



CITY OF
PORTLAND, OREGON
OFFICE OF THE CITY ATTORNEY

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INTEROFFICE MEMORANDUM

TO: City Budget Office

FROM: Tracy Reeve
City Attorney

SUBJECT: Office of the City Attorney FY 2015-16 Fall Budget Monitoring Report

Attached is the City Attorney's Office's Fall Budget Monitoring Report for FY2015-16. This report provides details about the office's prior year expenditures and includes updates on prior year performance measures and decision packages.

In summary, the office's prior year expenditures were 1.6% under budget. There were no significant issues on which to report.

The office is requesting additional paralegal support due to unanticipated litigation and public records work.

Thank you for your consideration.

TPR/ccj
c: Crystine Jividen

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Office of the City Attorney

Type: New Request

Request: AT_001 - Litigation Paralegal

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	55,432	0	55,432
External Materials and Services	4,000	0	4,000
Internal Materials and Services	4,000	0	4,000
TOTAL EXPENDITURES	63,432	0	63,432
REVENUES			
Interagency Revenue	0	0	0
General Fund Discretionary	63,432	0	63,432
TOTAL REVENUES	63,432	0	63,432
FTE			
Full-Time Positions	0.67	0.00	0.67
TOTAL FTE	0.67	0.00	0.67

Bureau Description:

Add a limited term full-time paralegal position to support the legal team handling the highly significant Anderson v. City matter. Due to an extremely high volume of documents in this case (over 200,000 pages to date), a full time paralegal is necessary for optimal handling which current office resources do not permit. Not funding this request could result in less efficient and less timely handling of the Anderson litigation or, if current resources are diverted to Anderson, insufficient paralegal staffing on other City litigation. This request was not included in the budget because the office has been attempting to staff all litigation with existing resources. However, Council offices have identified a need to prioritize optimal handling of the Anderson case which is taxing existing resources.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Office of the City Attorney

Type: New Request

Request: AT_002 - LRMP Paralegal

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	55,432	0	55,432
External Materials and Services	4,000	0	4,000
Internal Materials and Services	4,000	0	4,000
TOTAL EXPENDITURES	63,432	0	63,432
REVENUES			
Interagency Revenue	0	0	0
General Fund Discretionary	63,432	0	63,432
TOTAL REVENUES	63,432	0	63,432
FTE			
Full-Time Positions	0.67	0.00	0.67
TOTAL FTE	0.67	0.00	0.67

Bureau Description:

Add a limited term full-time paralegal position to support the LRMP project for the remainder of the fiscal year. The FY14-15 Budget included one Deputy City Attorney position to focus on critical Citywide legal records issues. The office also requested an additional paralegal position to support that Deputy City Attorney but the request was not approved. Because 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 identified a realignment to help accomplish a portion of the work. The LRMP involves several distinct projects that require substantial staffing, and implementing this project without being fully funded and staffed has burdened existing staff. In addition, the City Attorney's Office has been asked to take on an increasing large role in assisting bureaus and elected officials' offices with responding to public records requests. The current paralegal who has been realigned from litigation work is not able to take on all the programmatic aspects of the Legal Records Management Project (to include substantial training on the pending Citywide go live of GovQA "the new public records software") and provide this assistance.

Not funding this request will result in less efficient and less timely handling of public records requests, particularly those directed at elected officials' offices, and multi-bureau and document intensive requests. This request was not included in the budget because the office has been attempting to staff the LRMP with existing resources. However, Council offices have identified a need for the City Attorney's office to on take a larger role in responding to public records requests. The office is unable to handle this additional work with existing resources.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Office of the City Attorney

Type: Technical Adjustment

Request: AT_003 - Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
Internal Materials and Services	6,576	0	6,576
TOTAL EXPENDITURES	6,576	0	6,576
REVENUES			
General Fund Discretionary	6,576	0	6,576
TOTAL REVENUES	6,576	0	6,576

Bureau Description:

Rent increase from Fair Wage implementation.

CBO Discussion and Recommendation

Prior Year Business Area Reconciliation Report

	FY 2014-15 Revised Budget	FY 2014-15 Year-End Actuals	Percent of Actuals to Revised
Office of the City Attorney			
EXPENDITURES			
Personnel Services	\$9,329,278	\$9,194,167	99%
External Materials and Services	\$810,105	\$775,267	96%
Internal Materials and Services	\$896,169	\$883,064	99%
TOTAL EXPENDITURES	\$11,035,552	\$10,852,498	98%
REVENUES			
Charges for Services	\$6,000	\$22,507	375%
Interagency Revenue	\$5,247,877	\$5,172,877	99%
Miscellaneous	\$0	\$1,979	0%
General Fund Discretionary	\$2,888,746	\$0	0%
General Fund Overhead	\$2,892,929	\$0	0%
TOTAL REVENUES	\$11,035,552	\$5,197,362	47%

Bureau Reconciliation Narrative

Expenditures were on target and 1.5% under budget. The office was fully staffed which resulted in no vacancy savings. Interagency Revenue was \$75,000 less than budget due to a change in the way civil forfeiture legal costs are allocated. The civil forfeitures legal services were very roughly estimated and the actual for the year was \$17,545. This was recorded in Charges for Services rather than Interagency Revenue.

FY14-15 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 extensive work on the Legal Records Management Project (LRMP) has been undertaken. Citywide LRMP meetings and public records responder forums have been organized and are occurring regularly; work on implementing public records software is underway with a go-live scheduled by the end of this calendar year.

The office requested an additional paralegal position to support that Deputy City Attorney. The request was not approved. Because 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 identified a realignment to help accomplish a portion of the work. Because the LRMP involves several distinct projects that require substantial staffing, implementing this project without being fully funded and staffed has heavily burdened existing staff. In addition, the City Attorney's Office has been asked to take on an increasing large role in assisting bureaus and elected offices with responding to public records requests, including conducting data searches to ensure accuracy and consistency in responses. The current paralegal who has been realigned from litigation work is not able to take on all the programmatic aspects of the Legal Records Management Project (to include substantial training on the pending Citywide go live of GovQA "the new public records software") and provide this critical assistance.

Office of the City Attorney

Performance Measures

Performance Measure	Type	FY 2012-13 Year-End Actuals	FY 2013-14 Year-End Actuals	FY 2014-15 Adopted Budget	FY 2014-15 Revised Budget	FY 2014-15 Year-End Actuals
AT_0001 - Number of litigation cases	WORKLOAD	1,402	1,328	1,300	1,347	1,474
AT_0004 - Number of contracts reviewed and approved	WORKLOAD	8,610	8,491	8,500	8,839	8,892
AT_0006 - Number of training hours provided by City Attorney staff to other City staff	KPM	220	254	165	364	388
AT_0007 - Annual costs of outside counsel	KPM	\$1,239,914	\$595,525	\$0	\$476,080	\$331,624
AT_0008 - Cost of Service per Attorney Hour	KPM	\$130	\$133	\$0	\$136	\$133

Performance Measure Variance Descriptions

Litigation Cases: The number of litigation cases handled has remained steady for several years with a few small exceptions. Business license collection matters and civil forfeitures, both revenue generating litigation, are increasing. Civil forfeiture matters, formerly handled by outside counsel, have been brought in-house. The office has dedicated resources to helping the Police Bureau expand this program. The results include an increase in forfeiture revenue and lower legal services costs to the City.

Contracts Reviewed: The number of contracts reviewed continues to rise. Although the City Attorney's Office has no control over the number of contracts that come through the office for review, the office has been able to handle the steady increases with available resources. If the upward trend continues over the next few years, the office may need to increase staffing for this work or lower the expectation for timeliness of review. Currently, the average turnaround time for contract review is 2.3 days with 32% of contracts returned within one day. Two years ago, 46% of contracts were returned within one day.

Training Hours Provided: The number of training hours provided to City staff was higher than target. The office continues to make legal training a priority which lowers risk and cost to the City. Legal training for City employees on topics such as ADA compliance, the discipline process, HRAR 2.02, election laws, civil forfeitures and legal records management, for example, are important to reaching all four of the office's primary goals; providing excellent customer service and legal advice, providing effective advocacy, achieving equity, and ensuring good stewardship of public resources. As the office progresses on the legal records management project that was funded in FY14-15, more training is being provided on legal holds and legal records management. Additionally, due to funding provided in the FY15-16 budget for an additional attorney position for civil rights work, the office will have more capacity for training in this area as well.

Outside Counsel Costs: Outside counsel costs were 33% less than projected, 44% less than FY13-14 and 73% less than FY12-13. Because in-house rates are significantly lower than outside counsel, a goal of the City Attorney's Office is to minimize the number of occasions when outside counsel is hired. Some outside counsel costs are unavoidable; however, having sufficient in-house staff has reduced costs while providing consistent high quality legal services. The City Attorney's Office will continue to strive for low outside counsel costs.

Cost of Service per Attorney Hour: The actual attorney hourly rate was slightly lower than anticipated due to expenses coming in 1.5% under budget. The attorney hourly rate remains less than half the rate of outside counsel and is a clear indicator that the City Attorney's Office minimizes the City's overall legal costs. Providing cost-effective legal services relates directly to all four of the office's primary goals and, in particular, demonstrates that the office continues to be an effective steward of public resources by providing excellent, easily accessible legal services to the City, at a very affordable rate.