

Financial Planning recommendations are subject to revision based on new information that becomes available during the budget process, either from the budget forums, meetings with Commissioners, or the Council budget work sessions.

## FINANCIAL PLANNING DIVISION ANALYSIS FY 2012-13 Budget

### Office of Government Relations

Analysis by: Bob Tomlinson

#### I. Overview

Budget Summary	Revised FY 2010-11	Revised FY 2011-12	Request Base FY 2012-13	Request Total FY 2012-13	Percent Change
<b>Resources</b>					
Interagency Revenue	\$72,271	\$84,329	\$97,704	\$97,704	15.9%
General Fund Discretionary	483,718	566,117	473,384	526,945	-6.9%
General Fund Overhead	646,975	669,430	727,529	727,529	8.7%
<b>Total Resources</b>	<b>\$1,202,964</b>	<b>\$1,319,876</b>	<b>\$1,298,617</b>	<b>\$1,352,178</b>	<b>2.4%</b>
<b>Expenditures</b>					
Personnel Services	\$760,892	\$841,004	\$855,813	\$945,609	12.4%
External Materials and Services	289,327	346,866	277,439	244,204	-29.6%
Internal Materials and Services	152,745	132,006	165,365	162,365	23.0%
<b>Total Requirements</b>	<b>\$1,202,964</b>	<b>\$1,319,876</b>	<b>\$1,298,617</b>	<b>\$1,352,178</b>	<b>2.4%</b>
<b>Total Bureau FTE</b>	<b>7.00</b>	<b>7.25</b>	<b>7.00</b>	<b>7.00</b>	<b>-3.4%</b>

Percent Change is the change from FY 2011-12 Revised Budget to FY 2012-13 Total Requested Budget.

#### II. Key Issues

##### City Hall Space Planning

The Public Finance and Treasury division of Office of Management and Finance (OMF) has moved out of City Hall and into the Portland Building. This opens up space in City Hall for the Office of the City Attorney and could also involve relocating the Auditor's Audit Services division and the Office of Government Relations. OMF Facilities currently has \$151,000 budgeted to reconfigure the vacated space in City Hall. Government Relations' has not included any funding in FY 2012-13 for moving costs or potentially higher rental costs. FPD recommends that any moving and reconfiguration costs in City Hall be limited to the \$151,000 currently budgeted for it. Government Relations would have to absorb any increase in ongoing rental costs.

**City of Portland**  
 Decision Package Recommendations  
 (Includes Contingency and Ending Balance)

	Bureau Priority	Bureau Requested					FPD Analyst Recommendations				
		FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses	FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses
<b>Office of Government Relations</b>											
<i>Reductions</i>											
GR_01 - 4% Reduction Package	01	0.00	(18,935)	0	0	(18,935)	0.00	(18,935)	0	0	(18,935)
GR_02 - 6% Reduction Package	02	0.00	(9,468)	0	0	(9,468)	0.00	0	0	0	0
GR_03 - 8% Reduction Package	03	0.00	(9,468)	0	0	(9,468)	0.00	0	0	0	0
<i>Total Reductions</i>		<i>0.00</i>	<i>(37,871)</i>	<i>0</i>	<i>0</i>	<i>(37,871)</i>	<i>0.00</i>	<i>(18,935)</i>	<i>0</i>	<i>0</i>	<i>(18,935)</i>
<i>Unfunded Ongoing</i>											
GR_04 - Federal Assistant Add Package	01	0.00	0	91,432	0	91,432	0.00	0	48,000	0	48,000
<i>Total Unfunded Ongoing</i>		<i>0.00</i>	<i>0</i>	<i>91,432</i>	<i>0</i>	<i>91,432</i>	<i>0.00</i>	<i>0</i>	<i>48,000</i>	<i>0</i>	<i>48,000</i>
<i>Realignments</i>											
GR_06 - Reduction in BTS Interagency	01	0.00	0	0	0	0	0.00	0	0	0	0
<i>Total Realignments</i>		<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Total Office of Government Relations</b>		<b>0.00</b>	<b>(37,871)</b>	<b>91,432</b>	<b>0</b>	<b>53,561</b>	<b>0.00</b>	<b>(18,935)</b>	<b>48,000</b>	<b>0</b>	<b>29,065</b>
<hr/>											
<b>Summary by Decision Package Type</b>											
<i>Total Reductions</i>		<i>0.00</i>	<i>(37,871)</i>	<i>0</i>	<i>0</i>	<i>(37,871)</i>	<i>0.00</i>	<i>(18,935)</i>	<i>0</i>	<i>0</i>	<i>(18,935)</i>
<i>Total Unfunded Ongoing</i>		<i>0.00</i>	<i>0</i>	<i>91,432</i>	<i>0</i>	<i>91,432</i>	<i>0.00</i>	<i>0</i>	<i>48,000</i>	<i>0</i>	<i>48,000</i>
<i>Total Bureau Adds</i>		<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Total Realignments</i>		<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Grand Total</b>		<b>0.00</b>	<b>(37,871)</b>	<b>91,432</b>	<b>0</b>	<b>53,561</b>	<b>0.00</b>	<b>(18,935)</b>	<b>48,000</b>	<b>0</b>	<b>29,065</b>

### III. Decision Package Analysis & Recommendations

#### Reduction Packages

##### **4% Reduction/GR\_01, (\$18,935), Bureau Priority #1**

This is Government Relations's package to reduce its ongoing General Fund allocation by 4%. The cuts would be taken in personnel services and external materials and services and include reductions in travel, conferences, publications, and office equipment and supplies. It would result in:

- One fewer lobbying trip to Washington DC for the Director or Council member
- Reduced attendance at local meetings and events for the state lobbying team
- One fewer intergovernmental outreach trip (e.g. statewide outreach, League of Cities, Oregon Mayors Assn.)
- Cuts to supplies and replacement equipment for the Salem office
- A reduction in federal legislative research resources, publications, and directories

This reduction will impact the number of lobbying trips taken by the bureau director and/or Council members, attendance at conferences, and intergovernmental outreach trips. FPD recommends taking this reduction because it will have minimal impact on the bureau.

*FPD Recommendation: (\$18,935)*

##### **6% Reduction/GR\_02, (\$9,468), Bureau Priority #2**

This 2% reduction package combined with the 4% reduction package above results in a 6% total reduction of (\$28,403). This reduction package further reduces funding for local and out-of-town travel, conferences, publications, office equipment and supplies. It would result in:

- Two fewer lobbying trips to Washington DC for the Director or Council member
- One fewer statewide outreach trip for the state lobbying team
- Minimal attendance at local meetings and events for the state lobbying team
- Two fewer intergovernmental outreach trips or conferences (e.g. statewide outreach, League of Cities, Oregon Mayors Assn.)
- Significant reduction in supplies and replacement equipment for Portland and Salem offices
- A reduction in federal legislative research resources, publications and directories

Fewer federal, state and intergovernmental outreach trips will mean less opportunity to advance the city's federal, state, and intergovernmental policy and funding objectives. FPD does not recommend this reduction because there would be less than \$9,500 in General Fund savings versus the potential benefit from more lobbying.

*FPD Recommendation: \$0*

##### **8% Reduction/GR\_03, (\$9,468), Bureau Priority #3**

This 2% reduction package combined with the 4% and 6% reduction packages above results in an 8% total reduction of (\$37,871). This reduction package significantly reduces funding for local and out-of-town travel, conferences, publications, office equipment and supplies. It would result in:

- Three fewer lobbying trips to Washington DC for the Director or Council member,

- Two fewer statewide outreach trips for the state lobbying team
- Minimal attendance at local meetings and events for the state lobbying team
- Minimal intergovernmental outreach (e.g. statewide outreach, League of Cities, Oregon Mayors Assn.)
- Significant reduction in supplies and replacement equipment for Portland and Salem offices
- Elimination of federal research resources, publications and directories

At this level, most of the federal, state, and intergovernmental outreach budget would be eliminated. Staff could only attend 20% of local events where the OGR represents the City and collects information about state and federal issues. There would be funding for only one to two trips to DC, which means eliminating participation in national conferences and significantly reducing meetings with the delegation and federal agencies. FPD does not recommend taking this reduction because the bureau supports essential city services and this reduction would all but eliminate federal, state, and intergovernmental outreach.

*FPD Recommendation: \$0*

### **Unfunded Ongoing Packages**

#### ***Federal Assistant Add Package/GR\_04, \$91,432, Bureau Priority #1***

This request continues one-time General Fund funding of a Federal Assistant position. The current year FY 2011-12 one-time funding for this position is \$48,000 with the remainder of the position costs of \$43,432 coming from salary and other savings. OGR states that it is not requesting continuation of its remaining current year one-time funding of \$16,465 to justify the higher request. FPD recommends continuation of the one-time funding of this position at the current year amount of \$48,000 because of limited availability of funds.

*FPD Recommendation: \$48,000*

### **Realignment Packages**

#### ***Reduction in BTS Interagency/GR\_06, \$0, Bureau Priority #1***

This request reduces the OGR interagency with the Bureau of Technology Services (BTS) by \$3,000 and uses the savings to purchase new software that will track state bills more effectively and efficiently. The system is being used during the 2011 legislative session as a pilot program. OGR will survey its customers after the 2011 legislative session to determine if the software should be purchased for the 2012 legislative session and beyond. The initial system cost is \$3,000 with a \$1,900 license fee assessed every other year plus \$85 per hour for any programming or customization needs. FPD recommends this request to replace the City's current bill tracking system.

*FPD Recommendation: \$0*

## **V. Performance and Accountability**

### **Program Summary Template**

The bureau has one program to provide government representation for all City bureaus and offices, City Council, and the City Auditor. It tracks four workload measures related to the number of hours

spent lobbying, number of state and federal agenda issues, and the number of stakeholders contacted.

### **Service Improvement**

The OGR currently provides advocacy related to federal and state legislative for the Portland Development Commission (PDC). The bureau is exploring the development of an intergovernmental agreement with PDC to better serve this quasi-independent city agency and increase its revenue base.

Bill Tracking and Response - The growing number of state bills in combination with the city's antiquated bill tracking system has made bill tracking inefficient and prone to error. In an effort to make the tracking system more efficient and effective in state advocacy efforts, Government Relations has contracted with C & E Systems for their "Bill Track OR" software to pilot a new legislative tracking system during the February 2012 Session. Bill Track OR is a web-based tracking system that will allow OGR's lobbyists to access more information about legislation, hearings, and comments from city bureaus in a faster and more efficient manner. It will also reduce use of paper and administrative time to implement the system.

This is a pilot project and OGR will survey its customers prior to purchasing the software for the 2013 regular session. The purchase price of the program is expected to be offset by savings from the interagency with BTS for maintaining the old system.