Requirements</b>	<b>\$19,204,790</b>	<b>\$5,586,219</b>	<b>\$16,979,229</b>	<b>-11.59%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Intergovernmental Revenues - Several projects are funded with revenue from the Portland Development Commission (PDC) or the Metro Local Bond Share. In the case of PDC, revenue is recorded based upon billings of reimbursable costs incurred, thus revenues lag expenditures. Metro property acquisitions are directly funded by Metro to the title company at closing. This causes a direct journal entry to Land and Donated Capital Assets account, and not to local share revenues.

Bond and Note - Parks is not utilizing a line of credit as quickly as previously scheduled due to delays related to the time needed for permitting and weather issues.

<b>Parks Fund 500 - Endowment</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Miscellaneous	840	698	930	10.71%
Budgeted Beginning Fund Balance	182,294	0	182,294	0.00%
<b>Total Resources</b>	<b>\$183,134</b>	<b>\$698</b>	<b>\$183,224</b>	<b>0.05%</b>
<b>Requirements</b>				
External Materials and Services	18,312	125	2,500	-86.35%
Internal Materials and Services	2,200	1,650	2,200	0.00%
Unappropriated Fund Balance	162,622	0	178,524	9.78%
<b>Total Requirements</b>	<b>\$183,134</b>	<b>\$1,775</b>	<b>\$183,224</b>	<b>0.05%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

<b>Parks Fund 603 - Golf</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Licenses & Permits	13,650	13,650	13,650	0.00%
Charges for Services	7,645,063	4,642,178	7,773,283	1.68%
▶ Fund Transfers - Revenue	97,025	0	71,025	-26.80%
Miscellaneous	44,876	10,950	43,411	-3.26%
Budgeted Beginning Fund Balance	1,577,624	0	1,577,624	0.00%
<b>Total Resources</b>	<b>\$9,378,238</b>	<b>\$4,666,778</b>	<b>\$9,478,993</b>	<b>1.07%</b>
<b>Requirements</b>				
Personal Services	3,065,518	2,053,608	2,968,863	-3.15%
External Materials and Services	3,169,613	1,978,129	3,169,614	0.00%
Internal Materials and Services	440,281	277,334	428,861	-2.59%
Capital Outlay	111,000	0	107,209	-3.42%
Bond Expenses	119,354	27,512	119,354	0.00%
Fund Transfers - Expense	1,019,694	946,859	1,019,693	0.00%
▶ Contingency	1,452,778	0	1,665,399	14.64%
<b>Total Requirements</b>	<b>\$9,378,238</b>	<b>\$5,283,442</b>	<b>\$9,478,993</b>	<b>1.07%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Fund Transfers – Revenues - The Revised Budget has been updated to reflect current projections of CityFleet equipment being auctioned and proceeds being transferred to the Golf program.

Contingency - A combination of increased revenues related to pricing and lower forecasted expenses has placed Contingency greater than 10%. This variance will not impact golf services.

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Parks Fund 604 - Portland International Raceway</b>				
<b>Resources</b>				
Charges for Services	1,780,000	1,038,885	1,705,054	-4.21%
Fund Transfers - Revenue	95,809	0	95,809	0.00%
Miscellaneous	8,500	5,560	8,684	2.16%
Budgeted Beginning Fund Balance	680,614	0	680,614	0.00%
<b>Total Resources</b>	<b>\$2,564,923</b>	<b>\$1,044,445</b>	<b>\$2,490,161</b>	<b>-2.91%</b>
<b>Requirements</b>				
Personal Services	774,294	476,755	748,205	-3.37%
External Materials and Services	530,765	326,850	508,682	-4.16%
Internal Materials and Services	126,724	89,413	124,232	-1.97%
Capital Outlay	30,000	30,000	30,000	0.00%
Bond Expenses	296,918	52,267	279,367	-5.91%
Fund Transfers - Expense	109,376	93,864	107,977	-1.28%
Contingency	696,846	0	691,698	-0.74%
<b>Total Requirements</b>	<b>\$2,564,923</b>	<b>\$1,069,149</b>	<b>\$2,490,161</b>	<b>-2.91%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Parks Fund 610 - Golf Bond Redemption</b>				
<b>Resources</b>				
Fund Transfers - Revenue	807,280	807,280	807,280	0.00%
Miscellaneous	3,500	2,458	3,538	1.09%
Budgeted Beginning Fund Balance	636,605	0	636,605	0.00%
<b>Total Resources</b>	<b>\$1,447,385</b>	<b>\$809,738</b>	<b>\$1,447,423</b>	<b>0.00%</b>
<b>Requirements</b>				
Bond Expenses	807,280	807,280	807,280	0.00%
Unappropriated Fund Balance	640,105	0	640,143	0.01%
<b>Total Requirements</b>	<b>\$1,447,385</b>	<b>\$807,280</b>	<b>\$1,447,423</b>	<b>0.00%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

### FY 2010-11 Capital Program Projections & Narrative

#### Current Year Variance Description

Acquisitions (85%)

Acquisitions have two primary funding sources, the Metro Bond Local Match and System Development Charges (SDC), representing \$6.3 million and \$1.25 million, respectively. Parks is reducing the Metro Bond funding by \$5.8 million. This adjustment is due to the fact that Metro purchases land directly for Parks and the actual expenditures do not flow thru the City's financial system.

#### Developed Parks (50%)

This variance reflects the adjustment of PDC funded projects and the true up of these budgets to the final agreements with PDC for funding within the current year. The River District design was slowed due to coordination with other projects and contaminated soil issues. The Fields River District project has been slowed due to issues with design and the budget reduced for the current year by PDC.

#### Golf (62%)

The new Heron Lakes Clubhouse project has been in the conceptual design phase with construction drawings being incurred during the next several months. The variance is due to the timing on the design work and pushing that work closer to the construction phase.

#### Green Infrastructure (36%)

The variance of \$1.08 million is primarily attributable to a large project. The project budget for the Metro Natural Area Restoration funding is being reduced and will be pushed into next fiscal year. This relates to the Westmoreland Park project, which has been delayed due to complications in project contract negotiations with BES and the Army Corp of Engineers.

#### Recreational Facilities 473%

The variance is due to Park projects that build new Recreation Features in developed parks. The budget has been adjusted to cover expected expenditures. These projects include playground safety improvements and a new sport turf field. The budget is being reduced with regard to a canoe launch project, as the grant request was not approved.

#### Utilities, Roads & Trails 15%

This variance is due to increased federal funding of the Waud Bluff Trail that requires a match of 50% or \$675,000. This will be covered by SDC funding for trail improvements. The North Willamette Greenway Trail Plan has been added due to funding from ODOT. This study is scheduled for later this spring.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Bureau of Environmental Services**

**Summary of Significant Issues**

*Contingency.* As of the FY 2010-11 Revised Budget, the bureau had \$152.1 million in contingency across all funds. With the Spring BMP submissions, BES is requesting draws on contingency of \$14.7 million to fund seven requests within the Sewer System Operating Fund (600), Environmental Remediation Fund (608) , Construction Fund (614) and Rate Stabilization Fund (617). The revised contingency balance will be: Sewer System Operating \$33.2 million; Environmental Remediation \$863,228; Sewer System Construction \$76.2 million and Sewer System Rate Stabilization \$17.5 million for a new total of \$137.3 million. Of this total, \$93.7 million is held for future years' CIP expense and rate stabilization.

*Inter Fund Loan.* In response to a request from OMF's Technical Accounting to ensure that the Grants Fund [217] did not end FY 2009-10 with a negative balance, PBOT executed its \$22 million loan with the Sewer System Rate Stabilization fund. The negative balance was primarily due to outstanding grants reimbursements related to the Eastside Streetcar. As of the Spring BMP, PBOT is preparing to make a partial payment of \$13 million. The loan was authorized per Resolution #36727 August 26, 2009 and executed on June 30, 2010. The entire loan is due by June 30, 2012. Whether the partial payment is made in FY 2010-11 or not is somewhat dependent upon how much of the grants reimbursement backlog PBOT is able to process by the end of the Fiscal year. If sufficient backlog is not processed in time, PBOT will need to maintain a larger balance in the Grants fund and will need to delay its entire payment for FY 2011-12.

**Recommended Requests**

*1. ES\_024/Spring Bump Grants, (\$2,035,700)*

Eleven grants will be adjusted in order to better reflect actual spending patterns during the year. Most of the adjustment, 66%, is associated with the Sewer Expansion Project loan with the Oregon DEQ being moved from the Grants Fund to the Sewer Operating Fund. The project budget itself is not changing and will remain at \$1.4 million, however the program will no longer be tracked through the grants module as it is a loan program. For much of the remaining adjustments, restoration related work is more heavily weather dependent. Higher than average rainfall this year has impacted work schedules shifting some work into FY 2011-12.

<b>Grants and Projects impacted by adjustments</b>	<b>Amount</b>
SEWER EXPANSION ODEQ SRF	
Loan	(1,339,090)
FEMA LENTS FLOODPLAIN	(386,457)
EPA Innovative Wet Weather	(154,000)
BF HAZ MAT	(52,000)
BF PETROLEUM	(44,000)
BF/EPA/ROLLIN TIRE	(32,000)
METRO-BALTIMOREWOODS	(13,000)
USFWS NAWCA OB 07	(8,931)
FEMA PDM WILDFIRE	(4,972)
EMSWCD VETERANS CRK	(1,250)
<b>Grand Total</b>	<b>(2,035,700)</b>



Of the adjustments above, a subset impact the Surface Water Management CIP program group (\$363,638) and the Systems Development program group (\$1,339,090). Non program adjustments total (\$332,457).

*FPD Recommendation: (\$2,035,700)*

2. *ES\_025/Interagencies (non-CIP), \$276,149*

This request contains adjustments to interagencies where BES is the service provider (revenue adjustments) and service receiver (expense adjustments). Revenue increases total \$276,149 and include: \$139,449 from PBOT for engineering services, site assessment, re-vegetation work.; \$79,700 from Parks for re-vegetation work, site assessment, engineering and lab testing; \$7,320 from the Water Bureau for re-vegetation work.

Expense increases total \$164,532 to be funded from bureau contingency and include: \$147,000 to Planning and Sustainability primarily for Green Investment Fund activities; \$10,000 to the Commissioner of Public Works Office for support on the Tree Code implementation and \$7,532 to BDS related to permitting activities.

*FPD Recommendation: \$276,149*

3. *ES\_026/Wastewater Services Program, \$232,400*

Due to increased levels of rain, treatment equipment previously considered back-up or redundant (Tryon Creek and Columbia Boulevard Wastewater Treatment Plant) has been pressed into main production and considered process-critical. As a result, it must be maintained a higher service level above original budgeted amounts.

*FPD Recommendation: \$232,400 from contingency*

4. *ES\_027/Fall/Winter BMP Changes, \$90,000*

This request makes two adjustments with contingency: \$75,000 is moved from contingency to professional services to offset costs incurred on behalf of Parks for environmental assessments and \$165,000 from miscellaneous services back to contingency now that the Future Connect Scholarship Program is funded with General Fund dollars.

*FPD Recommendation: \$90,000 return to contingency*

5. *ES\_028/Natural Resource Restoration, \$300,000*

Two pieces to this adjustment: \$200,000 from the Environmental Remediation Fund contingency to fund agreements to evaluate and implement natural resource restoration projects related to the Portland Harbor Superfund Site. \$100,000 from the Sewer Operating Fund contingency for Healthy Working Rivers Office to support BPS contract with Tetra Tech and to continue River Restoration Program Development.

*FPD Recommendation: \$300,000 from contingency*

6. *ES\_029/ Grant Loan Repayment, \$500,940*

BES anticipates the grants fund will repay an outstanding loan that was made in FY 2009-10 for cashflow purposes.

*FPD Recommendation: \$500,940*

7. *ES\_030/Personnel Adjustments, \$882,000*

\$91,000 in additional personnel costs within the Environmental Remediation Fund mostly related to benefits. \$791,000 within the Sewer Operating Fund for higher trending personnel costs including overtime and benefits. Of this amount \$335,000 was for the prior year health benefits accrual.

*FPD Recommendation: \$882,000 from contingency*

8. *ES\_031/CIP Adjustments, \$0, FTE*

The bureau is making several adjustments in order to true-up to project schedules, to recognize interagencies with the Water Bureau and to shift project funding from capital outlay to materials and services as appropriate. A summary of the net zero adjustments:

<b>CIP Program</b>	<b>Project</b>	<b>Object Category</b>	<b>Sewer Operating Fund 600</b>
<b>Combined Sewer Overflow</b>	<b>Balch Consolidation</b>	EMS	1,000,000
		CAPITAL	7,200,000
		IMS	41,000
	<b>ESCSO Project Mgmt</b>	CAPITAL	(8,000,000)
	<b>Portsmouth Force Mai</b>	EMS	2,000,000
CAPITAL		(2,000,000)	
<b>Combined Sewer Overflow Total</b>			<b>241,000</b>

<b>Maintenance and Reliability</b>	<b>BCH/ESX/OAK PREDESIG</b>	IMS	378,000
	<b>Fanno Basin System I</b>	EMS	2,000,000
		CAPITAL	(9,568,000)
		IMS	585,000
	<b>NE 60th Sewer Rehab</b>	IMS	263,000
<b>SE Tibbetts Harrison GS</b>	IMS	101,000	
<b>Maintenance and Reliability Total</b>			<b>(6,241,000)</b>

<b>Sewage Treatment Systems</b>	<b>Ankeny PS Upgrade</b>	EMS	1,000,000
		CAPITAL	(1,000,000)
	<b>CBWTP Digester Expansion</b>	EMS	1,000,000
		CAPITAL	(1,000,000)
	<b>CBWTP Lagoon Reconstruction</b>	EMS	1,000,000
		CAPITAL	(1,000,000)
<b>Sewage Treatment Systems Total</b>			<b>0</b>

<b>Surface Water Management</b>	<b>G2G Land Acquisition</b>	CAPITAL	6,000,000
<b>Surface Water Management Total</b>			<b>6,000,000</b>
<b>Grand Total</b>			<b>0</b>

*FPD Recommendation: 0*

9. *ES\_032 /CIP Un-funding of Grants \$896,090*

This adjustment reflects \$1,339,090 of project appropriation from the Grants Fund into the Sewer Operating Fund and reduces appropriation by \$443,000 to better align with current year spending. Projects impacted in the appropriation Foster / Lents Phase 1 (E07384) and Phase 2 (E08464) related to flood mitigation. The

projects were being funded via the State Revolving Fund (SRF) loan proceeds and therefore did not need to go through the Grants Fund process.

FPD Recommendation: \$896,090

10. ES\_033/Fund Level Adjustments, (\$9,700,000)

A summary of the transaction in the table below:

Expense Summary		Operating	SDC Sub-fund	Debt Redemption	Construction	Rate Stabilization	Grand Total
Funded Program	Major Object	600000	600001	609000	614000	617000	
<b>Non-transfer</b>	BOND	100,000					<b>100,000</b>
	CONT	4,900,000			(5,057,000)	(13,700,000)	<b>(13,857,000)</b>
	ENDBAL			2,500,000			<b>2,500,000</b>
<b>1SCON2SEWR</b>	FNDXFER				(443,000)		<b>(443,000)</b>
<b>1SEWR2SCON</b>	FNDXFER	(5,500,000)					<b>(5,500,000)</b>
<b>1SEWR2SDBT</b>	FNDXFER	5,500,000	(3,000,000)				<b>2,500,000</b>
<b>1SRAT2SEWR</b>	FNDXFER					5,000,000	<b>5,000,000</b>
<b>Grand Total</b>		<b>5,000,000</b>	<b>(3,000,000)</b>	<b>2,500,000</b>	<b>(5,500,000)</b>	<b>(8,700,000)</b>	<b>(9,700,000)</b>

There are four drivers to this lengthy series of adjustments:

**Interfund loan.** The \$21.7 million loan out of the Rate Stabilization Fund to the Grants Fund on behalf of PBOT for the Eastside Streetcar

The negative \$13.7 million in contingency is the net result of BES truing up to the FY 2009-10 CAFR in order to reflect a smaller Beginning Fund Balance as a result of the loan and recognizing a \$13 million in increased appropriation in anticipation of the partial payment that PBOT may submit this fiscal year as discussed in the key issues section.

**External Revenues.** Recognizing lower than expected SDCs and rate revenues

As a result of \$3 million in lower SDCs, the bureau is reducing its planned transfer from the SDC subfund to the Debt Redemption Fund. In order to make the Debt Redemption Fund whole, the bureau is redirecting funds which had been planned to transfer to the Construction Fund and, instead, transferring them to the Debt Redemption Fund. This results in a net increase in the Debt Redemption Fund of \$2.5 million ending fund balance. This transaction nets to zero in the Sewer Operating Fund as one fund transfer is increased by \$5.5 million and the other is decreased by the same amount. Additionally, in order to maintain the proper debt service ratio coverage of 1.3, \$5 million will be transferred from the Rate Stabilization Fund into the Sewer Operating Fund to make up for the loss of SDC and rate funds.

**Project reduction.** Recognizing reduced appropriation for the Foster / Lents flood mitigation project (Spring BMP request ES\_032)

As a result of project adjustments, the corresponding planned transfer from Construction to the Sewer Operating Fund is reduced by \$443,000.

**Recognition of additional loan fees** of \$100,000 for the State DEQ State Revolving Fund (SRF) loans within the Sewer Operating Fund.

FPD Recommendation: (\$9,700,000)

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **FY 2010-11 Adopted Budget Decision Packages**

No material updates since the Winter BMP.

### **Fall and Winter BMP Non-Technical Requests**

No material updates since the Winter BMP for Fall packages. No Winter requests were flagged for follow-up.

### **Service Improvement Plans**

- *Asset Management* and *Diversity in Recruitment* remain in progress with similar updates as per the Winter BMP
- *Tiered Extra Strength* is still delayed until FY 2011-12. The update is not materially different from Winter with the following exception: the bureau met with PURB, as planned, in March and provided a program overview. They will provide an additional update in the summer.

## FY 2010-11 Projection

Sewer System Operating Fund - 600	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	42,200,000		41,970,249	-0.54%
▶ Licenses & Permits	1,344,208	843,487	1,149,236	-14.50%
Charges for Services	240,865,988	153,337,823	235,801,178	-2.10%
Intergovernmental Revenues		485,891	576,170	n/a
▶ Interagency Revenue	2,258,422	616,389	1,785,281	-20.95%
▶ Fund Transfers - Revenue	282,591,452	132,985,663	252,633,556	-10.60%
▶ Bond and Note	2,290,030	(166,069)	3,066,698	33.92%
▶ Miscellaneous	695,000	3,372,519	3,813,899	448.76%
<b>Total</b>	<b>572,245,100</b>	<b>291,475,703</b>	<b>540,796,267</b>	<b>434%</b>
<b>Requirements</b>				
Personal Services	55,201,335	35,309,029	54,827,896	-0.68%
External Materials and Services	55,339,411	29,725,600	53,177,427	-3.91%
Internal Materials and Services	40,165,379	23,705,595	37,467,359	-6.72%
Capital Outlay	192,890,474	104,782,082	165,383,234	-14.26%
Bond Expenses	2,005,834	516,221	1,978,552	-1.36%
Fund Transfers - Expense	183,674,360	55,516,673	181,170,799	-1.36%
Contingency	42,768,307		46,591,000	8.94%
Unappropriated Fund Balance	200,000		200,000	0.00%
<b>Total Requirements</b>	<b>\$572,245,100</b>	<b>\$249,555,200</b>	<b>\$540,796,267</b>	<b>-5.50%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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### Expense

*Capital Outlay* is expected to end the year at 86% of planned budget due to schedule delays in construction projects. Primarily CSO related Portsmouth and Balch Consolidation Conduit are shifting capital expenses into FY 2011-12. BES has indicated that construction spending related to Balch Consolidation Conduit is accelerating, hence the \$8 million shift into this project via ES\_031 (described in the request section above), however as the actual increased expenditures are not reflected as of AP 8, the trend in the year end projections does not indicate an acceleration. It should be noted that as of AP 10, the Balch Consolidation Conduit project (E05510) had \$25.9 million of actuals, which is \$6.5 million over its revised budget indicating that acceleration is occurring. It is likely that the bureau will spend closer to its capital outlay budget than is indicated in the projection chart above.

### Revenue

*Licenses and Permits* are projected to be under by about 15%. This source appears to have plateaued, or at least to be close to stabilizing. As the economic environment for commercial and residential development picks up, external revenues may start to increase. The “other permits and penalties” portion of this source is much stronger than “construction permits”, because that account contains the annual monitoring fees charged to permitted industries, which are not as sensitive to the economic environment. As of AP 8, “other permits” had achieved 73% of budget at the 75% of the fiscal year mark whereas “construction” had only attained 47%.

*Intergovernmental* Actuals have been received for work on prior year work, primarily the SE 83<sup>rd</sup> Pump Station project and Industrial Stormwater services for the State of Oregon.

*Fund Transfer Revenues* are projected to be about 89% of planned as a result of capital project delays; transfers from the Sewer Construction Fund will be much less than planned as capital work is shifted into FY 2011-12.

*Bond and Note* This greater than anticipated projection is a direct result of the SRF program shifting from the Grants Fund into the Sewer Operating Fund. The current actuals indicate a negative revenue of (\$166,069) which is the result of the transfer of SRF Loans out of the Grants Fund and into the Sewer Operating Fund. Account 451400, Loan Proceeds, had a \$1.431 mil accrual reversal from last year in AP5 (November), for which the actual revenue hasn't been transferred yet to the current FY.

*Miscellaneous* is projected to achieve more than five times the original budget due to unbudgeted contractor settlements including breach of contract and negligence related to the Fanno Creek Pressure Line.

<b>Environmental Remediation Fund - 608</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
▶ Budgeted Beginning Fund Balance	500,000		1,313,798	162.76%
Charges for Services	5,800,000	2,924,753	5,590,862	-3.61%
Interagency Revenue	375,492	244,094	366,367	-2.43%
▶ Fund Transfers - Revenue	90,559	62,715	62,715	-30.75%
▶ Miscellaneous	25,000	12,830	19,749	-21.00%
<b>Total Resources</b>	<b>\$6,791,051</b>	<b>\$3,244,392</b>	<b>\$7,353,491</b>	<b>8.28%</b>
<b>Requirements</b>				
Personal Services	684,731	435,703	652,741	-4.67%
External Materials and Services	4,214,309	1,722,859	3,699,951	-12.21%
Internal Materials and Services	947,579	372,442	713,708	-24.68%
Bond Expenses	856	197	845	-1.29%
Fund Transfers - Expense	80,348	53,554	80,725	0.47%
Contingency	863,228		2,205,521	155.50%
<b>Total Requirements</b>	<b>\$6,791,051</b>	<b>\$2,584,755</b>	<b>\$7,353,491</b>	<b>8.28%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

### Expense

*Personal Services* has trending higher due to changes that took place earlier in the fiscal year – primarily the switch of an employee providing administrative support from the Sewer Operating Fund to the Environmental Remediation Fund; as of the most recent April payroll, these additional charges are approximately \$33,000. Assuming five more pay periods at the same average cost, the fund would incur an additional \$15,000. The Spring BMP, ES\_030 increases PS appropriation by \$91,000.

*External Materials and Services* is currently trending under and may achieve less than 90% of budget. Remaining payments to the Lower Willamette Group for Portland Harbor investigation services are still unknown, however.

### Revenue

*Beginning Fund Balance* is nearly three times the original budget of \$500,000 due to lower prior year expenditures.

*Fund Transfers* projected to be about 70% of planned revenues due to the refinement of rent revenue calculations.

*Miscellaneous* Lower interest rates have resulted in lower interest income.

<b>Sewer System Debt Redemption Fund 609</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	2,950,000		2,875,607	-2.52%
Fund Transfers - Revenue	150,438,839	43,008,852	147,960,577	-1.65%
Bond and Note	27,870,500	187,870,500	27,870,500	0.00%
▶ Miscellaneous	250,000	77,620	113,947	-54.42%
<b>Total Resources</b>	<b>\$181,509,339</b>	<b>\$230,956,972</b>	<b>\$178,820,631</b>	<b>-1.48%</b>
<b>Requirements</b>				
Bond Expenses	148,288,139	230,279,179	148,030,101	-0.17%
Contingency	0			n/a
Unappropriated Fund Balance	33,221,200		30,790,530	-7.32%
<b>Total Requirements</b>	<b>\$181,509,339</b>	<b>\$230,279,179</b>	<b>\$178,820,631</b>	<b>-1.48%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

No material variances anticipated with the exception of Miscellaneous revenues. Lower interest earnings account for the significantly low year end projection in this revenue stream.

<b>Sewer System Construction Fund 614</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	46,000,000		48,417,070	5.25%
▶ Charges for Services	300,000	295,493	376,296	25.43%
Fund Transfers - Revenue	14,500,000		14,500,000	0.00%
Bond and Note	262,122,789	262,122,789	262,122,789	0.00%
▶ Miscellaneous	1,415,000	1,736,008	2,005,267	41.71%
<b>Total Resources</b>	<b>\$278,037,789</b>	<b>\$263,858,797</b>	<b>\$278,628,056</b>	<b>0.21%</b>
<b>Requirements</b>				
Bond Expenses	920,000	908,227	908,232	-1.28%
Fund Transfers - Expense	247,199,613	132,723,310	217,241,717	-12.12%
Contingency	76,218,176		109,271,473	43.37%
<b>Total Requirements</b>	<b>\$324,337,789</b>	<b>\$133,631,537</b>	<b>\$327,421,422</b>	<b>0.95%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

**Expense**

*Fund Transfers* The fund will transfer fewer dollars into the Sewer Operating Fund as a result of slower CIP expenditures as highlighted previously. Funds will be transferred as needed in FY 2011-12 to match revised construction schedules.

**Revenue**

*Charges for Service* Unlike other external revenue sources, this one is experiencing an increase and is expected to end the year 25% over budget. The completion of several small sewer extension projects have resulted in

higher revenues. As of AP 8, or 75% of the fiscal year, residential line and branch charges had already over-achieved by about 4%.

*Miscellaneous A* \$1 million contractor settlement payment is included here.

<b>Sewer System Rate Stabilization Fund 617</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	39,100,000		38,090,996	-2.58%
Bond and Note	12,900,000		12,900,000	0.00%
Miscellaneous	550,000	184,346	334,801	-39.13%
<b>Total Resources</b>	<b>\$52,550,000</b>	<b>\$184,346</b>	<b>\$51,325,797</b>	<b>-2.33%</b>
<b>Requirements</b>				
Fund Transfers - Expense	35,000,000		35,000,000	0.00%
Contingency	17,550,000		16,325,797	-6.98%

▶ Revenue was not within 10% of target, or expense exceeded budget

*Fund Transfer* expense budget reflects an additional \$5 million to be transferred into the Sewer Operating Fund as per ES\_033.

<b>Bureau of Environmental Services within Grants Fund 217</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Intergovernmental Revenues	1,433,554	1,928,614	1,370,655	-4.39%
<b>Total Resources</b>	<b>\$1,433,554</b>	<b>\$1,928,614</b>	<b>\$1,370,655</b>	<b>-4.39%</b>
<b>Requirements</b>				
Personal Services	122,168	97,167	116,060	-5.00%
External Materials and Services	686,663	371,978	652,629	-4.96%
Internal Materials and Services	205,750	20,213	191,372	-6.99%
Capital Outlay	418,973	194,833	410,594	-2.00%
<b>Total Requirements</b>	<b>\$1,433,554</b>	<b>\$684,191</b>	<b>\$1,370,655</b>	<b>-4.39%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

**Expense**

The Revised Budget reflects adjustments as per ES\_024 submitted to true up to more realistic expenditures and to reflect the State Revolving Fund Loan moved to the Sewer Operating Fund.



**FY 2010-11 Capital Program Projections & Narrative**

Environmental Services CIP over the course of the fiscal year and across all funds:

Programs	FY 2010-11				Adopted to Spring Variance
	Adopted	Fall	Winter	Spring	
Combined Sewer Overflow	109,126,000	128,426,000	128,426,000	128,667,000	19,541,000
Maintenance and Reliability	50,643,078	55,093,078	55,093,078	48,852,078	(1,791,000)
Sewage Treatment Systems	28,419,000	27,519,000	27,519,000	27,519,000	(900,000)
Surface Water Management	23,230,000	17,599,476	17,599,476	22,792,838	(437,162)
Systems Development	10,564,312	11,415,556	11,415,556	11,415,556	851,244
<b>Grand Total</b>	<b>221,982,390</b>	<b>240,053,110</b>	<b>240,053,110</b>	<b>239,246,472</b>	<b>17,264,082</b>

<b>BMP Adjustments</b>	<b>18,070,720</b>	<b>0</b>	<b>(806,638)</b>	<b>17,264,082</b>
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During FY 2010-11, BES has added \$17.2 million to its CIP, \$18 million during the Fall BMP netted against a near \$1 million reduction in the Spring BMP. Major thematic shifts include, a significant increase of \$19.5 million in CSO projects as the effort moves quickly toward the December 2011 compliance deadline. This increase was partially offset by reductions in Maintenance and Reliability, Sewage Treatment and Surface Water Management. The Spring BMP reduces Maintenance and Reliability by \$6.9 million, most of which is offset by an increase in G2G land acquisition in Surface Water Management.

- Combined Sewer Overflow – adjustments are requested for Balch Consolidation Conduit which has accelerated. This adjustment was balanced by a reduction in East Side CSO project management for a net zero change.
- Maintenance and Reliability – Fanno Basin System Improvements are experiencing delays associated with property acquisition.
- Surface Water Management – Acceleration of the land acquisition closing, from August 2011 to June 2011.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Portland Water Bureau**

**Summary of Significant Issues**

None.

**Recommended Requests**

1. *WA\_014/ I/A – BES Revenue, \$1,318,000*

This request increases the interagency with the Bureau of Environmental Services by \$1,318,000. See the description of ES\_031 for a complete listing of projects and services requested by BES.

*FPD Recommendation: \$1,318,000*

2. *WA\_015/ CIP Adjustment, \$0*

Please see the FY 2010-11 Capital Program Projections & Narrative section at the end of the report for a full listing of adjustments from this request.

*FPD Recommendation: \$0*

3. *WA\_016/ Facilities Interagency, \$0*

Increases interagency with Facility Services by \$100,000 for the 6<sup>th</sup> floor and 14<sup>th</sup> floor remodel work that was delayed into this fiscal year.

*FPD Recommendation: \$0*

4. *WA\_017/LT2 Variance Project, \$0*

Increases professional services contract by \$1.8 million to complete LT2 variance project. These funds will allow for continued testing of the Bull Run watershed and water system in anticipation of a decision by the Oregon DEQ on the LT2 treatment rule. Funds for this project come from contingency (\$1,000,000), reduced budget for electricity (\$300,000), reduced operating supplies in water treatment (\$200,000), reduced operating supplies in engineering (\$100,000), and reduced miscellaneous service (\$100,000).

*FPD Recommendation: \$0*

5. *WA\_018/ Hydroelectric Power Interagency, \$0*

Increases the interagency with Hydroelectric power by \$40,000 for services provided.

*FPD Recommendation: \$0*

6. *WA\_019/ Loo maintenance, \$0*

Increases repair and maintenance budget by \$45,000 for additional loos that have been constructed in FY2010-11. Funds for the repair and maintenance are drawn from contingency in the Water Operating fund. The issue of whether this is an appropriate use of ratepayer funds has come up as part of the FY2011-12 budget process. Until this determination is made, the Water bureau can use their funds for this

*FPD Recommendation: \$0*

7. *WA\_020/Grants, \$100,000*

Increases grants office funds to recognize a \$100,000 grant for the Columbia Shore Wellfield maintenance project.

*FPD Recommendation: \$100,000*

8. *WA\_021/Cash Transfer between Water Fund and Water Construction Fund, \$6,600,000*

Increases cash transfer between the Water Operating fund and Water Construction fund. This package transfers \$3,000,000 from each fund to the other and an additional \$600,000 to the Water Construction fund for capital projects which have been postponed or delay in the current fiscal year.

*FPD Recommendation: \$6,600,000*

9. *WA\_022/Debt Service, \$1*

Adjusts debts service by \$1 to match US Bank debt service schedule.

*FPD Recommendation: \$1*

10. *WA\_023/Water to Hydropower interagency, \$0*

Adjustment to the interagency for increased billing from Water to Hydropower.

*FPD Recommendation: \$0*

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **Budget Notes**

Future Connect Scholars - City Council made the decision to fund Future Connect Scholarships with General Fund Contingency in FY2010-11

Rate Setting Approval Process - The Water Bureau and the Bureau of Environmental Services hired a consultant to determine best practices for utility rate setting approval processes. A draft of the study has been released to the Bureaus and PURB. A final report is anticipated to be available in May 2011.

### **FY 2010-11 Adopted Budget Decision Packages**

No material updates since the Winter BMP.

### **Fall and Spring BMP Non-Technical Requests**

No updates since the Winter BMP.

**Service Improvement Plans**

The Portland Water Bureau continues to expand its pump control and maintenance program. New power monitors for electrical maintenance have been installed and vibration analysis has been completed. A report on the results of the Reliability Center Maintenance for the two pump stations is being drafted and an RFP for wireless field entry was published and bids are currently being evaluated.

Bull Run road maintenance has continued and the next section of roadway reconstruction was bid and awarded for \$308,000.

**FY 2010-11 Projection**

**Water Fund 602**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$47,295,512	\$0	\$49,769,357	5.23%
Charges for Services	\$115,611,286	\$68,176,305	\$112,111,285	-3.03%
Intergovernmental Revenues	\$451,000	\$529,867	\$451,000	0.00%
Interagency Revenue	\$3,803,896	\$1,539,956	\$3,756,196	-1.25%
Fund Transfers - Revenue	\$78,908,485	\$41,494,779	\$77,844,827	-1.35%
Miscellaneous	\$780,274	\$443,615	\$748,875	-4.02%
<b>Total Resources</b>	<b>\$246,850,453</b>	<b>\$112,184,522</b>	<b>\$244,681,540</b>	<b>-0.88%</b>
<b>Requirements</b>				
Personal Services	\$58,863,038	\$37,649,744	\$58,555,038	-0.52%
▶ External Materials and Services	\$23,689,250	\$9,927,733	\$20,263,808	-14.46%
Internal Materials and Services	\$20,226,389	\$12,019,979	\$20,169,137	-0.28%
Capital Outlay	\$34,783,300	\$17,917,173	\$34,840,300	0.16%
Bond Expenses	\$2,510,765	\$456,267	\$2,451,836	-2.35%
Fund Transfers - Expense	\$63,879,380	\$43,538,493	\$63,801,945	-0.12%
Contingency	\$42,898,331	\$0	\$44,599,476	3.97%
<b>Total Requirements</b>	<b>\$246,850,453</b>	<b>\$121,509,389</b>	<b>\$244,681,540</b>	<b>-0.88%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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Requirements: External Materials and Services is lower primarily due to a reduction in capital expenses.

## Water Construction Fund 615

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$33,224,757	\$0	\$40,592,066	22.17%
Charges for Services	\$2,000,000	\$765,794	\$2,000,000	0.00%
Fund Transfers - Revenue	\$27,651,255	\$17,390,070	\$27,651,255	0.00%
Bond and Note	\$73,949,000	\$0	\$80,874,884	9.37%
Miscellaneous	\$363,958	\$122,838	\$363,958	0.00%
<b>Total Resources</b>	<b>\$137,188,970</b>	<b>\$18,278,702</b>	<b>\$151,482,163</b>	<b>10.42%</b>
<b>Requirements</b>				
Unappropriated Fund Balance	\$45,978,441	\$0	\$56,995,751	23.96%
Fund Transfers - Expense	\$79,183,069	\$41,494,779	\$78,168,923	-1.28%
Contingency	\$12,027,460	\$0	\$16,317,489	35.67%
<b>Total Requirements</b>	<b>\$137,188,970</b>	<b>\$41,494,779</b>	<b>\$151,482,163</b>	<b>10.42%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Resources: Increase of \$6.9 million in Bond and note represents actual bond proceed received for the 2011 Water System Revenue Bonds

Requirements: Increases in Unappropriated Fund Balance and Contingency resulted from a higher Budgeted Beginning Fund Balance and larger than expected bond sale.

## Water Bond Sinking Fund 612

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$10,320,038	\$0	\$10,321,463	0.01%
Fund Transfers - Revenue	\$28,199,467	\$20,228,459	\$28,199,443	0.00%
Bond and Note	\$6,276,000	\$0	\$5,659,388	-9.82%
Miscellaneous	\$106,905	\$39,591	\$106,905	0.00%
<b>Total Resources</b>	<b>\$44,902,410</b>	<b>\$20,268,050</b>	<b>\$44,287,199</b>	<b>-1.37%</b>
<b>Requirements</b>				
Unappropriated Fund Balance	\$16,596,038	\$0	\$15,980,827	-3.71%
Bond Expenses	\$28,306,372	\$20,228,458	\$28,306,372	0.00%
<b>Total Requirements</b>	<b>\$44,902,410</b>	<b>\$20,228,458</b>	<b>\$44,287,199</b>	<b>-1.37%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

## Hydroelectric Power Operating Fund 601

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$348,607	\$0	\$338,629	-2.86%
Interagency Revenue	\$63,207	\$20,877	\$60,000	-5.07%
▶ Fund Transfers - Revenue	\$126,022	\$0	\$106,022	-15.87%
Miscellaneous	\$634,370	\$399,885	\$659,811	4.01%
<b>Total Resources</b>	<b>\$1,172,206</b>	<b>\$420,762</b>	<b>\$1,164,462</b>	<b>-0.66%</b>
<b>Requirements</b>				
Personal Services	\$245,987	\$155,424	\$240,000	-2.43%
External Materials and Services	\$181,500	\$5,835	\$145,800	-19.67%
Internal Materials and Services	\$252,520	\$168,393	\$242,575	-3.94%
Bond Expenses	\$14,608	\$3,367	\$14,608	0.00%
Fund Transfers - Expense	\$347,324	\$64,636	\$347,324	0.00%
▶ Contingency	\$130,267	\$0	\$174,155	33.69%
<b>Total Requirements</b>	<b>\$1,172,206</b>	<b>\$397,655</b>	<b>\$1,164,462</b>	<b>-0.66%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Resources: Fund Transfers – Revenue are down this year due to a lower than expected number of replacement projects in fund 618.

Requirements: Contingency is higher due to a vacant part-time positions.

## Hydroelectric Power Bond Redemption Fund 611

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$4,383,500	\$0	\$4,420,808	0.85%
Miscellaneous	\$2,763,300	\$1,555,910	\$2,809,296	1.66%
<b>Total Resources</b>	<b>\$7,146,800</b>	<b>\$1,555,910</b>	<b>\$7,230,104</b>	<b>1.17%</b>
<b>Requirements</b>				
▶ Unappropriated Fund Balance	\$4,429,990	\$0	\$4,513,294	1.88%
Bond Expenses	\$2,716,810	\$2,355,192	\$2,716,810	0.00%
<b>Total Requirements</b>	<b>\$7,146,800</b>	<b>\$2,355,192</b>	<b>\$7,230,104</b>	<b>1.17%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Requirements: Slightly higher due to a CAFR correction to the Beginning Fund Balance.

## Hydroelectric Power Renewal Replacement Fund 618

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$9,222,708	\$0	\$9,303,360	0.87%
▶ Miscellaneous	\$524,600	\$233,921	\$340,240	-35.14%
<b>Total Resources</b>	<b>\$9,747,308</b>	<b>\$233,921</b>	<b>\$9,643,600</b>	<b>-1.06%</b>
<b>Requirements</b>				
Fund Transfers - Expense	\$125,000	\$0	\$105,000	-16.00%
Contingency	\$9,622,308	\$0	\$9,538,600	-0.87%
<b>Total Requirements</b>	<b>\$9,747,308</b>	<b>\$0</b>	<b>\$9,643,600</b>	<b>-1.06%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Resources: Miscellaneous resources are lower for two reasons. First, the amount needed by this fund in power sale was adjusted in October of 2010 for PHP contract with PGE. Interest earnings for this fund also decreased due to lower than expected interest rates.

### FY 2010-11 Capital Program Projections & Narrative

The Revised Budget reflects adjustments in WA\_015true up to more realistic expenditures and to reflect the Sate Revolving Loan Fund move to the Operating Fund.

CIP Program	FY10-11 Adopted	Fall BMP	Winter BMP	Spring BMP	Adopted to Spring Var.
Customer Service	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ -
Distribution	31,076,000	30,308,000	30,308,000	28,081,300	(2,994,700)
Regulatory Compliance	3,800,000	3,900,000	3,900,000	4,945,000	1,145,000
Supply	3,500,000	2,750,000	2,750,000	3,610,000	110,000
Support	610,000	1,266,000	1,266,000	1,466,000	856,000
Trans. / Terminal Storage	21,100,000	14,140,000	14,140,000	12,925,000	(8,175,000)
Treatment	11,990,000	8,390,000	8,390,000	7,890,000	(4,100,000)
<b>Total</b>	<b>72,676,000</b>	<b>61,354,000</b>	<b>61,354,000</b>	<b>59,517,300</b>	<b>(13,158,700)</b>

During FY2010-11, the Water Bureau subtracted \$13.2 million from its Capital Improvement Program. Significant changes include:

- In Distribution funds are being transferred from Transmission Mains for a variety of projects, in addition a funded program for fleet vehicles needs to be added to the actuals for this item.
- In Regulatory Compliance, the Dam 2 tower project and Cedar Creek fish passage project are moving forward faster than had been planned, leading to an increase in expenditures.
- In Transmission / Terminal Storage, changes have been made to reflect the current project schedule for Powell Butte Reservoir 2.
- In Treatment, expenditures on the UV treatment plan have slowed as the City waits on a ruling from the Oregon DEQ on its proposed compliance with the LT2 rule. These costs have shifted to the out years of the 5 year CIP.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Bureau of Development Services**

**Summary of Significant Issues**

The economy continues to recover at a slow pace and BDS does not anticipate a significant increase in real estate development activity until FY 2012-13. This results in a continued constraint on permit revenues and a lack of resources to handle the bureau's existing workload.

**Recommended Requests**

1. *DS\_008/Rent Payment to BDS from BES, \$7,532, 0 FTE*

The interagency with BES for rent payments to BDS needs to be increased by \$7,532 to account for the additional space occupied by BES on the 4th floor of 1900 Building.

*FPD Recommendation: \$7,532, 0 FTE*

2. *DS\_009/ITAP LA with BTS, \$0, 0 FTE*

BDS's interagency with BTS needs to be increased by \$25,190 to account for the additional support associated with the implementation of the Information Technology Advancement Project (ITAP).

*FPD Recommendation: \$0, 0 FTE*

3. *DS\_010/Tech Adjustment – ITAP, Unemployment Benefits, \$0, 0 FTE*

BDS needs to move appropriation (\$800,000) from External Material and Services to Personal Services to account for personal expenditures associated with ITAP as well as the unemployment benefits.

*FPD Recommendation: \$0, 0 FTE*

4. *DS\_011/Tech Adjustment – Operating Loan, \$1,500,000, 0 FTE*

On March 10, 2010, City Council passed resolution No. 36768 authorizing a temporary operating loan from the Bancroft Bond Interest and Sinking Fund to the Development Services Operating Fund in the not-to-exceed amount of \$ 1,500,000 with repayment due by June 30, 2011. To mitigate any possibility of negative cash flow, BDS repaid the current loan with accrued interest on February 16, 2011 and requested a new loan effective on February 17, 2011 to be repaid no later than June 30,2012. Resolution 36846 authorizing both transactions was passed at City Council on 02/16/11. This technical adjustment is needed to record both transactions.

*FPD Recommendation: \$1,500,000, 0 FTE*

5. *DS\_012/Tech Adjustment – LA with the Water Bureau, \$55,000, 0 FTE*



In FY 2009-10 BDS provided engineering services to the Water Bureau associated with the design of the Emergency Communications Center. Partial personal services charges due to payroll spanning two fiscal years were recorded in FY 2010-11. This adjustment will add an appropriation of \$55,000 to the IA with the Water Bureau in FY 2010-11.

*FPD Recommendation: \$55,000, 0 FTE*

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **Budget Notes**

As a first step towards funding a new online permitting system, Council directs the Bureau of Development Services to update its Five-Year Financial Plan for FY 2010-11 to FY 2014-15 to include a cost/benefit analysis of the new system and set aside sufficient resources to meet future debt service requirements. This analysis should take into account all of the bureaus that will use the new system. BDS must present the new Five-Year Financial Plan to Council, and Council must approve it, before BDS expends any additional funding for the new permitting system. The Council must separately approve of moving forward with the new permitting system before any expenditures are made or loans received. The CAO will also convene 5 to 7 people with expertise in commercial and residential real-estate, including a member of SBAC and DRAC, to take into consideration current and future development activity as it relates to BDS's ability to meet debt service requirements.

#### Update

On March 9, 2011, City Council authorized a financing package for ITAP in the form of a line of credit not to exceed \$6.6 million, which BDS must repay within five years. The ITAP Implementation and Digitization Teams can now fill the remainder of the ITAP team positions and purchase software once the business plan with the vendor (Accela) is finalized and an Intergovernmental Agreement (IGA) is signed with the State. Four ITAP team staff positions have been filled, in addition to the two team manager positions.

Currently BDS is working with BTS, OMF and the City Attorney's Office to negotiate: (1) an Intergovernmental Agreement with State of Oregon, Building Codes Division so that BDS will be a full service jurisdiction within the State of Oregon eBuildings Permitting system and (2) a sole source contract with Accela Inc. for the additional Accela Automation software licenses and maintenance that are required beyond those covered by the State of Oregon eBuilding Permitting system.

### **FY 2010-11 Adopted Budget Decision Packages**

#### DS\_01 – Cut Vacant Positions

In FY 2009-10, BDS was confronted with an unprecedented decline in permit revenues and workload due to the ongoing economic downturn. After instituting a variety of cost-cutting measures, the bureau was finally compelled to reduce staff in order to remain financially solvent. This package removes 131 of those already vacant positions from the bureau, for a reduction of \$9.9 million.

#### Expected Results

These are the positions where the staff has already been laid off or transferred; these are not additional cuts.

#### Update

The reduction package was implemented.

## **Service Improvement Plans**

### **Technology**

Implementation of the Information Technology Advancement Project (ITAP).

Update: The business plan and IGA with the State are close to completion and the bureau plans to take them to City Council by the end of May 2011. Council's approval of these two foundational aspects of the project will be the next major project milestones, and will allow the bureau to develop a detailed project work plan that outlines how the Accela software and new business practices will be developed and implemented. The current scope of work and timeline estimates that the project will take up to two years to complete.

### **Neighborhood Inspections & Land Use Services**

The Neighborhood Inspections and Land Use Services (LUS) Programs have been underfunded and beset by deficits in their reserve funds for several years.

Update: Service reductions have remained in place. A variety of neighborhood stakeholders continue to indicate that the service reductions are negatively impacting livability issues. BDS asked for additional one-time General Fund support to add 5.5 FTE to these programs in its FY 2011-12 budget request. Bureau financial projections indicate that BDS will be able to support the positions from other revenues in future years.

### **Match Staffing to Workload**

BDS cut staff positions to balance the budget and now service levels throughout the bureau have fallen significantly, impacting bureau customers, development projects, and neighborhood livability.

Update: In its FY 2011-12 Requested Budget, BDS requested City Council authorization to add up to 13 staff positions supported by projected increases in permit fees and other non-General Fund revenues. As noted above, the bureau also requested additional one-time General Fund support to add 5.5 positions, with costs in future years being covered by non-General Fund revenues. These requests are based upon the bureau's ability to fund the positions in the ongoing years. The expected workload for FY 2011-12 would dictate that another 12 positions are needed in addition to what is being requested in order to provide an acceptable level of service for the highest priority service improvement areas.

## FY 2010-11 Projection

BDS Fund 203 - Development Services	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Licenses & Permits	17,151,773	9,904,767	16,328,716	-4.80%
Charges for Services	5,814,281	3,297,954	5,693,212	-2.08%
Interagency Revenue	1,116,655	825,236	1,108,311	-0.75%
Fund Transfers - Revenue	1,907,356	1,889,156	1,907,356	0.00%
▶ Bond and Note	6,703,552	1,500,000	2,102,684	-68.63%
Miscellaneous	1,886,939	1,252,715	1,999,905	5.99%
Budgeted Beginning Fund Balance	410,309	0	512,808	24.98%
<b>Total Resources</b>	<b>\$34,990,865</b>	<b>\$18,669,828</b>	<b>\$29,652,992</b>	<b>-15.26%</b>
<b>Requirements</b>				
Personal Services	16,470,096	10,378,226	15,876,861	-3.60%
▶ External Materials and Services	5,610,072	404,643	894,698	-84.05%
Internal Materials and Services	6,365,168	4,075,171	6,060,392	-4.79%
Bond Expenses	2,205,953	1,670,174	2,205,953	0.00%
Fund Transfers - Expense	2,357,482	1,559,814	2,357,483	0.00%
Contingency	1,982,094	0	0	-100.00%
Unappropriated Fund Balance	0	0	2,257,605	N.A.
<b>Total Requirements</b>	<b>\$34,990,865</b>	<b>\$18,088,028</b>	<b>\$29,652,992</b>	<b>-15.26%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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Bond and Note - The entire funding of approximately \$5.2 million for BDS's Information Technology Advancement Project were budgeted in Bond and Note. The bureau is expected to incur approximately \$600,000 in expenditures associated with the project in FY 2010-11.

External Materials and Services - The entire costs of approximately \$5.2 million for BDS's Information Technology Advancement Project were budgeted in External Material and Services. The bureau is expected to incur approximately \$600,000 in expenditures associated with the project in FY 2010-11.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Portland Housing Bureau**

**Summary of Significant Issues**

The Portland Housing Bureau (PHB) requests \$50,000 from contingency on behalf of the Bureau of Planning and Sustainability (BPS) in order to fund BPS's share of assistance to an affordable housing provider that did not receive a tax abatement for which it was eligible.

PHB also reduces total appropriation by \$16.2 million, primarily anticipating several large projects that will occur down in FY 2011-12. These reductions will be reappropriated as part of the FY 2011-12 budget process.

**Recommended Requests**

1. *HC\_015/General Fund Request, \$50,000*

PHB is requesting \$50,000 of General Fund on behalf of the Bureau of Planning & Sustainability. PHB and BPS are jointly funding a one-time \$100,000 payment to Portland Community Reinvestment, Inc (PCRI). The purpose of this disbursement is to ease the burden on PCRI for a set of property tax bills on affordable housing units. These units were intended to be approved for tax exemptions but did not receive those exemptions due to clerical error. PHB has identified \$50,000 in its current year budget, but BPS is unable to fund their portion from current year resources.

*FPD Recommendation: \$50,000 General Fund*

2. *HC\_011/Reductions to Rebudget in FY 2011-12, (\$17,685,822)*

PHB requests Council approval to reduce the bureau housing development budget in order to carry forward appropriation into the FY 2011-12 Approved Budget. These appropriations represent funding for housing development projects underway but not yet encumbered, as well as budget for housing development opportunity funding. The funding sources include:

- \$3.3M - CDBG Grant
- \$2.0M - HOME Grant
- \$1.7M - TIF Convention Center URA
- \$400k - TIF Gateway URA
- \$2.7M - TIF Interstate URA
- \$995k - TIF Lents URA
- \$2.5M - TIF River District URA
- \$1.7M - TIF South Park Blocks URA
- \$2.9M - Section 108 Loan Guarantee Program

*FPD Recommendation: (\$17,685,822) in various funds*

3. *HC\_013/New Revenues, \$1,843,668*

PHB requests Council approval to increase appropriations for the following:

- Recognize \$95k in Federal stimulus resources (HPRP) in order to contract with service providers for rent assistance
- Recognize \$300k additional Downtown Waterfront TIF program income to facilitate transfer to PDC at year-end
- Increase appropriation by \$220k for Svaboda housing project (Lents URA) in recognition of project progress
- Increase appropriation to facilitate \$550k cash transfer from HIF to CDBG and HOME funds. This is necessary due to bureau determination that a portion of the bureaus loan income is generated by loans originated using Federal funds. Thus, the program income must be credited back to the appropriate fund.

*FPD Recommendation: \$1,843,668 in various funds*

#### 4. HC\_014/ Appropriation Reductions, (\$390,658)

PHB requests Council approval to reduce appropriation in order to:

- Align appropriation with projected revenue receipts for SDC program administration (\$40k reduction).
- Align appropriation with projected net expenses for Headwaters Apartments administration (\$350k reduction).

Earlier assumptions were based on gross expenses, but PDC (who manages property on behalf of PHB) is netting expenses out of program income prior to billing to PHB.

*FPD Recommendation: (\$390,658) in various funds*

### **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

#### **FY 2010-11 Adopted Budget Decision Packages**

There are no issues related to the bureaus add package updates. The majority of add packages in FY 2010-11 continued existing one-time funded services. An exception to this was an additional \$1 million package to fund homeless services. Services have been contracted from two providers – for youth and for adults – to provide supportive housing placement and retention services to 159 households, intensive employment and benefit support to 65 individuals, and an array of youth outcomes including 24 placements in permanent housing.

#### **Fall and Spring BMP Non-Technical Requests**

There are no issues related to the bureaus non-technical BMP requests.

#### **Service Improvement Plans**

PHB has completed its strategic plan and is working on the documents which will be publicly available. The new organizational structure is in place (although it continues to evolve). PHB has increased accountability and transparency through awarding more development capital through Notices of Funds Availability (NOFAs) and through publishing a number of reports on the bureau's activities. A number of initiatives are complete or underway to improve housing program delivery.

## FY 2010-11 Projection

### General Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Charges for Services	\$0	\$4	\$0	n/a
Intergovernmental Revenues	\$621,733	\$271,126	\$621,733	0.00%
Interagency Revenue	\$0	\$5,500	\$0	n/a
Bond and Note	\$0	\$0	\$0	n/a
Miscellaneous	\$1,573	\$9,257	\$1,573	0.00%
General Fund Discretionary	\$10,020,258		\$9,805,258	-2.15%
<b>Total Resources</b>	<b>\$10,643,564</b>	<b>\$285,887</b>	<b>\$10,428,564</b>	<b>-2.02%</b>
<b>Requirements</b>				
Personal Services	\$410,459	\$229,068	\$314,459	-23.39%
External Materials and Services	\$10,697,861	\$4,776,042	\$10,593,861	-0.97%
Internal Materials and Services	-\$469,756	\$184,914	-\$484,756	3.19%
Fund Transfers - Expense	\$5,000		\$5,000	0.00%
<b>Total Requirements</b>	<b>\$10,643,564</b>	<b>\$5,190,024</b>	<b>\$10,428,564</b>	<b>-2.02%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

FPD anticipates higher Personal Services (PS) spending based on recent payrolls and several leave payouts for departing employees. Also, a number of corrections from earlier in the year have not yet been processed. It is possible that a further adjustment to PS is necessary during the Overexpenditure Ordinance. FPD anticipates more savings in External Materials & Services (EM&S) based on currently encumbered contracts. However, PHB anticipates costs related to the opening of Bud Clark Commons.

### Grants Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$0	\$0	\$0	n/a
Intergovernmental Revenues	\$10,527,841	\$5,225,631	\$10,031,285	-4.72%
Miscellaneous	\$0	\$11,770	\$13,727	n/a
<b>Total Resources</b>	<b>\$10,527,841</b>	<b>\$5,237,401</b>	<b>\$10,045,012</b>	<b>-4.59%</b>
<b>Requirements</b>				
Personal Services	\$804,675	\$519,304	\$758,286	-5.76%
External Materials and Services	\$9,723,166	\$5,465,067	\$9,286,726	-4.49%
<b>Total Requirements</b>	<b>\$10,527,841</b>	<b>\$5,984,371</b>	<b>\$10,045,012</b>	<b>-4.59%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

No issues of note in the Grants Fund.

Housing Investment Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$2,902,296	\$0	\$3,088,123	6.40%
Charges for Services	\$273,916	\$282,116	\$341,896	24.82%
Intergovernmental Revenues	\$2,346,167	\$2,462,807	\$2,462,807	4.97%
Interagency Revenue	\$11,500	\$0	\$11,500	0.00%
Bond and Note	\$4,921,015	\$4,191,647	\$5,631,662	14.44%
Miscellaneous	\$1,241,006	\$1,475,847	\$1,741,874	40.36%
<b>Total Resources</b>	<b>\$11,695,900</b>	<b>\$8,412,417</b>	<b>\$13,277,862</b>	<b>13.53%</b>
<b>Requirements</b>				
Personal Services	\$733,883	\$536,832	\$730,458	-0.47%
External Materials and Services	\$7,420,679	\$4,046,054	\$5,788,067	-22.00%
Internal Materials and Services	-\$46,428	\$27	-\$46,601	0.37%
Bond Expenses	\$17,000	\$0	\$16,180	-4.82%
Fund Transfers - Expense	\$3,423,204	\$2,118,572	\$3,423,204	0.00%
Contingency	\$147,562	\$0	\$0	-100.00%
Unappropriated Fund Balance	\$0	\$0	\$3,366,554 n/a	
<b>Total Requirements</b>	<b>\$11,695,900</b>	<b>\$6,701,485</b>	<b>\$13,277,862</b>	<b>13.53%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

EM&S underspending is the result of underspending on large Section 108 projects and risk reserves being minimally accessed. The Section 108 projects will be spent in FY 2011-12. Risk reserves will carry forward into FY 2011-12 to manage risks in the same programs.

Tax Increment Financing Reimbursement Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Charges for Services		\$9,182	\$9,003	n/a
▶ Intergovernmental Revenues	\$48,788,867	\$15,910,594	\$35,746,587	-26.73%
Fund Transfers - Revenue	\$2,118,572	\$2,118,572	\$2,118,572	0.00%
Miscellaneous	\$1,507,390	\$1,965,094	\$3,044,138	101.95%
<b>Total Resources</b>	<b>\$52,414,829</b>	<b>\$20,003,442</b>	<b>\$40,918,300</b>	<b>-21.93%</b>
<b>Requirements</b>				
Personal Services	\$2,332,782	\$1,096,758	\$1,910,949	-18.08%
External Materials and Services	\$46,487,529	\$17,106,521	\$37,531,405	-19.27%
Internal Materials and Services	\$1,475,946	\$491,982	\$1,475,946	0.00%
Contingency	\$2,118,572	\$0	\$0	-100.00%
<b>Total Requirements</b>	<b>\$52,414,829</b>	<b>\$18,695,261</b>	<b>\$40,918,300</b>	<b>-21.93%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

PS underspending is the result of vacancies and a difference between budget assumptions about how time would be charged. EM&S underspending reflects a number of large encumbered project that will not spend during this fiscal year and will carry over into FY 2011-12.

#### Community Development Block Grant Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Charges for Services	\$0	\$155	\$0	n/a
Intergovernmental Revenues	\$14,704,558	\$3,940,043	\$13,406,939	-8.82%
Fund Transfers - Revenue	\$1,137,918	\$0	\$1,137,918	0.00%
Miscellaneous	\$0	\$10,357	\$0	n/a
<b>Total Resources</b>	<b>\$15,842,476</b>	<b>\$3,950,555</b>	<b>\$14,544,857</b>	<b>-8.19%</b>
<b>Requirements</b>				
Personal Services	\$2,157,709	\$1,472,753	\$2,157,709	0.00%
External Materials and Services	\$10,764,025	\$4,376,409	\$9,883,533	-8.18%
Internal Materials and Services	\$1,896,105	\$1,299,293	\$1,872,507	-1.24%
Bond Expenses	\$152,000	\$89,397	\$147,147	-3.19%
Contingency	\$872,637	\$0	\$0	-100.00%
Unappropriated Fund Balance	\$0	\$0	\$483,961	n/a
<b>Total Requirements</b>	<b>\$15,842,476</b>	<b>\$7,237,852</b>	<b>\$14,544,857</b>	<b>-8.19%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Underspending in EM&S is the result of some subrecipient contracts that will not spend out and some affordable housing projects that will move forward later than expected.

#### HOME Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Personal Services	\$389,725	\$303,327	\$389,725	0.00%
▶ External Materials and Services	\$5,536,443	\$2,364,100	\$4,686,944	-15.34%
Contingency	\$74,045	\$0	\$0	-100.00%
<b>Total Resources</b>	<b>\$6,000,213</b>	<b>\$2,667,427</b>	<b>\$5,076,669</b>	<b>-15.39%</b>
<b>Requirements</b>				
Personal Services	\$389,725	\$303,327	\$389,725	0.00%
External Materials and Services	\$5,536,443	\$2,364,100	\$4,686,944	-15.34%
Contingency	\$74,045	\$0	\$0	-100.00%
<b>Total Requirements</b>	<b>\$6,000,213</b>	<b>\$2,667,427</b>	<b>\$5,076,669</b>	<b>-15.39%</b>



▶ Revenue was not within 10% of target, or expense exceeded budget

Underspending in EM&S is primarily the result of the unspent, encumbered balance on the Rockwood affordable housing project.

Headwaters Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Intergovernmental Revenues	\$1,012,294	\$1,480,021	\$912,294	-9.88%
Miscellaneous	\$0	-\$433	\$0	n/a
<b>Total Resources</b>	<b>\$1,012,294</b>	<b>\$1,479,588</b>	<b>\$912,294</b>	<b>-9.88%</b>
<b>Requirements</b>				
External Materials and Services	\$137,000	\$0	\$137,000	0.00%
Bond Expenses	\$775,294	\$270,147	\$775,294	0.00%
Contingency	\$100,000	\$0	\$0	-100.00%
<b>Total Requirements</b>	<b>\$1,012,294</b>	<b>\$270,147</b>	<b>\$912,294</b>	<b>-9.88%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

No narrative required.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Bureau of Planning and Sustainability**

**Summary of Significant Issues**

The bureau projects General Fund spending to be exactly in line with its budget by year end. FPD anticipates some discrepancies among major object categories, including projected over spending in Internal Materials and Services (IM&S) and underspending in External Materials and Services (EM&S) and possibly Personal Services. The bureau has not requested to carry-over any EM&S funds, therefore any EM&S dollars the bureau wishes to use in FY 2011-12 will need to be encumbered with a signed contract before year end. In addition, if Personal Services expenses are below budget, because Compensation Set Aside is being requested and recommended (\$58,000), the bureau will need to fill any overspending that occurs in IM&S with EM&S dollars and return any unused Personal Services dollars to the bureau (again, if the Personal Services budget is not fully expended). This is to prevent Compensation Set Aside funds from being reallocated to another major object category.

Project timelines that extend beyond funding continues to be the issue dominating financial management for BPS. The bureau's one-time General Fund support increases in the FY 2011-12 Proposed Budget, but intergovernmental funding – which primarily supports the Central City Plan – has yet to be negotiated. The Portland Plan and the Central City Plan both anticipate completion in 2.5 years, with secured funding extending only one additional year.

The Solid Waste rate review and recommendation was not complete in time for this analysis; it is expected to be released prior to the Council rate hearing on May 18.

**Recommended Requests**

1. *PN\_033/LA w/ BES for Revegetation, \$15,000*

Establishes new IA with BES to purchase and provide technical support for GIS software for use in BES's Watershed Revegetation program.

*FPD Recommendation: \$15,000*

2. *PN\_034/Green Investment Fund IA w/ BES, \$132,000*

Increases IA from \$40,000 to \$172,000. The Green Investment Fund was established in 2005 as a 5-year, \$2.5 million competitive grant program to support innovative green building projects. Funds were contributed by BES, Water, Solid Waste and the Energy Trust of Oregon. While the program has sunsetted, many projects are still being built and monitored; projects receive half of the awarded funding upon completion. Roughly \$380,000 remains to be distributed.

*FPD Recommendation: \$132,000*

3. *PN\_035/Cash Transfer with PBOT for Clean Energy, \$97,888*

Completes reimbursement to BPS of grant funds forwarded for streetlight efficiency investments. \$800,000 was transferred to PBOT in the FY 2009-10 Spring BMP. Total cash transfer associated with grant funds will equal \$897,888.

*FPD Recommendation: \$97,888*

4. *PN\_036/Oregon DLCD Periodic Review Grant, \$27,806*

Recognizes grant carry-over from FY 2009-10 and adjusts budgeted expenses to align with actual expenditures.

*FPD Recommendation: \$27,806*

5. *PN\_037/Budget adjustments for BPS move, \$150,000*

Applies ARRA grant revenue to increased IA with facilities to cover cost of move from Ecotrust. FPD recommends that these funds be applied to administration staff costs rather than moving costs.

*FPD Recommendation: \$150,000*

6. *PN\_038/Dishman project funded by ARRA EECGB, (\$300,000)*

Reduces grant revenue and associated expenses. Parks & Recreation will be managing this work (energy efficiency improvements at Dishman Community Center) and has requested a corresponding budget increase.

*FPD Recommendation: (\$300,000)*

7. *PN\_039/LA with PBOT for Cully TGM project, \$30,000*

Increases PBOT IA for planning services to \$323,000 (this IA is distributed among Central City, District Planning, and Urban Design programs).

*FPD Recommendation: \$30,000*

8. *PN\_040/Grant appropriation for PMLRT project, \$10,000*

Appropriates PBOT grant (TR000094) and allocated funds to Personal Services.

*FPD Recommendation: \$10,000*

9. *PN\_041/LA with PBOT for Columbia River Crossing project, \$14,680*

Funding from capital project TO0265; funds allocated to Personnel Services.

*FPD Recommendation: \$14,680*

10. *PN\_042/Request additional GF appropriation from COLA, \$58,257*

Requests full Compensation Set-Aside for FY 2010-11.

FPD Recommendation: \$58,257

11. PN\_043/Green Development Resource Center Grant, (\$82,000)

Eliminates grant revenue and expense from budget due to grant expiration.

FPD Recommendation, (\$82,000)

12. PN\_044/LA with BES to support BEST Business Center, \$5,000

BES outreach/education funds allocated to BPS for BEST Business Center.

FPD Recommendation, \$5,000

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **Budget Notes**

*OMF will work with BPS during FY 2010-11 to identify any BPS positions that should be incorporated into the City's General Fund overhead model. The positions selected will provide a Citywide benefit, such as the District Liaison staff. Currently about 1.5 BPS positions are funded through overhead.*

*During FY 2010-11 budget meetings, several Council members and the Mayor requested that OMF and BPS identify a way to reduce the need for one-time General Fund support. BPS has sought significant funding from outside grants and contracts and will continue to do so; however these grants cannot pay for core city services. The goal is to have a funding model in place for use in the FY 2011-12 budget. OMF and BPS will present their analysis and recommendations to City Council by January 2011.*

In December 2010 the General Fund Overhead (GFOH) Committee agreed to move half of the cost of the BPS District Planning program into the overhead model, recognizing the coordinative work this program provides for Citywide efforts. The result is an increase in the BPS GFOH allocation from \$152,950 to \$556,665, to be implemented in FY 2011-12. This movement of funds in itself will not increase BPS funding in FY 2011-12, it will simply change the origin of a portion of its funding. The GFOH increase of \$403,715 represents FY 2011-12 savings to the General Fund. An increase in on-going General Fund in this amount is included in the FY 2011-12 Proposed Budget. However, with the requested 1.5% FY 2011-12 cuts moved to ongoing, total ongoing General Fund support for the bureau in the Proposed Budget is increased by \$293,781 rather than the full \$403,715.

### **FY 2010-11 Adopted Budget Decision Packages**

One Time Funding Requests:

- Portland Plan: \$800,000 (GF): Work proceeded as planned. The project is expected to be complete by December; the state mandated component will likely be submitted second quarter of FY 2013-14 (in 2.5 years).
- Youth Planning Program, \$70,000 (GF): Work proceeded as planned.
- River Plan: \$167,316 (BES): The adopted River Plan/North Reach was appealed by industry to Land Use Board of Appeals (LUBA) and remanded in January 2011. Industry then appealed LUBA's ruling to the Court of Appeals (COA). A response from COA is anticipated in summer 2011. In response to the LUBA remand, the bureau is continuing to develop its Economic Opportunities Analysis (EOA), which includes an industrial land inventory and development projection, as part of the update of the City's Comprehensive Plan. The bureau is also moving forward with the River

Plan/Central Reach in tandem with the Central City Plan with expected completion in FY 2013-14. Re-adoption of the River Plan/North Reach is anticipated in FY 2011-12.

External Funding:

- West Hayden Island, \$322,000, increasing to \$392,000 (Port of Portland): Phase I was completed in July 2010 with a City Council Resolution to create a concept plan. Staff is now in process of hiring consultants to complete several Council-requested technical studies, and to develop concept plan alternatives. The concept planning selection committee will bring an ordinance to Council on May 18<sup>th</sup> to award the contract to a consultant. The concept plan (Phase II) is targeted to be complete in FY 2011-12, with legislative adoption following. The FY 2011-12 Proposed Budget includes \$97,664 to support this project.
- Airport Futures, \$120,848 (Port of Portland): This land use plan was approved by City Council on April 13. Its appeal period ends May 6 and the effective date is May 13.
- Central Portland Plan, \$475,000 (PDC): There are three major components to this effort. 1) CC2035 Framework is expected to go before City Council in early 2012. 2) Four Quadrant Plans are being developed. A recommended N/NE Quadrant Plan is expected to be completed by spring 2012, with the remaining quadrants following sequentially and completed by the end of FY 2012-13, subject to funding availability. 3) Zoning code amendments would follow in FY 2013-14.
- Waste Reduction, \$731,000 (Metro): Annual funding to support waste reduction and Recycle at Work.
- Green Building Resource Center, \$85,000 (Metro): Annual funding support hot line staffing (single staff person).
- Master Recycler, \$35,000 (Metro): Annual funding to support a joint effort of Metro, City of Portland, Clackamas and Multnomah County providing classes and certification for interested individuals.
- Planning and sustainability grants, \$793,339 (various):

Solid Waste Management Fund Initiatives:

- Durable lunch Trays for PPB: Funds advanced to PPB for tray purchase. Some schools are now using durable trays; project implementation will be complete by September.
- Public Recycling Containers: Installation of 175 public recycling containers on the downtown transit mall was completed in April 2011.
- Portland Recycles Phase II: Residential pilot food composting program reports 30% average reduction in solid waste collection. Citywide rollout has been delayed due to slow permitting timelines for new transfer facilities.

**Fall and Winter BMP Non-Technical Requests**

Appropriation of Clean Energy Works ARRA/EECBG Grant Funds, \$14,396,000. The non-profit launched the program this spring. It currently has 1,420 applications, with a goal of 1,000 completed loans by December 31. The bureau anticipates that the first loan will be completed this month.

**Service Improvement Plans**

There are two components to the BPS Service Improvement Plan:

1. Develop a strategic plan. This is now complete and has been circulated. It extends through 2013.
2. New approaches to equity. The bureau is working with City and non-profit groups to develop strategies within the Comprehensive Plan and City actions over the next five years.

## FY 2010-11 Projection

### General Fund 100

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Charges for Services	\$0	\$166	\$250	NA
Intergovernmental Revenues	\$1,250,986	\$278,271	\$1,227,236	-2%
interagency Revenue	\$327,227	\$148,766	\$327,227	0%
Fund transfers - Revenue	\$97,888	\$0	\$97,888	0%
Miscellaneous	\$10,000	\$16,793	\$33,500	235%
General Fund Discretionary	\$8,109,046	\$0	\$8,109,046	0%
General Fund Overhead	\$152,950	\$0	\$152,950	0%
<b>Total Resources</b>	<b>\$9,948,097</b>	<b>\$443,996</b>	<b>\$9,948,097</b>	<b>0%</b>
<b>Requirements</b>				
Personal Services	\$7,265,877	\$4,989,147	\$7,265,877	0%
External Materials and Services	\$1,185,677	\$738,419	\$1,185,677	0%
Internal Materials and Services	\$1,496,543	\$1,535,611	\$1,496,543	0%
<b>Total Requirements</b>	<b>\$9,948,097</b>	<b>\$7,707,173</b>	<b>\$9,948,097</b>	<b>0%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The bureau anticipates that both resources and requirements will match budget exactly by year end. FPD projections are generally in line with this projection with the following discrepancies:

- Internal Materials and Services spending is targeted to be about \$140,000 above budget, largely driven by costs associated with the bureau's consolidation at the 1900 building. Savings or revenue increases will be needed to offset this.
- FPD projects Personal Services slightly below budget at year end (\$20,000 - \$60,000).
- External Materials and Services are difficult to project as spending is irregular. Prior to the close of AP 10 the bureau had roughly \$385,000 remaining. One \$110,000 contract is anticipated by year end; the bureau intends to carry over the remaining funds for West Hayden Island and other planning projects. FPD strongly encourages the bureau to encumber carryover funds before year end.
- Straight-lining revenues results in a projection \$630,000 below budget. This is primarily due to billing lags, particularly with local government entities. The bureau reports no known instances in which intergovernmental revenues are expected to come in below budget once billing is complete.

## Solid Waste Fund 605

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	% of Projection Actual to Revised Budget
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$3,309,128	\$0	\$3,309,128	100.0%
Licenses & Permits	\$2,508,815	\$682,155	\$2,490,916	99.3%
Charges for Services	\$1,606,440	\$398,324	\$1,602,675	99.8%
Intergovernmental Revenues	\$0	\$0	\$0	NA
Interagency Revenue	\$197,000	\$8,419	\$197,000	100.0%
Fund Transfers - Revenue	\$2,659	\$0	\$2,659	100.0%
Miscellaneous	\$64,418	\$24,058	\$33,041	51.3%
<b>Total Resources</b>	<b>\$7,688,460</b>	<b>\$1,112,956</b>	<b>\$7,635,419</b>	<b>99.3%</b>
<b>Requirements</b>				
Unappropriated Fund Balance	\$1,887,499	\$0	\$2,251,231	19.3%
Personal Services	\$1,779,186	\$1,104,747	\$1,765,657	-0.8%
External Materials and Services	\$2,341,847	\$524,355	\$2,066,847	88.3%
Internal Materials and Services	\$1,407,264	\$154,666	\$1,279,020	90.9%
Bond Expenses	\$37,063	\$8,543	\$37,063	100.0%
Fund Transfers - Expense	\$235,601	\$95,751	\$235,601	100.0%
<b>Total Requirements</b>	<b>\$7,688,460</b>	<b>\$1,888,062</b>	<b>\$7,635,419</b>	<b>99.3%</b>

► Revenue was not within 10% of target, or expense exceeded budget

- The bureau anticipates commercial and residential solid waste revenues (Charges for Service and Licenses and Permits, respectively) roughly \$290,000 below budget in total.
- This revenue reduction will be offset by lower EM&S spending and IM&S savings. FPD projects \$100,000 in Personal Services savings.
- Ending fund balance: The bureau is slated to spend down its ending fund balance by 2013-14; this projection anticipates an increase. BPS is in the process of encumbering a portion of these funds to carry-over for the food scrap pilot project and PSU contracts.

## Grant Fund 217

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	% of Projection Actual to Revised Budget
<b>Resources</b>				
Intergovernmental Revenues	24,408,942	3,624,772	8,182,690	33.5%
<b>Total Resources</b>	<b>24,408,942</b>	<b>3,624,772</b>	<b>8,182,690</b>	<b>33.5%</b>
<b>Requirements</b>				
Personal Services	2,096,633	773,778	1,402,691	66.9%
External Materials and Services	22,282,309	1,852,095	6,758,048	30.3%
Internal Materials and Services	30,000	15,480	21,951	73.2%
<b>Total Requirements</b>	<b>24,408,942</b>	<b>2,641,353</b>	<b>8,182,690</b>	<b>33.5%</b>

The grants budget increased by \$23 million in the Fall BMP with the appropriation of the Clean Energy Works ARRA/CDBG grant. The majority of these funds will be carried over into FY 2011-12.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of Cable Communications and Franchise Management**

**Recommended Requests**

1. *CB\_015/Personnel Allocation – Broadband Strategic Plan, \$8,000*

Technical adjustment moving funds from the General Fund to the Cable Fund for staff work on the Broadband Strategic Plan approved in the Winter BMP.

*FPD Recommendation: \$8,000*

2. *CB\_016/MHCRC Contingency Transfer, \$0*

This request transfers \$400,000 out of contingency for PEG grants to fund any additional request for grants through June. Also transfers \$14,000 out of contingency for personal services in the Cable Fund.

*FPD Recommendation: \$0*

3. *CB\_017/Litigation Fund – GF Carryover, -\$119,930*

Carry over of the balance of litigation funds.

*FPD Recommendation: -\$119,930*

4. *CB\_018/Revolving Audit Fund Carryover, -\$95,146*

Carry over of the balance of audit funds authorized by council in the FY2009-10 Fall BMP.

*FPD Recommendation: -\$95,146*

5. *CB\_020/Fund Balance True-up per CAFR FY10-11, \$3,873,472*

Technical adjustment made to reflect actual beginning fund balance.

*FPD Recommendation: \$3,873,472*

6. *CB\_022/Administrative Support from GF, \$7,000*

OCCFM has an Office Support Specialist III paid for out of the General Fund, which occasionally provides support to the Cable Fund. This request transfers money from the Cable Fund to the General Fund as a reimbursement for this employee's time.

In the FY2009-10 Spring BMP, OCCFM made this same request for \$7,000. If this level of support is continuous and at the same level each year, OCCFM should budget and allocate part of the position in the Cable Fund.

*FPD Recommendation: \$7,000*



### **Fall and Spring BMP Non-Technical Requests**

#### **CB\_002 – Revolving Audit Fund**

For FY2010-11 to date, \$5,000 worth of audits paid for with these funds have recovered \$245,842 in past due franchise and utility license fees. In FY2009-10, \$4,854 was spent on audits that recovered more than \$240,000. In FY2011-12, FPD will recommend that OCCFM be give an ongoing appropriation to continue this audit work with their interagency agreement with the Revenue Bureau.

#### **CB\_007 – Strategic Legislative Advocacy**

Staff met with Oregon’s Congressional delegation and FCC staff in April to discuss the City’s continued ability to manage its rights-of-way and on a local preemption for cell phone taxes and fees. Follow up on these issues is planned in June.

#### **CB\_008 – Strategic Broadband Plan**

As part of the Winter BMP, Council approved \$55,000 for the Strategic Broadband Plan effort. OCCFM stated that in order to meet the June 30, 2011 deadline set by Resolution 36816 that additional funds and staffing was necessary. Additional funding was approved. Currently, OCCFM does not expect to have developed a Citywide Broadband Strategic Plan or report to Council by June 30, 2011. Bureau staff anticipates having a council work session in July and a report in September.

### **Service Improvement Plans**

OCCFM submitted an update that covers it SIP areas. Update on the Revolving Audit Fund , Strategic Legislative Advocacy, and Strategic Broadband Plan are covered in the BMP update section of this report.

Significant developments from the other areas of the SIP in the Utility program include selection of a software product within the Revenue Bureau with which to develop a database to track utility license and franchisees. OCCFM is working on updating its 2008 three year strategic to be released this Fall which will be used to identify future SIP areas.

In the Cable Communications program an ascertainment survey for the Comcast franchise negotiation has been completed and is being used in negotiation to set customer service benchmarks. Community media service contracts with Portland Community Media and MetroEast Community Media expire on June 30, 2011 and staff is renegotiating these contracts with updated requirements.

**FY 2010-11 Projection**

## Office of Cable Communications and Franchise Management – General Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Licenses and Permits	\$0	\$4,000	\$0	NA
▶ Charges for Services	\$115,146	\$160,543	\$99,000	-14.02%
Interagency Revenue	\$7,000	\$0	\$7,000	0.00%
Miscellaneous	\$0	\$1	\$0	NA
General Fund Discretionary	\$1,789,943	\$0	\$1,782,578	-0.41%
<b>Total Resources</b>	<b>\$1,912,089</b>	<b>\$164,544</b>	<b>\$1,888,578</b>	<b>-1.23%</b>
<b>Requirements</b>				
Personal Services	\$583,707	\$379,355	\$572,095	-1.99%
External Materials and Services	\$929,410	\$871,682	\$947,511	1.95%
Internal Materials and Services	\$398,972	\$48,103	\$368,972	-7.52%
<b>Total Requirements</b>	<b>\$1,912,089</b>	<b>\$1,299,140</b>	<b>\$1,888,578</b>	<b>-1.23%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Resources: Charges for Services will be lower budget due to fewer processing fees for use of the right of way. Initial projections for this category were \$20,000 (as was the case in 2009-10) but activity has dropped and conversations between staff and providers indicates nor more than the \$4,000 already received this year.

## Cable Fund 206

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$6,286,238	\$0	\$6,286,238	0.00%
Licenses and Permits	\$1,475,557	\$1,588,780	\$1,494,823	1.31%
Charges for Services	\$2,919,648	\$731,540	\$3,085,522	5.68%
Interagency Revenue	\$288,051	\$0	\$280,051	-2.78%
Fund Transfers - Revenue	\$919	\$0	\$0	-100.00%
▶ Miscellaneous	\$58,000	\$17,986	\$42,050	-27.50%
<b>Total Resources</b>	<b>\$11,028,413</b>	<b>\$2,338,306</b>	<b>\$11,188,684</b>	<b>1.45%</b>
<b>Requirements</b>				
Unappropriated Fund Balance	\$4,811,493	\$0	\$5,200,923	8.09%
Personal Services	\$420,911	\$283,156	\$420,724	-0.04%
External Materials and Services	\$5,059,185	\$2,533,047	\$5,042,185	-0.34%
Internal Materials and Services	\$92,179	\$52,449	\$69,708	-24.38%
Fund Transfers - Expense	\$17,144	\$11,429	\$17,144	0.00%
Contingency	\$627,501	\$0	\$438,000	-30.20%
<b>Total Requirements</b>	<b>\$11,028,413</b>	<b>\$2,880,081</b>	<b>\$11,188,684</b>	<b>1.45%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Resources: Interest revenue projection is down 25% this year, which accounts for the drop in Miscellaneous Revenues.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of Neighborhood Involvement**

**Recommended Requests**

1. *NI\_011/Printing and Mailing for Disability \$0*

ONI is requesting that \$15,000 be moved from External Materials and Services (EM&S) to increase the Interagency Agreement (IA) with Printing and Distribution. ONI's Disability program plans to do a large targeted brochure printing and mailing in June for the Voluntary Emergency Registration (VER) program and the Disability program, in general.

*FPD Recommendation: \$0 net zero adjustment, moving \$15,000 from EM&S to P&D LA*

2. *NI\_012/Grant for broadband strategic plan outreach, \$10,000*

ONI received a \$10,000 contribution from Comcast to reach out to under-engaged communities as part of the City's effort to develop a broadband strategy. ONI plans to disburse the contribution as grant funds to the Latino Network, Immigrant Refugee Community Organization, Center for Intercultural Organizing, Urban League of Portland, and the Native American Youth and Family Center.

*FPD Recommendation: \$10,000 in new grant revenues to ONI*

3. *NI\_014/Graffiti Budget Correction, \$0*

The Graffiti Abatement program funding for the current fiscal year was not originally budgeted correctly; this adjustment is to reallocate existing budget to cover their anticipated expenditures. The adjustment would move \$18,258 from EM&S to cover Personal Services expenditures.

*FPD Recommendation: \$0 net adjustment, moving \$18,258 from EM&S to Personal Services*

4. *NI\_015/Crime Prevention Program Enhancements, \$0*

ONI is requesting to use salary savings resulting from a position vacancy to purchase \$25,000 in laptops and related technology, \$4,050 in training and education expenditures, \$6,000 for a photocopier machine from P&D, \$9,800 in office furnishings, and \$3,000 in vehicle safety equipment for Crime Prevention staff. Currently ONI and their BAC are considering ideas for housing the Crime Prevention program staff together in one location as opposed to the current arrangement of having the staff located in various neighborhood offices around the City.

ONI is moving forward on acquisitions in preparation of Crime Prevention program relocation, when a relocation plan and related funding requirements are not yet known. The ONI BAC recommendation regarding their preferred option is expected in May 2011. In the event that the chosen option requires resources that ONI cannot fund within their existing budget, ONI would have to request resources from Council and there is no certainty that Council would approve the funding request. Until the costs of a final plan can be considered, FPD does not support the request to move \$15,800 from Personal Services to EM&S to purchase a photocopier and office furnishings; FPD instead recommends that ONI request to carry

forward the \$15,800 for a copier and office furnishing to next fiscal year, and the request can be considered in conjunction with any other requests for program relocation costs.

*FPD Recommendation: \$0 net adjustment, moving \$32,050 from PS to EM&S and (\$15,800) to carry forward to FY 2012-13.*

5. NI\_017/Seasonal Temporary Staff at NPNS, \$47,600

This request is to appropriate \$47,600 in new revenues from North Portland Neighborhood Services (NPNS) which reimburses ONI for NPNS employees who work on Kenton Action Plan and North Portland Community Works projects.

*FPD Recommendation: \$47,600 new revenues received, \$30,000 transfer from EM&S, and \$77,600 budgeted in Personal Services*

6. NI\_018/Personal Services corrections for East Portland Neighborhood Office, \$0

As part of the current year Adopted Budget, ONI received \$129,000 for Personal Services expenditures related to the East Portland Action Plan (EPAP) outreach and implementation. The current year position costs appear to be approximately \$105,000 so ONI is requesting to move the remainder of the funding, \$24,192, to EM&S to fund meeting expenses, mileage reimbursement, office supplies, and copying and printing.

*FPD Recommendation: \$0 net adjustment, transfer \$24,192 from Personal Services to EM&S*

7. NI\_019/Carryover of BTS database improvements, (\$10,000)

ONI is requesting to carry forward \$10,000 from their current year IA with BTS into next fiscal year. Under the IA BTS will provide livability database improvements, but it appears that BTS cannot meet the timeline of completing the work by end of the fiscal year. ONI is therefore requesting to carry forward the \$10,000 from this current year to next, when BTS has verified that they can accomplish the work.

*FPD Recommendation: (\$10,000) reduction from GF Discretionary to carry forward to FY 2011-12*

8. NI\_020/Carryover of Charter Review funding, (\$16,000)

In the Winter BMP of 2011, ONI received an allocation of \$20,000 to support the Charter Review Commission. The current projections show that only \$4,000 of the allocation is expected to be expended in the current fiscal year, and therefore ONI requests to carry forward the \$16,000 remaining to FY 2011-12.

*FPD Recommendation: (\$16,000) reduction from GF Discretionary to carry forward to FY 2011-12*

9. NI\_021/Enhanced Graffiti Grants carryover, (\$95,000)

In the Winter BMP of 2011, ONI received \$130K for Enhanced Graffiti Abatement efforts which included funding for a limited term program coordinator position and \$95,000 for grants, stipends, and mural projects. The funding for the limited term position is projected to be fully expended this current fiscal year but none of the \$95,000 will be spent, and so ONI is requesting to move the resources to FY 2011-12.

FPD recommends this carryover, but in doing so, recommends that their FY 2011-12 budget request for

\$135K is reduced to \$95K to account for a duplicate \$40K request in both Spring BMP and FY 2011-12 budget for program supplies and mural project funding.

*FPD Recommendation: (\$95,000) reduction to GF Discretionary to carry forward to FY 2011-12*

10. NI\_022/ Last Thursday Funding carryover (\$1,680)

In the Fall BMP of 2010, ONI received an allocation of \$14,732 to support the Last Thursday events on Alberta Street to partially fund a volunteer coordinator, security, and vendor services. PBOT and Police also provided partial payments for services in support of the Last Thursday events. ONI is projecting that there will be an unspent balance this year of \$1,680 and is requesting to carry it forward to next fiscal year to continue support of the Last Thursday events.

*FPD Recommendation: (\$1,680) reduction from GF Discretionary to carry forward to FY 2011-12*

11. NI\_016/Civic Engagement Capacity Building Grants, \$0

ONI is requesting to transfer \$40,000 from Crime Prevention program Personal Services and Neighborhood Outreach program EM&S to fund consultant costs to provide non-profit board, organizational and financial/accounting administration technical assistance to ONI's partner organizations. The funds would be disbursed to the organizations via grant process.

FPD recommends this request to fund the development of consistent and improved ONI partner internal processes and protocols as it works toward satisfying FPD's recommendation, made in the FY 2011-12 budget process, that ONI ensure adequate financial controls are adopted and maintained by entities receiving funding from ONI.

*FPD Recommendation: \$0 net adjustment*

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **FY 2010-11 Adopted Budget Decision Packages**

#### **Mediation and Facilitation program Funding - \$101,418 one-time**

ONI funds the non-profit organization, Resolutions Northwest (RNW), to provide mediation and facilitation services to the community. In FY 2010-11 ONI will disburse a total of \$234,763 in a combination of one-time and ongoing resources to RNW, which is a 4% funding reduction from FY 2009-10 levels. At this level of funding, RNW continues to maintain their full operational staffing levels, but have had to scale back their volunteer training efforts, which has meant a slower response to requests for service.

#### **Graffiti Abatement program Funding - \$340,101 one-time**

ONI's current year program funding will fund a total of 77 graffiti cleanup events in FY 2010-11, 65 of which have already occurred. The program is in its second year of partnering with Central City Concern to provide job training to transitional adults through conducting cleanups. Starting in FY 2009-10, ONI has dedicated significant program resources to involve more volunteers in the Graffiti Abatement program and ONI estimates that over 7,500 volunteer hours will be spent on graffiti abatement efforts in FY 2010-11.

#### **East Portland Action Plan Advocacy - \$129,692**

ONI received \$129,692 in the Adopted Budget to maintain their EPAP advocate position. There is a current request in this Spring BMP to move \$24K of these funds to EM&S for program outreach expenditures.

## **Fall and Winter BMP Non-Technical Requests**

### **Last Thursday Coordination Funding - \$14,732**

ONI received funding to partially pay for an event coordinator, security, and vendor services. Other City Bureaus - PBOT and Police - also incurred costs in support of the Last Thursday events. ONI plans to expend all but \$1,680 of the funding allocation and is requesting to carry forward the balance to FY 2011-12 to support Last Thursday events next fiscal year.

### **Carryover request ODOT Grant for Bryant Street Overpass - \$50,000**

ONI requested to allocate \$50,000 of grant funding in the Fall BMP for a pedestrian crossing project across I-5 at Bryant Street. ONI will again request to carry forward a portion of the funding into FY 2011-12 as they anticipate not spending the full allocation in this current fiscal year.

### **Carryover request FY 2009-10 Revenue Over Budget - \$28,486**

ONI received Liquor License program revenues higher than budgeted in FY 2009-10 and were allowed to re-appropriate them in FY 2010-11. The increased appropriation was used to fund unanticipated unemployment expenses, BTS IA costs for database improvements, and Neighborhood Watch program supplies. This Spring BMP contains a request to carry forward \$10,000 for the BTS IA to FY 2011-12 because BTS is unable to do the work in the current fiscal year.

### **East Portland Action Plan Grants - \$150,000**

In the Winter BMP \$150,000 which was budgeted as a Special Appropriation was moved to ONI's budget so that they would distribute the funding for community grants and priority projects relating to the program. \$50,000 has been used to fund 17 community grants in FY 2010-11, \$50,000 is to fund the East Portland Economic Development Area and Segment specific Assessment to be conducted by PDC, and \$50,000 will fund cultural and language specific civic engagement train-the-trainer workshops.

### **North Portland Greenway Trail Alignment - \$10,000**

ONI and Parks entered into an IA in which ONI was to provide outreach services. It is expected that only a portion of the work will be done in the current fiscal year and both bureaus will budget the balance of the IA in FY 2011-12.

### **Charter Review Commission - \$20,000**

The commission began meeting in winter 2011, and it is anticipated that \$4,000 of the funds will be expended this fiscal year. ONI has requested to carry over the remaining \$16,000 to FY 2011-12 to continue to fund commission expenses next fiscal year.

### **Enhanced Graffiti Abatement - \$130,000**

ONI has hired a limited-term coordinator position for the remainder of the fiscal year. The funding allocated for mural projects and youth clean-up crews will not be expended during the current fiscal year due to delays in getting contracts executed. Therefore ONI has a request in this Spring BMP to carry forward \$95,000 of the balance to FY 2011-12.

## **Service Improvement Plans**

### **NRC – Increase Capacity within ONI to coordinate implementation of the Five Year Plan to Increase Community Involvement**

The NRC will continue to further the goals and recommendations of the plan including revising grant agreements with partner organizations to reflect ONI goals and objectives. Additionally NRC is expanding social media and electronic communication capabilities, producing digital storytelling videos, and updating the existing policies and standards as applied to the neighborhood organizations

**Partnering to address livability and public safety issues related to alcohol in Portland**

ONI has worked with businesses in the downtown core to implement restrictions for selling certain alcohol products which is thought will result in minimizing the problem of street drinking. The voluntary efforts have failed and now ONI is working with OLCC to get an Alcohol Impact Area established in downtown Portland.

**Expanding volunteer training and coordination for graffiti abatement**

ONI received increased graffiti abatement funding in the Winter BMP 2011, for the specific purpose of expanding capacity for volunteer cleanups. To date there have been 65 this fiscal year with 12 more planned.

**FY 2010-11 Projection**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Charges for Services	\$145,692	\$86,647	\$146,000	0.21%
Intergovernmental Revenues	\$287,025	\$133,513	\$287,025	0.00%
▶ Interagency Revenue	\$54,730	\$6,394	\$47,730	-12.79%
Miscellaneous	\$47,600	\$13,816	\$50,000	5.04%
General Fund Discretionary	\$6,128,844	\$0	\$5,936,019	-3.15%
General Fund Overhead	\$155,628	\$0	\$155,628	0.00%
<b>Total Resources</b>	<b>\$6,819,519</b>	<b>\$240,370</b>	<b>\$6,622,402</b>	<b>-2.89%</b>
<b>Requirements</b>				
Personal Services	\$3,211,588	\$2,109,483	\$3,150,000	-1.92%
External Materials & Services	\$3,096,819	\$1,557,471	\$2,980,000	-3.77%
Internal Materials & Services	\$506,112	\$314,029	\$487,402	-3.70%
Fund Transfers - Expense	\$5,000	\$0	\$5,000	0.00%
<b>Total Requirements</b>	<b>\$6,819,519</b>	<b>\$3,980,983</b>	<b>\$6,622,402</b>	<b>-2.89%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Financial Planning’s projections are consistent with ONI’s projections.

ONI’s projection for Interagency Revenues are 12.79%, or \$7,000, less than budget due to the ONI-Parks IA for work that is anticipated to move from current to next fiscal year.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Portland Bureau of Transportation**

**Summary of Significant Issues**

*Financial Monitoring.* While more stable than in recent cut years, PBOT's financial health warrants continued close monitoring. Added to the retraction in external revenues resulting from lagging development and lower gas consumption is an increased reliance on current and potential parking meter and garage revenues and a very ambitious capital improvement program. Some relief has arrived in the form of HB 2001, which has provided long sought after additional gas tax / vehicle registration funds from the State. Unfortunately, these revenues have been diminished due to the loss of Multnomah County vehicle registrations and gasoline conservation measures. The bureau should engage in a two pronged approach to shore up its financial health:

1. **Processes.** Develop and maintain stringent financial processes throughout the bureau. This includes more sophisticated revenue modeling and greater and more consistent adherence to grants reimbursement process as well as other internal and external financial monitoring processes and exercises.
2. **Assessment.** Perform a critical reassessment of what the bureau is able to realistically accomplish programmatically in a given fiscal year. This includes developing a funding / cost risk assessment tool that lists the funding and expense risks associated with major projects and a code or grade indicating the likelihood of failure by type of risk.

*Inter Fund Loan.* In response to a request from OMF's Technical Accounting to ensure that that Grants Fund [217] did not end FY 2009-10 with a negative balance, PBOT executed its \$22 million loan with the Sewer System Rate Stabilization fund. The negative balance was primarily due to outstanding grants reimbursements related to the Eastside Streetcar. As of this BMP, PBOT is preparing to make a partial payment of \$13 million. The loan was authorized per Resolution #36727 August 26, 2009 and executed on June 30, 2010. The entire loan is due by June 30, 2012.

*Grants Fund* Whether the partial payment is made in FY 2010-11 or not is somewhat dependent upon how much of the grants reimbursement backlog PBOT is able to process. As of April 28<sup>th</sup>, the reimbursement backlog stood at \$27 million. Of this amount, nearly 82%, or \$22.7 million, can be attributed to the Eastside Streetcar. PBOT must address its grants reimbursement problem systemically, however, an immediate and targeted focus of staff resources on the Streetcar reimbursement is imperative.

*Contingency.* The bureau will end the year with a \$33 million contingency across all funds. This is nearly double the contingency level as of the Winter BMP and is primarily due to the recognition of \$15 million in potential bond proceeds. Excluding this adjustment, the bureau would have \$18 million in contingency: \$8 million in the Operating Fund (200), \$2.5 million in the Reserve Fund (212) and \$7.1 million in the Parking Facilities Fund (606).

*Bond Financing.* During the course of the fiscal year, PBOT cash financed capitally eligible projects with general transportation revenues (GTR) and System Development Charges (SDCs) in order to keep construction projects active. The largest of these projects include Sidewalk Infill \$7 million (T00272), Road Rehabilitation/Sandy Blvd \$4.5 million (T00179) and Road Rehabilitation and Preservation \$2.8 million (T00055). The bureau is in the process of developing a reimbursement declaration to file with the bond sale such that these past costs incurred back to February 2011 will be considered eligible in addition to future costs in FY 2011-12. Even if the declaration is completed and an ordinance is sent to Council within the next two weeks, it is unlikely that there is sufficient time left in the fiscal year to complete the bond sale and recognize the proceeds. PBOT must be prepared for this outcome and should take measures to ensure that the cash balance in the Transportation Operating Fund will be sufficient at year end.



## Recommended Requests

1. *TR\_039/LED Lights, \$97,888*

This request is a true up the amount of eligible work that PBOT completed for the LED light grant funding swapped with BPS last year. The original eligible amount was determined to be \$800,000. A review and subsequent correction of the rates has restated eligible amount as \$897,888.

*FPD Recommendation: \$97,888*

2. *TR\_040/Parking Garage Cash Transfer, \$300,000*

Earlier in the year the bureau was anticipating a revenue shortfall and began developing plans to mitigate this. One of many strategies was to transfer an additional \$300,000 from the Parking Facilities Fund in order to replace some of the declining gas tax funding. Other measures include spending slow-downs and holding open vacancies.

*FPD Recommendation: \$300,000*

3. *TR\_041/Space rental, \$166,588*

The bureau neglected to appropriately bill OMF's Facilities Services for the rental space at the Kerby Building. PBOT owns the building but it is managed by OMF. The mistake has been addressed so that future billings will be automatic.

*FPD Recommendation: \$166,588*

4. *TR\_042/Maintenance Facility Improvements \$0*

An internal transfer of \$156,000 from supplies to the IA with Facilities in order to relocate and reinstall a large air-conditioning unit on the roof of the Kerby building. The current driveway location has liability and service accessibility issues.

*FPD Recommendation: \$0*

5. *TR\_043/Cully Boulevard Main Street \$30,000*

Planning & Sustainability has requested transportation planning expertise for the Cully Boulevard project. BPS will pay PBOT an estimated \$30,000 for this work.

*FPD Recommendation: \$30,000*

6. *TR\_044/BES Loan \$13,000,000*

This represents a partial payment of the \$22 million Sewer loan as described above in significant issues.

*FPD Recommendation: \$13,000,000*

7. *TR\_045/Interagency Adjustments \$104,500*

Increase revenues from the following bureaus for upcoming work: Parks \$8,500 for engineering design review; OMF Facilities \$50,000 for surveying services related to the PS general obligation Station 21 Fireboat station project and BES \$46,000 engineering and construction services for a green street project.

*FPD Recommendation: \$104,500*

8. TR\_046/Project Adjustments, (\$9,360,597)

Early on in the life of a project, the bureau estimates the appropriate distribution of funds across categories (people vs. contracts, supplies vs. capital), across funding sources (GTR vs. various grants and SDCs) and across fiscal years. This is constantly evolving mix of how, what and when makes project financial tracking and monitoring challenging. In order to provide a comprehensive year end project true-up, PBOT is reducing \$9.3 million across all TR funds. The request is multifaceted and complex, touching over 80 separate projects and 4 separate funds. The overall impact is to match closely to actual projected FY 2010-11 spending, rebalance funding sources and reallocate funds to more appropriate spending categories. A summary of the transaction is listed below:

Major Object	FUNDS				Grand Total
	200000	217001 / Federal	217006 / State	217007 /Other	
PERSONAL	(552,878)	(106,467)	119,295	(74,696)	(614,746)
EMS	5,420,553	1,785,099	935,000	697,680	8,838,332
IMS	(277,570)	(1,191,964)	(197,295)	(585,716)	(2,252,545)
CAPITAL	(19,465,896)	2,497,959	(1,965,000)	(1,127,560)	(20,060,497)
CONT	4,728,859	0			4,728,859
<b>Grand Total</b>	<b>(10,146,932)</b>	<b>2,984,627</b>	<b>(1,108,000)</b>	<b>(1,090,292)</b>	<b>(9,360,597)</b>

FPD Recommendation: (\$9,360,597)

9. TR\_047 and TR\_048 / Interagencies with CityFleet \$70,000

Adjusts PBOT's IA with OMF Facilities for space lease and sidewalk construction services at the Kerby facility.

FPD Recommendation: \$70,000

11. TR\_049/Interagency with BES for Sewer Repair, (\$15,800)

Adjusting IA with BES so that BES can purchase sewer lining equipment.

FPD Recommendation: (\$15,800)

12. TR\_050/Bond Financing for Capital Projects \$15,000,000

PBOT is anticipating up to \$15 million in bond proceeds to be recognized in this fiscal year. It is unlikely that the bond sale will happen in time. Full discussion in the significant issues section above.

FPD Recommendation: \$15,000,000

**Not Recommended Requests**

1. TR\_051/Contingency Adjustment \$0

This request, which moves \$3.4 million from contingency into the bureau overhead commitment item, was not part of the bureau's original submission and was received too late for FPD review. PBOT is encouraged to submit this entry as part of the over expenditure ordinance with a more comprehensive explanation.

cost center	object	fund
		200000
TRDR000009	571100	(3,404,801)
	601020	3,404,801
<b>TRDR000009 Total</b>		<b>0</b>

FPD Recommendation: \$0

## Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans

### FY 2010-11 Adopted Budget Decision Packages

Adopted Budget decision packages. No significant changes from the update provided during the Winter BMP. All add package projects are underway or in development. All revenue increases (meter rates and fees) or decreases (permits) have been implemented. One highlight:

- Marquam Hill Meter Rate increase \$38,900 – the rate increase was implemented as of July 1. As of the end of March, the revenues generated in FY 2010-11 of \$190,481 is 30% higher than during the same period last year \$146,213. If this trend continues, the bureau is on target to collect approximately \$60,000 more than the previous year.

### Fall and Winter BMP Non-Technical Requests

#### *Fall BMP Non-Technical Requests*

All requests are in progress or completed. The following highlights changes since the Winter status update:

- Street-area landscape equipment \$229,215 – some equipment has been received and placed into service
- Snow plows and sanders \$230,000 – some equipment has been received and placed into service
- Sidewalk Management program \$90,000 – Personnel paperwork is underway; a recruitment should begin soon with the goal of a program manager hired before the end of the fiscal year.

#### *Winter BMP Non-Technical Requests*

All requests are in progress. The following are highlights:

- Timekeeping Specialists \$100,000; 3.0 FTE - all three positions have been filled
- Equipment Maintenance Positions 1.0 FTE – the position has been created and the bureau is in the process of recruiting.
- Street Maintenance Personnel 10.0 FTE – the positions have been created and the bureau is in the process of recruiting.
- Streetlighting Infrastructure \$400,000 – the project is in design and scheduled for construction.
- TDS conversion from LT to permanent 1.0 FTE – the position has been converted and filled.

### Service Improvement Plans

- *Mobile Maximo (Work Management Program)* – New approach  
PBOT staff has reassessed the bureau's direction with mobile technology ; a workgroup has been formed to determine the business process and mobile technology needs. Small scale special projects will be identified for near future implementation. This revised process is part of PBOT's FY 2011-12 SIP.
- *Parking Operations Division Service Improvement* – In progress  
The bureau continues to make progress and is on track to replace the first generation pay stations by August 2011.
- *Sunderland Yards' Crushing Operation* - Completed

**FY 2010-11 Projection**

<b>Transportation Operating - Fund 200</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
▶ Budgeted Beginning Fund Balance	18,709,000		7,407,065	-60.41%
▶ Licenses & Permits	1,157,300	1,335,331	1,800,000	55.53%
Charges for Services	29,428,839	21,350,687	31,500,000	7.04%
Intergovernmental Revenues	58,062,573	30,365,543	56,357,938	-2.94%
Interagency Revenue	28,382,294	17,110,195	26,665,293	-6.05%
Fund Transfers - Revenue	16,332,902	7,824,463	14,703,209	-9.98%
▶ Bond and Note	18,400,000	3,840,000	16,500,000	-10.33%
▶ Miscellaneous	2,571,077	1,144,058	2,050,000	-20.27%
<b>Total Resources</b>	<b>\$173,043,985</b>	<b>\$82,970,277</b>	<b>\$156,983,505</b>	<b>-9.28%</b>
<b>Requirements</b>				
Personal Services	62,695,304	38,540,196	53,950,000	-13.95%
External Materials and Services	39,655,909	28,177,219	39,000,000	-1.65%
Internal Materials and Services	22,870,693	15,104,672	23,560,000	3.01%
Capital Outlay	8,411,966	4,199,786	7,600,000	-9.65%
Bond Expenses	6,825,783	915,324	6,825,783	0.00%
Fund Transfers - Expense	5,853,929	3,336,516	5,796,685	-0.98%
Contingency	26,730,401			-100.00%
Unappropriated Fund Balance			20,251,037	n/a
<b>Total Requirements</b>	<b>\$173,043,985</b>	<b>\$90,273,713</b>	<b>\$156,983,505</b>	<b>-9.28%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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**Revenues**

*Beginning Fund Balance* – Projected to be less than half, or \$11.3 million lower than originally anticipated. No change from Winter BMP update.

*License and Permit revenues* – Projected to come in 56%, or \$643,000, greater than originally planned. Each type of permit within this category has already, as of AP 8, exceeded their planned budgets: right-of-way use for non-construction by 43%; misc. right-of-way permits by 12%; sidewalk and driveway permits by 35% and Utility Permits for locates by 6%. This upward trend is expected to continue throughout the rest of the fiscal year resulting in the projected surplus.

*Miscellaneous revenues* – No change from Winter BMP update; the leaf fee and sidewalk repair fees will not be realized fully resulting in the projected deficit.

**Expenses**

*PS* – Are projected to under-spend by nearly 14%. Most of this surplus is due to a significant number of vacancies within Maintenance Operations Division. Currently, the bureau has about 75 vacancies; more than half, nearly 40, are within Maintenance Division workgroups. About two thirds of these positions have not been vacant for more than a couple of months, at least one third have been open for four months or longer. Most will be held open in order to general savings to carry over to FY 2011-12. PBOT’s Maintenance Division will need to continue to monitor its personal services budget category carefully during the upcoming fiscal year. The Winter BMP processes added 15.0 FTE, most of which were to be funded via a shift of external materials and services.

*Capital outlay* – As part of the Spring BMP process, the bureau is ‘trueing-up’ its capital budget to reflect actuals and year end projected spending [TR\_046]. In all, PBOT is reducing its capital outlay budget in the Operating Fund by \$19.4 million, from \$27.8 million to \$8.4 million. A majority of these adjustments are to match delayed construction schedules to the appropriate fiscal year – the FY 2011-12 budget had been requested with additional capital needs accounted for. CIP adjustments are discussed at the end of the review. Highlights of these fiscal year shifts within the operating fund include:

Project (capital outlay portion)	FY 2010-11 – Spring BMP	FY 2011-12 Requested
Gibbs Ped Br. – T00009	(\$1,100,884)	\$917,719
Portland Streetcar E – T00014	(\$9,154,500)	\$13,796,826
Paving Preservation – T00055	(\$2,284,434)	\$2,289,782
Harbor/River – T00064	(\$775,000)	\$950,000
Rehab – Sandy T00179	(\$900,000)	\$4,180,752
Downtown SmartMeter – T00217	(\$2,350,000)	\$2,461,500

Transportation Reserve Fund 212	FY 2010-11		FY 2010-11	FY 2010-11	Percent Variance
	Revised Budget		YTD Actuals	Year-End Projection	
<b>Resources</b>					
Beginning Fund Balance	\$2,520,000			\$2,498,292	-0.86%
▶ Miscellaneous	\$20,000		\$4,480	\$6,700	-66.50%
<b>Total Resources</b>	<b>\$2,540,000</b>		<b>\$4,480</b>	<b>\$2,504,992</b>	<b>-1.38%</b>
<b>Requirements</b>					
Contingency	\$2,540,000				-100.00%
<b>Total Requirements</b>	<b>\$2,540,000</b>		<b>\$0</b>	<b>\$0</b>	<b>-100.00%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

*Miscellaneous* revenues are projected to realize only 34% of the original planned budget due to low interest rates. The bureau will take this into account when budgeting for FY 2011-12. PBOT lowered its expectations, in the form of a year end projection, from where it stood during the Winter BMP when the bureau was anticipating a \$9,000 return. Although a very small portion of PBOT’s overall revenue picture, the bureau should re-evaluate its approach to interest income calculations within each of its funds to make sure that a more conservative and realistic approach is taken.

<b>Gas Tax Bond Redemption Fund 308</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$5,485	\$0	\$4,532	-17.37%
Fund Transfers - Revenue	\$1,085,550	\$246,246	\$1,085,550	0.00%
Miscellaneous	\$0	\$29	\$21	n/a
<b>Total Resources</b>	<b>\$1,091,035</b>	<b>\$246,275</b>	<b>\$1,090,103</b>	<b>-0.09%</b>
<b>Requirements</b>				
Bond Expenses	\$1,085,550	\$246,246	\$1,085,550	0.00%
Contingency	\$5,485	\$0	\$0	-100.00%
Unappropriated Fund Balance	\$0	\$0	\$4,553	n/a
<b>Total Requirements</b>	<b>\$1,091,035</b>	<b>\$246,246</b>	<b>\$1,090,103</b>	<b>-0.09%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Budgeted Beginning Fund Balance is projected to be less than anticipated due to lower interest rate earnings.

<b>Parking Facilities Fund 606</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
▶ Budgeted Beginning Fund Balance	8,400,057		9,570,735	13.94%
Charges for Services	11,217,000	7,322,294	11,217,000	0.00%
Interagency Revenue	912,536	472,815	875,811	-4.02%
Fund Transfers - Revenue	3,902		3,902	0.00%
▶ Miscellaneous	163,000	93,482	146,000	-10.43%
<b>Total Resources</b>	<b>\$1,079,438</b>	<b>\$566,297</b>	<b>\$1,025,713</b>	<b>-4.98%</b>
<b>Requirements</b>				
Personal Services	139,648	76,277	115,000	-17.65%
External Materials and Services	3,338,615	2,114,672	3,072,008	-7.99%
Internal Materials and Services	2,861,143	1,040,645	1,850,968	-35.31%
Bond Expenses	3,791,747	2,270,759	3,791,747	0.00%
Fund Transfers - Expense	3,429,548	2,820,733	3,429,548	0.00%
Contingency	7,135,794			-100.00%
Unappropriated Fund Balance			9,554,177	n/a
<b>Total Requirements</b>	<b>\$20,696,495</b>	<b>\$8,323,086</b>	<b>\$21,813,448</b>	<b>5.40%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

### Revenues

*Charges for Service* Although this funding source is projected to achieve the \$11.2 million budgeted target and was projected this way during the Winter BMP as well, a look at historicals and a straight line calculation indicates that it may be off by a couple hundred thousand. Projecting from AP 8 actuals and assuming slightly more than \$900,000 each month until the end of June suggests revenues of \$10.9 million to \$11.0 million.

Although a reduction of this magnitude only represents a potential 2% reduction in planned garage revenues, parking garage funds are 3% of overall general transportation revenues, (GTR) and nearly 10% of the non-gas tax GTR. The bureau relies heavily on parking garage revenues as a backstop for other revenue shortfalls and unplanned expenditures elsewhere – in fact during the Spring BMP PBOT is transferring an additional \$300,000 beyond the originally planned \$2.7 million transfer to the Transportation Operating Fund for just this reason. Given the bureau’s relative control over the source and the degree to which it is discretionary, this revenue stream warrants closer attention including the development of a financial model.

**Expenses**

*Personal Services* are projected to be down by nearly 18%, due to the past vacancy of the Parking Manager position. The position was vacant for about two months for a savings of about \$30,000 (roughly \$3,760 per pay period for 8 pay periods)

<b>TR Grants Fund 217</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	13,000,000		13,000,000	0.00%
▶ Intergovernmental Revenues	109,948,720	38,030,967	89,212,085	-18.86%
Interagency Revenue		135		n/a
Fund Transfers - Revenue	0			n/a
Miscellaneous		87,915	87,915	n/a
<b>Total Resources</b>	<b>\$122,948,720</b>	<b>\$38,119,017</b>	<b>\$102,300,000</b>	<b>-16.79%</b>
<b>Requirements</b>				
Personal Services	7,649,493	3,321,646	5,200,000	-32.02%
External Materials and Services	8,470,478	7,692,897	6,500,000	-23.26%
Internal Materials and Services	2,275,167	380,112	600,000	-73.63%
Capital Outlay	91,553,582	45,359,516	77,000,000	-15.90%
Bond Expenses	13,000,000		13,000,000	0.00%
Contingency	0			n/a
Unappropriated Fund Balance			0	n/a
<b>Total Requirements</b>	<b>\$122,948,720</b>	<b>\$56,754,171</b>	<b>\$102,300,000</b>	<b>-16.79%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Grants revenues are expected to be nearly 20% less than the planned budget of \$110 million. Most of this is attributable to the lag in construction project schedules. A delay in construction leads to a reduction in expenditures which, in turn, leads to a reduction in the number and amount of reimbursements submitted and revenues recognized.

As mentioned in the significant issues section, PBOT has struggled with timely grant reimbursement submissions over the past several years. There was a significant push earlier this fiscal year to close out older projects and to emphasize vigilant and accurate reimbursements on a quarterly basis. Progress has been made, particularly on the older projects, but additional work is needed to stay current within the fiscal year. The Streetcar is a large percentage of the bureau’s outstanding reimbursements and, due to delayed reimbursements, was the catalyst for the loan from the Bureau of Environmental Services. The problem has now reached a fiscal tipping point and the bureau is on the verge of sustaining an ongoing crisis in the within the grants funds. PBOT should continue to work with project managers to set up and charge grants correctly from project inception in order to ensure a more efficient and expedient funding cycle.

## FY 2010-11 Capital Program Projections & Narrative

PBOT's CIP by program throughout the fiscal year

Program	Adopted FY 2010-11	Fall	Winter	Spring	Adopted - Spring Variance
Centers and Main Streets	85,377,453	92,214,609	94,173,260	90,582,328	5,204,875
Freight and Industrial Area	7,673,955	7,673,955	7,673,955	7,791,572	117,617
Local Street Design	1,305,471	1,305,471	1,305,471	1,610,971	305,500
Neighborhood Livability	9,151,235	8,892,893	9,691,893	8,497,205	(654,030)
Preservation & Rehabilitation	20,612,604	19,488,313	19,888,313	17,685,539	(2,927,065)
Special Projects	7,599,994	7,599,994	7,599,994	5,723,494	(1,876,500)
<b>CIP Grand Total</b>	<b>131,720,712</b>	<b>137,175,235</b>	<b>140,332,886</b>	<b>131,891,109</b>	170,397

<b>BMP Adjustments</b>	<b>5,454,523</b>	<b>3,157,651</b>	<b>(8,441,777)</b>	<b>170,397</b>
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Over the course of the fiscal year, PBOT added and reduced its CIP budget by about \$8.5 million, ending the year much as it started with a CIP of \$131 million.

There have been some shifts programmatically - the most significant overall are a net \$3 million decrease in Preservation and Rehabilitation projects. Of this, approximately \$2 million was a reduction in the Burgard Road project and about \$1 million each from Sandy Blvd, and the ARRA paving respectively in addition to some adds in small projects.

Special Projects category has been reduced by nearly \$2 million, primarily in the Harbor/River project. Additionally, the SmartMeter replacements are shifting into FY 2011-12 as well as the I5 Macadam work.

These programmatic reductions have been balanced with a \$5.2 million programmatic increase within the Centers and Main Streets program. The most significant project increase has been to the Moody Parkway project in the amount of \$5.6 million. The Moody Parkway project has a significant Federal grant portion – both ARRA funds and the TIGER grant; project construction has been accelerated.

PBOT is engaged in a protracted Federal Highway Administration certification process with the Oregon Department of Transportation. The bureau has been conditionally certified to add, bid and award non-National Highway System FHA projects directly rather with ODOT as a partner. Once a full certification is achieved, the CIP will increase by the amount of eligible contracts. Several Federal projects will be excluded from this certification, however the overall process will enable the bureau to maintain a greater degree of control and flexibility which should translate into more efficiently run projects and will provide more transparency and allow for closer monitoring as more projects are officially part of the official CIP document.



**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of the City Attorney**

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

**Service Improvement Plans**

The office's goals for the current year are to improve the timeliness of responses to inquiries, provide consistent legal advice, and provide additional training to bureaus and Council offices. The office plans to work with Financial Planning to start tracking the progress of the first goal through performance metrics. The bureau also plans to have an updated training program in place by December 2011.

**FY 2010-11 Projection**

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Charges for Services	\$0	\$1,078	\$1,278	NA
Interagency Revenue	\$4,523,704	\$2,591,671	\$4,523,704	0.00%
General Fund Discretionary	\$1,781,135	\$0	\$1,489,712	-16.36%
General Fund Overhead	\$2,539,320	\$0	\$2,539,320	0.00%
<b>Total Resources</b>	<b>\$8,844,159</b>	<b>\$2,592,749</b>	<b>\$8,554,014</b>	<b>-3.28%</b>
<b>Requirements</b>				
Personal Services	\$7,602,124	\$4,854,225	\$7,458,925	-1.88%
External Materials and Services	\$510,463	\$212,803	\$374,665	-26.60%
Internal Materials and Services	\$731,572	\$471,170	\$720,424	-1.52%
<b>Total Requirements</b>	<b>\$8,844,159</b>	<b>\$5,538,198</b>	<b>\$8,554,014</b>	<b>-3.28%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The office's projected expenditures and revenues do not include any significant variances from the Revised Budget, except in external materials and services. Based on current and historical expenditure patterns, Financial Planning expects the office to have approximately \$150,000 - \$200,000 of external materials and services savings for FY 2010-11.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Auditor's Office**

**Summary of Significant Issues**

The Auditor's Office does not have any significant issues in the Spring BMP.

**Recommended Requests**

1. *AU\_010/Transfer funds to Personal Services, \$0 FTE*

The Auditor's Office is projecting to overspend their current budget allocation for Personal Services by \$60,000. The Personal Services costs are due to normal benefits escalation and position fluctuations throughout the fiscal year. The Auditor's Office is not requesting Compensation Set Aside funding to cover the expenditures but instead is requesting to move budget from EM&S to Personal Services to avoid overspending the major object category.

*FPD Recommendation: \$0 net adjustment, \$60,000 from EM&S to Personal Services*

2. *AU\_011/Carryover for Review of Liens Collection Process (\$50,000)*

The Auditor's Office is currently in the process of putting out an RFP for a review of the Liens Collection process, and it is not expected that there will be a contract in place by fiscal year end. The Auditor's Office is requesting to carry forward \$50,000 to next fiscal year.

*FPD Recommendation: (\$50,000) reduction from GF Discretionary to carry forward to FY 2011-12*

3. *AU\_012/Carryover for On-Call Land Use Hearings Officer, (\$10,000)*

The Auditors' Office requests to carry forward \$10,000 of budget that they expect they will need in next fiscal year for hiring an on-call land use hearing officer. Land use hearings have been on an upward trend and there is the expectation that the increased workload will continue next year.

*FPD Recommendation: (\$10,000) reduction from GF Discretionary to carry forward to FY 2011-12*

4. *AU\_013/Carryover: Review of Officer Involved Shootings, (\$25,000)*

The Auditor's Office manages a contract for the review of Police in-custody deaths and officer-involved shootings. The current contract is for \$250,000 and spans three fiscal years. This request is to carry forward \$25,000 of budget to cover the expenditures that they expect to incur in FY 2011-12.

*FPD Recommendation: (\$25,000) reduction from GF Discretionary to carry forward to FY 2011-12*

5. *AU\_014/Adjust LID Fund Revenue, Expenditures, Beginning Fund Balance, and Contingency, (\$3,441,102)*

This request is to make a net reduction of \$3.4 million to the LID Fund. The specific adjustments include: reduce the beginning fund balance by \$627,129 to match up to the FY 2010 CAFR, increase the assessment principle revenues to account for payments for an LID at NE 92<sup>nd</sup> Drive, decrease note sales revenues by \$3,538,548 to reflect decreased LID project reimbursements to PBOT for projects that are scheduled to

occur beyond this fiscal year, increase debt retirement by \$4.8 million dollars for a new line of credit, decrease debt interest costs by \$142,000, increase debt issuance by \$5,000 for new line of credit, and reduce contingency by \$486,575 in response to the other budget adjustments.

*FPD Recommendation: (\$3,441,102) reduction to Fund 401*

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **Budget Notes**

#### **Bancroft Bond Interest and Sinking Fund**

*The purpose of the Bancroft Bond Interest and Sinking Fund is to provide financing for loans to property owners to pay for local improvement district assessments, system development charges, sidewalk repair assessments, and other special assessments authorized by statute or code. By January 1, 2011, the Chief Administrative Officer (CAO), in consultation with the City Auditor, shall 1) conduct an assessment of the financial condition of the fund and the adequacy of the current fund balance and future loan repayments to retire all outstanding debt service requirements; and 2) propose to Council legal provisions and management policies that will strengthen the long term health of the fund.*

**Status:** The CAO delegated responsibility for the assessment and policy recommendations to the City Treasurer, who completed the report and submitted it to the Auditor's Office for comment. The Auditor's Office agreed with the general provisions for fund preservation. There were a few recommended changes to the report including a request to have a stakeholder group to address the types of LID related programs that can use the Reserve Account resources. The report was submitted to Council and the Auditor on January 31, 2011 and to date no further actions have resulted from the report.

### **FY 2010-11 Adopted Budget Decision Packages**

#### **4% Ongoing Reduction Package**

The Auditor's Office took a full 4% ongoing reduction as opposed to the option of a 3% ongoing and 1% one-time reduction as part of their FY 2010-11 Adopted Budget. The reduction was made to the Auditor's Office personal services and external materials & services budgets.

**Status:** In order to achieve the reductions, Auditor's Office has reclassified a Principal Management Auditor position to a Management Auditor, which has resulted in salary savings. Additionally, the Auditor's Office has reduced their external materials & service budget in the areas of supplies, training/travel, and professional service contracts.

#### **Comprehensive Annual Financial Report (CAFR) Increased Costs Add Package**

In the FY 2010-11 Budget the Auditor's Office requested \$118,000 in General Fund discretionary to offset the increased external audit costs, including the production of the CAFR and the Single Audit for federal grants. The Adopted Budget included FPD's recommendation that \$62,000 of the funds would be funded via IA with bureaus to which the increased costs can be directly attributed.

**Status:** The Auditor's Office plans to bill the affected bureaus for their portion of the increased Single Audit IA costs in May.

### **Fall and Spring BMP Non-Technical Requests**

#### **Increase LID IA to Auditor for Lien System Replacement**

In the Fall BMP the Auditor's Office requested to transfer \$145K from the LID Fund (fund 401) to the operating fund (fund 100) to enter into an IA with BTS for the a Lien Accounting System replacement project.

**Status:** The work has begun but the BTS project timeline has been extended to FY 2011-12. The Auditors' Office will increase their FY 2011-12 BTS IA to cover the additional costs for the project.

**Carryover for Automated, Accessible Doors**

The Auditor's Office received \$29K to fund the balance of OMF Facilities IA costs for installation of ADA doors.

Status: The installation was completed in summer 2010 and costs were paid in fall 2010.

**Service Improvement Plans****Strengthen the authority and police oversight capacity of the Auditor's Independent Police Review (IPR) program**

Progress: Underway.

IPR has the authority to initiate investigations; IPR approval is now required before an administrative investigation is closed and sent to Police Bureau command staff for recommended findings and proposed discipline; IPR now has the authority to challenge post-investigation findings and discipline by the Police Bureau; and the IPR now serves as a voting member of the Police Review Board, a body that makes recommendations to the Police Chief regarding officer discipline.

**Improve and revise the annual community survey**

Progress: Completed.

The Auditor's Office worked with a consultant to retool the resident survey in order to increase response rates. The resulting November 10<sup>th</sup> 2010 survey produced an increased response from 39%, up from 35% in 2009.

**Increase capacity for more routine audits of information technology systems and ongoing review of the City's new SAP system**

Progress: Completed.

The Auditor's Office hired one dedicated Information Technology Auditor and other Audit staff have received training in IT auditing software in the current fiscal year. The Auditor's goal is to conduct more routine IT audits in the future. The Auditor's Office completed an audit of the implementation of SAP in November 2010 and plans to complete an audit of the Public Safety System Revitalization Project in 2011 and a future audit on the SAP Human Capital Management module.

## FY 2010-11 Projection

▶ Revenue was not within 10% of target, or expense exceeded budget
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Auditor's General Fund	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Charges for Services	\$335,288	\$209,958	\$369,924	10.33%
▶ Interagency Revenue	\$1,205,028	\$0	\$947,036	-21.41%
▶ Miscellaneous	\$10,000	\$4,861	\$8,000	-20.00%
General Fund Discretionary	\$4,152,903	\$0	\$3,784,366	-8.87%
General Fund Overhead	\$3,609,767	\$0	\$3,609,767	0.00%
<b>Total Resources</b>	<b>\$9,312,986</b>	<b>\$214,819</b>	<b>\$8,719,093</b>	<b>-6.38%</b>
<b>Requirements</b>				
Personal Services	\$4,819,740	\$3,175,182	\$4,806,444	-0.28%
External Materials & Services	\$1,888,357	\$727,345	\$1,423,570	-24.61%
Internal Materials & Services	\$2,604,989	\$1,429,513	\$2,489,079	-4.45%
<b>Total Requirements</b>	<b>\$9,313,086</b>	<b>\$5,332,040</b>	<b>\$8,719,093</b>	<b>-6.38%</b>

### Auditor's Operating Fund

IA Revenue is projected to come in at approximately 79% of budget due to lower actual cost for the external financial audit, and thereby less reimbursement revenue from bureaus, as well as less PBOT IA revenue from tow hearings.

Assessment & Collection Fund 201	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$79,924	\$0	\$79,842	-0.10%
▶ Miscellaneous	\$2,000	\$304	\$432	-78.40%
<b>Total Resources</b>	<b>\$81,924</b>	<b>\$304</b>	<b>\$80,274</b>	<b>-2.01%</b>
<b>Requirements</b>				
Unappropriated Fund Balance	\$0	\$0	\$78,915	na
Internal Materials & Services	\$1,321	\$880	\$1,321	0.00%
Fund Transfer - Expense	\$38	\$25	\$38	0.00%
Contingency	\$80,565	\$0	\$0	-100.00%
<b>Total Requirements</b>	<b>\$81,924</b>	<b>\$905</b>	<b>\$80,274</b>	<b>-2.01%</b>

### Assessment & Collection Fund

No significant variances

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Campaign Finance Fund 214</b>				
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$534,327	\$0	\$534,327	0.00%
Fund Transfer - Revenue	\$0	\$0	\$0	na
Miscellaneous	\$11,569	\$12,031	\$12,250	5.89%
<b>Total Resources</b>	<b>\$545,896</b>	<b>\$12,031</b>	<b>\$546,577</b>	<b>0.12%</b>
<b>Requirements</b>				
External Materials & Services	\$109	\$109	\$109	0.00%
Internal Materials & Services	\$20,000	\$0	\$20,000	0.00%
Fund Transfers - Expense	\$525,787	\$10,033	\$526,468	0.13%
<b>Total Requirements</b>	<b>\$545,896</b>	<b>\$10,142</b>	<b>\$546,577</b>	<b>0.12%</b>

### Campaign Finance Fund

The Campaign Finance Fund will be closed at the end of FY 2010-11. Any additional fund balance not distributed back to contributing bureaus or paying for expenditures will be transferred to the General Fund.

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Bancroft Bond Fund 311</b>				
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$15,948,373	\$0	\$15,019,240	-5.83%
Bond and Note Revenues	\$0	\$1,500,000	\$1,500,000	na
▶ Miscellaneous	\$8,693,522	\$4,868,929	\$6,945,020	-20.11%
<b>Total Resources</b>	<b>\$24,641,895</b>	<b>\$6,368,929</b>	<b>\$23,464,260</b>	<b>-4.78%</b>
<b>Requirements</b>				
Unappropriated Fund Balance	\$12,529,154	\$0	\$10,053,680	-19.76%
▶ Bond Expenses	\$8,612,741	\$4,366,126	\$9,910,580	15.07%
Fund Transfers - Expense	\$3,500,000	\$3,500,000	\$3,500,000	0.00%
<b>Total Requirements</b>	<b>\$24,641,895</b>	<b>\$7,866,126</b>	<b>\$23,464,260</b>	<b>-4.78%</b>

### Bancroft Bond Fund

Miscellaneous Revenues are projected to come in 20% below budget due to estimates based upon a pending bond sale which will not occur this fiscal year.

Bond Expense reflects an over expenditure of 15% which is due to a non-bond expense, an internal loan of \$1.5 million to BDS, hitting this commitment item. Actual bond expense is projected to be within 98% of budget, at \$8.4 million.

LID Construction Fund 401	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$5,309,031	\$0	\$5,309,031	0.00%
Charges for Services	\$815,540	\$560,349	\$841,300	3.16%
▶ Fund Transfers - Revenues	\$2,788	\$0	\$0	-100.00%
Bond & Note Revenue	\$7,015,204	\$4,837,951	\$7,015,204	0.00%
Miscellaneous Revenues	\$2,372,500	\$2,103,847	\$2,216,500	-6.58%
<b>Total Resources</b>	<b>\$15,515,063</b>	<b>\$7,502,147</b>	<b>\$15,382,035</b>	<b>-0.86%</b>
<b>Requirements</b>				
Uappropriated Fund Balance	\$0	\$0	\$4,706,614	na
External Materials & Services	\$445,000	\$421,843	\$445,000	0.00%
Internal Materials & Services	\$1,648,940	\$418,629	\$1,440,928	-12.61%
Bond Expenses	\$5,849,068	\$4,878,161	\$5,849,068	0.00%
Fund Transfers - Expense	\$2,940,425	\$741,438	\$2,940,425	0.00%
Contingency	\$4,631,630	\$0	\$0	-100.00%
<b>Total Requirements</b>	<b>\$15,515,063</b>	<b>\$6,460,071</b>	<b>\$15,382,035</b>	<b>-0.86%</b>

### LID Construction Fund

The Beginning Fund Balance has been trued up to reflect the 2010 CAFR fund balance.

Internal Materials & Services expenditures are estimated to be 12.6% lower than budget due to decreased IA billings.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of Government Relations**

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

**Service Improvement Plans**

The office's Service Improvement Plan focuses on improvements needed to adequately prepare for the state and federal legislative sessions. The office was working with the Bureau of Technology Services (BTS) to upgrade their legislative tracking system before the state session started; however, BTS was unable to complete the work in time. The bureau has begun to investigate other systems that are available on the market and plan to do a more comprehensive assessment of their needs prior to the 2012 session. To increase public outreach efforts, the office moved up its legislative planning calendar and held Community Engagement Town Hall meetings that enabled citizens to review the City's legislative package. They are also developing a customer service survey that will be available in the fall of 2011.

**FY 2010-11 Projection**

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Interagency Revenue	\$72,271	\$0	\$72,271	0.00%
General Fund Discretionary	\$483,718	\$0	\$454,757	-5.99%
General Fund Overhead	\$646,975	\$0	\$646,975	0.00%
<b>Total Resources</b>	<b>\$1,202,964</b>	<b>\$0</b>	<b>\$1,174,003</b>	<b>-2.41%</b>
<b>Requirements</b>				
Personal Services	\$760,892	\$463,981	\$740,003	-2.75%
External Materials and Services	\$289,327	\$144,960	\$284,000	-1.84%
Internal Materials and Services	\$152,745	\$90,994	\$150,000	-1.80%
<b>Total Requirements</b>	<b>\$1,202,964</b>	<b>\$699,935</b>	<b>\$1,174,003</b>	<b>-2.41%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The bureau projected no significant variances in spending from budget for FY 2010-11. Financial Planning agrees with the bureau's projections for personal services and internal materials and services. However, based on current expenditure patterns, Financial Planning believes the bureau will incur savings of approximately \$25,000 in external materials and services.



**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of Human Relations**

**Summary of Significant Issues**

Currently Commissioner Fritz's office is developing an Office of Equity proposal for FY 2011-12. It is expected that the Human Relations staff and bureau budget would transfer to the new office in FY 2011-12.

**Recommended Requests**

*1. HN\_005/OHR Personal Services Adjustment \$0*

OHR had unplanned personnel actions occur in the current fiscal year which have resulted in projected overspending of the bureau's Personal Services allocation. An upward position reclassification coupled with a partial year position vacancy which produced some salary savings but also vacation payout expense, has in total created a projected \$10,000 overexpenditure. This request would move \$4,800 from the bureau's interagency agreement with City Fleet and \$5,200 from miscellaneous External Materials & Services to cover the Personal Services costs.

*FPD Recommendation: \$0 net adjustment, \$10,000 transfer from Materials & Services to Personal Services*

*1. HN\_006/OHR Carryover for Intergroup Dialogues (\$40,000)*

OHR is requesting to reduce their FY 2010-11 budget by \$40,000 to carry over into FY 2011-12. Originally it was thought that Purchasing would be able to encumber the funds in a contract by the end of the current fiscal year, but it appears that this will not occur. The contract will provide facilitator, peer coaching, and train-the-trainer trainings for the Intergroup Dialogue program.

*FPD Recommendation: (\$40,000) reduction from GF Discretionary to carry forward to FY 2011-12*

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

**FY 2010-11 Adopted Budget Decision Packages**

**4% Reduction Package**

OHR met their current year reduction target with a 1% (\$6,143) one-time reduction to education and out of town travel and a 3% (\$18,427) ongoing reduction to Professional Services (contracts). This has not resulted in significant operational impacts.

**Fleet IA Decision Package**

OHR established a \$5,000 Interagency Agreement with City Fleet to lease a vehicle for office use. Upon further discussions with City Fleet, OHR determined it would be too expensive for them to justify leasing an office vehicle so this Spring BMP includes a request to move the IA funding to Personal Services to cover a projected overexpenditure.

**Service Improvement Plans**

The elements of the current plan include:

- Establish an effective referral system to triage incoming human rights abuse cases

- Increase the visibility and credibility of the HRC in holding institutions accountable for safeguarding the human rights of all people
- Deepen collaboration with City bureaus to further equity and access for underrepresented groups

The SIP is currently on hold as OHR undergoes the transition to the new Office of Equity. It is expected that these goals will be incorporated into the new office.

### FY 2010-11 Projection

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
GF Discretionary	\$611,509	\$0	\$577,276	-5.60%
<b>Total Resources</b>	<b>\$611,509</b>	<b>\$0</b>	<b>\$577,276</b>	<b>-5.60%</b>
<b>Requirements</b>				
Personal Services	\$422,754	\$268,104	\$421,576	-0.28%
External Materials & Services	\$150,087	\$36,339	\$119,973	-20.06%
Internal Materials & Services	\$38,668	\$23,383	\$35,727	-7.61%
<b>Total Requirements</b>	<b>\$611,509</b>	<b>\$327,826</b>	<b>\$577,276</b>	<b>-5.60%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The projections reflect a total of 5.6% underspending of the bureau's General Fund Discretionary allocation. The bureau Personal Services budget was projected to be overspent due to a mid-year unplanned upward position reclassification and significant vacation payout, but \$10,000 is requested to be moved in the Spring BMP to cover the possible overspending. The funding would be moved from the bureau's City Fleet IA and miscellaneous Materials & Services budgets, both of which are projected to be underspent.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Council Offices**

**Office of the Mayor**

**Recommended Request**

*1. MY\_009/Mayor – Recognize Revenues, \$12,332*

This request will increase the Mayor's Office appropriation for External Materials & Services by \$12,332. These revenues are from refunds, sponsorships, and travel reimbursements to the Mayor's Office.

*FPD Recommendation: \$12,332*

**Comments on FY 2010-11, Fall, and Winter BMP Decision Packages**

***One-Time EM&S & Program Reduction,(\$10,144)***

The package reduces office supplies (\$2,000) and funding for the Summer Youth Employment program (\$8,144) on a one-time basis.

Status report: Complete. The reduction has been made.

***EM&S & Program Ongoing Cut,(\$30,432)***

The package reduces miscellaneous services (\$5,000) and funding for the Summer Youth Employment program (\$25,432) on an ongoing basis.

Status report: Complete. The reduction has been made.

***Education Program,\$741,750***

The package requests one-time General Fund discretionary to support of a variety of programs and services, including: Summer Youth Connect, Future Connect Scholarship, Portland Schools Foundation, Education Cabinet, Education Summit, SUN services, and Multnomah Youth Commission.

Status report: Underway. Most funds are to be spent for summer programs. The grant agreements and contracts for the remaining funds are in progress.

***Office of Youth Violence Prevention, \$70,000, 0 FTE***

This addition increases the appropriation of the Mayor's Office by \$70,000 using unspent funds in FY 2009-10. In FY 2010-11, this amount will be transferred to the bureau of Parks & Recreation to fund additional employment opportunities for youths in the Portsmouth neighborhood.

Status report: Complete. Funds were transferred to bureau of Parks & Recreation as directed.

***Encumbrance Carryover, \$122,804, 0 FTE***

This encumbrance carryover request will provide additional appropriation for the Mayor’s Office to fund three existing contracts created in FY 2009-10.

Status report: Complete. Funds were added to the Mayor’s Office.

***Transfer the Office of Youth Violence Prevention to Mayor’s Office, \$566,625, 2 FTE***

This action transfers the above office to the Mayor’s Office from the Office of Neighborhood Involvement per the Mayor’s direction.

Status report: Complete. The above funds and positions were added to the Mayor’s Office.

***Transfer Police Bureau Interagency to Mayor’s Office, \$227,892, 2 FTE***

This action transfers interagency revenue from the Police Bureau to the Mayor’s Office to fund the police liaison function in this office.

Status report: Complete. The above funds and positions were added to the Mayor’s Office.

***Cradle to Career, \$50,000***

This package provides \$50,000 for Cradle to Career, a division of the Education Program of the Portland Schools Foundation. Work will include development of organizational, business, communication plans to better support children and youth.

Status report: Complete. Funds have been granted to Portland Schools Foundation.

**FY 2010-11 Projection**

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Intergovernmental Revenues	119,212	79,475	119,212	0.00%
Interagency Revenue	722,071	524,547	722,071	0.00%
Miscellaneous	45,669	39,756	45,669	0.00%
General Fund Discretionary	2,417,245	0	2,295,979	-5.02%
General Fund Overhead	994,610	0	979,703	-1.50%
<b>Total Resources</b>	<b>\$4,298,807</b>	<b>\$643,778</b>	<b>\$4,162,634</b>	<b>-3.17%</b>
<b>Requirements</b>				
Personal Services	2,218,451	1,464,669	2,211,771	-0.30%
External Materials and Services	1,669,333	158,750	1,540,886	-7.69%
Internal Materials and Services	411,023	295,071	409,977	-0.25%
<b>Total Requirements</b>	<b>\$4,298,807</b>	<b>\$1,918,490</b>	<b>\$4,162,634</b>	<b>-3.17%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Based on the financial information reported in the Spring BMP, FPD projects that the office will finish the fiscal year with approximately 97% of its appropriation expended. Last fiscal year, the office expended approximately 91% of its appropriation by year end.

**Commissioner of Public Affairs (Saltzman)**

**Recommended Request**

*1. PA\_005/Children's Investment Fund – Levy Spring BMP 2011,(\$1,067,427)*

This request will reduce the fund's estimated revenue by \$1,067,427 based on the latest projections from the City economist. The fund's contingency will be reduced accordingly.

*FPD Recommendation: (\$1,067,427)*

**Comments on FY 2010-11 and Fall BMP Decision Packages**

***Hold Position Vacant, (\$9,228)***

The package reduces personal services on a one-time basis by holding an administrative support position vacant for approximately 2 months to generate the above saving.

Status report: Complete. The office is evaluating the position requirements for the new hire.

***Ongoing EM&S Reduction, (\$27,684)***

The package reduces miscellaneous services used in support of office operations (\$2,673), youth violence prevention (\$13,527), and the domestic violence center (\$11,484). The reductions are ongoing in nature, but are not expected to have a significant impact on program operations.

Status report: Complete. No negative impacts to operations projected at this time.

***Commissioner of Public Affairs – Encumbrance Carryover, \$334,758, 0 FTE***

This encumbrance carryover will increase appropriation for the Commissioner's Office for expenditures related to the Gateway Center for Domestic Violence.

Status report: Complete. Funds were added to office's budget as planned.

***Commissioner of Public Affairs – Additional Funding for Gateway Center for Domestic Violence, \$768,900, 0 FTE***

This package provides additional funding for the Commissioner's Office to fund expenditures related to the Gateway Center for Domestic Violence. These expenditures are part of signed agreements approved by Council in May 2010. The requested amount represents the unspent funds of this program in FY 2009-10.

Status report: Complete. Funds were added to office's budget as planned.

***Commissioner of Public Affairs – Grant Award, \$225,000, 0 FTE***

This request will appropriate grant proceeds to fund expenditures related to the Gateway Center for Domestic Violence.

Status report: Complete. Funds were added to office's budget in the Fall BMP. The grantee is providing services as planned.

***Commissioner of Public Affairs - Transfer Police Bureau Interagency to Mayor's Office, (\$227,892), (2) FTE***

This action transfers the interagency revenue to the Mayor's Office to fund the police liaison function now in the Mayor's Office.

Status report: Complete. The above funds and positions were transferred out of the Commissioner's Office.

***Encumbrance Carryover, \$334,759***

This request carries over \$334,759 in encumbrances related to the Gateway Center for Domestic Violence from last fiscal year.

Status report: Complete. Funds were added to the office’s budget in the Fall BMP.

***Program Carryover, \$768,900***

This request is for the Gateway Center for Domestic Violence program carryover.

Status report: Complete. Funds were added to the office’s budget in the Fall BMP.

***Appropriate Funding for Awarded Grants, \$225,000***

This request is to appropriate funding in the Grant Fund for the two grants awarded to the Gateway Center for Domestic Violence.

Status report: Underway. Goods and services are being procured and report requirements are being met according to the terms of the grants.

**FY 2010-11 Projection**

**Commissioner of Public Affairs – General Fund**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
General Fund Discretionary	1,400,687	0	1,238,895	-11.55%
General Fund Overhead	1,184,741	0	1,184,741	0.00%
<b>Total Resources</b>	<b>\$2,585,428</b>	<b>\$0</b>	<b>\$2,423,636</b>	<b>-6.26%</b>
<b>Requirements</b>				
Personal Services	951,800	604,248	903,333	-5.09%
External Materials and Services	1,481,950	385,704	1,372,673	-7.37%
Internal Materials and Services	151,678	94,440	147,630	-2.67%
<b>Total Requirements</b>	<b>\$2,585,428</b>	<b>\$1,084,392</b>	<b>\$2,423,636</b>	<b>-6.26%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

No significant issues.

**Commissioner of Public Affairs – Portland Children’s Levy Fund**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	4,875,468	0	4,875,468	0.00%
Taxes	12,746,355	11,644,271	12,746,355	0.00%
Miscellaneous	0	51,124	52,000	N/A
<b>Total Resources</b>	<b>\$17,621,823</b>	<b>\$11,695,395</b>	<b>\$17,621,823</b>	<b>0.00%</b>
<b>Requirements</b>				
Personal Services	431,613	286,851	431,613	0.00%
External Materials and Services	15,758,678	7,029,001	15,760,678	0.01%
Internal Materials and Services	43,480	22,783	43,480	0.00%
Fund Transfers - Expense	25,000	16,667	25,000	0.00%
Contingency	1,363,052	0	0	N/A
Unappropriated Fund Balance	0	0	1,413,052	N/A
<b>Total Requirements</b>	<b>\$17,621,823</b>	<b>\$7,355,302</b>	<b>\$17,673,823</b>	<b>0.30%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The fund’s estimated revenue was reduced by \$1,067,427 to reflect the latest projections by the City Economist. The fund’s contingency was reduced accordingly to offset the new estimate.

**Commissioner of Public Safety (Leonard)**

There are no new requests in the Spring BMP.

**Comments on FY 2010-11, Fall, and Winter BMP Decision Packages**

***EM&S One-Time Reduction, (\$3,342)***

The package reduces funding for miscellaneous equipment and supplies. The commissioner’s office received approximately \$10,000 in rent savings. These savings were reallocated to other categories within the office budget, including equipment and supplies.

Status report: Complete. The reduction was taken.


***EM&S & PS Ongoing Reduction, (\$10,027)***

The package reduces funding for seasonal interns, travel, and office equipment. Funding for interns is reduced from \$6,082 to \$2,082, which will shift some of the administrative workload to other staff. The other reductions in materials and services have no impact on current services.

Status report: Complete. The reduction was taken.

**FY 2010-11 Projection**

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
General Fund Discretionary	318,943	0	311,487	-2.34%
General Fund Overhead	431,773	0	431,773	0.00%
<b>Total Resources</b>	<b>\$750,716</b>	<b>\$0</b>	<b>\$743,260</b>	<b>-0.99%</b>
<b>Requirements</b>				
Personal Services	624,655	413,666	620,925	-0.60%
External Materials and Services	15,911	2,158	14,463	-9.10%
Internal Materials and Services	110,150	71,792	107,872	-2.07%
<b>Total Requirements</b>	<b>\$750,716</b>	<b>\$487,616</b>	<b>\$743,260</b>	<b>-0.99%</b>

 Revenue was not within 10% of target, or expense exceeded budget
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No significant issues.



**Commissioner of Public Utilities (Fritz)**

There are no new requests in the Spring BMP.

**Comments on FY 2010-11, Fall, and Winter BMP Decision Packages**

***Hold Vacant Position,(\$18,236)***

The package reduces personal services on a one-time basis by holding a position vacant for approximately 3-4 months. The position has been vacant since August, 2009.

Status report: Complete. The reduction was taken.


***Reclass Vacant Position, (\$10,446)***

The package reduces the salary rate for a position from mid-range to bottom step, resulting in ongoing savings. The position is currently vacant, and is expected to remain vacant for approximately 3-4 months to generate the above saving.

Status report: Complete. The reduction was taken.

**FY 2010-11 Projection**

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Interagency Revenue	88,992	50,641	88,992	0.00%
General Fund Discretionary	317,366	0	300,771	-5.23%
General Fund Overhead	446,348	0	446,348	0.00%
<b>Total Resources</b>	<b>\$852,706</b>	<b>\$50,641</b>	<b>\$836,111</b>	<b>-1.95%</b>
<b>Requirements</b>				
Personal Services	699,324	449,011	694,647	-0.67%
External Materials and Services	22,850	3,837	12,155	-46.81%
Internal Materials and Services	130,532	86,095	129,309	-0.94%
<b>Total Requirements</b>	<b>\$852,706</b>	<b>\$538,943</b>	<b>\$836,111</b>	<b>-1.95%</b>

 Revenue was not within 10% of target, or expense exceeded budget
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Overall, the office is projected to finish the fiscal year with 98% of budget expended. In FY 2009-10, the office ended the fiscal year with approximately 97% of its budget expended. The under expenditure in External Materials and Services is due to appropriation transfer from Personal Services, because the office does not anticipate to fill vacancy before year end.

**Commissioner of Public Works (Fish)**

**Recommended Request**

1. PW\_001/Establish Interagencies with BES and Parks, \$20,000

This request is to establish interagencies with the Bureau of Environmental Services and Parks for \$10,000 each to support the development of an organizational structure and funding strategies to implement and enforce the tree code and policy.

FPD Recommendation: \$20,000

**Comments on FY 2010-11 and Fall BMP Decision Packages**

***EM&S and Personal Services Intern Reduction, (\$3,563)***

The package reduces out-of-town travel (\$2,337) and funding for seasonal interns (\$1,226) on a one-time basis

Status report: Complete. The reduction was taken.

***3% Ongoing Reduction, (\$10,690)***

The package reduces ongoing funding for seasonal interns, office supplies, cell phones, and use of the City's motor pool.

Status report: Complete. The reduction was taken.

***Housing IA for New Position, \$30,000, 0.8 FTE***

This addition provides funding for a full-time permanent administrative support position to serve as the office receptionist. The position will be funded via a \$30,000 interagency with the Housing Bureau, and savings achieved by reducing an existing position from full-time to part-time.

Status report: Complete. The position was hired.

**FY 2010-11 Projection**

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Interagency Revenue	120,000	50,000	120,000	0.00%
General Fund Discretionary	340,105	0	308,461	-9.30%
General Fund Overhead	460,043	0	460,043	0.00%
<b>Total Resources</b>	<b>\$920,148</b>	<b>\$50,000</b>	<b>\$888,504</b>	<b>-3.44%</b>
<b>Requirements</b>				
Personal Services	780,409	496,540	751,595	-3.69%
External Materials and Services	15,242	2,680	14,022	-8.00%
Internal Materials and Services	124,497	81,624	122,887	-1.29%
<b>Total Requirements</b>	<b>\$920,148</b>	<b>\$580,844</b>	<b>\$888,504</b>	<b>-3.44%</b>

No significant issues.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of Management and Finance (General Fund Bureaus)**

**Summary of Significant Issues**

The bureau's requests for carryover of General Fund resources and new General Fund resources are not recommended. Financial Planning believes that underspending in the bureau is sufficient enough to cover all requests for additional funds. Please see the detailed write-ups below for more information.

**Recommended Requests**

*1. MF\_267/Bus Ops-MSS and NeoGov Funding, \$0*

The bureau requests to transfer \$155,000 from the Business Operations Division to the EBS Services Division to implement SAP Manager Self-Service (\$135,000) and support the implementation of NeoGov (\$20,000). Financial Planning is concerned that General Fund discretionary dollars are being used for SAP implementation costs that are typically billed to all bureaus in the City via interagency charges. If these funds are not transferred to EBS Services, they would most likely fall to the General Fund ending balance and be available for discretionary spending in FY 2011-12. Financial Planning recommends the request give the excess General Fund that is available in OMF's budget. However, the transfer of these funds does impact the recommendations made for additional General Fund discretionary requests as noted below.

*FPD Recommendation: \$0*

**Not Recommended Requests**

*1. MF\_226/OMF General Fund Personal Services Carryover, (\$216,000)*

The bureau requests to carry over unspent General Fund resources in personal services from FY 2010-11 to FY 2011-12 for anticipated employee retirement payouts. Financial Planning has developed an alternative proposal to deal with Citywide retirements in all bureaus. The Proposed Budget will include a retirement set-aside in FY 2011-12 that will be available for bureaus to request funding for retirement payouts. Since funding for retirement payouts is typically paid from bureau savings in the year of the retirement, compensation set-aside funds, or unrestricted contingency, the citywide retirement set-aside is expected to be used as a last resort for bureaus that are not able to pay for their retirements through the mechanisms noted above. Bureaus can request this funding in the FY 2011-12 Spring BMP.

*FPD Recommendation: \$0*

*2. MF\_196/GF-COLA Set Aside, \$53,802*

The bureau requests funding from the General Fund Compensation Set-Aside for increased personal services costs in the Accounting Division. The costs are related to increased overtime to complete the annual CAFR. Financial Planning's projections, however, show significant personal services savings within other areas of the bureau that are able to cover the expected costs. In addition, the bureau has also requested to move \$60,000

of personal services savings in the Financial Planning division to internal materials and services to fund increased charges from the Bureau of Technology Services. Financial Planning's policy is to deny requests for Compensation Set-Aside if a bureau has moved funding out of personal services to another line item. For these reasons, Financial Planning recommends against the request.

*FPD Recommendation: \$0*

3. MF\_207/*Financial Planning-Focused Review, \$150,000*

The bureau requests additional General Fund discretionary resources to fund an external focused review of the Office of Management and Finance at the direction of the Mayor. Financial Planning's projections show that there are sufficient available resources within the bureau to fund the review without the additional discretionary resources. In addition, the Business Operations Division is transferring discretionary resources to the EBS Services Division for SAP implementation expenses. If necessary, these discretionary resources should be used to fund the focused review first, rather than support expenses in a rate supported division. For these reasons, Financial Planning recommends against the request.

*FPD Recommendation: \$0*

## **Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **Budget Notes**

All budget notes are currently on track or already complete.

### **Decision Packages & BMP Non-Technical Requests**

The bureau is implementing all add packages as directed by Council. Funds are expected to be completely spent within the current year.

### **Service Improvement Plans**

The bureau's strategic plan was approved in February 2011, and it is already being implemented by staff. The reorganization of the Business Operations division is complete and the new Bureau of Internal Business Services is operational. Proposed changes to City Code to reflect the reorganization will be adopted by the end of the fiscal year.

## FY 2010-11 Projection

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Licenses & Permits	\$862,000	\$630,294	\$897,200	4.08%
▶ Charges for Services	\$344,149	\$40,984	\$255,298	-25.82%
Intergovernmental Revenues	\$1,091,375	\$694,365	\$1,027,064	-5.89%
Interagency Revenue	\$7,670,385	\$4,514,915	\$7,260,436	-5.34%
Fund Transfers - Revenue	\$464,020	\$138,477	\$464,020	0.00%
▶ Miscellaneous	\$1,185,299	\$105,658	\$989,034	-16.56%
General Fund Discretionary	\$11,000,452	\$0	\$10,701,807	-2.71%
General Fund Overhead	\$7,738,720	\$0	\$7,732,694	-0.08%
<b>Total Resources</b>	<b>\$30,356,400</b>	<b>\$6,124,693</b>	<b>\$29,327,553</b>	<b>-3.39%</b>
<b>Requirements</b>				
Personal Services	\$21,234,263	\$13,507,113	\$20,941,193	-1.38%
External Materials and Services	\$3,652,323	\$1,065,545	\$3,070,297	-15.94%
Internal Materials and Services	\$5,469,814	\$3,343,084	\$5,316,063	-2.81%
<b>Total Requirements</b>	<b>\$30,356,400</b>	<b>\$17,915,742</b>	<b>\$29,327,553</b>	<b>-3.39%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The only significant variance in the bureau's projected spending is in external materials and services. Year-to-date expenses in external materials and services are significantly below budget considering that two-thirds of the fiscal year is complete. The savings, resulting from reductions in consulting services and travel, are in Debt and Treasury, Human Resources, and the CAO's Office. The savings are also reflected in the revenue projection, most notably in miscellaneous revenues (interest earnings for Treasury) and charges for services. According to the bureau's projection above, the bureau will return \$304,671 of discretionary funds to the General Fund at year end. Financial Planning's projections are shown below.

## FPD Projection

	FY 2010-11 Revised Budget	FY 2010-11 Year-End Projection	Difference	Percent Variance
<b>Resources</b>				
Licenses & Permits	\$862,000	\$945,438	\$83,438	9.68%
Charges for Services	\$340,149	\$261,476	-\$78,673	-23.13%
Intergovernmental Revenues	\$1,091,375	\$1,041,549	-\$49,826	-4.57%
Interagency Revenue	\$7,670,385	\$6,625,537	-\$1,044,848	-13.62%
Fund Transfers - Revenue	\$464,020	\$138,477	-\$325,543	-70.16%
Miscellaneous	\$1,176,429	\$908,487	-\$267,942	-22.78%
General Fund Discretionary	\$11,022,650	\$10,600,457	-\$422,193	-3.83%
General Fund Overhead	\$7,738,720	\$7,738,720	\$0	0.00%
<b>Total Resources</b>	<b>\$30,365,728</b>	<b>\$28,260,141</b>	<b>-\$2,105,587</b>	<b>-6.93%</b>
<b>Requirements</b>				
Personal Services	\$21,369,461	\$20,337,796	-\$1,031,665	-4.83%
External Materials and Services	\$3,775,323	\$2,607,710	-\$1,167,613	-30.93%
Internal Materials and Services	\$5,220,944	\$5,314,635	\$93,691	1.79%
<b>Total Requirements</b>	<b>\$30,365,728</b>	<b>\$28,260,141</b>	<b>-\$2,105,587</b>	<b>-6.93%</b>

Financial Planning's projections vary from the bureau's in the areas of personal services and external materials and services. Although Financial Planning's projections for expenses are about \$1 million less than the bureau's, the FPD projections for external revenues are also much lower. The key factor in the two projections is the General Fund discretionary and overhead funding. Financial Planning projects an under-expenditure of \$422,193 compared to the bureau's projection of \$304,671. The difference in the projections amounts to only 0.5% of the combined General Fund resources. Given that the bureau and FPD agree that there will be under-expenditures in General Fund resources, and that FPD is not recommending the reduction of \$216,000 from the bureau for retirement carryovers, Financial Planning believes that the bureau can absorb the \$203,802 requested for the focused review and COLA set-aside within existing resources.

It should also be noted that both projections assume that approximately \$500,000 of additional contract and floor remodeling costs will be incurred by year end.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Bureau of Internal Business Services**

This analysis includes the following internal services funds: CityFeet Operating Fund, Printing & Distribution Services Operating Fund, Facilities Services Operating Fund, Insurance & Claims Operating Fund, Workers' Compensation Self Insurance Operating Fund, Spectator Facilities Operating Fund, and BFRES Facilities GO Bond Construction Fund. This review also includes of the Bureau of Procurement Services which is funded primarily by the General Fund.

**Recommended Requests**

All requests in the Spring BMP are recommended as proposed. The significant requests are presented below.

1. *MF\_180/Facilities – City Hall Re-Stack, \$151,000*

This package requests one-time General Fund resources to alleviate the office and storage over-crowding situation in City Hall. The project will impact the offices of Government Relations, City Attorney, and City Auditor. This effort is the outcome of the Work Session on Space Planning in December 2010, in which Council directed OMF to develop plans for the City Hall Restacking project.

This request provides funding to move and locate current staff within the existing City Hall office configurations. A separate project is underway to move the Treasury and Debt Management Divisions from City Hall into the Portland Building. It is estimated that this project will cost \$256,000 and it will be funded within existing OMF resources.

*FPD Recommendation: \$151,000 General Fund One-time*

2. *MF\_199/Procurement – Recognize New Revenue, \$131,545*

This request recognizes new revenue for the Bureau of Procurement Services from procurement card rebate, PDC service reimbursement, and other miscellaneous refunds. The appropriation for the Personal Services and Internal Materials & Services categories will be increased accordingly.

*FPD Recommendation: \$131,545*

3. *MF\_276/CityFleet – Fund Transfer from Facilities, \$725,000*

This action recognizes additional fund transfer revenue from Facilities Major Maintenance Fund to CityFleet for the fuel station replacement and construction costs. Soil contamination, remediation, and removal costs have added additional expenditures to this project.

*FPD Recommendation: \$725,000*

**Comments on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

### **Budget Notes**

Strategic investment of \$100,000 of City funds from RACC Opportunity Grant will be redirected in FY 2010-11 to fund the Creative Advocacy Network (CAN), contingent upon CAN achieving mutually agreed upon benchmarks to draw the community closer to sustainable dedicated cultural funding.

Status Report: Complete. The Mayor's office has implemented this provision as part of RACC's FY 2010-11 operating agreement.

### **Decision Packages & Fall BMP Non-Technical Requests**

#### ***CityFleet-Bio-diesel #1, (\$261,704), 0 FTE***

In FY 2010-11, CityFleet will to use B-20 biodiesel year round. This decision package will yield an estimated annual savings of \$261,704 and does not impact CityFleet's rate budget. The savings will be passed on to the bureaus using biodiesel fuel.

Status Report: Underway. CityFleet is on target to meet the amount stated in this reduction package when the fiscal year ends in June 2011.

#### ***CityFleet-Bio-diesel #2,(\$330,000), 0 FTE***

In this decision package, CityFleet will purchase the B-20 blend of biodiesel as explained above from a less expensive type of feedstock manufactured from soy or recycled cooking oil. This type of fuel is consistent with requirements in Ordinance #180313 and will yield an estimated annual savings of \$330,000. The saving from this package will be passed onto the bureaus using biodiesel fuel.

Status Report: Underway. CityFleet is on target to meet the amount stated in this reduction package by year end.

#### ***Printing & Distribution-Position Reduction,(\$32,487), (1.0) FTE***

This reduction package will eliminate a currently vacant Reprographic Operator I position due to increased efficiencies and decreased workload.

Status Report: Complete. There is no negative impact on performance caused by this reduction.

#### ***FA-Janitorial Contract Reduction Daytime Service,(\$44,487), 0 FTE***

This decision package reduces janitorial costs by performing the services during working hours; instead of after hours. These services impact the Portland Building, City Hall, and the 1900 Building.

Status Report: Complete. All cost savings have been accounted for as projected. Service levels at all buildings remain acceptable.

#### ***FA-Security Service Reduction-Reduce Guards /MF\_05,(\$43,390), 0 FTE***

This package will reduce security costs by eliminating the rover position which covers work breaks for other guards and patrols the outside of the building. This package will also require the door guards to start at 7 AM instead of 6 AM. The desk guards will serve double duty (staff the desk and deal with the public) during work breaks and before hours. Theses changes will impact the Portland Building and City Hall

Status Report: Complete. The projected cost reduction has been accounted for and security service level continues to be acceptable.

#### ***FA-Modify Portland Building Operational Practices,(\$57,153),0 FTE***

This decision package will reduce the operational costs of the Portland Building by changing the setting of the HVAC system lower earlier in the evening and restoring it later in morning and to reduce minor maintenance items for the building.

Status Report: Underway. HVAC systems were set back an additional 30 minutes, and there have been no after hours operation. Due to scheduling janitorial staff for day time shifts, lighting needs for the building



are also reduced. Work order efficiencies have resulted in less overtime by mechanics. Water flow restrictors were installed in all faucets and showers, and reduced flow toilet flush devices are currently being installed.

***FA – Mayor’s Security Service,\$106,000***

The package provides ongoing funding for the Mayor’s personal security. The guards are contracted through Wakenhut. The expenses are currently funded by one-time interagency revenue through Facilities Services.

Status Report: Complete. Services are being provided as planned.

***EM – Emergency Coordination Center, \$19,849,000***

The new center would allow the Portland Office of Emergency Management to move from a leased space to a new and permanent location and co-locate with the Water Bureau Emergency Management Section. The overall management of this project is the responsibility of the Water Bureau.

Status Report: Underway. The project design is currently 60% complete. The revised medium confidence cost estimate is \$19,849,000. Construction is currently anticipated to begin in mid-FY 2011-12. Voters approved \$4.0 million of GO Bonds for this project in November 2010. Facilities now has all the resources needed to fund the project estimated cost. The project estimate was included in the OMF FY 2011-12 Requested Budget and Capital Plan.

***Risk-Cut Internal Services (Radios),(\$3,928),0 FTE***

This package will reduce the Insurance & Claims (I&C) Fund by eliminating three emergency radios that are not being used. I&C staff would be using cell phones for communication instead of radios.

Status Report: Complete. No negative impacts on operations reported.

***Risk-Cut Internal Services (Parking),(\$1,355),0 FTE***

This package will reduce the Workers’ Compensation Loss Prevention budget by eliminating one City-paid monthly parking pass at the First & Jefferson parking garage.

Status Report: Complete. No negative impacts on operations reported.

***Risk-Cut Education, Travel, Dues, Subscription,(\$10,000), 0 FTE***

This package will reduce the Insurance & Claims budget for staff education, travel, subscriptions and professional membership dues.

Status Report: Complete. The fall Ergo and Wellness Fair were eliminated as a result of this reduction.

***Procurement-One-time Reduction of External M&S,(\$8,426), 0 FTE***

This is a one-time reduction to the Bureau of Procurement Services budget for External Materials & Services.

Status Report: Complete. No major impacts on customers reported.

***Procurement-Ongoing Reduction of External M&S,(\$25,279),0 FTE***

This is an ongoing reduction to the Bureau of Procurement Services budget for miscellaneous services category which includes professional membership fees and participation in outreach events to Minority, Women, and Emerging Small Businesses.

Status Report: Complete. Existing performance measure results, particularly those measuring MWESB involvement in City contracting, may be reduced as a result of this reduction.

***Procurement-One-time Personnel for ARRA,\$194,862 One-time Interagency Revenue, 2.5 FTE***

This decision package provides one-time funding for 2.5 FTE to support the increased workload caused by the Federal American Recovery and Reinvestment Act and the local stimulus efforts initiated by Council in 2009.

Status Report: Underway. Procurement Services placed 2.5 full time employees on staff to meet the ARRA/Local Stimulus requirements. The 0.5 FTE Procurement Specialist completed the temporary assignment and is no longer on staff. The remaining 2 FTE continue to support the program and will complete their assignments by June 30, 2011.

***Procurement-Minority Evaluator Program Coordinator, \$104,000 One-time Interagency Revenue, 1.0 FTE***

This decision package is in response to Resolution #36757, which requires City Bureaus to include at least one minority evaluator on all contractor evaluation and selection panels awarding City contracts that are in excess of formal solicitation for contracts and are not awarded on the basis of lowest responsible bidder.

Status Report: Underway. The program has placed minority evaluators on 119 proposal evaluation panels and the database now has 284 candidates.

***Facilities Services-The Portland Building LEED-EB Commissioning,\$225,000 Interagency Revenue, 0 FTE***

This package provides funding for the Portland Building to undergo the energy remodeling effort to receive the certification for the Leadership in Energy and Environmental Design-Existing Buildings.

Status Report: Underway. A contractor was selected and the contract was approved by Council in April. The estimated date of completion is January 31, 2012.

**BMP Non-technical Requests**

***CityFleet – PBOT New and Upgraded Equipment,\$1,925,264, 0 FTE***

The Bureau of Transportation has requested new and upgraded equipment for its operations. Existing procedures require Council approval for these requests. The decision making point for these requests is at the bureau requesting the equipment: Bureau of Transportation.

Status Report: Underway. CityFleet has purchased 70 percent of the vehicles and equipment approved by Council. The remaining 30 percent will be completed by June 2011.

***Spectator Facilities – Memorial Coliseum Repairs***

This package transfers \$500,000 from fund contingency to provide additional funding for the repairs at the Memorial Coliseum. Because the revenue will be drawn from the Spectator Facilities Fund contingency, there is no fiscal impact at the fund level.

Status Report: Complete. The sidewalk, HVAC, arena ceiling paint, and garage lighting projects are complete. There are additional repairs to the chiller system for the arena ice sheet. The seat repair program is deferred, pending completion of a comprehensive restoration plan of the Memorial Coliseum, which is scheduled for completion in the spring 2012.

***Facilities Services – Union Station Grant, \$833,000, 0 FTE***

This item increases the appropriation of the Facilities Services Fund due to a grant proceed from the American Recovery & Reinvestment Act (ARRA) to improve the Union Station.

Status Report: Underway. Work is underway and projected for completion by December 31, 2011.

***Facilities Services – ARRA Grant for Portland Building, \$175,000, 0 FTE***

The Facilities Services Fund has received another ARRA grant from the Oregon Department of Energy to improve the HVAC system in the Portland Building.

Status Report: Underway. Work has begun in January 2011.

***Facilities Services – Increase Interagency with Bureau of Environmental Services, \$446,835***

This action provides funding for the replacement of the HVAC system at the Water Pollution Control Lab and the eco-roof at City Hall.

Status Report: Underway. Work is progressing as planned.

**Facilities Services – Purchase Kelly Building, \$2 million**

Multnomah County owns the building located at 4747 E Burnside. They have declared it surplus property and plan to sell the building. The Police Traffic division is currently occupied approximately half of the facility. This package establishes a budget of \$2 million to purchase the property.

Status Report: Underway. Council has approved \$831,514 of the purchase amount in the Winter BMP. The remaining amount is included in the OMF Requested Budget for FY 2011-12.

**Procurement Services – Encumbrance Carryover, \$427,854**

This request will increase the appropriation of the Bureau of Procurement Services to provide funding for the Disparity Study (\$397,854) and the procurement data tracking system (\$30,000).

Status Report: Underway. The Disparity Study draft report was released for public comment in April, with a final report anticipated to go before City Council in June. The technology upgrade is substantially complete. Final adjustments are underway and are expected to be complete before the end of the fiscal year.

**Service Improvement Plans**

**Reorganization of OMF Business Operations**

In July 2009, OMF reorganized the Business Operations division to create the Bureau of Internal Business Services (BIBS). BIBS provides a number of direct central services to other bureaus and customers. CityFleet, Printing and Distribution, Facilities Services, and Risk Management were combined with Procurement Services to form the new bureau. The reorganization requires substantial code changes to correctly align with the new structure. OMF is on track to complete these changes in this fiscal year.

## FY 2010-11 Projection

### MFIB – General Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Charges for Services	\$1,196	\$1,196	\$1,196	0.00%
Intergovernmental Revenues	\$125,000	\$99,291	\$125,000	0.00%
Interagency Revenue	\$609,426	\$315,984	\$578,955	-5.00%
Miscellaneous	\$206,090	\$25,742	\$187,542	-9.00%
General Fund Discretionary	\$1,605,197	\$0	\$1,596,746	-0.53%
General Fund Overhead	\$3,216,231	\$0	\$3,216,231	0.00%
<b>Total Resources</b>	<b>\$5,763,140</b>	<b>\$442,213</b>	<b>\$5,705,670</b>	<b>-1.00%</b>
<b>Requirements</b>				
Personal Services	\$4,173,980	\$2,594,421	\$4,146,960	-0.65%
External Materials and Services	\$1,067,524	\$677,582	\$1,037,487	-2.81%
Internal Materials and Services	\$521,636	\$344,953	\$521,223	-0.08%
<b>Total Requirements</b>	<b>\$5,763,140</b>	<b>\$3,616,956</b>	<b>\$5,705,670</b>	<b>-1.00%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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The General Fund portion of the Bureau of Internal Business Services (BIBS) includes the Bureau of Procurement Services and BIBS administrative staff. Based on the Spring BMP information, it is projected that this section will complete the fiscal year within its budget. In FY 2009-10, the section ended the fiscal year with only 86% of its appropriation expended. This was due primarily to the disparity study that was budgeted in that fiscal year, but not completed until the following year.

## Fund 400 BFRES GO Bond Construction

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	6,446,556	0	6,311,558	-2.09%
Fund Transfer - Revenue	1,622	0	0	N/A
▶ Miscellaneous	21,913	26,952	36,410	66.16%
<b>Total Resources</b>	<b>\$6,470,091</b>	<b>\$26,952</b>	<b>\$6,347,968</b>	<b>-1.89%</b>
<b>Requirements</b>				
Personal Services		(323)	(323)	N/A
External Materials and Services	720,260	183,725	407,477	-43.43%
Internal Materials and Services	422,968	104,910	210,954	-50.13%
Capital Outlay	3,524,870	530,532	3,042,879	-13.67%
Fund Transfers - Expense	103,050	68,700	103,050	0.00%
Contingency	1,698,943	0	0	N/A
Unappropriated Fund Balance	0	0	2,583,931	N/A
<b>Total Requirements</b>	<b>\$6,470,091</b>	<b>\$887,544</b>	<b>\$6,347,968</b>	<b>-1.89%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Miscellaneous revenue is projected to be higher than budget due to higher than average ending fund balance. The appropriations for the External, Internal Materials & Services, and Capital Outlay categories are maintained at a high level due to uncertainties related to the renovation projects of Fire Stations 18 and 31.

**Fund 607 Spectator Facilities Operating Fund**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	7,896,755		7,896,755	0.00%
Charges for Services	6,165,500	4,006,760	6,220,470	0.89%
Intergovernmental Revenues	1,847,437	243,719	1,847,437	0.00%
Fund Transfers - Revenue	2,862	993	2,862	0.00%
Bond and Note	10,000,000	6,662,179	10,000,000	0.00%
▶ Miscellaneous	139,454	58,801	84,484	-39.42%
<b>Total Resources</b>	<b>\$26,052,008</b>	<b>\$10,972,452</b>	<b>\$26,052,008</b>	<b>0.00%</b>
<b>Requirements</b>				
External Materials and Services	1,840,000	966,614	1,581,000	-14.08%
Internal Materials and Services	456,667	311,217	436,832	-4.34%
Capital Outlay	10,000,000	6,662,179	10,000,000	0.00%
Bond Expenses	6,877,758	1,363,734	6,852,758	-0.36%
Fund Transfers - Expense	103,139	103,139	103,139	0.00%
Contingency	6,774,444	0	0	-100.00%
Unappropriated Fund Balance			7,078,279	N/A
<b>Total Requirements</b>	<b>\$26,052,008</b>	<b>\$9,406,883</b>	<b>\$26,052,008</b>	<b>0.00%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Miscellaneous revenue is projected to be lower than budget due to lower than estimated interest earnings. The External Materials & Services category is also projected to be lower than budgeted due to several projects being on hold at the Memorial Coliseum pending the completion of the PDC Reuse Study.

**Fund 701 Facilities Services**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	15,435,886	0	24,698,000	60.00%
▶ Charges for Services	2,128,416	510,962	766,444	-63.99%
▶ Intergovernmental Revenues	4,045,199	701,989	1,052,983	-73.97%
Interagency Revenue	24,173,003	14,643,138	21,957,810	-9.16%
Fund Transfers - Revenue	3,918,699	1,160,233	3,918,699	0.00%
▶ Bond and Note	8,348,884	0	62,318	-99.25%
▶ Miscellaneous	701,884	365,891	536,130	-23.62%
<b>Total Resources</b>	<b>\$58,751,971</b>	<b>\$17,382,213</b>	<b>\$52,992,384</b>	<b>-9.80%</b>
<b>Requirements</b>				
Personal Services	3,521,132	2,081,431	3,354,335	-4.74%
External Materials and Services	22,195,156	7,704,376	13,476,286	-39.28%
Internal Materials and Services	2,824,468	1,567,589	2,680,738	-5.09%
Capital Outlay	2,155,586	0	0	N/A
Bond Expenses	5,781,739	820,854	5,781,739	0.00%
Fund Transfers - Expense	1,518,306	526,857	1,518,306	0.00%
Contingency	20,755,584	0	0	N/A
Unappropriated Fund Balance			26,180,980	N/A
<b>Total Requirements</b>	<b>\$58,751,971</b>	<b>\$12,701,107</b>	<b>\$52,992,384</b>	<b>-9.80%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

There are technical issues related to the Charges for Services, Intergovernmental Revenues, and Miscellaneous revenue categories due to coding changes when SAP was implemented. As a result, actual revenue budgeted in one category was recorded in a different category, causing a mismatch when doing a comparison of budget to actual for these revenues. OMF has informed FPD that this issue will be resolved in FY 2011-12. On the expenditure side, as with last year the fund is projected to under spend the External Materials & Services and Capital Outlay categories due to delays in major maintenance projects and large capital projects such as the Emergency Communication Center, purchase of high density shelving for the Archives Center, and the purchase of the Kelly Building.

## Fund 702 CityFleet Operating Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	17,936,161	0	17,936,161	0.00%
▶ Intergovernmental Revenues	119,999	67,525	90,033	-24.97%
Interagency Revenue	29,609,262	17,484,234	27,596,467	-6.80%
Fund Transfer Revenue	734,976	0	734,976	0.00%
Bond and Note	50,171	0	50,171	0.00%
▶ Miscellaneous	950,000	274,951	638,009	-32.84%
<b>Total Resources</b>	<b>\$49,400,569</b>	<b>\$17,826,710</b>	<b>\$47,045,817</b>	<b>-4.77%</b>
<b>Requirements</b>				
Personal Services	6,614,453	4,123,362	6,180,536	-6.56%
External Materials and Services	11,593,144	6,211,756	10,596,531	-8.60%
Internal Materials and Services	1,833,753	1,051,305	1,684,162	-8.16%
Capital Outlay	13,270,491	6,004,559	9,335,767	-29.65%
Bond Expenses	278,804	64,266	278,804	0.00%
Fund Transfers - Expense	981,262	606,770	981,262	0.00%
Contingency	14,828,662	0	0	-100.00%
Unappropriated Fund Balance	0	0	17,988,755	N/A
<b>Total Requirements</b>	<b>\$49,400,569</b>	<b>\$18,062,018</b>	<b>\$47,045,817</b>	<b>-4.77%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Overall, the fund is projected to operate within its budget. On the requirements side, Capital Outlay is projected to be under spent by approximately 30%. This is consistent with last year when the fund ended up with 61% of appropriation spent for this category. This is due primarily to the timing of goods delivered to the City by year end and the recording of actual expenditures in the fiscal year. On the revenue side, the continued low interest earning will result in lower than budgeted Miscellaneous revenue. Also, lower fuel sales to other municipal agencies contributed to lower Intergovernmental revenues.



## Fund 703 Printing & Distribution Services Operating Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	2,033,188		2,033,188	0.00%
▶ Charges for Services	99,385	57,475	79,888	-19.62%
Intergovernmental Revenues	978,486	606,682	1,031,825	5.45%
▶ Interagency Revenue	6,290,572	2,951,601	5,068,088	-19.43%
Fund Transfer Revenue	3,262	0	3,262	0.00%
▶ Miscellaneous	124,601	44,236	69,868	-43.93%
<b>Total Resources</b>	<b>\$9,529,494</b>	<b>\$3,659,994</b>	<b>\$8,286,119</b>	<b>-13.05%</b>
<b>Requirements</b>				
Personal Services	1,974,322	1,145,373	1,730,000	-12.37%
External Materials and Services	3,839,824	1,982,057	3,285,669	-14.43%
Internal Materials and Services	792,612	426,963	684,246	-13.67%
Capital Outlay	574,878	80,126	380,000	-33.90%
Bond Expenses	94,481	21,778	94,481	0.00%
Fund Transfers - Expense	325,119	215,143	325,119	0.00%
Contingency	1,928,258	0		-100.00%
Unappropriated Fund Balance	0	0	1,786,604	N/A
<b>Total Requirements</b>	<b>\$9,529,494</b>	<b>\$3,871,440</b>	<b>\$8,286,119</b>	<b>-13.05%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

In this fiscal year, the Printing & Distribution fund is projected to perform in the similar manner as last year. On the requirements side, the projected expenditures for External Materials & Services corresponds with the projected program revenues of 83% of estimated revenue, except beginning balance. This is due to the economy and budget reductions in the City in recent years. Last fiscal year, the fund only spent approximately 11% of its appropriation for Capital Outlay due to delay in planned equipment replacement. This trend is likely to continue this year.

## Fund 704 Insurance and Claims Operating Fund

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	21,741,897	0	21,741,897	0.00%
Interagency Revenue	10,693,426	7,128,968	10,693,426	0.00%
Fund Transfer - Revenue	4,656	0	4,656	0.00%
▶ Miscellaneous	290,003	86,552	235,000	-18.97%
<b>Total Resources</b>	<b>\$32,729,982</b>	<b>\$7,215,520</b>	<b>\$32,674,979</b>	<b>-0.17%</b>
<b>Requirements</b>				
Personal Services	1,127,392	715,386	1,080,500	-4.16%
External Materials and Services	9,066,314	3,095,852	8,387,086	-7.49%
Internal Materials and Services	2,101,055	1,229,158	2,095,636	-0.26%
Capital Outlay	257,000	0	0	N/A
Bond Expenses	52,061	12,001	52,031	-0.06%
Fund Transfers - Expense	504,728	335,602	504,728	0.00%
Contingency	19,621,432	0	0	N/A
Unappropriated Fund Balance	0	0	20,554,998	N/A
<b>Total Requirements</b>	<b>\$32,729,982</b>	<b>\$5,387,999</b>	<b>\$32,674,979</b>	<b>-0.17%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The appropriation for Capital Outlay will not be spent this year. This appropriation is reserved for the new Risk Management Information System. The budget for this system is split between the Insurance & Claims Operating Fund and the Worker's Compensation Self Insurance Fund. Miscellaneous revenue category was over budgeted in FY 2010-11.

**Fund 705 Workers Compensation Self Insurance Operating Fund**

	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
Budgeted Beginning Fund Balance	18,900,039	0	18,900,039	0.00%
Interagency Revenue	3,956,657	2,643,975	3,956,000	-0.02%
Fund Transfer Revenue	1,934	0	1,934	0.00%
Miscellaneous	298,862	253,221	298,000	-0.29%
<b>Total Resources</b>	<b>\$23,157,492</b>	<b>\$2,897,196</b>	<b>\$23,155,973</b>	<b>-0.01%</b>
<b>Requirements</b>				
Personal Services	972,221	622,610	940,050	-3.31%
External Materials and Services	3,332,188	1,568,953	3,032,219	-9.00%
Internal Materials and Services	570,216	333,892	539,913	-5.31%
Capital Outlay	257,000	0	0	N/A
Bond Expenses	48,698	11,225	48,698	0.00%
Fund Transfers - Expense	227,307	150,711	227,307	0.00%
Contingency	17,749,862	0	0	N/A
Unappropriated Fund Balance	0	0	18,367,786	N/A
<b>Total Requirements</b>	<b>\$23,157,492</b>	<b>\$2,687,391</b>	<b>\$23,155,973</b>	<b>-0.01%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Similar to the explanation in the Insurance & Claims fund, the budget for Capital Expenses includes half of the estimated cost of a new Risk Management Information System. Due to project delay, this line item will be under-spent in this fiscal year.

## **FY 2010-11 Capital Program Projections & Narrative**

### Bureau of Technology Services

In FY 2009-10, BTS under spent its capital budget by \$1.9 million or approximately 70% of Revised Budget. This is due to several capital projects budgeted, but not completed in this fiscal year. In FY 2010-11, the Revised Capital Budget of \$2.6 million is twice as much as the amount in the Adopted Budget. This is the result of carryover funds from the previous year into this year in the Fall BMP.

### CityFleet

In FY 2009-10, CityFleet under spent its capital budget by approximately 14% of Revised Budget due to the delay in the delivery of vehicles and equipment scheduled for receipt in this fiscal year. In FY 2010-11, the Revised Capital Budget grew by 75% or \$5.5 million due to carryover funds in the Fall BMP.

### Facilities Services

In FY 2009-10, capital expenditures were within 10% of Revised Budget. In this fiscal year, the expenses on the Emergency Coordination Center were lower than projected due to the project was still in the design phase. Fire General Obligation Bond projects were under spent due to delay in improvement activities at Fire Station 1. In FY 2010-11, the 15% increase in appropriation between the Adopted and Revised Budgets is due to funds carried over from the previous year in the Fall BMP.

### Risk Management

The appropriation for the capital program will not be spent this year. This funding is for the new Risk Management Information System. The project will be carried over into FY 2011-12.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Bureau of Technology Services**

**Recommended Requests**

All requests in the Spring BMP are recommended as proposed. The significant request is presented below.

*1. MF\_238/BTS – PSSRP Contingency Increase, \$1,119,003*

With the creation of the new Public Safety General Obligation Bond Fund, BTS requests to transfer the above amount reserved for the Public Safety Systems Revitalization Program (PSSRP) radio replacement from its contingency to the PSSRP Contingency account.

*FPD Recommendation: \$1,119,003*

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

***Network/Email Account Admin. Position Reduction, (\$90,426), (1.0) FTE***

This reduction eliminates an Information Systems Analyst IV responsible for network and email account administration.

Status report: Complete. The position was eliminated.

***Office Support Specialist Reduction, (\$63,545), (1.0) FTE***

This reduction eliminates one Office Support Specialist III position. This position is one of four BTS clerical staff dedicated to bureau procurement, time entry, reception, and general administrative.

Status report: Complete. The position was eliminated.

***Reclassification of SAP Architect to PISA,(\$27,207), 0 FTE***

This is to reclassify one Information Systems Manager position assigned to the EBS Technical Team to a Principal Information Systems Analyst to support SAP interface related development and support.

Status report: Complete. The position was reclassified.

***Reclassification of CAD Software Engineer to PISA, \$0, 0 FTE***

This is to reclassify one CAD Software Engineer position to a Principal Information Systems Analyst to support the large server infrastructure required for the replacement CAD system scheduled for go-live in FY 2010-11.

Status report: Complete. The position was reclassified.

***BTS Travel and Training Budget,(\$109,269), 0 FTE***

This decision package reduces the ongoing bureau-wide technical training and travel budget.

Status report: Complete. The reduction was taken.

***800 MHz Major Maintenance Reduction, (\$325,000), 0 FTE***

This reduction will cut the major maintenance budget for 800 MHz in BTS. The work will be completed by the Public Safety Systems Revitalization Project.

Status report: Complete. There will be no negative service level impact as a result of this reduction.

***Mainframe Maintenance Contract Reduction,(\$116,000), 0 FTE***

This reduction moves yearly IBM mainframe hardware and software maintenance from prepaid services to a time and materials basis.

Status report: Complete. Maintenance for the mainframe has been moved from yearly prepaid support to time and materials. A savings of \$116,000 will be achieved by the end of this fiscal year.

***BOEC Vertical Applications Reduction, (\$122,928), (1.0) FTE***

This reduction eliminates one position (Information Systems Supervisor) at the request of the BOEC Director.

Status report: Complete. The position has been eliminated.

**Non-Technical Fall BMP Requests Updates:**

***BTS - ACD Upgrade, \$0, 0 FTE***

This package is to carryover \$562,831 to complete the Automatic Call Distribution (ACD) upgrade project. Because the revenue will be drawn from the contingency of the Technology Services Fund, there is no fiscal input at the fund level.

Status report: Underway. The upgrade is scheduled for completion in June 2011.

***BTS - Windows 7 Upgrade, \$0, 0 FTE***

This addition will provide \$200,000 to upgrade the City's operating system to Windows 7. The budget includes costs for training, infrastructure, and consulting services. The funding will be drawn from the contingency of the Technology Services Fund, therefore there is no fiscal input at the fund level.

Status report: Underway. Pilot Windows 7 deployment in progress. Full production rollout is scheduled for Summer 2011.

***BTS - Walters Hill Purchase, \$0, 0 FTE***

This addition will provide \$393,900 to purchase the 800MHz Walters Hill site. The budget includes the costs for the site, related fees, and closing costs. The funding will be drawn from the contingency of the Technology Services Fund, therefore there is no fiscal input at the fund level.

Status report: Complete. Property purchase closed in December 2010.

## FY 2010-11 Projection

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$40,014,811	\$0	\$40,014,811	0.00%
Charges for Services	\$0	\$89,386	\$140,464	N/A
▶ Intergovernmental Revenues	\$5,738,179	\$3,183,065	\$4,756,793	-17.10%
Interagency Revenue	\$43,080,149	\$26,963,147	\$41,201,050	-4.36%
Fund Transfers - Revenue	\$1,311,525	\$470,279	\$1,311,525	0.00%
Bond and Note	\$64,996	\$0	\$64,996	0.00%
▶ Miscellaneous	\$333,500	\$375,744	\$554,767	66.35%
<b>Total Resources</b>	<b>\$90,543,160</b>	<b>\$31,081,621</b>	<b>\$88,044,406</b>	<b>-2.76%</b>
<b>Requirements</b>				
Personal Services	\$24,919,301	\$15,756,770	\$23,635,157	-5.15%
External Materials and Services	\$17,525,886	\$8,093,011	\$16,000,484	-8.70%
Internal Materials and Services	\$4,181,351	\$2,829,850	\$4,102,936	-1.88%
Capital Outlay	\$1,000,000	\$595,540	\$948,929	-5.11%
Bond Expenses	\$1,833,404	\$133,200	\$1,833,397	0.00%
Fund Transfers - Expense	\$2,931,372	\$1,286,842	\$2,931,372	0.00%
Contingency	\$38,151,846	\$0	\$0	N/A
Unappropriated Fund Balance	\$0	\$0	\$38,592,131	N/A
<b>Total Requirements</b>	<b>\$90,543,160</b>	<b>\$28,695,213</b>	<b>\$88,044,406</b>	<b>-2.76%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The fund is projected to finish the fiscal year within its budget. In FY 2010-11, the fund only expended 86% of its appropriation by year end due primarily to delays in capital and operating projects. In this fiscal year, the variances on the Charges for Services, Intergovernmental Revenues, and Miscellaneous are due to technical issues related to coding changes when SAP was implemented. As a result, actual revenue budgeted in one category is recorded in a different category, causing a mismatch when doing a comparison of budget to actual for these revenues. OMF has informed FPD that this issue will be resolved in FY 2011-12.

### FY 2010-11 Capital Program Projections & Narrative

The budget for the capital program has increased to \$2,590,068 as of the Spring BMP, compared to \$1,295,000 in the Adopted Budget. This is due primarily to delayed capital projects that were carried over from the prior fiscal year. Based on the actual expenditures recorded as of the Spring BMP, this trend is likely to continue in this fiscal year.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Enterprise Business Solution**

**Summary of Significant Issues**

In the Winter BMP, Council approved the conversion of six limited term positions to ongoing. These positions are created to support EBS post-production activities. The ongoing funding for these positions was approved in the Fall BMP. Since the appropriation for these positions already exists in the FY 2010-11 budget, the above conversion has no fiscal impact on the EBS Division.

**Recommended Requests**

All requests are recommended as proposed. The significant request is discussed below.

*1. MF\_244/EBS – Funding for Manager Self Service, \$155,000*

This request recognizes new interagency resources for work related to the Manager Self Service modules and the implementation of the NEOGOV for the Bureau of Human Resources.

*FPD Recommendation: \$155,000*

**Updates on FY 2010-11 Decision Packages**

***EBS Training Carryover Reduction, (\$60,904)***

One-time reduction of training budget by \$60,904. No significant impact on operations reported in the Spring BMP.

Status report: Complete. The budget was reduced.

***EBS Reduction External Materials & Services, (\$19,200)***

This is an ongoing reduction of the External M&S by \$19,200. No significant impact on operations reported in the Spring BMP.

Status report: Complete. The budget was reduced.

***EBS Space Rent Reduction, (\$163,526)***

Due to reduced staff of the EBS Ongoing Operations, the division's space requirement is now less than before, yielding an ongoing saving of \$163,526.

Status report: Complete. The budget was reduced.

***Functional Staff – Adding 5 Positions, \$540,000***

These positions will be added to the Functional Support Team to provide additional resources to the EBS Division.

Status report: Complete. The recruitments are complete for the training and operational support positions. Additional recruitments for the analyst positions are underway and scheduled for completion by June 2011.



***Business Objects, \$116,000***

This funding is to purchase and implement the Business Objects software to provide better reporting tools built on the SAP platform.

Status report: Underway. The initial Business Objects reports were developed and implemented. The initial group of super users was trained and is now developing bureau-level templates. Training is underway for an additional 30 super users throughout April, 2011.

***Support Staff Continuing Training, \$100,000***

This funding is to provide adequate training for the EBS Support Team to reach the necessary level of expertise to support SAP operational functionalities.

Status report: Underway. Staff has completed 18 technical development courses, gaining valuable knowledge to improve the effectiveness of end-user support and reducing the need for consulting services. Staff will continue to complete technical development courses as time permits based on priority projects and workload.

***Consulting Support – Post Production Services, \$1,036,000***

This package requests ongoing funding to provide post production consulting support to supplement and augment City technical and functional support staff.

Status report: Underway. The on-demand, flexible service contracts are being used to support critical needs where the City lacks the experience and expertise, particularly in the time management configuration requirements of the recently negotiated Labor contracts.

***Convert Six Limited Term Positions to Ongoing***

This conversion was approved in the Winter BMP. There is no fiscal impact on the EBS Division as a result of these conversions.

Status report: Complete.

**Service Improvement Plans**

EBS support service division is currently developing a work plan for updating and maintaining the current system as well as implementing additional functionality. Code changes to recognize the newly formed EBS Division are in draft form. Recruitments were completed and hiring processes are underway for the new ongoing staff. The City's SAP roadmap work sessions were conducted in December and a report is scheduled for completion by the end of this fiscal year. EBS staff are on track to complete their planned SAP training by fiscal year end.

### FY 2010-11 Projection

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Budgeted Beginning Fund Balance	\$4,493,273	\$0	\$4,493,273	0.00%
Interagency Revenue	\$10,885,676	\$7,184,736	\$10,915,676	0.28%
▶ Miscellaneous	\$11,921	\$20,109	\$25,000	109.71%
<b>Total Resources</b>	<b>\$15,390,870</b>	<b>\$7,204,845</b>	<b>\$15,433,949</b>	<b>0.28%</b>
<b>Requirements</b>				
Personal Services	\$2,260,800	\$1,180,016	\$2,108,399	-6.74%
External Materials and Services	\$1,780,340	\$380,998	\$1,137,633	-36.10%
Internal Materials and Services	\$4,279,937	\$2,507,307	\$4,192,275	-2.05%
Bond Expenses	\$4,115,950	\$507,975	\$4,115,950	0.00%
Fund Transfers - Expense	\$43,692	\$29,128	\$43,692	0.00%
Contingency	\$2,910,151	\$0	\$0	N/A
Unappropriated Fund Balance	\$0	\$0	\$3,836,000	N/A
<b>Total Requirements</b>	<b>\$15,390,870</b>	<b>\$4,605,424</b>	<b>\$15,433,949</b>	<b>0.28%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget
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Overall, the EBS Services Fund is projected to finish the fiscal year within its budget. Miscellaneous revenue is projected to be higher than estimated due to the large ending fund balance from last fiscal year. External Materials & Services are projected to be approximately 36% under spent by the end of this fiscal year due to not spending professional services contracts related to the FILO modules in the budget.

#### FY 2010-11 Capital Program Projections & Narrative

The FY 2010-11 Capital Program for EBS includes funding for \$309,077 to purchase and implement the Business Objects software. This project is scheduled for completion in this fiscal year. Budget carryover is likely to make final payments in the next fiscal year.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Office of Management and Finance – Citywide Projects**

**Summary of Significant Issues**

Next Generation 9-1-1

Next Generation 9-1-1 (NG9-1-1) refers to an initiative aimed at updating the 9-1-1 service infrastructure to improve public emergency communications services in a wireless mobile society. In addition to calling 9-1-1 from a phone, it intends to enable the public to transmit text, images, video, and data to the 9-1-1 center. Federal authorities began planning for this new infrastructure in 2000, and several local and regional jurisdictions have also started exploring it. Citizens have already attempted to text 9-1-1 requests for emergency response, for example, in situations which did not allow them to call, but because the infrastructure was not there to support this, the efforts were unsuccessful.

At the January PSSRP Executive Steering Committee (ESC) meeting, PSSRP staff presented the need to explore the new infrastructure, and the Steering Committee agreed that it should be a project with no dedicated funding for FY 2011-12. The ESC directed PSSRP staff to do the following:

- Research and collaborate with the States of Oregon and Washington on the feasibility costs and benefits of implementing a regional Emergency Services IP Network within the Portland Metropolitan Region;
- Identify the anticipated NG9-1-1 timeline and associated impact and each milestone on BOEC, other bureaus, and agencies in terms of affected systems/technology, operational procedures, and estimated cost;
- Identify funding sources.

While the costs of the new technology are still unknown at this point, Financial Planning recommends that the City begin to consider planning for how it can fund such a system. More importantly, Financial Planning recommends that the discussion on the new infrastructure be driven by not only the City, but also the other 9-1-1 user jurisdictions. While it is prudent for PSSRP staff to begin exploring such new technologies, the initiative should be driven by, or at least have much greater input from, the various jurisdictions because they may have to pay for a portion of the costs of a new system in the future.

**Recommended Requests**

*1. MF\_229/PSSRP Technical Adjustments, \$0*

Financial Planning recommends this request to make adjustments in PSSRP's Office Administration budget in the General Fund and the Radio Replacement Project's budget in the Public Safety General Obligation (GO) Bond Fund to better align budget against forecasted actuals.

Within the Radio Project's budget in the Public Safety GO Bond Fund, \$503,318 are being moved from professional services, education, and engineering billable to regular full-time salaries, benefits, miscellaneous services, computer hardware, minor equipment & tools, travel, and radio & video billable.

Within the Office Administration budget in the General Fund, \$159,431 are being moved from part-time salaries, repair & maintenance services, miscellaneous services, operating supplies, minor equipment & tools, local travel, capital expenditures, a cash transfer to the Technology Services Fund, motor pool tickets, and Bureau of Technology Services operations billable to the following budget line items: desktop support,

Facilities operations & maintenance, property management, mail sorting & delivery, miscellaneous, education, computer hardware, software, office supplies, professional services, benefits, and regular full-time salaries.

*FPD Recommendation: \$0*

2. *MF\_230/PSSRP General Fund to Technology Services Fund Cash Transfer, (\$815,000)*

This request and the next were initially one single request, but Financial Planning has split the original request up into two packages because they serve separate purposes. In this first request, PSSRP seeks to true-up the budgets for the Police Data System (PPDS) and the Fire Records Management System (FRMS) projects to actual expenditures. \$343,000 are removed from the FRMS budget and \$472,000 from the PPDS budget. In the second request, the PSSRP project office requests to transfer the amounts from those budgets in the General Fund to the Technology Services Fund.

Delays on the PPDS and the FRMS projects have produced lower than expected expenditures, and PSSRP is requesting to carry over the unspent funds by transferring them to the Technology Services Fund and transferring the funds back to the General Fund next year or in a subsequent fiscal year as each project's progress and spending requirements dictate. In FY 2011-12, PSSRP's General Fund needs exceed its ongoing appropriation by \$7.6 million. As a result, in the FY 2011-12 budget, \$7.6 million is being transferred from the Technology Services Fund into the General Fund to fund these two projects' spending requirements. Including this fiscal year's Spring BMP requests, close to \$16.6 million in PSSRP resources are housed in the Technology Services fund for future fiscal year use on PSSRP projects.

*FPD Recommendation: (\$815,000)*

3. *MF\_325/PSSRP - GF Transfer to the Technology Services Fund, \$815,000*

This request is the companion package to the one immediately above. Please refer to the discussion of MF\_230 for a description.

*FPD Recommendation: \$815,000*

4. *MF\_232/CAD-Next Contingency Draw, \$0*

PSSRP requests to use \$536,000 of the CAD-Next Project's \$736,000 contingency for additional personal services and internal materials and services expenditures resulting from additional PSSRP staff and Bureau of Technology Services resources being needed to ensure on-time delivery of the new CAD system into production in April. As the project progressed, PSSRP and BTS resources were needed in a greater capacity than originally anticipated.

*FPD Recommendation: \$0*

5. *MF\_238/BTS – PSSRP Contingency Increase, \$0*

This request seeks to transfer \$1,119,003 of Radio Replacement Project funds from FY 2009-10 to the correct fund center in the Technology Services Fund to more accurately report the dollars. In addition, PSSRP is moving the appropriation from replacement contingency into unrestricted contingency, and at some point in the future, the Project intends to transfer the funds back into replacement contingency, but within the correct fund center. Radio Replacement Reserves, which are collected by BTS to fund the replacement of the bureaus' end-user radio equipment when they reach their end of life, have always been housed in the Technology Services Fund. A portion of it is being transferred from BTS's fund center to PSSRP's fund center because counsel for the new Public Safety General Obligation (GO) Bond advised that Radio Project

expenses realized prior to the passage of the measure are not eligible for bond reimbursement. As a result, the portion of BTS Radio Replacement Reserves that paid for a portion of the FY 2009-10 expenses needs to be retroactively transferred to reimburse PSSRP for cash it has already expended, essentially making PSSRP cash whole again for out-year use. Going forward, bond expenses not eligible for reimbursement by the GO Bond will be covered by cash transfers from the Technology Services Fund to the GO Bond Fund in the year the expenses are budgeted.

FPD Recommendation: \$0

## Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans

### Budget Notes

Funding Plan – Council directed the public safety bureaus and OMF to continue refining the funding plan for PSSRP and report back to Council in a work session presentation. In the development of the City’s FY 2011-12 budget, ongoing funds of \$1.2 million will be dedicated to PSSRP to continue progress on the development and replacement of the projects. On December 16, 2010, PSSRP conducted the work session, reporting on cost projections and project statuses while OMF presented the funding plan. In November 2010, the voters of Portland approved a General Obligation (GO) bond funding the Radio System replacement project with \$38,940,000. All the PSSRP projects are now fully funded with the revenues from the bond sales adding to other dedicated funding from grants and the Technology Services Fund.

### FY 2010-11 Adopted Budget Decision Packages

PSSRP’s professional services budget was reduced by \$15,090 ongoing and an additional \$15,088 one-time during the budget development process. The one-time reduction has not impacted the operational aspect of the projects, while PSSRP staff has been able to manage the ongoing reduction by cost-sharing between the individual projects.

### FY 2010-11 Projection

<b>General Fund (100)</b>	<b>FY 2010-11 Revised Budget</b>	<b>FY 2010-11 YTD Actuals</b>	<b>FY 2010-11 Year-End Projection</b>	<b>Percent Variance</b>
<b>Resources</b>				
General Fund Discretionary	\$1,851,670	\$0	\$1,772,250	-4.29%
<b>Total Resources</b>	<b>\$1,851,670</b>	<b>\$0</b>	<b>\$1,772,250</b>	<b>-4.29%</b>
<b>Requirements</b>				
Personal Services	\$747,552	\$612,995	\$707,244	-5.39%
External Materials and Services	221,525	110,775	199,536	-9.93%
Internal Materials and Services	361,584	215,909	344,461	-4.74%
Capital Outlay	0	0	0	I/A
Fund Transfers - Expense	521,009	0	521,009	0.00%
<b>Total Requirements</b>	<b>\$1,851,670</b>	<b>\$939,679</b>	<b>\$1,772,250</b>	<b>-4.29%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

For the General Fund, with the various technical adjustments to true-up the budget to actual expenditures and the reduction of \$815,000 in the budget as requested in MF\_230, there are no variances greater than 10%, and no expense is projected to exceed budget. Delays on the Police Data Systems and the Fire Records Management System projects have produced lower than expected expenditures, primarily in external materials

and services, but the projected year-end figure is still within 10% of the adjusted budget. PSSRP is requesting to carry over the unspent funds by transferring them to the Technology Services Fund.

**FY 2010-11 Capital Program Projections & Narrative**

Please refer to the reviews for the Public Safety General Obligation Bond Fund and for the Bureau of Emergency Communications for projections pertaining to the other funds and projects in the PSSRP portfolio.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**Public Safety General Obligation Bond Fund**

**Recommended Requests**

1. MF\_322/*Public Safety GO – Funded Program Corrections, \$0*

These technical adjustments correct the use of funded program codes that were used when the budget for the fund was set up during the Winter BMP. Appropriation is being moved between funded programs, or budget line items are being reclassified to not having any funded program designation.

*FPD Recommendation: \$0*

2. MF\_324/*Public Safety GO Bond – Additional Bond Issuance, \$0*

\$20,000 is being transferred from the fund's contingency due to additional bond issuance costs not anticipated when the bond fund's budget was set up during the Winter BMP. In addition, \$50,000 is being transferred from professional services to the survey services line item in internal materials and services due to the Fire Station 21 project incurring survey and other service costs by other City bureaus that were not anticipated to occur until the next fiscal year.

*FPD Recommendation: \$0*

**Updates on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

**Fall and Winter BMP Non-Technical Requests**

During the Winter BMP, the bond fund was budgeted, and no funds are expected to be spent in the current fiscal year on the Emergency Coordination Center or for fire apparatus replacement. Please see the year-end projection section immediately below for a discussion of spending pertaining to the bond fund.

### FY 2010-11 Projection

Public Safety General Obligation Bond Fund (403)	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Fund Transfers - Revenue	\$844,881	\$0	\$844,881	0.00%
▶ Bond and Note	45,791,941	0	39,264,203	-14.26%
<b>Total Resources</b>	<b>\$46,636,822</b>	<b>\$0</b>	<b>\$40,109,084</b>	<b>-14.00%</b>
<b>Requirements</b>				
Personal Services	\$155,173	\$0	\$142,055	-8.45%
External Materials and Services	6,813,454	0	6,769,968	-0.64%
Internal Materials and Services	490,661	0	432,661	-11.82%
Bond Expenses	300,000	0	300,000	0.00%
Contingency / Ending Fund Balance	38,877,534	0	32,464,400	-16.50%
<b>Total Requirements</b>	<b>\$46,636,822</b>	<b>\$0</b>	<b>\$40,109,084</b>	<b>-14.00%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

Bond and Note revenues are projected to be more than 14% below the budgeted amount. As the debt for the first sale of the bonds was being sized, the project managers revised estimates of the actual sale proceeds and arrived at the lower figure.

The first debt sale is planned for May. Until then, the projects will incur expenses for which the fund can be reimbursed with the debt sale proceeds. However, because the fund has no cash at the moment, Facilities and the Bureau of Technology Services are fronting project costs until after the bond sale, when journal entries will be used to move the project expenses to the bond fund.

The table below shows the actual program expenditures for the Radio project in the Technology Services Fund as of the end of AP 9 and the program expenditure budget for the project in the Public Safety GO Bond Fund. The above table for the Public Safety GO Bond Fund does not reflect the actuals because the expenses have not actually moved yet.

Radio Replacement Project	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals
Fund	Public Safety GO Bond Fund	Technology Services Fund
<b>Program Expenditures</b>		
Personal Services	\$155,173	\$81,933
External Materials & Services	\$6,537,854	\$2,716,954
Internal Materials & Services	\$440,661	\$459,846
<b>Total Program Expenditures</b>	<b>\$7,133,688</b>	<b>\$3,258,733</b>

As of the end of AP 9, if all of the Radio Project's actual expenditures in the Technology Services Fund are moved to the Public Safety GO Bond Fund, PSSRP would have already overspent its internal materials & services appropriation in the bond fund. However, at the level of the fund as a whole, there is no over-expenditure, nor is there an over-expenditure at the business area level.

OMF's own year-end projection for internal materials and services in its business area (MF) in the Public Safety GO Bond Fund is \$432,661, which is lower than the actual expenditures for the Radio Project as of



the end of AP 9 (\$459,846). However, the actual expenditure figure is still within the \$490,661 budgeted amount for the business area in the fund as a whole.

During the Winter BMP, OMF indicated that there is a possibility that not all of the actual expenditures will be moved to the new GO Bond Fund. Financial Planning recommends that OMF closely monitor spending in the internal materials and services major object category to ensure that there will be no over-expenditure at year-end on the business area and fund level, or the bureau can choose to not move all of the expenses into the GO Bond Fund.

**Financial Planning Division Analysis  
FY 2010-11 Spring BMP**

**General Fund Special Appropriation**

**Recommended Requests**

*1. SA\_006/Sports Field - Parkrose, \$100,000*

This package will provide additional funding for the Parkrose High School sports field project. This funding will close the financial gap to build the field. The district plans a groundbreaking ceremony on June 20, 2011. This field will serve an ethnically diverse community in a part of the city that currently lacks sports fields.

*FPD Recommendation: \$100,000 General Fund One-time*

*2. MF\_284/Carryover Mental Health Crisis Program, \$50,000*

This package will carry over \$50,000 from the remaining balance of the Mental Health Crisis Program into FY 2011-12.

*FPD Recommendation: \$50,000 General Fund Carryover*

**Comments on FY 2010-11 Budget Notes, Add Packages, and Service Improvement Plans**

***RACC 3% Ongoing Reduction, (\$110,485)***

This package reduces the ongoing General Fund resources for the Regional Arts & Culture Council by \$110,485. The impact of this request would result in reduction of arts education programming and outreach activities in the community.

Status Report: Complete. The reduction was taken.

***RACC 1% One-time Reduction, (\$36,828)***

This package reduces the General Fund resources for the Regional Arts & Culture Council by \$36,828 one-time in FY 2010-11. As with the above cut package, this request will impact the arts education and outreach programs.

Status Report: Complete. The reduction was taken.

***Free Tax Preparation for Families and Individuals, \$75,000***

This package provides one-time funding to Cash Oregon to provide free tax preparation for families and individuals.

Status Report: Complete. Fund has been expended.

***Oregon Food Bank,\$50,000***

This package provides one-time General Fund resources for supplemental food purchase for the summer months.

Status Report: Complete. Fund has been expended.

***East Portland Action Plan Outreach, \$150,000, 1.0 FTE***

This package provides one-time General Fund resources to support a limited-term position to conduct the East Portland Action Plan implementation and \$50,000 for grants to community organizations to implement plan elements.

Status Report: Complete. Fund was transferred to the Office of Neighborhood Involvement in Winter BMP.

***Mental Health Crisis Program, \$540,000***

This program includes \$400,000 for mental health crisis and \$140,000 for Multnomah County Mental Health Crisis Center.

Status Report: A \$150,000 contract with Central City Concern to support the Sobering Station was approved by Council on 4-13-11. A carryover of \$50,000 from the remaining balance into FY 2011-12 is being requested in this BMP.

***Portland Rose Festival, \$75,000***

This program provides one-time funding to offset various bureau costs related to Rose Festival Event.

Status Report: No action reported in Spring BMP.

***Roosevelt Athletic Complex, \$200,000***

This package requests one-time General Fund resources to partially fund the capital improvement project to improve the athletic facilities at the Theodore Roosevelt High School.

Status Report: Complete. Fund was expended.

***Parkrose School District, \$35,000, 0 FTE***

This package requests one-time General Fund resources to support the Parkrose School District.

Status Report: No action reported in Spring BMP.

***Human Trafficking Prevention, \$285,000, 0 FTE***

This package requests one-time General Fund resources to create a shelter for juvenile human trafficking victims in Portland.

Status Report: Complete. \$142,500 was expended, the remaining fund is expected to be spent this fiscal year.

***First Stop Portland, \$12,000 Interagency Revenue, 0 FTE***

This package requests one-time resources to support Portland State University College of Urban and Public Affairs to provide logistics and planning services to visiting delegations interested in Portland's sustainability and livability practices.

Status Report: Complete. Fund was expended.

***Village Market, \$50,000***

This package provides a contribution to the Janus Youth Program's Village Market at the New Columbia apartment complex. This funding would allow a new grocery store to open to serve the residents of New Columbia and the Portsmouth neighborhood.

Status Report: Complete. Fund was expended.

**WorldQuest, \$7,500**

This package requests funding to support the WorldQuest Global Knowledge Competition and the International Speaker Series. This event offers local youth an opportunity to demonstrate and advance their knowledge of culture, geography, and international affairs.

Status Report: Complete. In the process of finalizing sponsorship agreement. Fund is expected to be spent this fiscal year.

**FY 2010-11 Projection**

	FY 2010-11 Revised Budget	FY 2010-11 YTD Actuals	FY 2010-11 Year-End Projection	Percent Variance
<b>Resources</b>				
Interagency Revenue	12,000	12,000	12,000	0.00%
General Fund Discretionary	12,017,730		11,414,066	-5.02%
General Fund Overhead	143,555		143,555	0.00%
<b>Total Resources</b>	<b>\$12,173,285</b>	<b>\$12,000</b>	<b>\$11,569,621</b>	<b>-4.96%</b>
<b>Requirements</b>				
External Materials and Services	12,073,285	4,870,710	\$11,469,621	-5.00%
Internal Materials and Services	100,000	87,310	\$100,000	0.00%
<b>Total Requirements</b>	<b>\$12,173,285</b>	<b>\$4,958,020</b>	<b>\$11,569,621</b>	<b>-4.96%</b>

▶ Revenue was not within 10% of target, or expense exceeded budget

The GF Special Appropriation is on track to finish the fiscal year within its budget. Last fiscal year, the fund ended with approximately 94% of its appropriation spent; however, the City Membership Dues was overspent by about \$31,000. In FY 2010-11, the City Membership Dues account is projected to be overspent by \$28,000.