



**City of
Portland, Oregon**
Bureau of Development Services
FROM CONCEPT TO CONSTRUCTION

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TO: Yung Ouyang, City Budget Office

**FROM: Rebecca Esau, Director
Bureau of Development Services**

SUBJECT: Budget Monitoring Report – Spring FY 2019-20

Attached is the FY 2020-19 Spring Budget Monitoring Report for the Bureau of Development Services (BDS). The report includes the following requests:

Form ID 9799 – Adjustment FEMA BiOp IA

This is a technical adjustment to the existing FEMA BiOp Program Management IA with OMF. This adjustment reallocates \$24,010 in interagency expenditures from OMF to BPS. There is no change in overall bureau appropriations.

Form ID 9803 – Adjustment reallocating EM&S to Capital Outlay

This is a technical adjustment reallocating EM&S to Capital Outlay for expenditures related to the Portland Online Permitting System development. There is no change in overall bureau appropriations.

Form ID 9804 – Adjustment to IA with Facilities

This is an adjustment of \$205,000 to the interagency agreement with Facilities for project management costs related to the 1900 Building bathroom remodel project and to prevent over-expenditure.

Form ID 9805 – Adjustment to IA with Bureau of Technology Services

This is an adjustment of \$1,165,000 to the interagency agreement with the Bureau of Technology Services to add an appropriation for expenditures associated with additional storage area network costs, desktop and server support, additional costs associated with the development of new computer systems, and to prevent over-expenditure.

Form ID 9807 – Adjustment to IA with BPS for BSA

This is an adjustment of \$28,000 to the interagency agreement with BPS for services provided by a Business Systems Analyst to the BDS Technology Support Team.

Form ID 9809 – IA with BPS for the Portland Clean Energy Fund

This is an adjustment of \$25,000 in interagency revenue to BDS from BPS for work related to the Portland Clean Energy Fund.

Form ID 9977 – Adjustment to Fleet Fuel Station Debt Service IA

This is an adjustment reducing the IA with Fleet by \$11,771 due to a reduction of the fuel station debt service costs.

If you have any questions about this BDS Budget Monitoring Report, please contact Kyle O'Brien, BDS Finance Manager, at 503-823-7323 or kyle.obrien@portlandoregon.gov.

DS - Bureau of Development Services DP Type Technical Adjustments

Request Name: 9799 -Adjustment to FEMA BiOp IA

Package Description

This is a technical adjustment to the existing FEMA BiOp Program Management IA with OMF. This adjustment reallocates \$24,010 in interagency expenditures from OMF to BPS.

Service Impacts

None

Equity Impacts

None

Account Name	2019-20 SPRING Requested Adj
Expense Internal Materials and Services	0
Expense Sum:	0

DS - Bureau of Development Services DP Type Technical Adjustments

Request Name: 9803 -Adjustment reallocating EMS to Capital Outlay

Package Description

This is a technical adjustment reallocating EMS to Capital Outlay for expenditures related to the Portland Online Permitting System development.

Service Impacts

None

Equity Impacts

None

Account Name	2019-20 SPRING Requested Adj
Expense Capital Outlay	2,400,000
External Materials and Services	-2,400,000
Expense Sum:	0

DS - Bureau of Development Services DP Type Contingency

Request Name: 9804 -Adjustment to IA with Facilities

Package Description

This is an adjustment of \$205,000 to the interagency agreement with Facilities for project management costs related to the 1900 Building bathroom remodel project and to prevent over-expenditure.

Service Impacts

None

Equity Impacts

None

Account Name	2019-20 SPRING Requested Adj
Expense Contingency	-205,000
Internal Materials and Services	205,000
Expense Sum:	0

DS - Bureau of Development Services DP Type Contingency

Request Name: 9805 -Adjustment to IA with the Bureau of Technology Services

Package Description

This is an adjustment of \$1,165,000 to the interagency agreement with the Bureau of Technology Services to add an appropriation for expenditures associated with additional storage area network costs, desktop and server support, additional costs associated with the development of new computer systems, and to prevent over-expenditure.

Service Impacts

None

Equity Impacts

None

Account Name	2019-20 SPRING Requested Adj
Expense	Contingency -1,165,000
	Internal Materials and Services 1,165,000
Expense	Sum: 0

DS - Bureau of Development Services DP Type Contingency

Request Name: 9807 -Adjustment to IA with BPS for BSA

Package Description

This is an adjustment of \$28,000 to the interagency agreement with BPS for services provided by a Business Systems Analyst to the BDS Technology Support Team.

Service Impacts

Equity Impacts

Account Name	2019-20 SPRING Requested Adj
Expense	Contingency -28,000
	Internal Materials and Services 28,000
Expense	Sum: 0

DS - Bureau of Development Services DP Type Other Adjustments

Request Name: 9809 -IA with BPS for the Portland Clean Energy Fund

Package Description

This is an adjustment of \$25,000 in interagency revenue to BDS from BPS for work related to the Portland Clean Energy Fund.

Service Impacts

Equity Impacts

Account Name		2019-20 SPRING Requested Adj
Expense	Contingency	25,000
Expense	Sum:	25,000

Account Name		2019-20 SPRING Requested Adj
Revenue	Interagency Revenue	25,000
Revenue	Sum:	25,000

DS - Bureau of Development Services DP Type Contingency

Request Name: 9911 -Adjustment to Fleet Fuel Station Debt Service IA

Package Description

This is an adjustment reducing the IA with Fleet by \$11,771 due to a reduction of the fuel station debt service costs.

Service Impacts

None

Equity Impacts

None

Account Name	2019-20 SPRING Requested Adj
Expense Contingency	11,771
Internal Materials and Services	-11,771
Expense Sum:	0

Business Area Projection Report

Bureau of Development Services - Fund 203

Major Object	2019-20 SPRING Requested Total	2019-20 February Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
Capital Outlay	2,400,000	1,512,015	2,343,380	98%
Contingency	53,570,744	0	69,780,344	130%
Debt Service	1,443,126	149,528	1,443,126	100%
External Materials and Services	6,639,476	3,268,038	4,879,050	73%
Fund Transfers - Expense	2,536,838	1,651,186	2,536,838	100%
Internal Materials and Services	12,353,986	7,477,769	11,858,232	96%
Personnel	57,426,597	34,673,059	52,101,609	91%
Sum:	136,370,767	48,731,595	144,942,579	106%

Major Object	2019-20 SPRING Requested Total	2019-20 February Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
Beginning Fund Balance	80,615,435	0	80,615,435	100%
Charges for Services	13,326,191	11,941,633	17,282,691	130%
Fund Transfers - Revenue	1,100,775	717,183	1,100,775	100%
Interagency Revenue	1,263,434	42,603	1,263,434	100%
Licenses & Permits	35,848,891	28,590,641	39,800,278	111%
Miscellaneous	4,216,041	3,608,826	4,879,966	116%
Sum:	136,370,767	44,900,886	144,942,579	106%

Revenue Discussion

Revenue across all major categories is projected to be higher than budget due to higher than expected demand for services during FY 2019-20 up until March 2020, in particular the application of several extremely large projects which brought in significant revenue to the bureau.

Revenue Risks

Due to the cyclical nature of the construction industry, BDS revenues fluctuate significantly in response to changes in demand for services. BDS engages local economists through its Financial Advisory Committee when developing revenue projections for its Requested Budget and Five-Year Financial Plan, and this committee gave support for the revenue models and programmatic growth rates developed. However, due to the current COVID-19 pandemic, revenue for the remainder of the fiscal year and beyond is highly unpredictable. The outbreak will affect changes in the overall economy, construction activity, and both the timing and size of projects received by BDS.

Expenditure Discussion

The difference between budgeted and projected Personal Services is due to vacant positions. The difference between budgeted and projected External Materials & Services primarily due to a large portion of actual Portland Online Permitting System being Capital Outlay rather than EM&S.

Expenditure Risks

Due COVID-19, there is uncertainty regarding mandatory or discretionary cost savings measures. Any cost savings measures implemented by the City or bureau may affect expenditures for the remainder of the year.

Other Notes