

City Budget Office



Requested Budget

FY 2018-19



Office of Mayor Ted Wheeler
City of Portland

TO: Commissioner Fish
Commissioner Fritz
Commissioner Eudaly
Commissioner Saltzman
Auditor Hull Caballero
City Budget Office

FROM: Mayor Ted Wheeler 

DATE: January 29, 2018

SUBJECT: City Budget Office FY 2018-19 Requested Budget

Attached for your consideration is the FY 2018-19 Requested Budget for the City Budget Office. As required, the budget includes a 5% reduction option that would eliminate funding for a limited term Assistant Financial Analyst position and related materials and services.

Also included is a new request for a Capital Coordinator position that would consolidate and enhance the work that CBO has been doing with regard identifying Citywide solutions to our asset funding issues and prioritizing investments using the newly identified Citywide resources such as Build Portland and the Capital Set-Aside. This position would also enhance CBOs capacity to coordinate a Citywide Capital Improvement Program, including planning, budgeting, and monitoring capital projects.

Finally, this request includes funding for a Citywide satisfaction survey to replace the survey that had been conducted by the Auditor for more than 20 years. The Auditor cut the survey in FY 2017-18. In discussions with other bureaus, the information from that survey was valuable and helped inform a number of bureau performance measures.

I support this Requested Budget and forward it for your consideration.

CITY BUDGET OFFICE

Ted Wheeler, Mayor
Nick Fish, Commissioner
Amanda Fritz, Commissioner
Chloe Eudaly, Commissioner
Dan Saltzman, Commissioner
Mary Hull Caballero, Auditor



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CITY OF PORTLAND, OREGON

FY 2018-19 Budget Advisory Committee Report

The City Budget Office Budget Advisory Committee convened on January 11, 2018. The committee members include Rob Fullmer (resident and Citywide Community Budget Advisor), Matt Grumm (Commissioner Saltzman's Office), and Judith Mowry (Office of Equity & Human Rights).

The committee reviewed the office's base budget by line item and concurred with the expected expenditures for the fiscal year. With regard to the office's 5% reduction option, the committee is concerned that the position reduction may reduce the office's ability to provide a transparent budget process with the necessary community outreach. Given the small size of the office, eliminating an analyst position may have a significant impact on the office's ability to achieve its core goals. We understand, however, that given the fact that personnel make up the vast majority of the office's budget (83%) and that most of the materials and services portion is unavailable for cuts (i.e. rent, technology charges, etc.) reducing a position is necessary to meet the required target.

CBO presented two add packages: 1) a capital coordinator to expand capacity to plan, prioritize, and evaluate the City's major maintenance and capital asset needs and 2) a new program consisting of three limited-term staff to perform a variety of value-creating functions, including process improvement, performance analytics, and behavioral insights/low-cost program evaluation.

The committee agreed that the capital analyst would be a valuable mission-aligned addition to CBO, focusing responsibility for moving forward this critical long-term fiscal sustainability issue. The committee agreed that while the second package fills important gaps in the City's approach to improving program performance, there was some consideration that these functions might not necessarily fit in the budget office. Nonetheless, the committee acknowledged that CBO has made inroads in these functions over the last several years, showing the interest and aptitude for this important work. Broadly supportive of the function, the committee agreed that for this pilot period of two years, housing this function in CBO would be a reasonable approach.

Subsequent to meeting with the BAC, CBO decided not to move forward with this second package – except for funding to reestablish the Citywide satisfaction survey that was recently cut by the City Auditor. We understand this decision in a constrained budgetary environment, recognizing that a broader set of Citywide priorities is at play. We do, however, encourage Council to look for ways to incorporate the substance of the request into bureau activities and not to lose momentum on some of the initiatives begun by CBO.

The committee agreed on CBO's order of priority for the packages included in the request, namely:

- 1) Keeping the existing analyst
- 2) Adding the capital analyst
- 3) Citywide satisfaction survey

Finally, the committee commends CBO on being a leader in the City – and the nation – on incorporating equity into their budget work and into the culture of their organization; the office has realigned considerable effort to deploy, support, and utilize the Budget Equity Tool specifically – and an equity lens more broadly – in their review of bureau budgets.

The following BAC members unanimously agree to the statements in this report:

Rob Fullmer, Community Budget Advisor

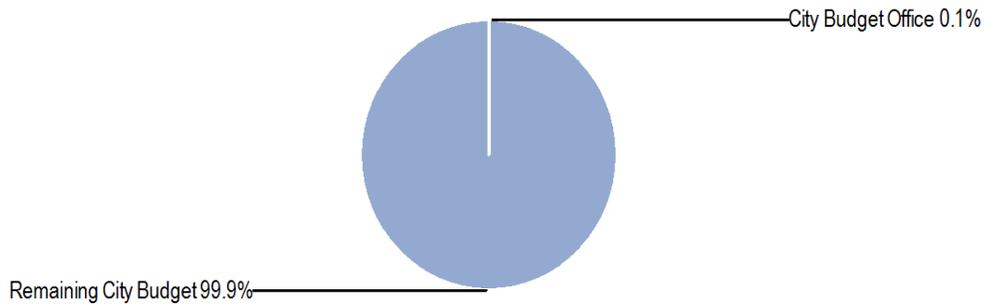
Matt Grumm, Sr. Staff Representative to Commissioner Dan Saltzman

Judith Mowry, Office of Equity and Human Rights

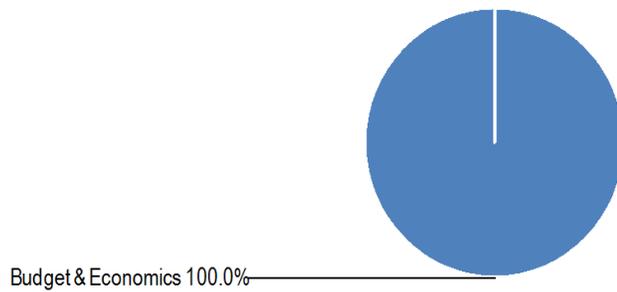
City Budget Office

Mayor Ted Wheeler, Commissioner-in-Charge
 Andrew Scott, Director

Percent of City Budget



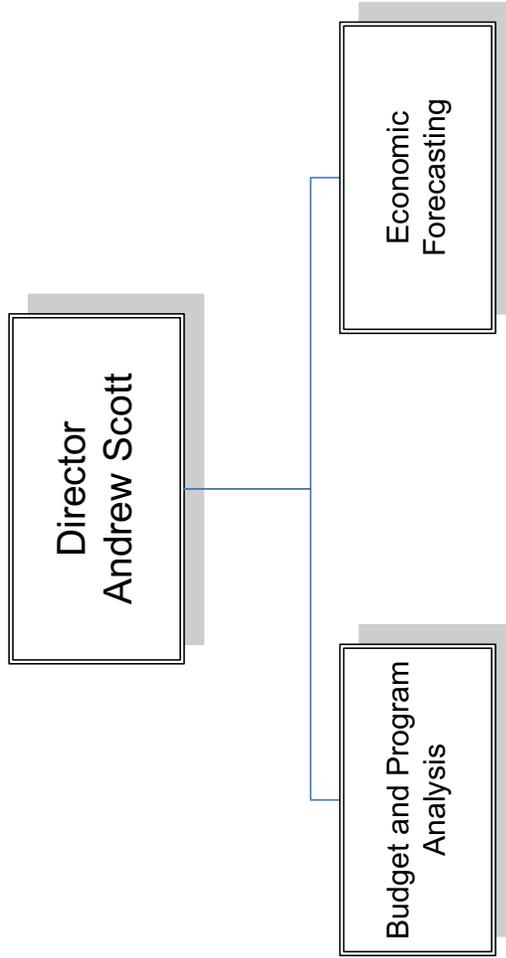
Bureau Programs



Bureau Overview

Expenditures	Revised FY 2017-18	Requested FY 2018-19	Change from Prior Year	Percent Change
Operating	3,613,615	2,672,587	(941,028)	(26.04)
Capital	0	0	0	0.00
Total Requirements	3,613,615	2,672,587	(941,028)	(26.04)
Authorized Positions	15.00	15.00	0.00	0.00

City Budget Office



Bureau Summary

Bureau Mission

The City Budget Office provides timely, accurate, and unfiltered information and analysis regarding budgeting, forecasting, and fiscal policy issues to the Mayor, Commissioners, City Auditor, City bureaus, and the public.

Bureau Overview

The City Budget Office coordinates development of the City's budget, including analysis of each bureau's operating and capital budget, financial plans, and performance measures. Duties include monitoring the expenditure and revenue trends of all City funds throughout the fiscal year, coordinating budget amendments, analyzing City programs and policies, reviewing ordinances for fiscal and policy impacts, and providing fiduciary oversight of the General Fund. In addition to providing analysis to elected officials and the public, analysts are available to City bureaus for consultation, training, and technical assistance in matters related to budget and finance. Analysts conduct research in response to inquiries from elected officials, City bureaus, the media, and the public.

The City Budget Office coordinates public involvement in the budget process, including staff support for the City's Community Budget Advisors and planning and staffing of budget forums and hearings. The office is responsible for ensuring that the City meets all requirements of State Budget Law regarding notices of public hearings and certification of the Approved Budget by the Tax Supervising and Conservation Commission. The Budget Director serves as the City's Budget Officer.

The primary responsibility of the economics section of the office is to monitor and forecast General Fund revenues and expenses, publishing five-year financial forecasts in December and April of each fiscal year and economic and revenue updates at the close of each quarter. The economics section develops current appropriation level targets for bureaus and programs that receive General Fund discretionary and General Fund overhead funding.

Additional responsibilities of the economics section include estimating labor agreement costs, consulting on bond rating calls, providing ad hoc economic analyses, and analyzing local business impacts of proposed ordinances. Finally, this section houses the City's representative on the Oregon League of Cities' Finance and Taxation Committee and the State's Property Tax Reform Study Group.

Strategic Direction

Bureau Goals

The office focuses its efforts on achieving excellence in four primary areas: budget processes, budget and policy analysis, deliverables for Council and the public that capture our analysis, and communication of our analysis to positively impact decision making.

Budget Processes

A core function of the office is to manage the budget development and budget monitoring processes. The office strives to coordinate processes that:

- ◆ Help the Mayor and Council to address trade-offs, prioritize spending, and optimize overall value of service to the public with a focus on equitable and sustainable outcomes;
- ◆ Minimize the workload impact on Citywide staff by ensuring that budget processes are efficient; and
- ◆ Ensure that the public is robustly engaged in the decision-making process through readable and informative information and analysis, bureau Budget Advisory Committees, a panel of Citywide Citizen Budget Advisors, public forums, and a required Approved Budget hearing.

CBO is currently in the process of replacing our budgeting software. This technology implementation represents a significant opportunity to improve both the efficiency and effectiveness of our budget process. Consequently, the project will consume a considerable portion of CBO's effort over the next two fiscal years.

Budget and Policy Analysis

The office strives to have a deep knowledge and understanding of the relevant issues within all City bureaus and the analytical capabilities to evaluate them. The office has increased its focus on connecting bureau budgets to operations and performance in order to better identify and prioritize the public value of City services and to identify risks to and solutions for providing a sustainable level of service across the array of services the City provides to the public.

Deliverables

The office strives to deliver high quality work products to Council (e.g. budget reviews, budget monitoring reports, and special studies) that transform budget and policy analysis into actionable information by clarifying decision-points and providing concise information and thoughtful analysis. This work also supports the public's ability to engage in the budget process by providing information and analysis relevant to the full scope of City activities.

Communication

The office continues to refine its communication efforts to ensure that CBO analysis and reporting is shared in a way that positively impacts the decision making process. These efforts include, in addition to our traditional budget reviews, tailored communications to the Mayor and Council extracting and highlighting key issues and insights, performance dashboards that are intuitive and outcome-focused, reports that address specific Citywide issues, and robust engagement with the public through social media.

Addressing City Plans

The bureau's efforts towards City-adopted plans are primarily focused on the Portland Plan. The Portland Plan includes three action items where CBO is the shared lead with the Bureau of Planning & Sustainability. These action items focus on developing a budget process that incorporates Portland Plan priorities, goals, and measures into the decision making process.

Although the bureau is involved in analyzing other City plans such as the Climate Action Plan, East Portland Action Plan, and Comprehensive Plan, it does not have a role in the direct implementation of those plans.

Racial Equity Plan

In 2016, in accordance with Citywide policy, the office adopted a Racial Equity Plan. The plan focuses on achieving four long-term Citywide goals through a series of bureau-specific action items. CBO continues to make progress on the various action items, engaging nearly half the office in implementation leadership. The plan focuses on ensuring diversity in the populations CBO hires, the communities CBO engages in the budget process, and the lens analysts use in recommending investments in services Citywide. More broadly, active implementation of the plan encourages a culture with the office that promotes racial equity as a core value.

Budget & Economics

Description	<p>The program coordinates development of the City’s budget, creates the City’s published budget documents, and performs special studies. The program is staffed by the eight financial analysts working primarily with other City bureaus, a performance management analyst coordinating Citywide performance management efforts, the City Economist performing economic and revenue forecasting, the independent analyst assigned to staff the Portland Utility Board, one analyst primarily dedicated to budget system maintenance and budget monitoring process coordination, an assistant director responsible for coordinating the Citywide budget process and business operations, the director’s executive assistant providing organizational support, and the director.</p>
Goals	<p>Budget and Economics supports the Citywide goal of delivering efficient, effective, and accountable municipal services. The City Budget Office completed a strategic planning effort in FY 2014-15, which identified four goals: improving processes, improving analysis, improving deliverables, and improving communication to positively impact public engagement and Council decision making.</p> <p>By delivering on its core functions, the City Budget Office aims to increase the public value provided by City resources and help the City achieve a sustainable level of service and manage labor costs, all while offering responsive customer service and running an efficient budget process that is compliant with state and local budget laws.</p>
Performance	<p>The office continues efforts to help the City achieve a long-term sustainable level of service by working with City asset managers to find additional options to reduce the annual repair, rehabilitation, and replacement funding gap. Addressing the funding gap will prevent further deterioration of the City’s assets and allow future generations to benefit from the services provided by this critical infrastructure.</p> <p>The Office has heightened the City’s focus on achieving a long-term sustainable level of service through its support of the Build Portland Initiative, adopted by Council resolution in September 2017. Through this initiative and the continuation of the Capital set-aside policy, CBO will work with City asset managers to reduce the annual repair, rehabilitation, and replacement funding gap and direct investments that help the City achieve better service levels through improved asset conditions.</p> <p>The City Budget Office has adopted several new performance measures to better communicate its core functions. These include a measure to track the bureau’s success in disseminating information and analysis to the public, which shows aggregate views of CBO Budget Reviews and Budget Preparation work products from Portlandoregon.gov. The jump in views in FY 2016-17 may be reflective of CBO’s efforts to promote work product and increased social media presence.</p> <p>Another new measure tracks accuracy of the annual forecast by reporting on the General Fund Excess Ending Balance, which the Office seeks to keep between \$5-\$15 million each year.</p>

Changes to Services and Activities

The FY 2017-18 Adopted Budget included funding for the replacement of BRASS, the City’s enterprise budgeting system. This funding was added in the FY 2016-17 Fall Supplemental Budget and was carried over into the new fiscal year. A staff person has been partially dedicated to project management and implementation to ensure a successful project that results in a system that allows for a more efficient budget process while allowing for greater connection of budgets to performance.

In order to achieve the Mayor’s guidance for 5% reduction options, CBO has included the reduction of one analyst position. The elimination of this position would reduce the office’s ability to deliver high-value analysis to City Council and the public, reducing the total number of analysts working on bureau portfolios to seven.

The City Budget Office has also requested a new Capital Coordination position. This position would consolidate and enhance the work that CBO has been doing with regard to identifying Citywide solutions to funding the asset maintenance gap and prioritizing investments using the newly identified Citywide resources such as Build Portland and the Capital Set-Aside. This position would also enhance CBOs capacity to coordinate a Citywide Capital Improvement Program, including planning, budgeting, and monitoring capital projects to ensure an optimal deployment of resources across all bureaus.

CBO has also requested funding for a Citywide satisfaction survey to replace the survey that had been conducted by the Auditor for more than 20 years. The Auditor cut the survey in FY 2017-18. In discussions with other bureaus, the information from that survey was valuable and helped inform a number of bureau performance measures.

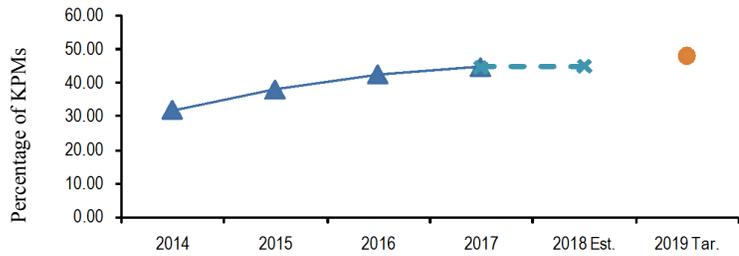
FTE & Financials	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
FTE	15.00	15.00	15.00	15.00	15.00
Expenditures					
Budget & Economics	2,167,866	2,378,436	3,613,615	2,579,545	2,672,587
Total Expenditures	2,167,866	2,378,436	3,613,615	2,579,545	2,672,587

Performance	Actual FY 2015-16	Actual FY 2016-17	Yr End Est. FY 2017-18	Base FY 2018-19	Target FY 2018-19
Key Performance Measure					
Percentage of City KPMs with positive year-over-year results	42.5%	44.7%	45.0%	46.0%	48.0%
Annual repair, rehabilitation, & replacement funding gap (Citywide)	\$267,800,000	\$287,900,000	\$288,000,000	\$296,000,000	\$311,000,000
Customer service rating (5pt scale)	4.37	NA	4.50	4.50	4.30
CBO budget process work products website views	11,954	42,669	21,339	43,000	45,000
Outcome					
Received GFOA budget presentation award (1=yes, 0=no)	1	1	1	1	1
Percentage of GATR action items implemented	66%	80%	88%	90%	90%
Citywide asset condition summary	72%	72%	72%	72%	75%
General Fund Excess Ending Balance (forecast accuracy)	\$8,000,000	\$11,200,000	\$10,000,000	\$10,000,000	\$10,000,000

Performance Measures

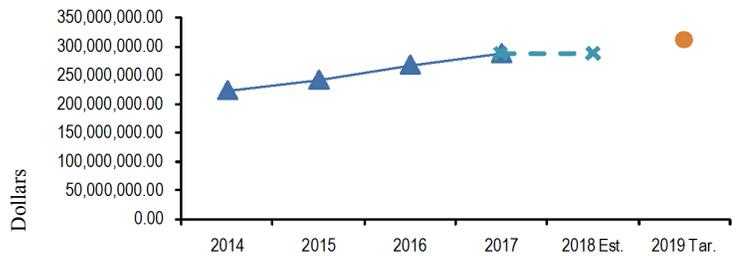
City KPMs with Positive Year-Over-Year Results

With effective implementation of the Citywide performance management initiative, KPMs should increasingly trend in the positive direction. However, stable year-over-year performance dampens results on this measure. Resource limitations may also lead to negative year-over-year trends.



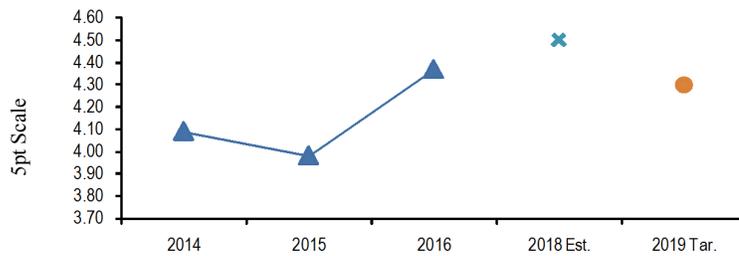
Annual Replacement/Repair/Rehabilitation Capital Funding Gap (Citywide)

While the City has been making progress in incrementally addressing the infrastructure gap, a sizable infrastructure funding gap remains. The direct result of this level of sustained underinvestment is that significant portions of our asset base are in poor or very poor condition which are the most costly to address.



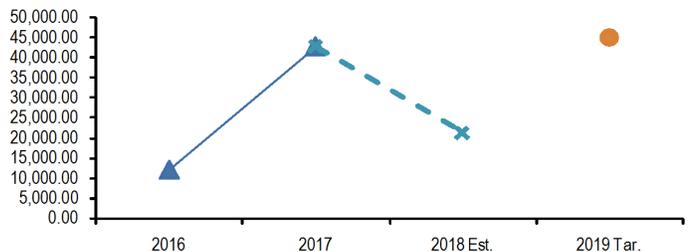
Customer Service Rating

The measure depicts the bureau's customer service rating on a 5 point scale, with a 1 reflecting poor customer service and a 5 for outstanding service. The rating is expected to decrease in light of the 5% reduction options put forward which would constrain CBO's ability to meet bureau and/or Council expectations.



CBO budget process work products website views

This new measure shows views of CBO budget reviews and budget preparation work products online (aggregate). The jump in views in FY 2016-17 may be reflective of CBO's efforts to promote work product and increased social media presence.



	Actual FY 2015-16	Actual FY 2016-17	Revised FY 2017-18	Requested No DP FY 2018-19	Requested FY 2018-19
Resources					
External Revenues					
Total External Revenues	0	0	0	0	0
Internal Revenues					
General Fund Discretionary	919,490	943,997	1,570,157	1,090,477	1,165,590
General Fund Overhead	1,140,700	1,248,967	1,838,552	1,277,576	1,295,505
Interagency Revenue	107,676	185,472	204,906	211,492	211,492
Total Internal Revenues	2,167,866	2,378,436	3,613,615	2,579,545	2,672,587
Beginning Fund Balance	0	0	0	0	0
Total Resources	\$2,167,866	\$2,378,436	\$3,613,615	\$2,579,545	\$2,672,587
Requirements					
Bureau Expenditures					
Personnel Services	1,756,442	1,927,281	2,079,215	2,133,686	2,162,714
External Materials and Services	215,024	239,064	1,290,528	224,232	290,076
Internal Materials and Services	196,400	212,091	243,872	221,627	219,797
Total Bureau Expenditures	2,167,866	2,378,436	3,613,615	2,579,545	2,672,587
Fund Expenditures					
Total Fund Expenditures	0	0	0	0	0
Ending Fund Balance	0	0	0	0	0
Total Requirements	\$2,167,866	\$2,378,436	\$3,613,615	\$2,579,545	\$2,672,587
Programs					
Budget & Economics	2,167,866	2,378,436	3,613,615	2,579,545	2,672,587
Total Programs	2,167,866	\$2,378,436	\$3,613,615	\$2,579,545	\$2,672,587

Class	Title	Salary Range		Revised FY 2017-18		Requested No DP FY 2018-19		Requested FY 2018-19	
		Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000434	Administrative Assistant	50,877	78,333	1.00	76,680	1.00	78,336	1.00	78,336
30002040	Budget Director, Assistant	91,104	121,368	1.00	119,952	1.00	121,368	1.00	121,368
30000570	Budget Director, City	105,248	146,973	1.00	146,976	1.00	146,976	1.00	146,976
30000578	Economist, City	91,104	121,368	1.00	121,368	1.00	121,368	1.00	121,368
30000567	Financial Analyst	64,813	86,403	2.25	172,730	1.00	83,947	1.00	83,947
30000566	Financial Analyst, Assistant	50,877	78,333	1.58	109,461	1.00	71,194	1.00	71,194
30000569	Financial Analyst, Principal	84,739	112,882	3.00	320,057	3.00	328,219	4.00	412,963
30000568	Financial Analyst, Sr	71,510	95,472	2.17	187,289	4.00	360,961	4.00	360,961
30000452	Management Analyst, Sr	71,510	95,472	1.00	85,255	1.00	92,736	1.00	92,736
TOTAL FULL-TIME POSITIONS				14.00	1,339,768	14.00	1,405,105	15.00	1,489,849
TOTAL PART-TIME POSITIONS				0.00	0	0.00	0	0.00	0
30000566	Financial Analyst, Assistant	50,877	78,333	1.00	60,012	1.00	67,806	0.00	1,806
TOTAL LIMITED TERM POSITIONS				1.00	60,012	1.00	67,806	0.00	1,806
GRAND TOTAL				15.00	1,399,780	15.00	1,472,911	15.00	1,491,655



Decision Package Summary

Bureau: City Budget Office

Priority: 01

Type: Reductions

Decision Package: BO_01 - Eliminate Financial Analyst

Program: Budget & Economics

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget	
EXPENDITURES								
Personnel Services	0	(113,498)	(113,498)	0	0	0	0	0
External Materials and Services	0	(2,630)	(2,630)	0	0	0	0	0
Internal Materials and Services	0	(1,830)	(1,830)	0	0	0	0	0
TOTAL EXPENDITURES	0	(117,958)	(117,958)	0	0	0	0	0
REVENUES								
General Fund Discretionary	0	(53,950)	(53,950)	0	0	0	0	0
General Fund Overhead	0	(64,008)	(64,008)	0	0	0	0	0
TOTAL REVENUES	0	(117,958)	(117,958)	0	0	0	0	0
FTE								
Limited Term Positions	0.00	-1.00	-1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	-1.00	-1.00	0.00	0.00	0.00	0.00	0.00

Description:

This reduction would eliminate one of eight analysts dedicated to bureau analysis. The limited term analyst position is assigned to analyze a portfolio of bureaus and is responsible for various special projects.

Expected Results:

If eliminated, the portfolio and special project assignments will be transferred to other analysts. The increased workload on existing analysts will reduce the amount of time available for more in depth analysis and special projects as requested by Council. CBO recently consolidated budget monitoring coordination, data analytics, and project management for the budget software replacement in a single analyst, relieving them of bureau analysis responsibilities so that they could focus on process and systems and a successful IT implementation. Dedication of this analyst in this way would no longer be feasible with the staff reduction and would increase the risk to the software implementation and decrease CBO's capacity to run an efficient and effective budget monitoring process. Alternately, CBO would not be able to provide the type of special projects such as those driven by the multiple budget notes assigned to CBO in FY 2017-18.

This position was identified for elimination because it is a limited term position - the only non-permanent position in the bureau. This position is currently occupied by our newest employee, a woman of color; thus, assuming no attrition in other positions, losing this limited term position would negatively impact the bureau's workforce diversity

Decision Package Summary

Bureau: City Budget Office

Priority: 01

Type: Adds

Decision Package: BO_02 - Capital Coordinator

Program: LAFPBE0000

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget		
EXPENDITURES									
Personnel Services	0	142,526	142,526	0	0	0	0	0	0
External Materials and Services	0	8,474	8,474	0	0	0	0	0	0
TOTAL EXPENDITURES	0	151,000	151,000	0	0	0	0	0	0
REVENUES									
General Fund Discretionary	0	69,063	69,063	0	0	0	0	0	0
General Fund Overhead	0	81,937	81,937	0	0	0	0	0	0
TOTAL REVENUES	0	151,000	151,000	0	0	0	0	0	0
FTE									
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00

Decision Package Summary

Bureau: City Budget Office

Priority: 01

Type: Adds

Decision Package: BO_02 - Capital Coordinator

Program: LAFPBE0000

FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget
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Description:

The City Budget Office is requesting an analyst, funded by existing Build Portland resources, to expand our capacity to plan, prioritize, and evaluate the City's major maintenance and capital asset needs. CBO currently manages the capital set-aside process and the Citywide Asset Managers Group, and we have made significant progress over the last few years to prioritize capital spending across bureaus and develop funding options to address the infrastructure backlog. This position would put even more emphasis on that work while also working closely with OMF to help implement the Build Portland Initiative, particularly around the development and implementation of criteria that will guide budget allocation decisions. The position will also lay the groundwork for a citywide five-year Capital Improvement Plan.

The position would perform the following functions:

- Coordinate the capital set-aside allocation process;
- Convene the Citywide Asset Managers Group (CAMG) and lead the development of the annual asset report and presentation to City Council;
- Support Build Portland program development;
- Increase the capacity and consistency of CBO analysts to budget and monitor bureau capital programs;
- Develop Citywide funding solutions to achieving a sustainable level of service for City assets; and
- Lay the groundwork for a coordinated citywide Capital Improvement Plan.

Prioritize Capital Needs: In fall 2014, CBO worked with CAMG to develop a Citywide scoring methodology for allocating the capital set-aside. Since then, an analyst in CBO has spent a relatively small amount of time facilitating the scoring of 66 projects and the allocation of \$48.4 million based on the likelihood of asset failure and the consequence of that failure. This work was an important first step in moving toward a Citywide prioritization, but based on our experience since 2014 we have identified opportunities for improvement

An analyst with more dedicated capacity and expertise in asset management would develop a version 2.0 of the capital set-aside prioritization methodology that would move away from a points-based system to a more robust business-case approach. This should result in a more consistent and predictable prioritization, ultimately ensuring that investments are targeted at lowering lifecycle costs and mitigating risks. Moreover, additional capacity would allow for more consistent monitoring to ensure that allocated resources are being spent in a timely and effective manner.

Build Portland: Currently, an analyst in OMF is responsible for supporting the CAO's efforts on the development of the Build Portland program criteria. Developing a unified set of criteria based on lessons learned from the first iteration of the Capital Set Aside would create efficiencies, consolidate expertise in a single staff person, and yield more robust, consistent, and predictable results and monitoring. This new analyst would still support the CAO in his overall implementation of Build Portland.

Coordinate Bureau Capital Planners/Asset Managers: Consolidating these functions in an expanded CAMG coordination role would position the analyst to move beyond a convening role and help identify other opportunities to move toward a more consistent Citywide approach to asset management, capital budgeting, and project delivery. Working with the Planning & Development directors, this could also lay the groundwork for a coordinated citywide Capital Improvement Plan.

Support Oversight and Analysis of Capital Plans: This new analyst will provide support to CBO budget analysts in analyzing and monitoring capital budgets and help bring more consistency to CBO recommendations.

Develop Funding Strategies: Finally, a dedicated capital analyst focused on all elements of the Citywide capital improvement program will actively work on the long-term effort of developing funding solutions to address the persistent and significant major maintenance funding gap. CBO began this work with the Funding Options Report in October 2014 and has continued to move many of those recommendations forward as well as develop new proposals and ideas.

Many of the solutions that are directly and indirectly attributable to this work include:

- Capital Set-Aside
- Build Portland

Decision Package Summary

Bureau: City Budget Office

Priority: 01

Type: Adds

Decision Package: BO_02 - Capital Coordinator

Program: LAFPBE0000

	FY 2018-19	FY 2018-19	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
	Requested	Requested	Requested	Estimated	Estimated	Estimated	Estimated
	1 Time DP	Ongoing DP	Budget	Budget	Budget	Budget	Budget

Description:

- Comprehensive Fuel Station Infrastructure replacement and enhancement funding
- Restoration of replacement funding for Public Safety electronic equipment
- Appropriate funding levels for major maintenance of City facilities (pending)

Expected Results:

- More consistent frameworks, approaches, and communication through coordination of CAMG
- More efficient and impactful investment through streamlined and robust prioritization through consolidation and enhancement of Capital Set Aside and Build Portland
- Greater oversight of allocated capital resources
- Improved analytical capacity of all analysts working on bureaus with capital programs.
- Persistent and focused effort on identifying and advancing funding opportunities to close the long-term funding gap.
- Restored generalist capacity to focus additional effort on bureau-specific issues

Decision Package Summary

Bureau: City Budget Office

Priority: 02

Type: Adds

Decision Package: BO_03 - Citywide Survey

Program: LAFPBE0000

	FY 2018-19 Requested 1 Time DP	FY 2018-19 Requested Ongoing DP	FY 2018-19 Requested Budget	FY 2019-20 Estimated Budget	FY 2020-21 Estimated Budget	FY 2021-22 Estimated Budget	FY 2022-23 Estimated Budget	
EXPENDITURES								
External Materials and Services	0	60,000	60,000	0	0	0	0	0
TOTAL EXPENDITURES	0	60,000	60,000	0	0	0	0	0
REVENUES								
General Fund Discretionary	0	60,000	60,000	0	0	0	0	0
TOTAL REVENUES	0	60,000	60,000	0	0	0	0	0

Description:

CBO is requesting funding for a Citywide satisfaction survey to replace the survey that had been conducted by the Auditor for more than 20 years. The Auditor cut the survey in FY 2017-18. In discussions with other bureaus, the information from that survey was valuable and helped inform a number of bureau performance measures. Implementation of this citywide survey could be conducted with a portion of an analyst's time, and will include structuring an RFP to engage an outside organization to conduct the survey.

Expected Results:

The survey has been an important tool for measuring community satisfaction with City services and overall quality of life. It helps Council and bureaus make decisions about priorities and appropriate levels of service. CBO expects to revisit the methodology of the survey to address concerns that had been raised by several stakeholders over recent years to ensure that the results are valuable and representative of the community.



Budget Equity Assessment Tool

CITY POLICY

This Budget Equity Assessment Tool is a general set of questions to guide city bureaus and their Budget Advisory Committees (BAC) in assessing how budget requests benefit and/or burden communities, specifically communities of color and people with disabilities. As noted in Portland's 25-year strategic plan, the Portland Plan, Goal-Based Budgeting, and page 102:

When fully implemented, the new budget approach will direct City of Portland bureaus and offices to:

- Use an asset management approach to achieve more equitable service levels across communities and geographies.
- Track and report on service levels and investments by community and geography, including expanding the budget mapping process
- Assess the equity and social impacts of budget requests to ensure programs, projects and other investments to help reduce disparities and promote service level equity, improve participation and support leadership development.
- Identify whether budget requests advance equity, represent a strategic change to improve efficiency and service levels and/or are needed to provide for basic public welfare, health and/or meet all applicable national and state regulatory standards.

It is the policy of the City of Portland that no person shall be denied the benefits of, or be subjected to, discrimination in any City program, service, or activity on the grounds of race, color, national origin, English proficiency, sex, age, disability, religion, sexual orientation, gender identity, or source of income. Additionally, the City's Civil Rights Title VI program guidelines obligate public entities to develop systems and procedures that guard against or proactively prevent discrimination, while simultaneously ensuring equitable impacts on all persons. Therefore, City bureaus may find this tool helpful when evaluating equitable impacts on all residents.

The Office of Equity and Human Rights is also available for discussion/training/consultation regarding the use of this document.

In compliance with Civil Rights laws, it is the policy of the City of Portland that no person shall be excluded from participation in, denied the benefits of, or be subjected to discrimination in any City program, service, or activity on the grounds of race, color, national origin, or disability. To request accommodations, translation and/or interpretation, to file complaints, or for additional information or services, please contact us at 503-823-4433, City TTY 503-823-6868, or Oregon Relay Service: 711.

SECTION ONE: BASE BUDGET

Bureaus should consider the following questions in developing their base budgets. These questions should clarify how resources could be reallocated within the base budget in order to achieve more equitable outcomes. These questions are most effectively considered in the early stages of budget development when bureau leadership is considering priorities and potential realignments. Please contact your Equity Advisor or City Budget Office analyst for ideas on how to specifically incorporate these questions into your bureaus budget development process.

1. In what areas did you consider the impacts on underserved communities in the development of your base budget?"

The work of individual budget analysts impacts underserved communities as they evaluate budget packages during the budget and BMP processes. No changes are contemplated in the base budget with regards to how the analysts are structured and the nature of their work. In addition, CBO is moving forward with implementation of its equity roadmap, including encouraging employees to use available training to advance their understanding of equity in their work.

In addition, CBO directly impacts underserved communities through our budget outreach. No changes have been made to the amount of funding dedicated to outreach and no reallocation of effort is currently underway. That notwithstanding, given the new administration and leadership in both the Office of Equity and Human Rights and the Office of Neighborhood Involvement, some changes might be made with regard to outreach to better serve underserved communities. Currently, we provide informational flyers for public forums in all the 'safe harbor' languages, Community Engagement Liaisons ensure participation from immigrant and refugee communities,

2. In what ways have your base budget been realigned and in what ways will these realignments impact communities of color?

As noted above, the work of individual analysts is the primary mechanism for effecting positive impacts on communities of color. Over the last several years, CBO has realigned considerable effort among existing staff to develop the tools, approaches, and culture to make meaningful progress on incorporating an equity lens into the budget process. This has included the designation of an equity liaison that not only coordinates with the Office of Equity and Human Right's equity partner and other bureau equity managers, but also provides budget-process specific leadership and coordination around the development and implementation of equity-focused approaches. In addition, the Assistant Director has

absorbed the implementation lead role for the office's Racial Equity Plan. That plan relies on the efforts of the AD and four other staff to lead implementation of specific action items as well as the efforts of all staff to implement those action items.

With regard to direct expenses, CBO has absorbed the cost of the CELs within our outreach and engagement budget.

3. Are there specific realignments in your base budget that would advance or inhibit your achievement of equity goals outlined in your bureau's Racial Equity Plan?

Given the nature of equity work in a budget office – and the staff-heavy nature of our budget – there is little that can be done in addition to the efforts described in #2 above. That realignment is an ongoing effort that comes with the culture change associated with making equity a very intentional consideration in how we do our work and manage our organization. However, increased funding for CELs could enhance our outreach efforts to underrepresented communities, specifically soliciting their input during public budget hearings.

4. What funding have you allocated for translation, interpretation and ADA (Americans with Disability Act) Title II modification including ASL (American Sign Language) interpretation and video captioning? What are the impacts of these allocations?
 - a. \$2,300 – Interpretation services for public hearings on budget
 - b. \$2,450 – Community Engagement Liaison funding for public hearing participation
 - c. \$1,600 – Translation Services
5. Are there deficiencies in the ongoing funding of your base budget that inhibit your bureau's achievement of equity or the goals outlined in your Racial Equity Plan?

The majority of items included in our Racial Equity Plan do not require additional funding to implement but require that staff resources are prioritized to achieve these goals.

6. Identify impacts on workforce demographics in the development of the base budget and relevant decision packages.

The staff-intensive nature of our budget results in the need to reduce staff in order to meet the 5% target for reduction options. The only non-permanent position in the bureau is one limited-term position, which would be eliminated to meet the target reduction. This position is currently occupied by a woman of color; thus, assuming no attrition in other positions (in which case the vacancy would be eliminated), losing this limited term position would negatively impact the bureau's workforce diversity.

7. Please include any information about funding for workplace accommodation for applicants and employees with disabilities.

No CBO employee has requested accommodations, but we would reprioritize resources to immediately meet that need within current budget, and request additional resources at a later date, if necessary.”

To help you answer this question, the following link to the City of Portland’s workforce demographic dashboard is provided.

<https://www.portlandoregon.gov/oehr/article/595121>

Section Two: EQUITABLE ENGAGEMENT AND ACCESS (Racial Equity Goal #2)

This section is intended to assess the community engagement in the budget process and whether there was equitable representation and input. Bureaus should consider these questions as they plan for the budget advisory committees and specifically identify how their Budget Advisory Committee (BAC) will use the tool. If needing assistance in incorporating the Budget Equity Tool into the bureau's BAC process, please contact your OEHR Equity Advisor and/or your City Budget Office analyst.

1. How has community engaged with your requested budget, including this tool?

The CBO budget is small and largely stable. Our capacity to do significant public outreach on our own budget is minimal. However, the CBO budget advisory committee includes a senior member of OEHR's leadership, a community member, and a Council officer staff person in order to help guide our decision-making and ensure that our budget reflects the needs of the bureau and Council office customers we support.

2. How does this budget build the bureau's capacity to engage with and include communities most impacted by inequities? (e.g., improved leadership opportunities, advisory committees, commissions, targeted community meetings, stakeholder groups, increased outreach, etc.)

Our Bureau Equity Committee is a committee of the whole. We are small enough to allow for these conversations to be had with all staff. In addition, all staff attend annual joint meetings with OEHR, specifically around the use of this tool. Finally, a large portion of staff are directly responsible for Racial Equity Plan action items, and all staff are responsible for portions of implementation. Overall, these allocations of effort increase the capacity of staff to play a critical support role for bureaus and Council in implementing an equity lens as part of decision-making across all bureaus.

3. How does this budget build community capacity and power in communities most impacted by inequities? (e.g., improved leadership opportunities within BAC, community meetings, stakeholder groups, increased outreach, etc.)

Beyond the specific outreach activities performed by CBO with regard to public forums and the Approved Budget hearing – specifically, the engagement of the CELs and the multi-lingual flyers – CBO does not currently perform proactive community capacity building and empowerment activities. We are, however, available to perform Budget 101 trainings when requested. We do not currently anticipate allocating additional effort to market this service, but such a marketing effort could be considered in the future.

Identifying Impacts Worksheet

Once you have identified the populations/communities impacted by both base budget decisions and decision packages with notable impacts on specific populations, use the following chart to name the potential burdens and benefits.

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts
Non-English speaking communities	Sufficient resources for translation services remain available at budget forums to accommodate requests.	Not applicable regarding direct service impacts.

Claudio Campuzano_

 Name of Staff Contact

Andrew Scott

 Name of Bureau Director

Date