



An Equal Opportunity Employer

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Date: March 22, 2013
To: Mayor Charlie Hales
From: Carmen Merlo, Director *CM*
Shelli Tompkins, Finance Manager
Subject: PBEM FY 2012-13 SPRING BMP Documents

Attached please find the Financial Overview and FY 2012-13 SPRING BMP request for the Portland Bureau of Emergency Management (PBEM).

Financial Overview

General Fund: The Bureau of Emergency Management continues to face increasingly complex and declining funding sources to support the overall mission. With the economic forecast and decline in general funds, PBEM's major programs continue to be impacted. This includes the ability to provide training to ECC responders, expand community outreach, and exercise the City's emergency and preparedness plans.

Grants: Grant funding continues to be a major component of PBEM's budget including several federal and state grants. Many of our grant programs have overlapping grant award periods. As a result, grant administration continues for Urban Areas Security Initiative (UASI) grants for FY 2010, FY 2011 and FY 2012. These grants serve a five-county region (Clackamas, Clark, Columbia, Washington and Multnomah counties); other grants include State Homeland Security Program (SHSP) FY 2010 and FY 2012, and the Emergency Management Performance Grant for FY 2010, FY 2011 and FY 2012. However, grant revenues are expected to decline significantly in the next several years and in some cases, go away all together. In total, federal grant funds support 5.71 FTE of the 17 FTE's.

Requests in BMP

Technical Adjustments and further appropriation are detailed in the Budget Amendment Request Report. Below is a brief summary:

General Fund:

One-time Carry-over: PBEM is requesting a one-time carry-over of \$25,000 from FY 2012-13 budget. This would be to provide the 50% cash match contribution for our Emergency Management Performance Grant to enable us to hire a contractor to complete the mandatory update to our 2010 National Hazard Mitigation Plan.

Grant Fund:

UASI 2010: Transfer grant fund allocation to other bureaus for FY 2012-13 - (\$427,667)

UASI 2011: Reduce appropriation to Bureau for FY 2012-13 from Grant Fund and request carryover for FY 2013-14 – (\$2,000,000)

Internal reallocation: Reallocation of bureau budget between major categories is reflected in BRASS technical adjustments to better align with bureau spending for FY 2012-13.

Decision Package Update

PBEM reduced its on-going discretionary budget by 6% through reductions in Internal Services and External M&S. In addition, OMF IA reductions and mandatory citywide merit freeze requirements were implemented based on Council direction to meet necessary targets. Additional details are included in this package.

Budget Notes

No Budget Notes to report on for this monitoring period.

Mayor Charlie Hales
Commissioner-in-Charge

Date

BUDGET AMENDMENT REQUEST

Portland Bureau of Emergency Management

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

EM_012 - Grant Fund Reallocation to Bureaus

Urban Areas Security Initiative Grant 2010 (UASI) - PBEM serves as the administrative pass-through agency for grant funded projects for the UASI grant program. This adjustment transfers grant appropriation to city bureaus to realign spending with grant funded projects. This request removes grant revenues and expenditures from PBEM's grant budget to allow distribution to correct bureaus (PPB, PF&R, BTS).

Dollar Amount: **(\$427,667)**

Type: Technical Adjustment

Resources: Grants

EM_013 - UASI 2011 - Reduce Bureau Grant Appropriation

Urban Areas Security Initiative Grant 2011 (UASI) - PBEM forecasts grant expenditures based on anticipated project timelines. A grant extension for FY 2010 and delay in implementing FY 2011 projects requires us to reduce grant appropriation to PBEM's budget in the current fiscal year.

Dollar Amount: **(\$2,000,000)**

Type: Technical Adjustment

Resources: Grants

EM_014 - Bureau Internal Adjustment to IA in Grant Fund

This is a technical adjustment to reallocate grant funds in support of Interagency Agreements from External Materials & Services to Internal Materials & Services for FY 2012-13.

Dollar Amount: \$0

Type: Technical Adjustment

Resources: Grants

EM_015 - Carry-over Request for Hazard Mitigation Plan

PBEM is requesting a one-time carry-over of \$25,000 from FY 2012-13 budget. This would be to provide the 50% cash match contribution for our Emergency Management Performance Grant to enable us to hire a contractor to complete the mandatory update to our 2010 National Hazard Mitigation Plan.

Dollar Amount: **(\$25,000)**

Type: Carryover Request

Resources: General Fund Discretionary

BUDGET AMENDMENT REQUEST

Portland Bureau of Emergency Management

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

EM_016 - Interagency Agreement with PPB

The Portland Bureau of Emergency Management is the administrators of the State Homeland Security Grant program for the Community Emergency Notification System. PBEM currently has IA's with PPB and PWB in suport of this system. The current request is to receive revenue from PBB to support the Community Notification System for FY 2012-13.

Dollar Amount: \$10,000

Type: Technical Adjustment

Resources: New Revenues

BUDGET AMENDMENT REQUEST

Portland Bureau of Emergency Management

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

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Resources: Grants

EM_015 - Carry-over Request for Hazard Mitigation Plan

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BUDGET AMENDMENT REQUEST

Portland Bureau of Emergency Management

PERIOD Spring BuMP

FISCAL YEAR FY 2012-13

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**Business Area Projection Report
PBEM General Fund 100**

| | Spring BuMP Revised Budget | FY 2012-13 YTD Actuals Thru AP8 | Spring BuMP Year-End Projection | % of Projected Actuals to Revised Bud |
|--|----------------------------------|---------------------------------------|---------------------------------------|---|
| Portland Bureau of Emergency Management | | | | |
| EXPENDITURES | | | | |
| Personnel Services | \$1,145,119 | \$753,961 | \$1,076,403 | 94% |
| External Materials and Services | \$139,345 | \$63,569 | \$105,988 | 76% |
| Internal Materials and Services | \$374,000 | \$249,664 | \$378,759 | 101% |
| TOTAL EXPENDITURES | \$1,658,464 | \$1,067,193 | \$1,561,150 | 94% |
| REVENUES | | | | |
| Interagency Revenue | \$10,000 | \$10,000 | \$10,000 | 100% |
| Miscellaneous | \$0 | \$570 | \$0 | 0% |
| General Fund Discretionary | \$560,509 | \$0 | \$0 | 0% |
| General Fund Overhead | \$1,087,955 | \$0 | \$0 | 0% |
| TOTAL REVENUES | \$1,658,464 | \$10,570 | \$10,000 | 1% |

Bureau Projection Narrative

PBEM General Fund - 100

Personnel Services - The bureau experienced several position vacancies during FY 2012-13. Two of the positions were partially grant funded by the Emergency Management Performance Grant. The vacancies were not filled immediately and therefore resulted in a slight cost savings in personnel costs.

One-time carry-over request: PBEM is requesting a one -time carry-over of \$25,000 from the FY 2012-13 budget. This would be to provide the 50% cash match contribution for our Emergency Management Performance Grant to enable us to hire a contractor to complete the mandatory update to our 2010 National Hazard Mitigation Plan.

External Materials & Services - Projections will be slightly below FY 2012-13 forecast. Currently, PBEM's rent is partially subsidized by the Emergency Management Performance Grant.

Internal Materials & Services - Bureau anticipates spending as budgeted.

Interagency Revenue - Revenue will be expended for an interagency agreement for the city's community emergency notification system.

PBEM Grant Fund 217

Personnel Services - FY 2011 UASI grant personnel expenses will be less than forecasted due to changes in grant timelines. Bureau is requesting carry-over in this category for FY 2012-13.

External Materials & Services - Grant funded expenses will be below projections due to changes in grant timelines, project cost savings, and spending adjustments. Office rent is partially subsidized by Emergency Management Performance Grant (EMPG) funding resulting in a slight cost savings to General Fund.

Internal Materials & Services - Grant projects utilizing internal services fluctuates throughout the life of the grant. This category may incur additional expenses depending on grant funded spending plans. Any necessary adjustments will take place in Fall BMP.

Capital Outlay - For this category, an asset was purchased - under the FY 2010 UASI grant. However, it was incorrectly coded in the SAP financial system assigning it to PBEM. The bureau is currently transferring the asset to the appropriate city bureau via journal entry.

**Business Area Projection Report
PBEM Grant Fund 217**

| | Spring BuMP Revised Budget | FY 2012-13 YTD Actuals Thru AP8 | Spring BuMP Year-End Projection | % of Projected Actuals to Revised Bud |
|--|----------------------------------|---------------------------------------|---------------------------------------|---|
| Portland Bureau of Emergency Management | | | | |
| EXPENDITURES | | | | |
| Personnel Services | \$616,103 | \$322,919 | \$616,103 | 100% |
| External Materials and Services | \$7,367,938 | \$4,094,406 | \$7,367,939 | 100% |
| Internal Materials and Services | \$42,848 | \$42,844 | \$42,848 | 100% |
| Capital Outlay | \$0 | \$58,944 | \$0 | 0% |
| TOTAL EXPENDITURES | \$8,026,889 | \$4,519,113 | \$8,026,890 | 100% |
| REVENUES | | | | |
| Intergovernmental Revenues | \$8,026,889 | \$4,637,809 | \$0 | 0% |
| TOTAL REVENUES | \$8,026,889 | \$4,637,809 | \$0 | 0% |

Bureau Projection Narrative

PBEM General Fund - 100

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Decision Packages

1. EM_02 – 6% On-going Reduction Package – (\$42,411)

PBEM is able to reduce its current Interagency Service Level Agreements and External Materials & Services budgets by \$42,411 to meet the discretionary reduction targets. Reductions are experienced through migrating to a web-hosted solution for WebEOC failover, thereby reducing the need for the Bureau of Technology Services (BTS) server support. WebEOC is a regional system utilized by the Portland urban area. BTS supports the solution for off-site hosting and the move of the failover to the current vendor. In addition, PBEM will reduce ongoing office rent. This reduction is attributed to the bureau paying down its portion of the ECC debt service.

Cost savings have been experienced by reducing external materials & services and four servers previously supported by BTS. The on-going discretionary reductions were implemented migrating the regional web-hosted solution to a private contractor. This provides failover capability at an off-site location enabling the City and regional partners to share critical information in the event of a major disaster.

2. EM_04 – Non-Rep Merit Pay Freeze – (\$7,860)

The package reflects a decrease of \$7,860 in personnel services costs resulting from a freeze on merit increases in FY 2012-13 for non-represented employees making more than \$45,000 per year.

City bureaus were requested to decrease personnel services to assist with balancing the city budget. These reductions have been implemented to PBEM's budget for FY 2012-13.

3. EM_05 – OMF IA Savings – (\$37,280)

The package reflects a decrease of \$37,280 in interagency costs resulting from decision packages in the Office of Management and Finance. An adjustment to the bureau's ongoing General Fund discretionary target was made to balance the decreased costs.

This request reduced internal services based on the mandatory reduction packages submitted by OMF internal service operations. PBEM's IA agreements were reduced to meet the necessary city-wide targets.