



**City
Budget
Office**



**FISCAL YEAR 2021 - 2022
REQUESTED BUDGET**



Office of Mayor Ted Wheeler
City of Portland

TO: Commissioner Hardesty
Commissioner Mapps
Commissioner Rubio
Commissioner Ryan
Auditor Hull Caballero

FROM: Mayor Ted Wheeler

DATE: January 29, 2021

SUBJECT: City Budget Office FY 2021-22 Requested Budget

Attached for your consideration is the FY 2021-22 Requested Budget for the City Budget Office (CBO). Although my budget guidance allowed for the City Budget Office to be exempt from offering a 5% cut due to having fewer than 30 staff, the Budget Director requested to participate in the exercise to foster transparency and trust in her role advising and shepherding myself, bureaus, and Council members through this challenging process.

The bureau's FY 2020-21 Requested Budget thus includes an ongoing reduction package of \$139,000, eliminating a financial analyst position and funding for the Hatfield Fellow program. This reduction will notably decrease the breadth and depth of CBO's financial analyses, recommendations, and monitoring, and will reduce Citywide performance efforts. Due to the impact this could have on our ability to make informed budget decisions, I allowed the bureau to request the resources to be added back. This reduction option will need to be weighed against the many other reductions we will be considering over the next few months in order to balance to our significant budget shortfall.

To support our core values of financial responsibility, transparency, and collaboration, CBO's requested budget includes a strategic realignment package to more proactively address complex, multi-bureau financial and effectiveness issues. This realignment is cost-neutral. The requested budget also includes a proposal to enhance our community connections to budgeting, in alignment with our core values of equity, anti-racism, and communication. The proposal requests \$275,000 and includes the collection of both quantitative and qualitative data via the continuation of the Portland Insights Survey and supplemental 'community budget lab' events, as well as a dedicated analyst to provide enhanced communication and resources to community groups and individuals around the budget process and budget data. The work will emphasize connecting with historically and currently underrepresented voices. While we have difficult choices ahead of us this budget season, I appreciate and support the Budget Office's focus on an inclusive and transparent budget process.

CITY BUDGET OFFICE

Ted Wheeler, Mayor
Mingus Mapps, Commissioner
Dan Ryan, Commissioner
Carmen Rubio, Commissioner
Jo Ann Hardesty, Commissioner
Mary Hull Caballero, Auditor



Jessica Kinard, Director
(503) 823-6963
1120 SW 5th Avenue, Suite 1010
Portland, Oregon 97201
www.portlandoregon.gov/cbo

CITY OF PORTLAND, OREGON

FY 2021-22 Budget Advisory Committee Report

The City Budget Office's Budget Advisory Committee (BAC) convened on January 20, 2021. The committee members include Lisa Shaw (community member), Jennifer Martinez (community member), and Suk Rhee (Office of Community & Civic Life).

Since the BAC last met one year ago, the staff of the City Budget Office – as with so many others – have undergone and adapted to profound change and stress. The Committee commended CBO's progress on some of the core values and feedback from the BAC in last years' meeting and alignment of their strategic priorities and budget packages with BAC recommendations, especially in light of significant change, uncertainty, and challenges this past year.

BAC members are opposed to reductions to the CBO and would have recommended the Director not volunteer to participate in the constraint process as CBO would have been exempt as a bureau with 30 or fewer employees. Committee members stressed that the City Budget Office serves and benefits the City as a whole, and maintains that the centralized, objective analysis which CBO provides is critical to supporting Council in making informed decisions which maximize services and value for constituents. With this in mind, the committee recommends that the proposed staffing cut of \$139,000 is not accepted. The BAC states and believes that reducing CBO staffing would significantly undermine the CBO's ability to provide these services and would jeopardize the analysis necessary to independently evaluate and support some citywide initiatives.

Committee members have in the past two years stressed the value and need for CBO to actively help address complex Citywide financial issues, especially those decisions that impact long-term liabilities. The CBO's realignment package seeks to do just this at no cost to the City by reorganizing analyst efforts to focus explicitly on complex Citywide issues. The Committee is excited by and supportive of this restructuring and encourages the CBO to continue pre-empting decisions that lead to long-term liabilities wherever possible.

The BAC also supports the CBO's request for resources to enhance community connections to budgeting. This package will help collect and elevate underrepresented voices in our Citywide prioritization and budgeting processes by both collecting information from Portlanders who may not otherwise be engaged with City government and by ensuring transparent information around budget data and processes is readily available to community members and organizations. As part of this package, the BAC recommends that the CBO ensure it's adequately paying for Community Based Organization and canvasser work as an essential component to collecting more underrepresented

voices. The request includes \$275,000 to support contract costs and a full-time community engagement analyst.

Committee members agree with Director Kinard’s articulated priorities in the coming year: to be human first and treat oneself and others with patience and flexibility; to continue essential progress on equity; and to support cross-bureau solutions and thinking. In particular, committee members noted that the focus on flexibility will enhance bureau relationships, encouraged the continued meaningful focus on equity, and encouraged the CBO to continue to think about addressing “administrative violence” by reducing and changing deliverables that are not maximizing value.

Finally, BAC members recommend that the CBO look to leverage partnerships across the City to improve our effectiveness and help manage capacity challenges. Specifically, the BAC suggested looking to partner with the Auditors office on issues of analysis, and the Bureau of Revenue and Financial Services to support and advance shared goals and capacity needs. The BAC encourages the CBO to continue to look for ways to ensure our analyses and key findings – especially when highlighting potential upcoming financial issues – are clearly delivered and appropriately acted upon.

In closing, Director Jessica Kinard asked BAC members if the committee would be willing to meet throughout the year to more continually advise her direction of the bureau. The members agreed and Director Kinard will proceed to schedule quarterly meetings for the BAC.

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

Lisa Shaw, Community Budget Advisor

Jennifer Martinez, Community Budget Advisor

Suk Rhee, Director of the Office of Community & Civic Life

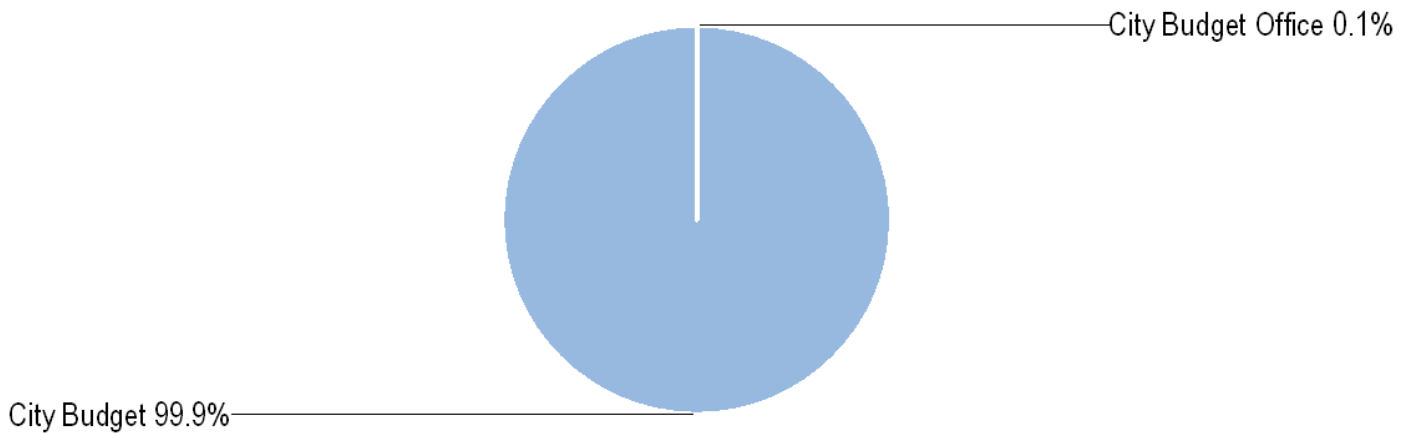
City Budget Office

City Support Services Service Area

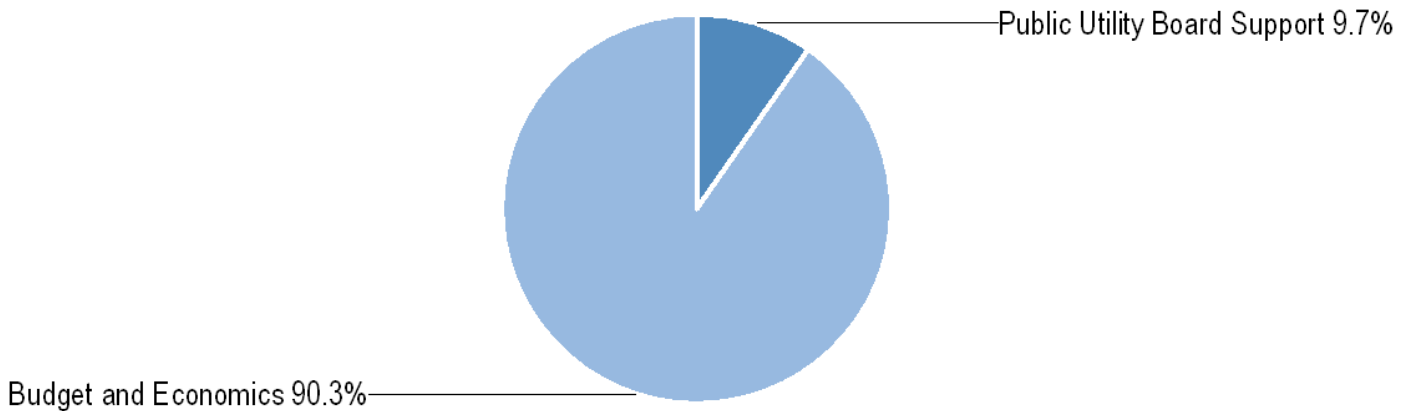
Mayor Ted Wheeler, Commissioner-in-Charge

Jessica Kinard, Budget Director

Percent of City Budget Graph



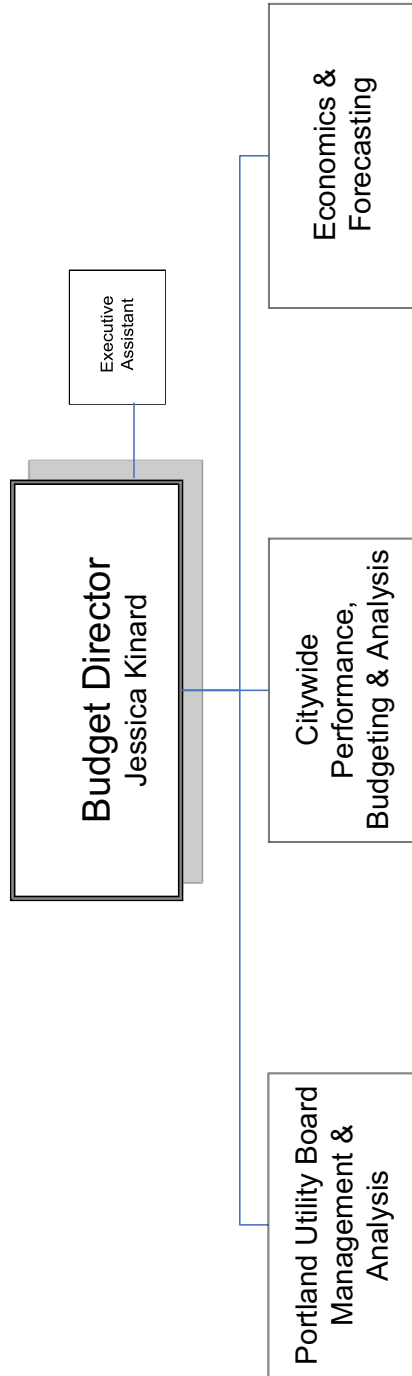
Bureau Programs



Bureau Overview

Requirements	Revised FY 2020-21	Requested FY 2021-22	Change from Prior Year	Percent Change
Operating	\$2,995,617	\$3,420,754	\$425,137	14%
Capital				
Total	\$2,995,617	\$3,420,754	\$425,137	14%
Authorized Positions	16.00	17.00	1.00	6.25%

City Budget Office



Bureau Summary

Bureau Mission

The City Budget Office (CBO) 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's primary function involves coordinating the development of the City's budget, including analysis and recommendations of each bureau's operating and capital budget, financial plan, and performance measures. Duties include monitoring the high-level 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 and Cannabis Fund. In addition to providing analysis and recommendations to elected officials and the public, analysts are available to City bureaus for consultation, training, and technical assistance in matters related to budget, finance, and performance measurement and management. 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 the community 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 economics and forecasting section of the office monitors and forecasts General Fund revenues and expenses, publishing five-year financial forecasts in December and April and economic and revenue updates at the close of each quarter. This section develops Current Appropriation Level targets for bureaus and programs that receive General Fund discretionary and General Fund overhead funding. Beginning in FY 2019-20, this section provides financial forecasting for the Recreational Cannabis Tax Fund. Additionally, this section estimates labor agreement costs, consults on bond rating calls, provides ad hoc economic analyses, and analyzes 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. The City Budget Office also houses management and analysis functions for the Portland Utility Board (PUB). The PUB is a community oversight body for the Portland Water Bureau, the Bureau of Environmental Services, and City Council's management of these public utility bureaus. This is a separate program offer within the City Budget Office funded from interagency resources from the Bureau of Environmental Services and the Water Bureau.

Strategic Direction

Bureau Goals

The office focuses its efforts on achieving excellence in four primary areas: ensuring the City meets its legal and fiduciary requirements during the development and adoption of the City's annual budget; conducting robust budget, policy, and performance analysis; providing clear and concise deliverables for Council and the public that capture analytical and budgetary information; and facilitating transparent decision-making for the equitable and financially sound delivery of public services.

Budget Processes

A core function of the office is to manage the budget development and budget monitoring processes to ensure Council adopts budgets which promote financially sound and equitable delivery of services. The CBO strives to coordinate processes that:

- ◆ Facilitate Mayor and Council decisions when addressing tradeoffs,
- ◆ Optimize the 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
- ◆ Meaningfully engages and informs the public through readable and informative information and analysis, and by supporting a panel of Citywide Community Budget Advisors as well as public budget forums.

Budget, Policy, and Performance Analysis

The City Budget Office seeks to have a deep knowledge and understanding of the relevant issues within all City bureaus and the analytical capabilities to evaluate them. The Office continues to 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 sustainable and equitable levels of service to the public.

Centering Equity in Budgeting

Internally the City has made significant investments in furthering staff knowledge and training in support of citywide equity goals. In 2016, in accordance with Citywide policy, the office adopted a Racial Equity Plan, focusing on achieving four long-term Citywide goals through a series of bureau-specific action items. While the Plan provided a strong initial foundation, it is time for CBO to revisit and renew the Plan for the next five years. Over the past year, the CBO has convened regular, all staff meetings to identify and discuss systemic and cultural inequities in our lives and in our work. In the fall of 2020, Council approved funding for a small bureau Equity Manager, which will assist CBO in developing and implementing our renewed Racial Equity Plan and will support the CBO in taking meaningful action to reduce inequities, increase accessibility, and counter racism.

The City Budget Office continues its fruitful partnership with the Office of Equity and Human Rights to the Budget Equity Tool. Information from this tool, in addition to equity impact information, informs CBO budget analyses and recommendations. CBO’s performance team continues to champion the collection and communication of disaggregated data to ensure we understand and can address issues of inequity in our service delivery models.

Summary of Budget Decisions

- Base Budget** The FY 2021-22 base budget for the CBO reflects the following: continued allocation of internal resources to provide accessibility in budget documents, dedicated staff time to training and internal work to further City’s equity initiatives and goals, and to support Citywide systems in the continued virtual environment brought by the COVID-19 public health crisis. The CBO is increasing the administrative charge to the Recreational Cannabis Fund by \$15,000 to better reflect cost-recovery policies. There is no significant change or modifications to core services of the CBO.
- New Requests** **Enhancing Community Connections in Budgeting**
 The City Budget Office is requesting \$275,000 in ongoing General Fund resources to enhance community connections to the budget process. The proposal will support the collection of both quantitative and qualitative priority and perspective information from community members, with a focus on historically and currently underrepresented voices. This information will be collected via a biennial survey conducted online and via multi-lingual community canvassers; and via biennial community budget labs to collect qualitative information from community members. The information collected from these efforts will be integrated into CBO’s analyses and recommendations, as well as budget and priority conversations with Council.
 The proposal includes a request for 1.0 full-time Community Engagement Analyst who will manage the survey and community budget lab projects and serve as a community resource for groups and individuals seeking information related to the budget process. The Community Engagement Analyst will provide communications and materials support to improve public accessibility and understanding around the budget. The Community Engagement Analyst will work closely with the small bureau equity manager to ensure communications and outreach is grounded in anti-racism and equity and will work to integrate community data and information into CBO budget analyses and processes.
- 5% Reduction** Per budget guidance, the CBO has submitted a decision package for a reduction of \$139,000, or 5% of the bureaus General Fund allocation. With a staff of fewer than 30 FTE, the CBO would have been exempt from putting forward a reduction per the terms of the guidance. However, the Budget Director viewed participating in the reduction exercise important to ensure CBO’s legitimacy while simultaneously supporting the construction of Mayor’s guidance and Proposed Budget. This reduction would eliminate resources supporting 1.0 FTE Financial Analyst, associated support expenses, and would eliminate resources for the Hatfield

Fellowship program in the Budget & Economics program. In order to prevent eliminating a filled position, CBO would restructure workload to shift internal resources. While this action would prevent a layoff, the loss of analytical staff would necessitate a notable reduction in analysis and customer support produced by the CBO for Council, Bureaus, and the public.

Add-Backs

The CBO has requested to add back both the funding for the Financial Analyst and the funding to continue the Hatfield Fellowship. CBO has requested \$120,000 of ongoing General Fund resources to ensure current capacity is maintained to provide support, monitoring, and analysis of all bureaus and funds. This request represents the highest priority for the bureau. Secondly, the bureau is requesting \$19,000 to continue funding for the Hatfield Fellow program. The Hatfield fellow has provided critical support for key bureau and Citywide performance initiatives such as the Prior Year Performance Report and the What Works Cities initiative, and CBO's deployment of the program has proven to be a highly successful training ground for future CBO and City bureau finance and performance staff.

Internal Realignment

CBO is submitting an internal strategic realignment decision package to more intentionally focus on analyzing and addressing complex, high-impact, multi-bureau and Citywide issues. CBO is proposing to repurpose our existing Citywide Performance Lead – classified as an Analyst III – to become a Citywide Issues Analyst. The Citywide Issues Analyst will offer proactive analysis and recommendations around urgent and/or significant financial and effectiveness issues which span multiple bureaus. The Citywide Performance Lead role will be performed by a senior-level analyst who will further Citywide performance management practices and efforts and support Citywide issues analysis. The CBO is proposing to absorb the cost of a reclassification of an existing Financial Analyst position to an Analyst II to complete this realignment. The additional request for Community Connections in Budgeting (described above) will be housed in this team focused on Citywide impact. The team will support bureau analysis on relevant Citywide and performance topics and vice versa.

Performance	Actuals FY 2018-19	Actuals FY 2019-20	Target FY 2020-21	Target FY 2021-22	Strategic Target
OUTCOME					
Number of bureau performance measures using Insights Survey data	0	0	14	0	21
Customer service rating (4 pt scale)	3.28	0.00	3.40	0.00	4.00
Annual repair, rehabilitation, & replacement funding gap (Citywide)	\$427,800,000	\$475,000,000	\$513,000,000	\$0	\$0
General Fund Excess Ending Balance (forecast accuracy)	\$11,800,000	\$0	\$10,000,000	\$0	\$10,000,000
Citywide asset condition summary	66%	67%	67%	0%	90%
Percentage of City KPMs with positive year-over-year results	39.8%	0.0%	45.0%	0.0%	60.0%
OUTPUT					
CBO budget process work products website views	31,326	35,142	50,000	0	90,000
Net change in printed output when compared to FY 2019-20 output	0.0%	0.0%	-20.0%	0.0%	-50.0%
Percent of PUB members who have received equity training	0.0%	70.0%	100.0%	0.0%	100.0%
WORKLOAD					
Annual number of Portland Utility Board meetings held	0	20	12	0	18
Number of inquiries about board work from the public	0	32	10	0	12

City Budget Office

	Actuals FY 2018-19	Actuals FY 2019-20	Revised FY 2020-21	Base FY 2021-22	Requested FY 2021-22
Resources					
External Revenues					
Miscellaneous Fund Allocations	0	10,000	10,000	25,000	25,000
External Revenues Total	0	10,000	10,000	25,000	25,000
Internal Revenues					
General Fund Discretionary	1,067,830	879,785	1,194,069	1,226,847	1,347,848
General Fund Overhead	1,976,372	1,589,440	1,466,742	1,561,419	1,715,418
Interagency Revenue	143,899	290,006	324,806	332,488	332,488
Internal Revenues Total	3,188,101	2,759,231	2,985,617	3,120,754	3,395,754
Beginning Fund Balance					
Resources Total	3,188,101	2,769,231	2,995,617	3,145,754	3,420,754
Requirements					
Bureau Expenditures					
Personnel Services	1,946,840	2,259,596	2,254,377	2,414,291	2,564,570
External Materials and Services	248,147	117,234	313,665	322,600	447,321
Internal Materials and Services	358,810	231,727	427,575	408,863	408,863
Capital Outlay	634,302	160,674	0	0	0
Bureau Expenditures Total	3,188,100	2,769,231	2,995,617	3,145,754	3,420,754
Ending Fund Balance					
Requirements Total	3,188,100	2,769,231	2,995,617	3,145,754	3,420,754
Programs					
Budget & Economics	3,188,100	2,603,634	2,675,788	2,813,266	3,088,266
Public Utility Board Support	—	165,597	319,829	332,488	332,488
Total Programs	3,188,100	2,769,231	2,995,617	3,145,754	3,420,754

Class	Title	Salary Range		Revised FY 2020-21		Requested No DP FY 2021-22		Requested FY 2021-22	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30003004	Administrative Specialist III	53,290	104,701	1.00	75,400	1.00	75,400	1.00	75,400
30003007	Analyst II	63,336	111,681	0.00	0	0.00	0	2.00	184,341
30003008	Analyst III	69,805	133,873	3.00	261,456	3.00	261,456	3.00	261,456
30003027	Coordinator I - NE	48,277	94,878	1.00	64,808	1.00	64,808	1.00	64,808
30003034	Deputy Director I	91,728	161,390	1.00	125,466	1.00	125,466	1.00	125,466
30003037	Director I	111,696	201,191	1.00	150,696	1.00	150,696	1.00	150,696
30003040	Economist	80,205	148,724	1.00	135,741	1.00	135,741	1.00	135,741
30003054	Financial Analyst I	53,290	104,701	3.00	189,800	3.00	219,960	2.00	140,951
30003055	Financial Analyst II	63,336	111,681	3.00	283,192	3.00	283,192	3.00	283,192
30003056	Financial Analyst III	69,805	133,873	2.00	211,911	2.00	211,911	2.00	211,911
	Total Full-Time Positions			16.00	1,498,470	16.00	1,528,630	17.00	1,633,962
	Grand Total			16.00	1,498,470	16.00	1,528,630	17.00	1,633,962



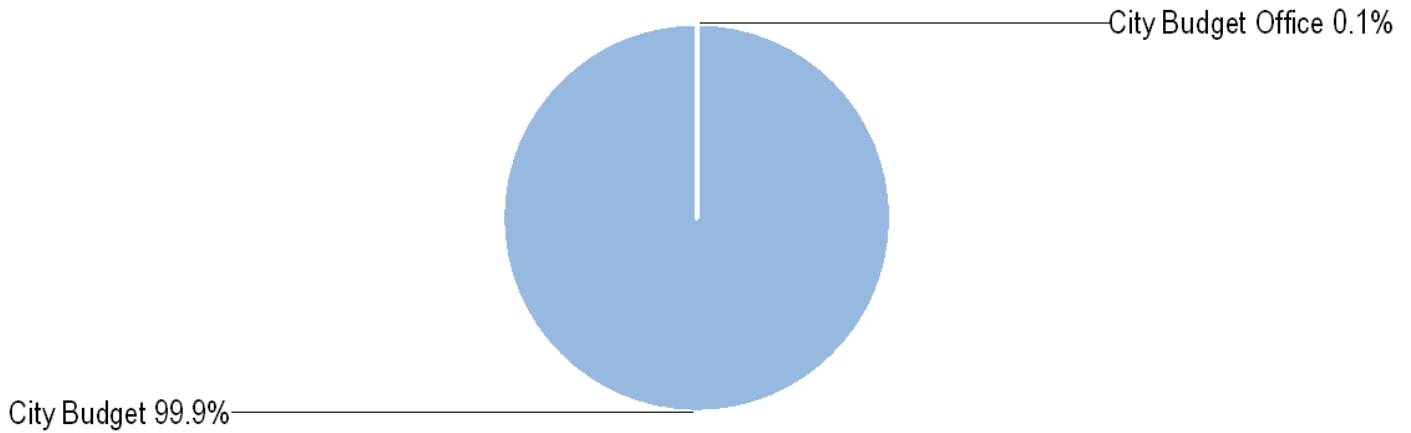
City Budget Office

City Support Services Service Area

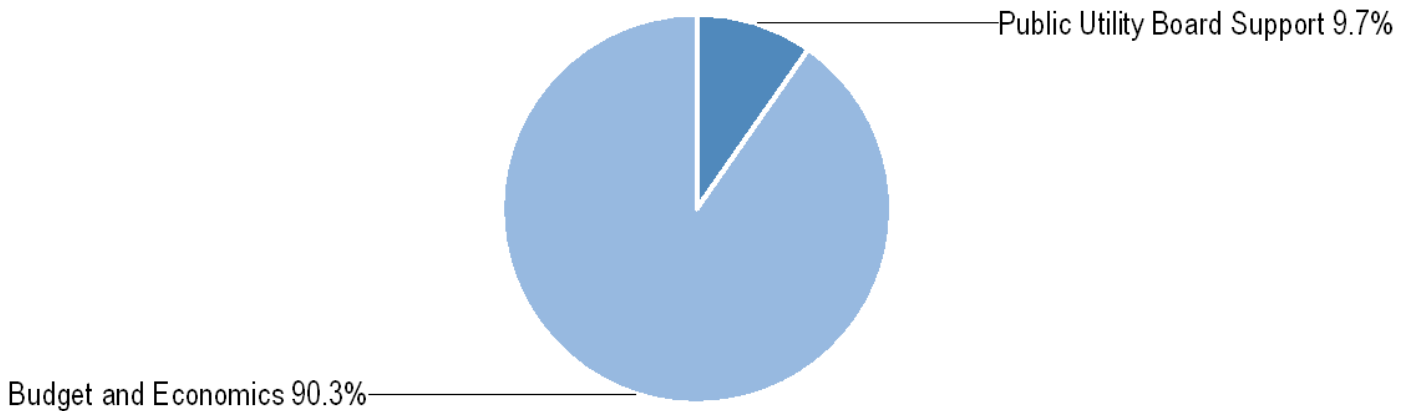
Mayor Ted Wheeler, Commissioner-in-Charge

Jessica Kinard, Budget Director

Percent of City Budget Graph



Bureau Programs



Bureau Overview

Requirements	Revised FY 2020-21	Requested FY 2021-22	Change from Prior Year	Percent Change
Operating	\$2,995,617	\$3,420,754	\$425,137	14%
Capital				
Total	\$2,995,617	\$3,420,754	\$425,137	14%
Authorized Positions	16.00	17.00	1.00	6.25%

Budget & Economics

Program Description & Goals

Budget and Economics is CBO’s primary program and constitutes the bureau’s core work. The program coordinates the development of the City’s annual and supplemental budgets, provides independent and objective financial and programmatic analysis, provides economic analysis and forecasting, and leads Citywide performance management efforts. The program’s strategic goals include providing processes, analysis, and deliverables to facilitate informed Council decision-making and promote public awareness of and involvement with Citywide budgetary and performance information. Through transparent, streamlined, and effective processes and deliverables, the program seeks to maximize the value and impact of constrained resources in achieving City goals. CBO is committed to furthering racial and disability equity and seeks to integrate those values into every aspect of bureau work. The program provides Citywide services which have a high-level and multi-bureau impact. As such, success is measured via a blend of bureau-specific workload and effectiveness measures, and progress towards Citywide outcomes. CBO is internally reassessing its performance indicators, starting with quantifying workload and moving towards reportable outcome metrics. Additional performance goals and indicators will be folded into the CBO’s Adopted Budget. Per budget guidance, CBO’s Requested FY 2021-22 Budget included a 5% reduction, which is comprised of eliminating 1.0 FTE financial analyst and support for the Hatfield Fellowship program. This reduction would increase average remaining analyst workload by 29%; requiring a notable reduction in CBO’s provision of financial analysis and program recommendations for certain elements of the City’s \$5.6 billion budget, and a reduction in our ability to provide detailed support to bureaus through the different budget processes.

Performance	Actuals FY 2018-19	Actuals FY 2019-20	Target 2020-21	Target FY 2021-22	Strategic Target
Customer service rating (4 pt scale)	3.28	0.00	3.40	0.00	4.00

Explanation of Services

Primary program activities include: coordinating and supporting the City’s annual and supplemental budget processes; monitoring budgets and spending at a high level across all bureaus and assessing financial impact of all Council ordinances; providing fiduciary oversight and management of the Cannabis and General Funds; managing the enterprise-wide budget database and software system; coordinating and advising on multi-bureau efforts which have financial impacts; leading Citywide performance management initiatives; and supporting bureau performance management efforts.

The program also includes the City’s Economics & Forecasting function, which provides annual Cannabis and General Fund revenue forecasts and Current Appropriation Level (CAL) targets for each City bureau, and provides analysis, recommendations, and advice on other salient economic issues and trends.

CBO is unique in its provision of independent, publicly available analyses and recommendations, which serve to inform and empower City leaders and the public. Additionally, CBO supports a panel of Citywide Community Budget Advisors, and facilitates citywide budget engagement efforts that include public forums, hearings, and work sessions.

Equity Impacts

CBO’s equity goals focus on ensuring equity, diversity, and inclusion in the populations CBO hires, the communities CBO engages in the budget process, and the lens analysts use in recommending investments in services Citywide. CBO elevates the discussion of equity impacts through partnership with bureaus, through the structuring of budget processes, and with our analyses and recommendations for Council.

The Budget and Economics program ensures multi-lingual noticing, accessibility and interpretation services are available at all budget outreach events. Heading into FY 2021-22, the bureau is revisiting its Racial Equity Roadmap and considering which actions in the plan need to be revisited and where additional actions need to be added. New ongoing resources were added to the Office of Equity and Human Rights to support hiring a small bureau equity manager. This position is anticipated to be filled in the spring of 2021 and will be working with CBO staff starting in FY 2021-22. Additionally, the program is requesting funding to connect communities to budgeting by collecting qualitative and quantitative information with an emphasis on hearing from underrepresented communities, and by adding a position to focus on providing enhanced communication, resources, and connection to individuals and groups interested in better understanding and engaging with budget processes and decisions.

Changes to Program

There is minimal internal change to the programs base requested budget for FY 2021-22. As part of a budget-neutral decision package, CBO is proposing to strategically realign existing positions to proactively tackle complex, multi-bureau issues with significant financial and service-level impact. CBO continues to internally realign its EMS resources in support of enhancing community outreach and accessibility of CBOs work products. The bureau has been in a remote work environment since March 2020 due to the COVID-19 public health crisis. During the development of both the City’s Adopted FY 2020-21 Budget and the Fall Supplemental Budget there was increased requests for information and analysis from CBO analysts in response to public demand for information. CBO is proposing an add package to enhance community connections in budgeting to address needs expressed this past year.

Program Budget

	Actuals FY 2018-19	Actuals FY 2019-20	Revised FY 2020-21	Requested No DP FY 2021-22	Requested FY 2021-22
Requirements					
Bureau Expenditures					
Personnel Services	1,946,840	2,095,773	2,003,544	2,164,237	2,314,516
External Materials and Services	248,011	115,491	294,965	303,900	428,621
Internal Materials and Services	358,810	231,696	377,279	345,129	345,129
Capital Outlay	634,302	160,674	0	0	0
Bureau Expenditures Total	3,187,964	2,603,634	2,675,788	2,813,266	3,088,266
Ending Fund Balance					
Requirements Total	3,187,964	2,603,634	2,675,788	2,813,266	3,088,266
FTE	16.00	16.00	14.00	14.00	15.00

Budget Narrative

Resources	The Budget & Economics program offer is primarily supported by General Fund discretionary and overhead resources. Other resources are received from the Recreational Cannabis Fund and interagency resources supporting indirect costs associated with the Portland Utility Board program.
Expenses	The majority of this program's budget, 76%, goes toward supporting the personnel costs for 14.0 employees. The internal materials and services category amounts to 13% of the total operating budget and funds internal services to support staff. The remaining 11% funds external materials and services associated with core operations, including a Hatfield Fellow and contracts for budget outreach facilitation and translation services. This category also includes costs for ongoing maintenance of CBO's one managed asset, the Citywide budgeting software.
Staffing	The program's FY 2020-21 Adopted Budget includes 14.0 FTE.
Assets & Liabilities	The primary asset associated with this program is the City's budget preparation and reporting software, BFM. Ongoing operational support and maintenance for this software is included in the program's base budget. There is no dedicated ongoing resource for future replacement of this software. When resources are available, CBO has redirected funds to the General Fund reserve to offset future costs and liabilities associated with the system eventually reaching the end of its useful life.

Program Information

Program Contact:	Christy Owen
Contact Phone:	503-823-6960
Website:	https://www.portlandoregon.gov/cbo/

Portland Utility Board Support

Program Description & Goals

The Portland Utility Board (PUB) is a community-based advisory board created by the Portland City Council to provide budgetary and policy oversight of the public utility bureaus, the Portland Water Bureau (PWB) and the Bureau of Environmental Services (BES). Support of the PUB is housed in CBO to ensure independence from the management of the utility bureaus PUB is responsible to oversee and advise. CBO provides organizational, logistical, analytic, administrative, and strategic support to ensure that the board is equipped to advance its general mission, goals, and workplan priorities, which include providing timely, relevant, and effective input to inform Council and management decisions impacting bureau investments, policies, practices, and procedures. The achievement of these duties requires PUB staff to work closely with the board, receiving direction from the members and working behind the scenes to ensure seamless and effective board meetings and deliverables.

This is the second year performance measures are included with the PUB program offer. Even in the best of times it is difficult to evaluate and describe the impacts of advisory work which by its nature is diffuse, distributed across time, and not easily quantifiable. The pandemic made things harder and planned methods were retailored to meet goals. The annual report and work plan presented an opportunity to work with the Board to identify outcomes, accomplishments and impacts, and to strategically organize their work in ways that may make evaluation easier in the future. The main method used to assess outcomes was surveying stakeholders, Bureau leadership and the Commissioner-in-charge, regarding the impact, or not, of the Board’s work on their decision-making and actions. In the coming year a goal is to build on this approach. This may include considering additional questions to ask stakeholders; surveying the same stakeholder groups; and surveying additional stakeholder groups, e.g., perhaps Bureau staff who made key presentations and/or community members who attend Board meetings. For the first time, the FY 19-20 Annual Report included a section focused explicitly on the Board’s accomplishments and impacts, i.e., the outcomes of its work. Reported in the budget document are the quantitative measures, but the board is also tracking qualitative outcome-oriented measures that do not fit well within the budget system and will continue to be reported in the PUB’s Annual Report to Council.

The expectation is that it will take several years, perhaps three to five, to gather enough information to do initial analysis of where the Board’s work is most effective, where it’s not, and other trends. This will likely be useful information for a general evaluation of the contributions advisory and or consulting work makes to the City. It may also indicate areas of improvement for advisory body programs, in general.

Performance	Actuals FY 2018-19	Actuals FY 2019-20	Target 2020-21	Target FY 2021-22	Strategic Target
Percent of PUB members who have received equity training	0%	70%	100%	0%	100%
Annual number of Portland Utility Board meetings held	0	20	12	0	18
Number of inquiries about board work from the public	0	32	10	0	12

Explanation of Services

CBO provides staff support to the PUB based on the priorities identified by the board. These areas of support include:

Logistics and communications– plan, schedule, develop agendas, issue public notices, and draft minutes for all board meetings, including special board meetings and community meetings; procure supplies and materials; maintain and develop website; draft communications regarding board activities; and synthesize disparate strands of Board work to develop recommendations to Council, Bureau leadership, and others.

Board coordination- assist and advise in development of bylaws, board processes, and compliance with various regulations, e.g., public meeting requirements; coordinate communications between the Board, Co-Chairs, and Bureau and Council staff; identify barriers to and remedies for diverse and inclusive Board recruitment and appointment; manage Board recruitment and appointment; coordinate and develop onboarding process and materials.

Organizational Development- assist Board in annual work plan development and strategic planning to achieve desired outcomes; assist Board in identifying priority issues, goals, and methods to evaluate efforts and impact; support and track performance metrics; facilitate alignment between PUB needs/timelines and City processes and requests; research and make recommendations on methods to maximize effectiveness of Board input; and assist with group growth, dynamics and process improvement using principles of change management.

Analysis- conduct research and analyze complex budget, policy, and operational issues in order to support development of Board recommendations; provide technical information to PUB and stakeholders on budget processes.

Equity Impacts

The PUB program has both internal- and external-facing equity impacts. Supporting the development and maintenance of inclusive Board processes, expanding outreach through diverse channels for Board recruitment, ensuring Board members have an understanding and commitment to equity, particularly racial equity, all contribute to internal facing equity. Supports offered to Board members, e.g., interpretation, translation, technology related equipment supports, and, once in-person meetings resume, food, covering transportation costs, etc., also contribute to diversity, equity, and inclusion. The current inability to provide stipends is a significant constraint, reducing internal equity for Board members as well as reducing the Board's ability to recruit for a diversity of lived experience amongst Board members. This inequity disproportionately impacts Black, Indigenous, People of Color community members and people living with disabilities. The Board and support staff have prioritized the issue and are actively working to address it and offer stipends.

External-facing equity impacts are largely determined by whether the Board has effectively applied an equity lens to their decision-making and development of recommendations. CBO staff work to ensure the Board has the additional training, tools, skills, opportunities, and space to apply an equity lens to their work effectively. Racial equity is identified in the Board's current workplan as a core focus for all Board discussions and recommendations, including the need to analyze current distribution of burdens and benefits as well as consideration of reparative actions to address harm done by past inequities. The Board thus serves as an effective and efficient avenue for the Bureaus and Commissioners-in-charge to get diverse community input, grounded in equity, on budget and policy matters. This also aligns with CBO's prioritization of basic racial equity training as a part of the onboarding process for new members. With a committed Board, this also affords the opportunity to review, re-align, and update the equity goals for PUB as identified in the CBO Racial Equity Plan adopted in 2016. Finally, the Board proactively offers in every communication with the public, both email and web based, translation, interpretation, modifications, alternative formats, and accommodations for public participation.

Changes to Program

The prior year included changes to staff support and board operations as a result of COVID-19 that may continue into FY 2021-22, particularly with a shift to virtual meetings in order to limit in-person contact during the pandemic. The board has effectively managed challenges in the change to meeting schedule and content with virtual public meetings, including recruitment and onboarding of new members. The board continues to evolve with a focus on organizational development, active engagement of board members, and prioritization of their role as upstream policy advisors to the program changes. During the previous recruitment, the lack of stipends limited opportunities for outreach and was a barrier for some potential applicants. The board hopes to introduce the availability of stipends in FY 2021-22 to further diversify the applicants and potential membership.

Program Budget

	Actuals FY 2018-19	Actuals FY 2019-20	Revised FY 2020-21	Requested No DP FY 2021-22	Requested FY 2021-22
Requirements					
Bureau Expenditures					
Personnel Services	0	163,823	250,833	250,054	250,054
External Materials and Services	0	1,743	18,700	18,700	18,700
Internal Materials and Services	0	31	50,296	63,734	63,734
Bureau Expenditures Total	0	165,597	319,829	332,488	332,488
Ending Fund Balance					
Requirements Total	0	165,597	319,829	332,488	332,488
FTE	0.00	1.50	2.00	2.00	2.00

Budget Narrative

Resources	The PUB support function is funded 100% by the utility bureaus, PWB and BES.
Expenses	The majority of the budget – 79% – is for personnel costs. 15% of the budget funds internal services to support staff and operational costs, and the remaining 6% funds external materials and services including materials support for PUB meetings.
Staffing	Includes 2.0 FTE for the PUB including 1 FTE Program Coordinator who provides coordination, logistics, and facilitation for meetings and deliverables and 1.0 FTE Analyst who provides analytical support and leadership for this program.
Assets & Liabilities	None.

Program Information

Program Contact: Amy Archer-Masters

City Budget Office

Contact Phone: 503-823-6981

Website: <https://www.portlandoregon.gov/cbo/68272>

DP: 11443 - 5% Constraint- CBO

DP Type

Priority

New

SUB

1

No

Package Description

Under the terms of the Mayor’s budget guidance exempting bureaus with fewer than 30 FTE from submitting cuts, the CBO was originally not required to put forward a 5% General Fund constraint. However, the Budget Director felt compelled to participate in the exercise to foster transparency and trust in her role advising and shepherding the City through this challenging process. The 5% General Fund reduction for the City Budget Office totals \$139,000 in ongoing resources, including \$61,161 in discretionary and \$77,839 in overhead resources.

Approximately 76% of the CBO’s budget is dedicated to personnel costs, and the remaining funding is predominantly for fixed materials and services costs. As such, the reduction is primarily taken from personnel and staff support costs.

Each of the City’s current 28 bureaus have an assigned CBO analyst. The assigned analyst provides technical support and guidance to assigned bureaus in meeting budget process requirements; monitors bureau budgets for financial issues; and provides performance, financial, and operational analyses on bureau issues and proposed legislative and budget processes. With the strategic realignment also proposed in the CBO’s requested budget, the City Budget Office will have 7 financial analysts dedicated to bureau analysis and management of key processes such as the Budget Monitoring and Supplemental Budget Processes; the Capital Set-Aside process; and assisting with budget outreach and engagement, communications, Citywide performance work, bureau equity work, continuity of operations, and budget system management. CBO maximizes the value of staff and the resiliency of our office by assigning each analyst with a personalized blend of bureau and process assignments which grow in complexity as they grow through the organization. This cut will reduce CBO’s staff dedicated to this work by 14% to 6 dedicated bureau analysts.

The City Budget Office has relied on the Hatfield Program to support and sustain key bureau and citywide performance initiatives such as the What Works Cities initiative, the Portland Insights Survey pilot, and revamping our Prior Year Performance Report. The Hatfield fellow typically works on both performance and financial analysis assignments, which provides for a well-rounded experience that often leads to gainful City employment and assists with our bureau assignment workload. Over half of CBO’s current financial analysts started as Hatfield Fellows.

This reduction would eliminate one financial analyst and threaten the viability of having a Hatfield fellow in CBO’s operations. Given current assignments, the reduction in analyst capacity would result in a 29% average increase in bureau assignment workload per analyst, plus increased responsibility for systems and processes support. In response, CBO would reduce the number and depth of analyses; we would prioritize analysis to focus on General Fund bureaus and on the highest dollar value requested changes but would likely be unable to provide in-depth analysis on all requested budget changes. We would continue monitoring bureau budgets but would prioritize monitoring large General Fund bureaus as we hold the fiduciary responsibility for the General Fund. This would unfortunately limit our ability to monitor and foster financial resiliency Citywide, as the General Fund represents less than 11% of the total City budget.

Losing the Hatfield fellow will reduce performance program capacity to support bureau and Citywide performance work, as the Hatfield fellow is the primary support person for the program. CBO be less likely to help advance key citywide data analytics, performance, and innovation initiatives. Additionally, CBO would reduce time analysts spend on communication materials such as dashboards and on budget outreach and engagement efforts.

Service Impacts

This reduction would eliminate 1.0 FTE financial analyst (\$119,721) and \$19,279 in external materials and services funding which supports the Hatfield fellow. The financial analyst is costed according to mid-range salary with family benefits.

This reduction in staff support represents a 14% reduction in CBO’s bureau budget analysts, and a 7% reduction in the Budget and Economics program staff overall. The reduction will require reshuffling assignments amongst existing analysts, resulting in a 29% average increase in bureau assignment workload per analyst, plus increased responsibility for systems and processes support. Each CBO budget analyst already manages a substantial amount of time-sensitive and critical citywide tasks, as such it would not be possible to absorb this level of assignment increase while retaining current deliverables.

As a result, CBO would reduce the number and depth of analyses we offer to the Council and the public; we would prioritize analysis to focus on General Fund bureaus and on the highest dollar value requested changes but would likely be unable to provide analysis on all requested budget changes. We would continue monitoring bureau budgets but would prioritize monitoring large General Fund bureaus as the City Budget Office holds the fiduciary responsibility for the General Fund. This would unfortunately limit our ability to monitor and foster financial resiliency Citywide, as the General Fund represents approximately 10% of the total City budget. We may also need to scale back customer support for bureaus in helping them complete the requirements of the budget process.

The \$19,279 reduction for the Hatfield fellow represents approximately 38% of the resources that the CBO typically dedicates to that program. It is possible that, in certain years, the CBO would be able to identify underspending on a one-time ad-hoc basis in order to sustain the fellowship, but it would be difficult to identify those resources far enough in advance to commit to the program. Losing the Hatfield Fellow will reduce the performance program’s support of bureau and Citywide performance work, as the Hatfield fellow is the primary support person for the program. CBO be less likely to help advance key citywide data analytics, performance, and innovation initiatives. Additionally, as a result of both of these reductions, the CBO would reduce time staff spend on communication materials such as dashboards and on budget outreach and engagement efforts. Currently, analysts and the Hatfield Fellow assist with both of these efforts and the reduction in staff is anticipated to require more time focusing on core budget development work.

Equity Impacts

Decision Package Summary

Details

The mission of the CBO is to provide 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. The City Budget Offices approaches this work with a desire to foster a more equitable and fiscally resilient City, and we believe that our comprehensive provision of transparent information regarding budget and policy issues is critical to fostering an equitable and resilient City. The CBO seeks to incorporate equity into all of our analyses and processes, as discussed in the bureau's budget equity tool.

The reduction in analyst staff will notably reduce our ability to produce in depth analyses across the City. We will likely focus on General Fund monitoring and issues as that is our fiduciary duty, which, at approximately 10% of the City's total budget, will provide an incomplete lens of potential equity issues and impacts.

The CBO intentionally preserved funding for our community forums, staff training, and document accessibility in our base budget to preserve equity. However, the reduction of staff will limit our greatest asset and resource is promoting equity Citywide: our staff who run our processes and conduct our analyses.

Budget Detail						
Fund		2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
	Major Object Name	Expense				
100000	External Materials and Servi	-19,279	0	0	0	0
100000	Personnel	-119,721	0	0	0	0
	Sum:	-139,000	0	0	0	0
	Major Object Name	Revenue				
100000	General Fund Discretionary	-61,161	0	0	0	0
100000	General Fund Overhead	-77,839	0	0	0	0
	Sum:	-139,000	0	0	0	0

Position Detail						
	Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
	30003054 - Financial Analyst I	-1.00	-79,009	0	-34,667	-119,721
Total		-1.00	-79,009	0	-34,667	-119,721

DP: 11444 - Financial Analyst Add-back

DP Type

Priority

New

ADD

1

No

Package Description

The City Budget Office's top priority in their requested budget is preserving our current analyst capacity to be able to sustain the current level and quality of analysis and process management. The constraint package includes the reduction of 1.0 Financial Analyst, and our top priority is adding that position back.

Each of the City's current 28 bureaus have an assigned CBO analyst. The assigned analyst provides technical support and guidance to assigned bureaus in meeting budget process requirements; monitors bureau budgets for financial issues; and provides performance, financial, and operational analyses on bureau issues and proposed legislative and budget processes. With our proposed realignment, the City Budget Office will have 7 financial analysts dedicated to bureau analysis and management of key processes such as the Budget Monitoring and Supplemental Budget Processes; the Capital Set-Aside process; and assisting with budget outreach and engagement, communications, Citywide performance work, bureau equity work, continuity of operations, and budget system management. CBO maximizes the value of staff and the resiliency of our office by assigning each analyst with a personalized blend of bureau and process assignments which grow in complexity as they grow through the organization.

Without this addback, CBO's staff dedicated to the above tasks will be reduced by 14% to 6.0 analysts. This reduction will not allow CBO to continue current service levels and deliverables. Service level impacts are discussed in the service level section.

Service Impacts

Given current assignments, the proposed reduction in analyst capacity causes a 29% average increase in bureau assignment workload per analyst, plus increased responsibility for systems and processes support. Absent resource addback, CBO would reduce the number and depth of analyses; we would prioritize analysis to focus on General Fund bureaus and on the highest dollar value requested changes but would likely be unable to provide in-depth analysis on all requested budget changes. We would continue monitoring bureau budgets but would prioritize monitoring large General Fund bureaus as we hold the fiduciary responsibility for the General Fund. This would unfortunately limit our ability to monitor and foster financial resiliency Citywide, as the General Fund represents less than 11% of the total City budget.

Supporting this add-back will not entirely alleviate the bureau workload challenges, as the constraint also includes funding for a Hatfield Fellow. However, it will enable the CBO to perform some level of monitoring and analysis on all bureaus, and continue current levels of support for critical processes and projects, including budget outreach events and communications.

Equity Impacts

The CBO is a small bureau with 16.0 FTE, and any opportunity for recruitment for vacant positions presents opportunities to ensure an equitable and inclusive hiring practice. The demographics of the CBO changes significantly based on the retention and hiring practices when these vacancies arise. CBO had a separation in December and has intentionally held the position vacant in order to present the required cut without forcing a layoff (the CBO has retained a temporary Financial Analyst to ensure current capacity is retained through the end of the Fiscal Year).

The CBO has taken significant strides in focusing on equity in recruitment and hiring, and not being allowed to hire negatively impacts our ability to increase the number of analysts that bring unique and valuable lived experiences to our individual and collective work. The addback will allow for CBO to retain our ability to provide analysis across the City, rather than focus more exclusively on our General Fund requirements, which will greatly enhance our ability to focus on the most important equity work that needs to happen Citywide. It will also ensure analysts have a more manageable workload and are able to more deeply and meaningfully engage in the equity work that we look forward to doing next year under the guidance of the new Small Bureau Equity Manager.

Budget Detail

Fund		2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
	Major Object Name	Expense				
100000	External Materials and Servi	0	0	0	0	0
100000	Personnel	120,000	0	0	0	0
	Sum:	120,000	0	0	0	0

Fund		2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
	Major Object Name	Revenue				
100000	General Fund Discretionary	52,801	0	0	0	0
100000	General Fund Overhead	67,199	0	0	0	0
	Sum:	120,000	0	0	0	0

Decision Package Summary

Details

Budget Detail

Fund	2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
Major Object Name	Revenue				

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30003054 - Financial Analyst I	1.00	79,009	0	34,667	119,721
Total	1.00	79,009	0	34,667	119,721

DP: 11445 - Add-Back Hatfield Fellow

DP Type

Priority

New

ADD

3

No

Package Description

As part of the 5% constraint package, the City Budget Office proposes eliminating \$19,000 that supports our annual Hatfield Fellow. The annual cost of the fellow totals \$50,000 (\$45,000 in contract costs with Portland State University and \$5,000 in internal and external materials and services costs), so this reduction represents 38% of the total cost.

The Hatfield fellow has been a critical team member in the City Budget Office, functioning as the primary support person for our Citywide Performance Management lead as well as providing assistance to the financial analysis wing of CBO by working on a smaller budget analyst assignment. This position has been instrumental in moving forward key Citywide projects and deliverables such as the What Works Cities initiative, the Portland Insights Survey, and improvements to our Prior Year Performance Report, among other projects. This fellowship in CBO has also served as an effective training ground for highly successful analysts and staff throughout the City: out of the nine fellows CBO has hosted over the past eight years, eight are currently employed with the City. Over half of CBO's current financial analysts started as Hatfield Fellows.

Service Impacts

Losing the Hatfield Fellow will reduce the performance program's support of bureau and Citywide performance work, as the Hatfield fellow is the primary support person for the program. CBO be less likely to help advance key citywide data analytics, performance, and innovation initiatives. Key initiatives currently underway that CBO may no longer be able to fully support include management of the new Citywide Performance Advisory Committee, connections and contributions to the City's Open Data policy and work, and enhanced Citywide performance data collection and reporting.

Should the request for Enhanced Community Connections in Budgeting be approved, the Hatfield fellow in the next year will help ensure the re-launch of the survey is completed meeting the renewed goals and timelines listed in that package. Should that work be funded, work will need to move forward extremely quickly to ensure the information will be useful for Council discussions leading up to FY 2022-23 budget development.

It is possible that, in certain years, the CBO would be able to identify \$19,000 in underspending on a one-time ad-hoc basis in order to sustain the fellowship. However, it will be difficult to identify those resources far enough in advance to commit to the program unless the bureau is allowed to carryover underspending from one year to the next, or is able to proactively identify vacancy savings in a fiscal year to come.

Equity Impacts

The Hatfield Fellow in CBO has typically been a champion of new approaches in budgeting and performance management and measurement that feature the latest thinking in equitable approaches and analysis. Fellows often are recent graduates of graduate degree programs, and bring with them invaluable recent experience and learning which often challenges historical and systemic biases. CBO has relied upon Hatfield Fellow thinking to help ensure our projects and processes – such as the Portland Insights Survey Project or the push for Citywide performance measures disaggregated by race – center racial and disability equity.

Budget Detail

Fund		2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
	Major Object Name	Expense				
100000	External Materials and Servi	19,000	0	0	0	0
	Sum:	19,000	0	0	0	0
	Major Object Name	Revenue				
100000	General Fund Discretionary	8,360	0	0	0	0
100000	General Fund Overhead	10,640	0	0	0	0
	Sum:	19,000	0	0	0	0

DP: 11446 - Community Connections in Budgeting

DP Type

Priority

New

ADD

2

No

Package Description

This request addresses the urgent need for better information both from community and to community as it relates to our budget construction and decision-making processes. The request includes funding for the collection of both quantitative and qualitative data from Portlanders – with an explicit focus on collecting information from historically and currently underrepresented communities – and funding for a Community Engagement Analyst who will manage data collection projects and enhance the accessibility and availability of information around the City’s budget and budget processes for individuals and community groups. The request includes \$125,000 in external materials and services resources to fund a contract for quantitative and qualitative data collection and \$150,000 to support 1.0 FTE Analyst II. Both elements are described in more detail below.

Continuation of the Portland Insights Survey and supplemental “Community Budget Labs”

This request builds directly off the 2019 Portland Insights Survey, which received responses from over 8,000 Portlanders, reflecting community perspective on City services and priorities for Portland. CBO received \$60,000 in the FY 2018-19 Adopted Budget to conduct a citywide survey on a one-time basis to replace the survey that had been conducted by the Auditor’s Office for over 20 years. The entirety of the new one-time funding was used for a contracted firm to help design, implement, and analyze survey results. CBO absorbed an additional \$40,000 in materials and services costs for the vendor and approximately \$40,000 in staff costs to run the project. The survey was delivered online as an opt-in survey and was supplemented by the deployment of paid, multi-lingual community canvassers with the ability to navigate diverse cultural settings.

The survey project proposed for the FY 2021-22 Budget would continue and expand upon the 2019 survey. It will create a strong government-community feedback loop through a quantitative survey and qualitative community listening sessions that combines modern surveying approaches with best practices in community engagement. This approach would switch off between quantitative surveying and qualitative engagement approaches every year, which would both be focused on engaging underrepresented and BIPOC Portland communities.

The success of the 2019 Portland Insights Survey provides the City with an enviable foundation from which to discover important trends in community perception and priorities. Should the survey project be funded on an ongoing basis, CBO would utilize largely the same quantitative survey questions and design as the 2019 pilot, with adjustments. Modifications based on stakeholder feedback from the pilot include:

- Increase canvassing operations to ensure more representative sample;
- Strengthen community and City relationships for conducting outreach;
- Adjust questions as necessary to gain additional insights;
- Adjust timing of survey to better align with City budget process

In planning for the 2019 survey, many bureau and Council representatives advocated for additional qualitative approaches to receive community input, such as focus groups, to dive deeper into themes that emerged from the 2019 pilot survey. Stakeholders also expressed how the previous Auditor’s survey was valuable due to its ongoing yearly data to daylight trends in resident perception. The quantitative survey would be timed to “kick-off” that year’s budget season with a report to City Council on survey data results to help frame Council’s budget priorities. This means that the survey would be implemented over the summer/early fall. In the off-years, CBO will facilitate in-depth qualitative methods for community feedback, in the form of issue-specific community workshops on City priority topics, called “Community Budget Labs.”

The labs would be public engagement events that serve as more proactive budget engagement sessions than CBO’s current budget events. At these events, community members could inform bureau budgets before they are requested. Community Budget Labs will be half-day pop-up events in priority underrepresented communities in Portland. The events will be officially hosted by the City Budget Office and operate as open workshops that support community members in:

- providing context to the survey data and other relevant community data;
- articulating a community-centered interpretation of local priorities;
- understanding how to engage and influence City decision-making around the budget; and
- making actionable recommendations for addressing local priorities.

These workshops will address large policy issues in the City and allow a more holistic view of priorities than a quantitative survey allows. It will also allow the City to understand how specific communities feel about these topics.

Combined, analysis from both the Portland Insights Survey and Community Budget Labs will help inform Council budget prioritization conversations and improve bureau management. Other jurisdictions, such as Boise, Idaho have implemented similar multi-method approaches. Results in Boise provided community insights that have since shaped the work of the City, and the process helped to educate residents about budget trade-offs. Community Budget Labs would be hosted in the fall of the given fiscal year in order to inform Council budget and policy priorities and bureau budgets before they are requested in late January. Community Budget Lab events could be offered online as well as in person once it is safe to do so.

New Community Engagement Analyst

The request includes \$150,000 to support a Community Engagement Analyst, who will manage the Portland Insights Survey and Community Budget Lab projects. The position will also provide an opportunity for the budget office and the City to more proactively communicate with interested parties around budget information and processes. The City of Portland has a \$5.6 billion budget that is comprised of a complex assortment of dedicated and discretionary resources, funneled through 28 distinct bureaus with at times overlapping service areas. Having this position to build communication materials, resources, and direct connections with community groups will help demystify the City’s budget and budget processes, increasing transparency around the City’s budget and trust in government, and strengthening community relationships.

Tracking Success

CBO will track the success of the project through the adoption of the following performance measures:

- Total number of responses to the biennial Portland Insights Survey
- Percentage of survey responses from underrepresented communities (BIPOC communities and people identifying as having a disability)
- Percentage of responses generated by Community Data Fellows (canvassing)
- Total number of Community Budget Lab attendees (annually)
- Percentage of Community Budget Lab attendees from underrepresented communities (BIPOC communities and people identifying as having a disability)

Service Impacts

This project will improve City budget prioritization, policy making, and the management of City programs as Council and bureaus will have access to year-over-year quantitative data points regarding resident perceptions and priorities. In addition, the Community Engagement Budget Analyst will significantly increase the bureau's ability to engage with community members around the budget and budget process and will allow the bureau to be more responsive to questions and to proactively engage with community members around the budget, increasing transparency around the City's budget and trust in government, and strengthening community relationships.

CBO expects that consistent access to community sentiment data will enable the City to bring Portlanders' priorities into the front end of the budget process. This can be especially useful when the results are disaggregated by demographic and geographic markers, as in the 2019 Portland Insights Survey. Conducting the survey for a second year will help uncover trends and ask further questions about community perceptions on how the City is addressing priority areas such as housing, homelessness, economic development, public safety, and transportation. Results from the first survey have been used by internal and external stakeholders for various efforts including strategic plans, performance measurements, and reports. The ongoing survey project will better inform discussions that draw on objective data about what community members really think, want, and care about. This can be especially helpful for prioritization at the Council level, as well as within agencies that must choose amongst program activities. It will be designed to bring in the perspectives of community members whose voices are less heard today, in order to create real accountability for what, how well, and for whom City services are provided.

In addition, survey and engagement results, especially that received from the Community Budget Labs, can lead to efficiencies within City bureaus by identifying sentiments and priorities for specific subsets of the population. For example, data could inform how residents from different communities want to be contacted by the City and their preferences for engagement activities. Although bureaus may already conduct bureau or program specific focus groups, these workshops will provide different information due to the citywide focus. This will reduce the need for bureaus to conduct their own individualized surveys or focus groups to receive this information. The result will be an ongoing centralized data source, which can be used by all bureaus.

The unique approaches deployed through this project also show a commitment to community building through partnerships with local universities, training and educational investments in youth canvassers, and the deployment of surveys in historically underrepresented communities. In the quantitative years, continuation and expansion of this project will allow CBO to further explore approaches aligned with best survey and community engagement practices. These approaches have the possibility of further improving the quality and amount of data the City can rely on for decision-making. Notably, the increase in resources for the quantitative survey will ensure CBO is better resourcing outreach and translation efforts, hosting more events in the community to promote the survey on the front end and actively reporting out survey results in order to create a community feedback loop once the survey is completed.

Equity Impacts

Continuation and expansion of the Portland Insights Survey project would enhance equity both in terms of the process, and with the project results.

Regarding the survey process, the expanded project will allow for the implementation of more comprehensive equity strategies surrounding survey and Community Budget Lab design, administration, analysis, and reporting. These strategies include methods to increase the representativeness of the survey and those attending Community Budget Labs, ensuring culturally competent and accessible survey and engagement formats, and outreach in historically underrepresented and BIPOC populations. Representativeness will be further supported by more robust canvassing methods and targeted outreach for Community Budget Labs. These methods will allow the City to receive feedback and survey results from more respondents, including a wider array of Portlanders and BIPOC communities.

This structure will allow the City to continue to obtain survey results at a community-specific level to help shape City budget, policies, and programs. This project will also provide critical information for how the City measures the impact of its equity efforts, including race and disability equity strategies. Survey results reveal how respondents from specific communities perceive their ability to influence government decisions, level of safety, livability, and level of satisfaction on a range of critical City services.

The addition of the Community Engagement Budget Analyst will allow the bureau to increase its capacity on reaching bureau and Citywide equity and engagement goals, ensure community voices are heard and incorporated throughout the budget process, and that communities have accessible information regarding the City's budget.

Budget Detail

Fund	2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
Major Object Name	Expense				

Decision Package Summary

Details

Budget Detail

Fund		2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
	Major Object Name	Expense				
100000	External Materials and Servi	125,000	0	0	0	0
100000	Personnel	150,000	0	0	0	0
	Sum:	275,000	0	0	0	0

	Major Object Name	Revenue				
100000	General Fund Discretionary	121,001	0	0	0	0
100000	General Fund Overhead	153,999	0	0	0	0
	Sum:	275,000	0	0	0	0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30003007 - Analyst II	1.00	96,690	0	38,633	142,720
Total	1.00	96,690	0	38,633	142,720

DP: 11447 - Realign for Citywide Analytical Impact

DP Type

Priority

New

REAL

0

No

Package Description

In response to the mayor's call to break down City silos, and in alignment with the core City values of financial responsibility, transparency, and collaboration, the City Budget Office is proposing to strategically realign existing resources to more proactively analyze and address multi-bureau and Citywide financial and effectiveness issues.

This realignment involves repurposing an existing Analyst III position who previously served as our Citywide Performance Lead to become a Citywide Issues Analyst, dedicated to analyzing and making recommendations around complex issues across the City which have significant financial and service-level implications. The City Budget Office has recognized the importance and need for analyses on Citywide and multi-bureau financial issues for several years, but under our current structure bureau analysts only rarely have the capacity to tackle these analyses in addition to their existing bureau workload. This realignment is expected to support and enhance bureau analyses, as this dedicated analyst will address issues endemic to many bureaus and budgets.

The realignment then includes the reclassification of an existing Financial Analyst I to an Analyst II position to continue to Office's role in managing and promoting best practices in Citywide performance management and measurement, and integrating performance into budget decisions and data. The Citywide performance management lead will support the Citywide Issues Analyst on identifying and addressing issues of performance where appropriate, and will work closely with the Community Engagement Analyst should the Community Connections in Budgeting proposal be funded. This reclassification is estimated to cost \$11,228. The bureau is able to absorb this cost due to the recognition of more accurate cost-recovery practices for CBO's work administratively managing the Recreational Cannabis Fund.

Service Impacts

This realignment is effectively de-prioritizing the City Budget Office's bureau-centered analytical support and work in favor of dedicated resources to address multi-bureau complex and high-impact issues. The anticipated service impact is the provision of analyses that are much more impactful and responsive to larger Citywide goals and values than what is often afforded in our individual bureau analyses. Ultimately, this realignment should help services across the City be provided in a more transparent and effective manner and contribute to the City's fiscal resiliency.

Equity Impacts

Recently, the City has adopted several values and goals relating to furthering racial and disability in both our external services and our internal culture and practices. Making progress on these issues require both collective Citywide changes and actions as well as individual changes in bureaus. There are some persistent barriers to equity that exist across bureaus as part of systemic and historically inequitable practices that are extremely challenging to address. Part of the Citywide Issues Analysts job will be understanding and articulating the implications of each issue they assess on the City's ability to achieve its racial and disability equity goals. The Analyst will proactively look for ways to counter systemic racism and inequity in their analyses. Additionally, there are some analyses that this analyst may conduct that explicitly target issues of equity in City services. This work will be aided by findings of the Community Engagement Analyst, should the Community Connections in Budgeting request be funded.

Budget Detail

Fund	2021-22 Request - V52 with DP	2021-22 CBO Recommended- V53	2021-22 Proposed-V54	2021-22 Approved - V55	2021-22 Adopted - V56
Major Object Name	Expense				
100000 Personnel	0	0	0	0	0
Sum:	0	0	0	0	0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30003007 - Analyst II	1.00	87,651	0	36,605	130,961
30003054 - Financial Analyst I	-1.00	-79,009	0	-34,667	-119,721
Total	0.00	8,642	0	1,938	11,240

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City Budget Office

Requested Budget & Racial Equity Plan Update:

The CBO is a small bureau consisting of 16.0 FTE; its budget includes resources to support core deliverables and interagency costs. CBO's primary roles are to facilitate development of the Citywide budget, provide fiduciary oversight of the General and Recreational Cannabis funds, and to provide operational support and staffing for the Portland Utility Board (PUB). The majority of the CBO's budget supports staff and personnel expenses and the most impactful resource the CBO has is how it allocates the staff time in support of the City's core values and racial equity goals.

CBO's equity roadmap strives to operationalize equitable recruitment and hiring practices; to strengthen outreach and engagement for communities of color and immigrant and refugee communities; to change existing services to increase access for communities of color and immigrant and refugee communities; and to uphold a racially equitable culture.

As our greatest asset is our staff and the majority of our budget goes towards personnel expenses, strong staff training and support is integral to achieving racial equity plan goals. The FY 2021-22 requested budget prioritizes resources for staff training and support; while it is common practice to reduce materials and services spending for professional development and training in a cut environment, the CBO has protected these dollars as a way of ensuring we are investing in and supporting current staff. Recent professional development opportunities that staff have taken advantage of include the City's Results Based Accountability cohort trainings, the International Association of Public Participation training on community engagement, and the Engaging Local Government Leaders cohort training on crisis management, the discussions in which focused on building back from crisis in way that mitigates disparities. Additionally, the CBO has dedicated significant leadership and staff time to hold all-staff discussions to identify deficiencies and opportunities to further anti-racism and equity both within our office culture and our work products. In the FY 2020-21 budget, the CBO prioritized resources internally to support an equity manager to begin assisting in this critical work. Resources for this Small Bureau Equity Manager were requested collaboratively by the CBO, the Office of Government Relations, and the Office of Equity and Human Rights, and were approved by Council in the Fall of 2020. Ongoing funding for the position is built into the Office of Equity and Human Rights' (OEHR's) base budget for FY 2021-22.

The FY 2021-22 Requested Budget continues the office's practice of ensuring resources supporting community engagement and accessibility are considered first in developing its base budget. In addition to funds spent on outside services, CBO staff time devoted to outreach efforts has increased, resulting in improvements in noticing, demographic collection at in-person events, and budget testimony data visualization, among other improvements.

CBO's budget analyses and recommendations embed equity considerations for the City

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CBO's budget analysis and recommendations consider equity considerations for the City Council and bureau leadership. This analysis includes assessing the impacts of requests that may benefit Indigenous people, Black people, people of color, immigrants and refugees and people with disabilities. To this end, CBO co-manages the Budget Equity Tool with the Office of Equity & Human Rights (OEHR) in addition to managing the program offer requirement for bureaus to articulate the equity impact of each program as part of all submissions. As part of this analysis the CBO submits formal questions to bureau leadership on all aspects of the bureaus' base budget and requests for new funds. In addition, analysts have multiple meetings with bureau leaders to further vet various levels of impact to Citywide equity goals. The CBO uses this information in developing fiscal and policy recommendations, with the goal of identifying for Council the tradeoffs and equity impacts of budget decisions. For example, during the 2020 Fall BMP process, CBO analysts utilized key questions from the COVID-19 Equity Toolkit to assess the equity impact of requested budget changes and inform analyses and recommendations. The CBO also looks for opportunities to elevate equity in all of our Council discussions and work sessions.

CBO's budget includes staff support for two important advisory bodies: the Portland Utility Board (PUB) and the Citywide Community Budget Advisory Committee. The Portland Utility Board serves not only as a community oversight and advisory board to the Council, they also serve as the Budget Advisory Committee to the Water Bureau and the Bureau of Environmental Services. The PUB program has both internal- and external-facing equity impacts. Supporting the development and maintenance of inclusive Board processes, expanding outreach through diverse channels for Board recruitment, ensuring Board members have an understanding and commitment to equity, particularly racial equity, all contribute to internal facing equity. The current inability to provide stipends is a significant constraint, reducing internal equity for Board members as well as reducing the Board's ability to recruit for a diversity of lived experience amongst Board members. This inequity disproportionately impacts Black, Indigenous, People of Color community members and people living with disabilities. The Board and support staff have prioritized the issue and are actively working to address it and offer stipends.

PUB's external-facing equity impacts are largely determined by whether the Board has effectively applied equity lens to their decision-making and development of recommendations. CBO staff work to ensure the Board has the additional training, tools, skills, opportunities, and space to apply an equity lens to their work effectively. Racial equity is identified in the Board's current workplan as a core focus for all Board discussions and recommendations, including the need to analyze current distribution of burdens and benefits as well as consideration of reparative actions to address harm done by past inequities. The Board thus serves as an effective and efficient avenue for the Bureaus and Commissioners-in-charge to get diverse community input, grounded in equity, on budget and policy matters. This also aligns with CBO's prioritization of basic racial equity training as a part of the onboarding process for new members. With a committed Board, this also affords the opportunity to review, re-align, and update the equity goals for PUB as identified in the CBO Racial Equity Plan adopted in 2016. Finally, the Board proactively offers in every communication with the public, both email and web based, translation, interpretation, modifications, alternative formats, and

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and web based, translation, interpretation, modifications, alternative formats, and accommodations for public participation.

The Community Budget Advisory Committee is comprised of five community members who advise Council during all budget work sessions. In the past year, CBO has focused on recruiting more racially diverse membership, and has enhanced training and support opportunities for new members to ensure participants feel empowered to participate in budget conversations in a meaningful and impactful way. The majority of current Advisory Committee members are from Black, Indigenous, or Communities of Color.

Racial Equity Plan Link:

Requested Budget Community Engagement:

The CBO supports community budget forums as part of ensuring members of the public have access and opportunity to engage with City Council during the development of the City's budget. This includes using internal resources to properly notice meetings, have translation services available, and to use locations in the City that are accessible via multiple modes of transportation. Further, the CBO does intentional budget event outreach to organizations that work with and represent communities most impacted by inequities and will be including dedicated testimony time for Community Engagement Liaisons program members at the upcoming budget forums.

In the COVID-19 remote working environment, CBO has continued to staff and make available information to the public through online mediums. This may have positive impacts of improving outreach and elevating community voices due to the reduced need for community members to drive to, or take public transit to, specific geographies in the City and/or find coordinated childcare coverage. As there has not been focused survey or follow-up it is difficult to determine if the increased attention and involvement of the public during the development of the FY 2020-21 Budget was due to interest in policy decisions for policing coupled with availability of ways to communicate directly with Council through the process we coordinate for the City.

The CBO has not typically had the resources nor the in-house expertise to connect with and transmit information to and from community members on budgeting and service levels in a deep and meaningful way. This is the driving value behind our request for resources in our requested budget.

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Base Budget Constraints:

The Budget Office operates with a small staff under many urgent and competing deadlines. Our biggest asset is our time, and there is simply not enough of it to meet the many demands and opportunities of our work. Additionally, we have been hampered in our progress on our racial equity goals by needing to adjust to significant leadership and staff turnover in the past three years and by significant changes to our budget systems and processes as a result of primarily external factors. Our biggest limiter has been not having sufficient, consistent staff time or resources to do the deeper, more meaningful action that is required to make progress on our racial equity goals.

For this reason, the Budget Director approached the Office of Government Relations in the Fall of 2020 with a suggestion that we combine our resources to support a year-long shared equity manager to help us both move forward on critical equity efforts. This initial proposal developed into a larger, more impactful proposal with the help of Dr. Smith from the Office of Equity and Human Rights and is why we now will benefit – along with other small City bureaus - from ongoing equity manager support. This investment will support coordination of bureau equity work, provide sustainable frameworks for continued progress, help us identify issues and opportunities, and provide a valuable perspective on bureau culture.

CBO's Racial Equity Plan was originally intended to guide CBO's activities through June 2021. The bureau is taking this time to assess the outcomes and impacts from its initial adoption in FY 2015-16, which the equity manager will help with.

Over the past 9 months the bureau has explicitly prioritized equity by dedicating a substantial portion of staff time to regular conversations promoting and elevating the understanding and identification of equity issues both within CBO culture and within our work deliverables. This work began with and was informed by the development and deployment of an all-staff survey to understand the staff perspective on the office's equity work, including opportunities for improvement in processes, deliverables, resources, and bureau culture. The bureau has an equity team that meets regularly, previously consisting of primarily the bureau's leadership team, which is being reorganized to consist of a blend of frontline staff and leadership. Additionally, all staff participate in and are encouraged to lead conversations and activities promoting equity. The equity manager will also help us build upon this foundation and turn discussion into action.

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Notable Changes:

Yes, the CBO has realigned internal resources in two primary areas: external materials and services for expenses purchased outside the City and then though intentionally carving staff time on a consistent basis to work on racial equity and anti-racism as a bureau.

Resources supporting external purchases: CBO has continued to prioritize identifying internal funds to conduct accessibility work, in particular for public budget products. While staff have learned how to make the public budget books ready for use with screen readers, it is a process where the office is not the expert and a better use of resources is to contract out for this service to ensure the community receives consistent and accurate product. Throughout the virtual work environment CBO has prioritized work for community engagement to be as inclusive as possible. This means providing for interpretation services, including American Sign Language, for virtual meetings as we adapted to an all-virtual environment.

Resources through reallocation of staff time: the bureau does not explicitly code or track time supporting either internal racial equity work or externally facing analysis and recommendations of bureau budget submissions. This is because the act of splitting out the time would be very laborious as the expectation and actions have equity work embedded in our everyday thinking and work product. Since July 2020, the bureau has instituted a monthly staff meeting focused on racial equity and has convened a smaller equity steering group within the bureau that meets biweekly. This is a reallocation of the most significant and expensive resource the CBO has: its staff. Additionally, process owners have placed time and emphasis on ensuring our deliverables and processes further equity and accessibility. For example, staff are working on figuring out a way to collect demographic information in our virtual budget comment environment, and staff are working on ways to connect budget recommendations to equity frameworks such as the COVID-19 equity toolkit. We are proud of the work we have done with limited resources under much stress and change over the past year, and look forward to benefitting from additional expertise and guidance of an equity manager.

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Equity Manager Role in Budget Development

As a small bureau with most employees responsible for many tasks, the CBO has not been able to have a dedicated Equity Manager, rather the CBO relied upon prioritizing time from an existing staff to be our equity liaison in concert with efforts from an equity steering group comprised of predominantly management team members that were listed as accountable to equity roadmap goals. As articulated in earlier sections, the CBO has recognized weaknesses in this model and is restricting the equity steering committee to consist of a balance of leadership and frontline staff, and is involving the entire staff in meetings and leadership opportunities in constructing discussions and action items to promote racial and disability equity.

There are limited points of flexibility in the office for budgetary changes, and most of the impact we can have on equity relates to the way we conduct our business. For this reason, the construction of our budget is primarily conducted by office leadership with advice from the BAC, while the how of our work – the conduct and priority work of the office – has become more the topic of our office-wide and office-informed discussions and actions. Leadership proposed the FY 2021-22 requested budget realignment and request for community connections to budgeting because of feedback from staff and the Budget Advisory Committee and have received support from both parties.

In the FY 2020-21 Fall BMP new ongoing General Fund resources were added to OEHR’s budget to support an Equity Manager for small bureaus, focusing first on supporting CBO and the Office of Government Relations. This position is expected to be hired in the spring of 2021, and CBO looks forward to working with its partner bureaus to utilize the expertise an Equity Manager will bring to our operations.

Equity Manager:	None at present	Contact Phone:
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ADA Title II Transition Plan:

CBO does not own any facilities and does not have a Transition Plan. However, CBO does ensure that the facilities chosen for all budget engagement activities and Portland Utility Board meetings are fully accessible and compliant with ADA Title II. Since March 2020 in person events have been suspended due to the public health crisis. CBO is using the City standards for onsite activities.

CBO is engaged in work to ensure screen-reader compatibility in budget documents. We also use auxiliary aids and services during our virtual events such as real-time captioning and ASL interpretation.

We look to support ADA accessibility and transition plan work through our budget analyses and recommendations, including by reviewing bureau responses to this question and highlighting important actions for Council to take to further this goal.

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Accommodations:

Over 80% of CBO's total budget is related to personnel costs. As part of office efforts to integrate equity into our work, several staff are expected to contribute their time to furthering equity goals and enhancing accessibility. The dollar values associated with this dedicated staff time is not currently tracked. Since July 2020, the bureau has reallocated internal staff time to add at least one all-staff meeting per month for dedicated dialogue on racial equity and a steering committee of 7.0 FTE (over 40% of the CBO staff) meets biweekly to set agenda and structure for bureau racial equity work. This structure may change under the advisement of our new equity manager, once they are hired.

In terms of direct materials and services costs, these resources are primarily related to budget engagement forums and the bureau has increased the total amount to also support converting documents to be screen-reader friendly:

Facilitation	\$15,000
Community Engagement Liaisons	\$5,000
Interpretation	\$5,000
Screen-reader document support	\$5,000
Flyer and essential document translation	\$3,200

The requested budget includes a request for \$275,000 in new resources to support community connections to budgeting. This package, if approved, will include dedicated resources for culturally specific outreach workers to collect quantitative data from underrepresented communities, as well as funding for qualitative data collection from underrepresented communities.

Capital Assets & Intergenerational Equity

CBO's only capital asset is the Citywide budgeting software, BFM. CBO's current operating budget does provide resources for support and maintenance of this system from the contracted vendor. The bureau has transferred underspending on a one-time basis for future system replacements, however the financial downturn brought on by the COVID-19 public health crisis required all citywide underspending to be needed to fill financial gaps. As such, no transfer to prepare for future replacement occurred in FY 2019-20. CBO anticipates the ability to resume this practice in FY 2020-21, with the caveat that any decision must be consistent with budgetary guidance and instruction from the Mayor's Office. Estimated future replacement cost totals \$1.5 million; it is unlikely the CBO will be able to save sufficient resources within existing appropriations for the entirety of the future replacement, but CBO is committed to depositing as much funding as possible in the reserve to preserve the intergenerational equity of this asset while minimizing disruption to service levels.

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Measure Title	PM 2018-19 Actuals	PM 2019-20 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
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Data Tracking Methodology:	<p>Wherever possible, CBO endeavors to use disaggregated data in fiscal, policy, and performance analysis and recommendations. CBO works with individual bureaus to help identify opportunities and barriers to collecting meaningful qualitative and quantitative data, and advocates for enterprise-wide support in strengthening collection and use of data to help understand how different populations access and experience City programs and services. CBO recently began convening the Citywide Performance Advisory Committee, which provides for a forum for citywide decision-making around performance data. In our role facilitating this group, we have advocated for greater use of disaggregated data both on an individual and a Citywide basis. For example, our new Citywide measures, constructed in concert with the Performance Advisory Committee, include performance data for neighborhood affordability, homeownership rates, and average wage all disaggregated by race. We feature these data in the beginning of our annual budget book.</p> <p>The required reduction package included in CBO's FY 2021-22 Requested Budget identifies an analyst position as the reduction. If this reduction is taken, and not added back, the bureau will have reduced capacity to provide analysis and recommendations of the qualitative and quantitative data received by the CBO throughout the annual and supplemental budget processes.</p> <p>CBO's FY 2021-22 Requested Budget includes a request for ongoing funds to increase both the collection of data from communities and the provision of information and resources to communities, with an explicit focus on collecting and connecting with historically and currently underrepresented voices. The proposal includes the ongoing collection of data via the Portland Insights Survey, which was piloted in FY 2019-20 with a focus on collecting insights on City priorities and perspectives from a statistically significant sampling of every demographic and region of Portland. The survey accomplishes this by hiring paid, multi-lingual Community Data Fellows to collect survey information from community members. The ongoing survey will build upon the findings from the initial pilot to reach even more individuals from underrepresented communities. This information is critical in understanding for whom the City is working and for whom it is</p>
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understanding for whom the City is working, and for whom it is not. This survey was requested in FY 2020-21, however the financial picture for the General Fund no longer supported this effort following the financial downturn brought by the COVID-19 public health crisis. The current proposal is to conduct this quantitative survey biennially, then utilize qualitative data collection methods via “community budget labs” to understand critical issues better in underrepresented communities in the off-year of the quantitative survey. Finally, the proposal also includes a dedicated Community Engagement Analyst to manage these data collection efforts and to function as a point person for community groups and individuals interested in understanding the City’s budget better. The analyst will provide resources and support to communities to increase understanding around the budget process and its composition and construction.

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Hiring, Retention, & Employment Outreach:

The CBO is a small bureau with 16.5 FTE, and any opportunity for recruitment for vacant positions presents opportunities to ensure an equitable and inclusive hiring practice. The demographics of the CBO changes significantly based on the retention and hiring practices when these vacancies arise. In the last twelve months three FTE separated from the CBO, including one who identified as BIPOC and accepted a promotional position in another bureau. The bureau separates one to two analysts every year primarily as individuals pursue promotional opportunities. The CBO conducted a recent recruitment and went through the following processes for diverse outreach:

- Sought guidance from BHR recruitment managers on how to recruit for diversity, including the job posting language and where the posting is listed;
- Convened an internal equity team to review the recruitment at each step: posting language, recruitment tactics, interview process, question development for all three rounds of interviews;
- Held our first ever virtual informational session to encourage candidates to apply who might otherwise not consider the job a good fit;
- Ensured racial diversity in our hiring panel, with three-quarters of our initial interview panel identifying as BIPOC; every candidate who was prioritized by this panel was offered a final round interview.
- Featured an understanding of issues of racial and disability equity as a core competency in both the job posting and in interview questions, with an emphasis on lived experience.
- Involved staff members for informal meet & greet to “get to know” candidates in a virtual environment

This job posting received over 90 applicants and 74 were identified as meeting job classification requirements. The CBO intends to continue to use these processes and resources at the City to cast as wide a recruitment as possible for supporting diversity in hiring effort. I would note that as of the submission of this document, the BHR dashboard does not appear to include data from our most recent hires following this recruitment.

Retention and inclusion practices within the CBO are focused on the prioritization of professional development, ensuring resources and opportunities for career support and training are included in the base budget. The CBO also submitted a reduction package which if taken, would reduce position authority in the CBO. At present there is one vacant position and recruitments are not moving forward pending the decisions to be made in the FY 2021-22 Budget. By freezing this recruitment the bureau is in the position to potentially lose out on recruiting and hiring diverse candidates currently in the job application pool.

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Contracting Opportunities

CBO has limited external contracts in any given year, but always first contacts D/M/W/ESB entities for any opportunities that arise. CBO generally works with D/M/W/ESB vendors for facilitation of budget engagement and going into FY 2021-22 Budget process for accessibility work on our written products. Included in this budget submission is a request for new resources in support of the Portland Insights Survey, which includes resources for contracted support in implementation of the survey and conducting canvassing for under-represented demographics. The prior contract utilized subcontractors meeting the qualifications of D/M/W/ESB and it would be expected any contract solicitation would seek out contractors in line with the City's diversity goals.

The CBO has prioritized spending resources with small local vendors where possible. While these vendors may not be part of the official D/M/W/ESB program the CBO strives to diversify its spending practices in small business spending. It should be noted that the bureau has not been spending in the current FY on food and meeting hospitality due to the COVID-19 public health crisis. When in-person activities resume it is expected the bureau will resume this practice of supporting small local businesses.

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Engaging Communities Most Impacted by Inequities

The CBO's mission is to provide transparent and unfiltered information to elected officials, bureaus, and the public. A key component of the CBO's reviews and recommendations is the equity impacts identified during the assessment of bureau budget proposals.

CBO is partnering with Bureau of Planning and Sustainability to leverage their resources supporting the Map App where we can add geographic and demographic information to budget comments and recommendations provided by the community. This requested budget supports the continued efforts to leverage city resources to capture community voice and share with the City Council.

CBO's budget includes staff support for two important advisory bodies: the Portland Utility Board (PUB) and the Citywide Community Budget Advisory Committee. The PUB program has both internal- and external-facing equity impacts. Supporting the development and maintenance of inclusive Board processes, expanding outreach through diverse channels for Board recruitment, ensuring Board members have an understanding and commitment to equity, particularly racial equity, all contribute to internal facing equity. The current inability to provide stipends is a significant constraint, reducing internal equity for Board members as well as reducing the Board's ability to recruit for a diversity of lived experience amongst Board members. This inequity disproportionately impacts Black, Indigenous, People of Color community members and people living with disabilities. The Board and support staff have prioritized the issue and are actively working to address it and offer stipends.

The Community Budget Advisory Committee is comprised of five community members who advise Council during all budget work sessions. In the past year, CBO has focused on recruiting more racially diverse membership, and has enhanced training and support opportunities for new members to ensure participants feel empowered to participate in budget conversations in a meaningful and impactful way. The majority of current Advisory Committee members are from Black, Indigenous, or communities of color.

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Empowering Communities Most Impacted by Inequities

As an internal bureau with a small staff of analysts in the Budget & Economics Program there is limited bandwidth and ability to engage in-person year round in the community. At present, the bureaus best venue for this engagement is through the Budget Advisory Committee where engaged community members provide recommendations and input to the CBO's priorities and areas for focus. If approved, the request to add resources supporting the Portland Insights Survey includes a community-focused budget analyst which would provide year-round support for engagement and conversation on the City's budget process, outcomes, and program performance data.

CBO staff also support the Portland Utility Board's (PUB's) focus on equity. As mentioned in response to earlier questions in this document, the Board is taking various measures to address issues of internal equity and empowerment, including addressing the need to be able to offer stipends to members. PUB's external-facing equity impacts are largely determined by whether the Board has effectively applied equity lens to their decision-making and development of recommendations. CBO staff work to ensure the Board has the additional training, tools, skills, opportunities, and space to apply an equity lens to their work effectively. Racial equity is identified in the Board's current workplan as a core focus for all Board discussions and recommendations, including the need to analyze current distribution of burdens and benefits as well as consideration of reparative actions to address harm done by past inequities. The Board thus serves as an effective and efficient avenue for the Bureaus and Commissioners-in-charge to get diverse community input, grounded in equity, on budget and policy matters. This also aligns with CBO's prioritization of basic racial equity training as a part of the onboarding process for new members. With a committed Board, this also affords the opportunity to review, re-align, and update the equity goals for PUB as identified in the CBO Racial Equity Plan adopted in 2016. Finally, the Board proactively offers in every communication with the public, both email and web-based, translation, interpretation, modifications, alternative formats, and accommodations for public participation

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OUTCOME MEASURES

	Performance Measure	KPM	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 YTD Actuals	FY 2021-22 Target	Strategic Target
BO_0001	Percentage of City KPMs with positive year-over-year results	X	38%	40%	0	45%	0	0	60%
BO_0003	Annual repair, rehabilitation, & replacement funding gap (Citywide)	X	\$310,000,000	\$427,800,000	\$475,000,000	\$513,000,000	0	0	0
BO_0005	Customer service rating (4 pt scale)	X	3.48	3.28	0	3.40	0	0	4.00
BO_0009	Citywide asset condition summary		67%	66%	67%	67%	0	0	90%
BO_0010	General Fund Excess Ending Balance (forecast accuracy)		\$11,900,000	\$11,800,000	0	\$10,000,000	0	0	\$10,000,000
BO_0016	Number of bureau performance measures using Insights Survey data		0	0	0	14	0	0	21

OUTPUT MEASURES

	Performance Measure	KPM	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 YTD Actuals	FY 2021-22 Target	Strategic Target
BO_0008	CBO budget process work products website views	X	55,990	31,326	35,142	50,000	0	0	90,000
BO_0014	Percent of PUB members who have received equity training		0	0	70%	100%	0	0	100%
BO_0015	Net change in printed output when compared to FY 2019-20 output		0	0	0	-20%	0	0	-50%

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WORKLOAD MEASURES

	Performance Measure	KPM	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 YTD Actuals	FY 2021-22 Target	Strategic Target
BO_0012	Annual number of Portland Utility Board meetings held		0	0	20	12	0	0	18
BO_0013	Number of inquiries about board work from the public		0	0	32	10	0	0	12

MEASURES

	Performance Measure	KPM	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 YTD Actuals	FY 2021-22 Target	Strategic Target
BO_0011	There are no performance measures associated with this program		N/A	N/A	0	N/A	0	0	N/A

City Budget Office (Fund 100)

Plan Overview

This five-year plan for the City Budget Office is focused on the General Fund portion of the City Budget Office's operating budget as the primary operations are conducted within the General Fund. This financial forecast does not assume approval of decision packages submitted in the CBO's FY 2021-22 Requested Budget. If requests for new resources are approved, the CBO will expect its total number of FTE to increase by 1.0 FTE. Likewise, the Requested Budget submission does include a 5% constraint, but this is not included in the following five-year plan. The plan represents the bureau's current service levels with assumed economic inflationary factors.

Revenue Assumptions

Revenue estimates for the City Budget Office are predominately tied to assumed growth indicators for the City's General Fund. There is a \$15,000 increase in resources received from the Recreational Cannabis Fund beginning in FY 2021-22 to better align with the City's cost recovery policy for the administrative services CBO provides to that fund. Internal resources transferred from Portland Water Bureau and the Bureau of Environmental Services support the Portland Utility Board program and are expected to grow with pertinent inflationary factors.

Expenditure Assumptions

Similar to revenues, expenditures supporting CBO programs are subject to the same growth factors identified in the City's General Fund forecast. Personnel Services account for 76.7% of CBO's total expenditures. The forecasted out-year expenses reflect assumed CPIW inflation as released in December 2020. There are no planned capital expenses in the next five years as the CBO is currently in the third year of using its recently replaced budget software. At present CBO does not have a dedicated ongoing resource to support future software replacement; however, CBO has begun the practice of requesting any available annual underspending be dedicated to a software replacement reserve as part of the Spring BMP process, in alignment with the principles of City financial policy.

Expenditure Risks to the Forecast and Confidence Level

The most significant risk to the CBOs submitted five-year financial plan is most closely associated with the overall risk factors for the General Fund. The General Fund growth declined due to the public health crisis from COVID-19 in March of 2020, and while there has been some indicators of financial recovery, it is likely there will be future years where revenue forecasts do not meet current service level expenditures. As such, the confidence level of this forecast is medium, pending future updates to the General Fund.

