



## SUMMARY

### Required General Fund Reduction

The requested supplemental budget for the City Budget Office includes a one-time reduction of \$1,000 in General Fund discretionary resources per budget guidance. CBO has reduced its travel budget by \$1,000 and expects minimal impact due to the cancellation of travel and events brought by the public health crisis.

### Key Decisions for Council

1. Request to replenish the reserved resources on a one-time basis for the FY 2021-22 General Fund portion of the Harbor Clean-Up and the Columbia Levee requirements, totaling \$1.2 million.
  - The FY 2020-21 Adopted Budget reduced the Citywide Obligations Reserve Fund by \$1.3 million to cover lost revenue as a result of the COVID-19 public health crisis. These funds had been reserved for known FY 2021-22 and FY 2022-23 obligations related to the Portland Harbor Clean-up and Columbia River Levee IGA, but were reallocated to balance the immediate decline in resources with the knowledge that the resources would need to be replenished the following year.
  - The request would transfer \$876,150 for the Harbor Clean-up project and \$315,000 for the Columbia River Levee project for FY 2021-22 obligations. Additionally, there is a General Fund obligation of \$105,600 for Portland Harbor Clean-up in FY 2022-23 and will likely be an annual obligation to support the Columbia River Levee work for at least the next five years.
  - The request of \$1.2 million in one-time resources funds the minimum requirement for the upcoming budget year. Instead, CBO recommends that Council pre-fund the entirety of the known obligation at this time, which amounts to \$981,750 in one-time General Fund for Portland Harbor Clean-up and an ongoing General Fund CAL target adjustment of \$315,000 for the Columbia River Levee work.

### Budget & Fiscal Monitoring: CBO Actions to Mitigate the Impacts of COVID-19

CBO's Budget & Economics Program Offer is funded by General Fund discretionary and overhead resources, and the Portland Utility Board (PUB) Support Program Offer is funded via interagency resources from the Bureau of Environmental Services and the Water Bureau. Both programs ended FY 2019-20 with significant underspending - \$538,321 between both programs – predominantly as a result of both carrying vacancies and following instruction to cease spending not related to immediate response to the COVID-19 public health crisis.

- The personnel services budget was underspent by 14.6% due to attrition, with the bureau experiencing vacancies or turnover in Limited Term staffing resulting in savings by fiscal year end. Underspending in external materials and services and capital outlay are a result of the completion of the budget software enhancements under budget and the cancellation of travel and local public events due to COVID-19.
- Prior to the COVID-19 public health crisis, the CBO was planning to prioritize bureau underspending towards a future software replacement reserve, the potential continuation of a limited-term analyst, and to support a second year of the Portland Insights Survey.
- CBO has a limited external materials and services budget, mostly dedicated to the annual agreement to support the Citywide budget software system, and to funding facilitation and translation services at a small number of community budget events, with the remaining funds dedicated to training and career support for the bureau’s analysts.

## SUPPLEMENTAL BUDGET CHANGES TO ALL FUNDS

The chart below details the recommend changes in the Fall BMP for the City Budget Office

	Current Revised Budget	Bureau Requested Changes	CBO Recommended Changes	Total Recommended Revised Budget
<b>Resources</b>				
Interagency Revenue	\$ 324,806	\$ -	\$ -	\$ 324,806
Miscellaneous	10,000	-	-	10,000
General Fund Discretionary	1,226,997	9,574	-	1,236,571
General Fund Overhead	1,466,742	-	-	1,466,742
<b>Total Resources</b>	<b>\$3,028,545</b>	<b>\$9,574</b>	<b>\$0</b>	<b>\$3,038,119</b>
<b>Requirements</b>				
Personnel Services	\$ 2,282,748	\$ 14,131	\$ -	\$ 2,296,879
External Materials and Services	314,665	(1,000)	-	313,665
Internal Materials and Services	431,132	(3,557)	-	427,575
<b>Total Requirements</b>	<b>\$3,028,545</b>	<b>\$9,574</b>	<b>\$0</b>	<b>\$3,038,119</b>