

Analysis By: Doug Le

OFFICE OF GOVERNMENT RELATIONS

All Funds Budget Summary	Adopted FY 2014-15	Request Base FY 2015-16	Decision Pkgs FY 2015-16	Request Total FY 2015-16	Percent Change
Resources					
Intergovernmental Revenues	\$35,000	\$35,000	\$0	\$35,000	0.0%
Interagency Revenue	137,833	142,386	0	142,386	3.3%
General Fund Discretionary	593,909	617,140	0	617,140	3.9%
General Fund Overhead	692,445	713,346	0	713,346	3.0%
Total Resources	\$1,459,187	\$1,507,872	\$0	\$1,507,872	3.3%
Expenditures					
Personnel Services	\$972,740	\$1,017,738	\$159,924	\$1,177,662	21.1%
External Materials and Services	322,733	354,493	(159,924)	194,569	-39.7%
Internal Materials and Services	163,714	135,641	0	135,641	-17.1%
Total Requirements	\$1,459,187	\$1,507,872	\$0	\$1,507,872	3.3%
Total Bureau FTE	8.00	8.00	1.00	9.00	12.5%

Percent Change is the change from FY 2014-15 Adopted Budget to FY 2015-16 Total Requested Budget.

Key Issues

Key Performance Measures

The Office of Government Relations (OGR) selected the following Key Performance Measures (KPMs) for FY 2015-16:

1. Customer Rating: As part of the annual Customer Service survey, OGR asks their customers for an overall rating of the office performance. In FY 2014-15, OGR received a rating of "Excellent" or "Very Good" in Overall Performance by over 95% of those surveyed.
2. Responsiveness to Client Requests: This KPM measures how well and timely OGR responds to requests for services. In the survey conducted in 2014, all respondents indicated that the office was either "Very Responsive" or "Responsive" to requests for assistance.
3. Number of International Delegations Received: The Office receives international delegations visiting the City. This is an indicator of making Portland a welcoming international City. The program's goal is to welcome 50 delegations a year. From March 2014 to January 2015, the office received 40 visiting delegations.

The above key performance measures were approved by the Budget Advisory Committee. OGR aims to maintain or improve the above KPMs in FY 2015-16. These measures are consistent with the OGR's mission, and they support essential City services.

Decision Package Analysis & Recommendations

Deputy Director, GR_01, \$167,924, 1.00 FTE

The Office of Government Relations (OGR) requests \$167,924 in ongoing General Fund discretionary and overhead resources to fund one Deputy Director position to strengthen OGR's ability to accomplish its mission of advancing the City's legislative and intergovernmental policy objectives. The new position would have operational, management, and programmatic responsibilities such as: adding lobbying and leadership capacity to the office's three intergovernmental program areas; ensuring compliance with state and federal ethics laws; sharing oversight of financial, personnel, budgeting, and business systems; supervising staff; and representing the Director in internal and external meetings to provide intergovernmental advice.

If the requested position is approved, the office would have a total of nine positions in FY 2015-16. Of these positions, three are administrative: Deputy Director (25% administrative responsibilities), Business Operations Manager, and Executive Assistant (75% administrative responsibilities). This would be the highest ratio of administrative staff (2 to 9) compared to other small offices in the City, such as the City Budget Office (1.5 to 14) or Office of Equity and Human Rights (1.6 to 10.6). The staffing at OGR is presented in the table below.

Office of Government Relations		
<u>System Title</u>	<u>Working Title</u>	<u>FTE</u>
Government Relations Director	Director	1
Commissioner's Admin Support Specialist	Executive Assistant	1
Commissioner's Staff Representative	Business Operations Manager	1
Commissioner's Staff Representative	Director, International Relations	1
Commissioner's Staff Representative	Associate	1
Government Relations Lobbyist	Senior Associate	1
Government Relations Lobbyist	Senior Associate	1
State Government Relations Manager	State Government Relations Manager	1
FY 2014-15 TOTAL		8
Assistant Director (FY 2015-16 Requested)	Deputy Director	1
TOTAL		9

Given the Mayor's direction for a stabilization budget, CBO does not recommend this decision package.

CBO Recommendation: \$0

International Relations, GR_02, \$49,999

The office requests \$49,999 in ongoing General Fund resources to fund a Portland State University Hatfield Resident Fellow, travel expenses, and office equipment to add capacity to the International Relations program. OGR assumed this program from the Mayor's Office in FY 2014-15. The program is responsible for supporting Portland's Sister Cities, serving as a liaison between the city and visiting

international delegations, and facilitating strategic policy connections between Portland and the international community. The Fellow would assist the Director for International Relations in managing the program and sharing the responsibilities of planning and attending meetings, developing international protocols for use by city bureaus and offices, and other projects that advance the program's goals. This would allow the Director more time to prepare for visiting delegations and pursuing strategic opportunities for the City. CBO believes that the Hatfield Fellow is a cost effective approach to provide additional support to this program and recommends this decision package.

CBO Recommendation: \$49,999

Offset for Deputy Director, GR_03, (\$167,924)

This package reduces the City's federal lobbying contract by \$167,924 to offset the request for the Deputy Director position. In FY 2014-15, the contract amount is \$198,000; the above reduction would essentially eliminate the entire contract. The federal lobbyist acts as the City's lead on the federal agenda in Washington, DC and is responsible for critical functions in the lobbying effort, such as identifying potential federal funding opportunities to bureaus; arranging lobbying meetings; and providing strategic advice to Council and bureaus about how to achieve the City's federal objectives. Based on the importance of this contract to the office, CBO does not recommend this decision package.

It is important to note that the Budget Advisory Committee (BAC) did not reach consensus regarding offering the federal lobbying contract as an offset for the Deputy Director position because the loss of this contract would adversely impact the bureau's ability to meet its core mission. One member strongly objected to this offset and instead offered the International Relations program as a lower priority.

CBO Recommendation: \$0

Offset for International Relations Program, GR_04, (\$49,999)

This package offers to reduce legislative outreach and lobbying services as an offset to the add package in the International Relations program. This would result in fewer outreach trips during the State legislative break and fewer resources to support the lobbying efforts during the 2016 State legislative session. The outreach and participation in events are part of the efforts to build and maintain relationships with legislators statewide to effectively advance the City's objectives. The proposed cut would negatively impact OGR's ability to accomplish one of its important goals of continuing with its outreach before, during, and following legislative sessions. Because the proposed cut would hinder the Office in accomplishing its mission, CBO does not recommend this decision package.

As with the offsetting package for the Deputy Director position discussed above, there is no consensus among BAC members for offering a reduction in legislative outreach and lobbying as an offset to International Relations add package. No alternative package was proposed.

CBO Recommendation: \$0

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

	Bureau Requested					CBO Analyst Recommendations					
	Bureau Priority	FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses	FTE	Gen Fund Ongoing	Gen Fund 1-Time	Other Revenues	Total Expenses
Office of Government Relations											
<u>Adds</u>											
GR_01 - Deputy Director	01	1.00	77,892	0	90,032	167,924	0.00	0	0	0	0
GR_02 - International Relations	02	0.00	23,192	0	26,807	49,999	0.00	23,192	0	26,807	49,999
<i>Total Adds</i>		<i>1.00</i>	<i>101,084</i>	<i>0</i>	<i>116,839</i>	<i>217,923</i>	<i>0.00</i>	<i>23,192</i>	<i>0</i>	<i>26,807</i>	<i>49,999</i>
<u>Reductions</u>											
GR_03 - Offset for Deputy Directors Position	01	0.00	(77,892)	0	(90,032)	(167,924)	0.00	0	0	0	0
GR_04 - Offset for International Relations Program	02	0.00	(23,192)	0	(26,807)	(49,999)	0.00	0	0	0	0
<i>Total Reductions</i>		<i>0.00</i>	<i>(101,084)</i>	<i>0</i>	<i>(116,839)</i>	<i>(217,923)</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Office of Government Relations		1.00	0	0	0	0	0.00	23,192	0	26,807	49,999