



CITY OF PORTLAND ENVIRONMENTAL SERVICES



1120 SW Fifth Avenue, Suite 613, Portland, Oregon 97204 ■ Ted Wheeler, Mayor ■ Michael Jordan, Director

Date June 1, 2020

TO: Jessica Kinard, Director
City Budget Office

FROM: Michael Jordan, Director
Bureau of Environmental Services

SUBJECT: FY 2019-20 Over-Expenditure Report for BES

When BES made our last round of FY 2019-20 budget adjustments in the Spring BMP, we based our assessment on February/March projections. Our most current run of projections, reflecting actuals through April, show some areas of potential over-expenditure. As a result, BES is requesting budget adjustments to ensure enough appropriation is available to prevent any possible over-expenditure:

- In the BES Operating Fund, we are projecting potential for over-expenditure in Internal Materials and Services (IM&S). After communicating to our bureau partners, we are requesting the following adjustments supported by offsetting reductions in Capital Outlay:
 - Increase Survey and Project Management line items reflecting work PBOT is doing on BES Capital Improvement Program (CIP) - \$1.25 million
 - Increase BTS services for communications utility work for BES CIP (\$250K) and additional technology costs for increased cost of RSA Tokens, laptops, monitors and other bureau services (\$400K)
- Also, in the BES Operating Fund, we are requesting a \$50 increase in the bonded debt interest account, offset by a reduction to contingency, to correct a budget error on the Pension Obligation Bonds.
- In the Environmental Remediation Fund (ERF) we are requesting the following adjustments supported by a reduction to contingency:
 - The PBOT interagency agreement to cover additional costs associated with the Guilds Lake parking lot repaving project (\$200K)
 - Personnel costs where Operating Fund staff have been charging time to the ERF for Portland Harbor, Oaks Bottom, and Guilds Lake (\$50K).
- Finally, in the Grants fund we are requesting a \$25K increase for additional 2015 FEMA storm grant expenditures.

If you have any questions about this submittal, please contact Ken Bartocci at (503) 823-6022.

CC: Dawn Uchiyama, BES Assistant Director
Jonas Biery, BES Business Services Manager
Ken Bartocci, BES Financial Planning Manager
Yung Ouyang, CBO Analyst

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ES - Bureau of Environmental Services DP Type Contingency

Request Name: 10260 -Over Expenditure Ordinance

Package Description

The requested adjustments included in this package reflect areas of projected over-expenditure in the BES Operating Fund, the Environmental Remediation Fund, and the City's Grant Fund. Although the Bureau might have underspending in other areas within the impacted major object categories, the adjustments herein will provide transparency and help to ensure there is sufficient appropriation.

Service Impacts

The following reflect requested adjustments in this package:

- Increase to BES Operating Fund Internal Materials and Services (IM&S) line item offset by reduction to Capital Outlay and Miscellaneous Services. This adjustment includes the following:

--Increase Survey and Project Management line items reflecting work PBOT is doing on BES Capital Improvement Program (CIP) (\$1.25 million)

--Increase BTS services for communications utility work for BES CIP (\$250K) and additional technology costs for increased cost of RSA Tokens, laptops, monitors, and other bureau services (\$400K)

- Increase to BES Operating Fund Debt Retirement line item of \$50 offset by a reduction to contingency to correct a budget error on the Pension Obligation Bonds.

- Increase to Environmental Remediation Fund (ERF) IM&S and Personal Services line items offset by a reduction to ERF Contingency. This adjustment includes the following:

--The PBOT interagency agreement to cover additional costs associated with the Guilds Lake parking lot repaving project (\$200K)

--Personnel costs where Operating Fund staff have been charging time to the ERF for Portland Harbor, Oaks Bottom, and Guilds Lake (\$50K).

- An increase to the city's Grants Fund of \$25K for additional 2015 FEMA Storm Grant expenditures projected.

EQUITY:

The changes requested herein result in no new or additional equity impacts beyond those identified in the development of the FY 2019-20 budget.

Equity Impacts

The changes requested herein result in no new or additional equity impacts beyond those identified in the development of the FY 2019-20 budget.

Account Name		2019-20 OE Requested Adj
Expense	Capital Outlay	-1,525,000
	Contingency	-250,050
	Debt Service	50
	External Materials and Services	-375,000
	Internal Materials and Services	2,100,000
	Personnel	52,000
Expense	Sum:	2,000

Account Name		2019-20 OE Requested Adj
Revenue	Intergovernmental	2,000
Revenue	Sum:	2,000