

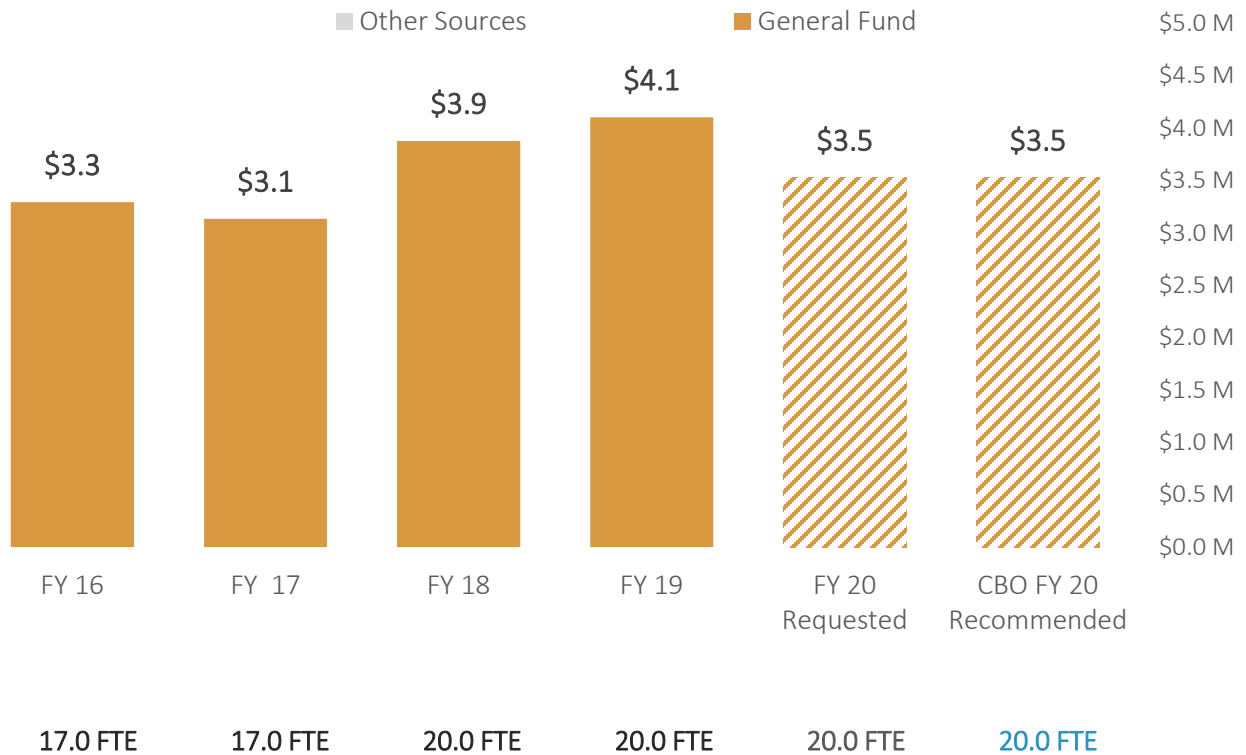


**City
Budget
Office**

Office of the Mayor

Analysis by Robert Cheney

Adopted Budget Revenues - 5-Year Lookback



INTRODUCTION

Per Mayor’s Budget guidance, Council Offices were not subject to 1% reductions in the General Fund FY 2019-20 Current Appropriation Level targets. The Office of the Mayor has one decision package: transferring the SummerWorks internship program to the Bureau of Human Resources (BHR). The Office of the Mayor does not have any significant issues.

DIRECTIONS TO DEVELOP

Moving SummerWorks to OMF

(\$560,000)

Direction Language

Office of Management and Finance (OMF) is directed to recommend the most appropriate place for the SummerWorks Program to reside within OMF. The response should discuss the benefits of moving the program out of the Mayor's Office budget and into OMF. Potential places within OMF include BHR or Procurement.

CBO Analysis

The SummerWorks program is a publicly funded summer internship program that partners participants and job coaches to provide work readiness training and other workplace skills for individuals aged 16-24 years old. SummerWorks reflects the values in the City's Racial Equity Plan, with 67% of participants identifying as coming from communities of color. Further, 97% of participants identify as low-income.

The Mayor's Office received \$550,000 in ongoing funding for the SummerWorks program in their FY 2017-18 Adopted Budget. Due to the \$0.75 increase in the minimum wage, the cost per internship rose from \$2,550 to \$2,645 in FY 2018-19. On July 1, 2019 the Portland Metro minimum wage will rise from \$12.00 to \$12.50, increasing the cost per participant to \$2,750.

In FY 2017-18 the SummerWorks program had budget allocation for 220 participants. Analysis shows that the actual costs for the annual 220 internships is approximately \$626,000—\$66,000 more than the amount being transferred from the Mayor's Office to OMF. The \$66,000 gap creates a service level impact by reducing the number of participants by approximately 40 individuals. Alternatively, this gap could be funded by transferring additional resources from the Mayor's Office or by having BHR absorb the additional \$66,000 to sustain the 220 internships rather than reducing the program to 180 participants.

Transferring this program has no additional fiscal impact, and CBO supports the reorganization of the program to either BHR or the Procurement Division.

CBO Recommendation: (\$560,000 ongoing)

SUMMARY OF REQUESTS AND RECOMMENDATIONS

The Office of the Mayor is funded through the General Fund Overhead model. Expenses are primarily staff costs. External materials and services include professional services, out of town travel, and space rental in addition to general operating expenses. Internal materials and services include space and technology costs as well as other OMF interagency agreements. Below is a summary of the Office of the Mayor's total budget.

	Adopted FY 2018-19	Request Base (A)	Bureau Decision Packages (B)	CBO Recommended Adjustments (C)	Total Recommended Revised (A+B+C)
Resources					
General Fund Discretionary	1,912,161	2,149,043	(262,010)	-	1,887,033
General Fund Overhead	2,193,701	1,939,467	(297,990)	-	1,641,477
Total Resources	\$4,105,862	\$4,088,510	(\$560,000)		\$3,528,510
Requirements					
Personnel Services	\$ 2,473,020	\$ 2,495,291	\$ -	\$ -	\$ 2,495,291
External Materials and Services	849,097	776,404	(560,000)	-	216,404
Internal Materials and Services	783,745	816,815	-	-	816,815
Total Requirements	\$4,105,862	\$4,088,510	(\$560,000)		\$3,528,510

