



CITY OF
PORTLAND, OREGON
OFFICE OF THE CITY ATTORNEY

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INTEROFFICE MEMORANDUM

TO: City Budget Office

FROM: Robert L. Taylor *RLT*
City Attorney

SUBJECT: FY2020-21 Spring Budget Monitoring Report

Enclosed is the FY2020-21 Spring Budget Monitoring Report for the Office of the City Attorney. The office is expected to spend 99% of its budget. The office has reduced non-essential spending in response to the pandemic and the Mayor's guidance to help preserve as many resources as possible for COVID19 related impacts. The office proposes returning \$100,000 to the General Fund.

The office requests one program carryover of \$225,000 for software upgrades. The office completed the needs-assessment portion of the project and is currently drafting the RFP for replacement software. Upgraded legal software will increase the office's resiliency and its ability to continue providing core services in a timely manner. The office's current software does not interface with Office 365, which is a primary reason for seeking replacement. This software deficiency has become even more problematic with the current telework situation resulting from the pandemic.

The office also requests a technical adjustment transfer of \$170,000 from External Materials and Services to Internal Materials and Services to cover expenses for additional Facilities and Technology services related to computer replacements and safety and security updates to the office's reception area.

Finally, the office has one request to draw on the Policy Set-Aside account for expenses related to PPA Bargaining in the amount of \$50,003.

Thank you for your consideration.

RT/cj

AT - Office of the City Attorney

DP Type

Technical Adjustments

Request Name: 11659 -Technical Adjustments

Package Description

This technical adjustment transfers budget from External Materials and Services to Internal Materials and Services including \$70,000 to Technology Services to supplement its computer Lifecycle Replacement Fund and to purchase laptops, and \$100,000 to Facilities Services to make safety and security improvements to the office's reception area.

Service Impacts

Most of the office's desktop computers are due for lifecycle replacement this calendar year. The office intends to replace most of its desktop computers with laptops to meet current telework needs resulting from the pandemic and to increase resilience for the future. The Lifecycle Replacement Fund requires additional funds to cover the cost difference between laptops and desktops and the office has sufficient savings in its External Materials and & Services budget for this purpose. Without this transfer, the office LCR fund will not be fully funded, resulting in inefficient and cumbersome use of desktop computers rather than more efficient laptops.

Over the past several years, City Hall and the City Attorney's office have experienced an increase in potential threats to the safety and security of staff and visitors. The office is working with the Facilities division to design and build a secure reception area that allows employee-only access to interior office space and also provides some COVID19 protection to staff and visitors. Without this funding, the office's reception area will remain an open space where staff do not feel safe or secure and where unauthorized persons can easily gain entry and access to confidential information and internal office space.

Equity Impacts

Investing in laptops rather than desktops will provide flexibility and help employees be able to work efficiently from any location to better serve the City. Without the laptops, employees would need to provide computer equipment at their own expense, and employees with fewer resources would be more heavily impacted.

Attorneys have individual offices, while support staff members work in cubicles in open spaces. At times, the office has experienced unauthorized members of the public accessing these open spaces, which has caused considerable safety concerns for staff working in the open spaces. Providing a more secure reception area will allow staff to feel safer, which will make their working situation more equitable compared to the attorneys in individual offices.

Account Name	2020-21 SPRING Requested Adj
Expense	-170,000
	170,000
Expense	0

AT - Office of the City Attorney

DP Type

GF Program Carryover

Request Name: 11660 -Tech Carryover

Package Description

The office created a technology replacement fund several years ago to help fund technology upgrades that cannot be funded within one annual budget. The office has \$275,000 set aside for upgrades to its practice management and e-discovery software applications. The office completed the first phase of developing requirements for the practice management system and was working with the Procurement Division to draft the request for proposals when the pandemic hit. The pandemic has delayed the work. However, getting a new practice management system in place is critical to core bureau operations. The office proposes returning \$50,000 to the General Fund to help with the City's revenue shortfall and requests carryover of \$225,000 to continue the office's technology upgrades.

Service Impacts

The office began a technology replacement fund a few years ago to save money for software replacement and implementation that cannot be funded within its annual budget. The office is preparing to replace its outdated practice management software. This system is critical for managing litigation cases, deadlines, legal advice, and other work. It also contains a knowledgebase of all City Attorney legal opinions and advice. Because timeliness is very important to providing good legal advice, the ability to quickly locate pertinent records and data is critical to the office's core mission of providing excellent legal services to the City. In addition, the office also plans to upgrade its e-discovery software to a more modern and efficient application. Having up-to-date, functioning legal software is a necessity.

Equity Impacts

The office works to ensure that all Portlanders have access to City services, benefits and programs free from discrimination, and that the civil rights of all Portlanders are legally recognized and protected by the City and its contractors and grantees. The office advises the City in programmatic areas such as the ADA and Title VI, the sick leave ordinance, fair contracting, hiring practices and implementation of the City's civil rights ordinance, and provides antidiscrimination training on civil rights and related issues to City employees. Office attorneys are trained to incorporate an equity lens into legal advice to help ensure compliance with equity related laws and policies. Having quick and easy access to office records is necessary for attorneys to provide timely legal advice to the City including advice on equity impacts.

Account Name	2020-21 SPRING Requested Adj	
Expense	External Materials and Services	-225,000
Expense	Sum:	-225,000

Account Name	2020-21 SPRING Requested Adj	
Revenue	General Fund Discretionary	-225,000
Revenue	Sum:	-225,000

AT - Office of the City Attorney

DP Type

Other Adjustments

Request Name: 11719 -Policy Set Aside - Bargaining

Package Description

In the FY19-20 Fall BMP, Council reserved \$250,000 in a Policy Set Aside account to pay for outside counsel costs and expenses for PPA Bargaining. Total costs incurred to date for outside counsel and ASL interpreting and captioning are \$79,019. The office requests \$50,003 for expenses incurred between October 2020 and March 2021.

Service Impacts

If this funding is not available, the City will not be able to use outside counsel for this work. Outside counsel was chosen for this work because of their specialized expertise, and the benefit of that expertise would no longer be available to the City. This could jeopardize the success of the negotiations with PPA, and could result in a delay in reaching an ultimate agreement.

Equity Impacts

Specialized outside counsel will help better ensure that the City's interests are well-represented in negotiations, and that includes the City's interest in advancing issues of racial equity and justice.

Account Name	2020-21 SPRING Requested Adj
Expense External Materials and Services	50,003
Expense Sum:	50,003

Account Name	2020-21 SPRING Requested Adj
Revenue General Fund Discretionary	50,003
Revenue Sum:	50,003

AT - Office of the City Attorney

DP Type

Mid-Year Reduction

Request Name: 11720 -General Fund Reduction

Package Description

The office has worked diligently to reduce non-essential spending in response to the pandemic and to the Mayor's guidance to help preserve as many resources as possible for COVID19 related impacts. The office proposes returning \$100,000 to the General Fund. The office expects to have some vacancy savings and out-of-town travel savings. In addition, the office could contribute \$50,000 of its technology replacement fund to the General Fund's more immediate needs. The office's technology upgrades were paused this year due to the pandemic and are expected to resume in FY2021-22.

Service Impacts

None expected.

Equity Impacts

Returning \$100,000 to the General Fund in the Spring should provide Council with some additional flexibility to support bureau budget requests next year. The funds will be used at Council's discretion but could be used to support equitable outcomes.

Account Name	2020-21 SPRING Requested Adj
Expense External Materials and Services	-100,000
Expense Sum:	-100,000

Account Name	2020-21 SPRING Requested Adj
Revenue General Fund Discretionary	-100,000
Revenue Sum:	-100,000

Business Area Projection Report

Office of the City Attorney - Fund 100

Major Object	2020-21 SPRING Requested Total	2020-21 March Actuals YTD	2020-21 SPRING Projection	% Projected Actuals to Requested Total
External Materials and Services	\$447,286	\$198,040	\$380,000	85%
Internal Materials and Services	\$1,629,862	\$947,552	\$1,602,000	98%
Personnel	\$13,144,137	\$8,276,191	\$13,045,000	99%
Sum:	\$15,221,285	\$9,421,783	\$15,027,000	99%

Major Object	2020-21 SPRING Requested Total	2020-21 March Actuals YTD	2020-21 SPRING Projection	% Projected Actuals to Requested Total
Charges for Services	\$25,000	\$12,587	\$25,000	100%
General Fund Discretionary	\$3,341,391	\$0	\$3,147,106	94%
General Fund Overhead	\$4,229,429	\$0	\$4,229,429	100%
Interagency Revenue	\$7,625,465	\$4,350,271	\$7,625,465	100%
Sum:	\$15,221,285	\$4,362,858	\$15,027,000	99%

Revenue Discussion

The office projects it will collect General Fund Overhead, Interagency, and Charges for Services revenue as budgeted. The Charges for Services category, which includes public records fees, legal services for civil forfeiture work, and other miscellaneous revenues are inconsistent and difficult to predict so some variance is expected. The office projects it will underspend General Fund Discretionary resources by about \$194,000 (6%).

Revenue Risks

There are no risks to the collection of revenue this year. However, future declines in General Fund revenue could have a severe impact on core legal services. While half of the office budget comes from the General Fund, some Interagency revenues also come from General Fund bureaus which adds to the risk.

Expenditure Discussion

The General Fund Discretionary underspending is attributed to some vacancy savings and the office's effort to reduce or postpone non-essential spending. Due to the pandemic, the office has reduced spending in travel, office supplies, maintenance, deliveries, copies, and professional development. However, some of the office's largest expenses other than personnel are for legal research and software services which are critical to core services.

Expenditure Risks

The office is not at risk of overspending its budget.

Other Notes