



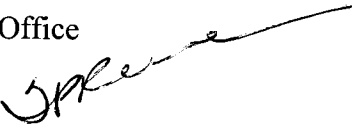
CITY OF
PORTLAND, OREGON
OFFICE OF THE CITY ATTORNEY

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March 30, 2015

INTEROFFICE MEMORANDUM

TO: City Budget Office

FROM: Tracy Reeve 
City Attorney

SUBJECT: Office of the City Attorney FY 2014-15 Spring Budget Monitoring Report

Attached is the City Attorney's Office's Spring Budget Monitoring Report for FY2014-15. This report provides a current year forecast and several budget amendment requests.

In summary, the office is expected to spend 98% of its FY 2014-15 budget.

The first budget amendment request is for \$100,000 in Compensation Set Aside funds. The office had no vacancy savings this year and is at risk of overspending its personnel services budget due to COLA. Therefore the office requests Compensation Set Aside funds to offset COLA expenses.

The second request is a technical adjustment to transfer \$190,000 from External Materials and Services to Personnel Services to cover expenses for temporary staff including law clerks and a temporary attorney, and to transfer \$8,000 from External to Internal Materials and Services for additional copier services.

The third request is an adjustment to the office's interagency agreement with Risk Management to increase funding for the Litigation Hold Program. The FY15-16 budget requests the addition of 1.0 FTE Assistant Program Specialist to administer the Litigation Hold Program. However, both the City Attorney's Office and Risk Management agree the program should begin as soon as possible. The City Attorney's Office and Risk Management expect the City to be better protected from the possibility of relevant evidence being inadvertently lost or intentionally spoliated and avoid costly sanctions and help to reduce the current burden on staff throughout the City. With this increase in funding, the office is able to fill a position for the remainder of this fiscal year.

The fourth request is to transfer \$262,500 from the General Fund to the City Attorney's Office for Portland Harbor restoration expenses that the office covered at the request of the City Budget Office. On December 3, 2014, the City Council passed Ordinance No. 186911, which authorized the City to enter into an Agreement to purchase credits in the Alder Creek habitat restoration project in the amount of up to \$2,625,000. An initial payment of \$262,500 was required in March. The City Attorney's Office made the initial payment of \$262,500 from its current budget with the understanding that the office would be reimbursed from the General Fund in the Spring BuMP.

The final request is to carry over funds to next year's budget. In the Fall BuMP, \$400,000 was transferred from the General Fund to the City Attorney's office for expenses related to the Portland Harbor Natural Resource Trustees Funding and Participation Agreement (Ordinance 186810). The office expects only \$189,980 of that funding to be spent this fiscal year and requests to carry over the remaining \$210,020 to the next fiscal year.

Thank you for your consideration.

TPR/ccj

**CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget**

Bureau: Office of the City Attorney

Type: Compensation Set Aside Request

Request: AT_004 - Compensation Set Aside

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Personnel Services	100,000	0	100,000
TOTAL EXPENDITURES	100,000	0	100,000
REVENUES			
Interagency Revenue	0	0	0
General Fund Discretionary	100,000	0	100,000
TOTAL REVENUES	100,000	0	100,000

Bureau Description:

The office had no vacancy savings this year and is at risk of overspending its personnel services budget due to COLA. Therefore, this request is for Compensation Set Aside funds to offset the office's General Fund portion of COLA expenses.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget**

Bureau: Office of the City Attorney

Type: Technical Adjustment

Request: AT_005 - Spring Technical Adjustments

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Personnel Services	190,000	0	190,000
External Materials and Services	(198,000)	0	(198,000)
Internal Materials and Services	8,000	0	8,000
TOTAL EXPENDITURES	0	0	0
REVENUES			
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0

Bureau Description:

This request is to transfer \$190,000 from External Materials and Services to Personnel Services to cover expenses for temporary staff. The office hired a temporary attorney to assist with a key legislative project intended to further equity in employment and also hired law clerks. Additionally, the office requires transfer of \$8,000 to Printing and Distribution for increased copier services.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget**

Bureau: Office of the City Attorney

Type: New Request

Request: AT_006 - Litigation Holds

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
Personnel Services	20,000	0	20,000
External Materials and Services	0	0	0
Internal Materials and Services	0	0	0
TOTAL EXPENDITURES	20,000	0	20,000
REVENUES			
Interagency Revenue	20,000	0	20,000
General Fund Discretionary	0	0	0
TOTAL REVENUES	20,000	0	20,000

Bureau Description:

This request will increase the interagency agreement with Risk Management by \$20,000 to begin expansion of the Litigation Hold Program. The FY15-16 budget requests the addition of 1.0 FTE Assistant Program Specialist to administer the Litigation Hold Program. However, both the City Attorney's Office and Risk Management agree the program should begin as soon as possible. The City Attorney's Office and Risk Management expect the City to be better protected from the possibility of relevant evidence being inadvertently lost or intentionally spoliated and avoid costly sanctions and help to reduce the current burden on staff throughout the City. With an increase in funding, the office is able to double-fill a position for the remainder of this fiscal year.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget**

Bureau: Office of the City Attorney

Type: New Request

Request: AT_007 - Portland Harbor Habitat Restoration

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
External Materials and Services	262,500	0	262,500
TOTAL EXPENDITURES	262,500	0	262,500
REVENUES			
General Fund Discretionary	262,500	0	262,500
TOTAL REVENUES	262,500	0	262,500

Bureau Description:

On December 3, 2014, the City Council passed Ordinance No. 186911, which authorized the City to enter into an Agreement to purchase credits in the Alder Creek habitat restoration project in the amount of up to \$2,625,000. An initial payment of \$262,500 was required in March. The City Attorney's Office made the initial payment of \$262,500 from its current budget with the understanding that the office would be reimbursed from the General Fund in the Spring BuMP.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2014-15 Spring Supplemental Budget**

Bureau: Office of the City Attorney

Type: Program Carryover Request

Request: AT_008 - Portland Harbor Carryover

	Spring BMP Requested Adjustments	Spring BMP CBO/Council Changes	Spring BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(210,020)	0	(210,020)
TOTAL EXPENDITURES	(210,020)	0	(210,020)
REVENUES			
General Fund Discretionary	(210,020)	0	(210,020)
TOTAL REVENUES	(210,020)	0	(210,020)

Bureau Description:

In the Fall BMP, \$400,000 was transferred from the General Fund to the City Attorney's Office for expenses related to the Portland Harbor Natural Resource Trustees Funding and Participation Agreement (Ordinance 186810). The office expects only \$189,980 of that funding to be spent this fiscal year and requests to carry over the remaining \$210,020 to the next fiscal year.

CBO Discussion and Recommendation

Business Area Projection Report

	Spring BMP Revised Budget	FY 2014-15 YTD Actuals Thru AP8	Spring BMP Year-End Projection	% of Projected Actuals to Revised Bud
Office of the City Attorney				
EXPENDITURES				
Personnel Services	\$9,329,278	\$6,154,029	\$9,201,000	99%
External Materials and Services	\$825,105	\$390,578	\$768,007	93%
Internal Materials and Services	\$881,169	\$581,358	\$872,037	99%
TOTAL EXPENDITURES	\$11,035,552	\$7,125,965	\$10,841,044	98%
REVENUES				
Charges for Services	\$6,000	\$3,000	\$4,000	67%
Interagency Revenue	\$5,247,877	\$3,435,251	\$5,212,877	99%
Miscellaneous	\$0	\$1,979	\$1,979	0%
General Fund Discretionary	\$2,888,746	\$0	\$2,729,259	94%
General Fund Overhead	\$2,892,929	\$0	\$2,892,929	100%
TOTAL REVENUES	\$11,035,552	\$3,440,230	\$10,841,044	98%

Bureau Projection Narrative

The office expects to spend 98% of its FY2014-15 budget.

Personnel Services: The office had only a few vacancies this year due to retirements. Succession planning required briefly double filling positions to allow for adequate training. Additionally, the office will request Compensation Set Aside funds for COLA expenses.

External Materials and Services: The office is projected to spend most of its EMS budget. The budget included \$400,000 for the Portland Harbor Natural Resource Participation Agreement. Only a portion of those funds will be spent in FY14-15 and the remaining \$210,020 should be carried over to next fiscal year's budget. Excluding those funds, the office is projected to spend 93% of its EMS budget.

Internal Materials and Services: The office is projected to spend 99% of its IMS budget.

**CITY ATTORNEY'S OFFICE
F14-15 DECISION PACKAGE UPDATE**

**CITY ATTORNEY'S OFFICE
F14-15 DECISION PACKAGE UPDATE**

The FY14-15 Budget included one Deputy City Attorney position to focus on critical Citywide legal records issues. The position has been filled and work on the Legal Records Management Project (LRMP) has commenced. Meetings for several Citywide forums which are part of the LRMP have occurred, including the LRMP Forum, the legal hold forum, and the public records responder forum. The City has purchased and is in the process of implementing new public records software which will allow the public to request records online and better track and coordinate the City's responses. The City will soon be testing the public records software; implementation is expected to be complete by the end of 2015. The City is in the process of changing its legal hold process and will be implementing additional software modules to assist with evolving legal requirements. Additionally, initial planning meetings on data mapping are occurring in coordination with related work by BTS and the Auditor.

The office requested a paralegal position to support the Deputy City Attorney and the LRMP project. The request was not approved. The paralegal position is required to coordinate multi-bureau public records requests, implement and manage Citywide public records and legal hold software systems, work with records managers to help ensure legal compliance and help develop best practices and training. The office has identified an internal realignment that will help to accomplish some of the work. Because the LRMP involves several distinct projects that require substantial staffing, implementing this project without being fully funded and staffed has burdened existing staff and may delay the provision of legal services.