

Budget Advisory Committee

Portland Fire & Rescue

November 27, 2018

9am – 11am



Agenda

- Introduction
- Budget Advisory Committee Roles and Responsibilities
- PF&R Strategic Plan and Initiatives
- City Financial Outlook and Budget Guidance
- PF&R Budget Update
 - FY 2018-19 Decision Packages
 - 1% Reductions
- Next Steps



BAC Roles and Responsibilities



Budget Advisory Committee Members

Community Members:

- Frank Ray
- Kathy Reese
- Bobbie Regan
- Susan Steward
- Dr. Jon Jui - Multnomah County EMS Medical Director

Labor Representative:

- Alan Ferschweiler – Portland Fire Fighter Association (PFFA) President

Non-represented Employee:

- Aaron Johnson

Leadership Team

- Mike Myers – Fire Chief
- Tom Williams – Emergency Operations Division Chief
- Nate Takara – Fire Marshal/Prevention Division Chief
- Ken Burns – Medical Services & Training Division Chief
- Jay Guo – Management Services Division Manager



BAC Roles & Responsibilities

- Advise on budget and associated operations to meet community priorities
- Advise on how to prioritize available resources to achieve desired community outcomes
- Assist with the development of PF&R's Requested Budget
- Assist with communication of budget to employees, City Council, and the public



FY 2019-20 Budget Process Changes

Program Offers

- Bureau operations
- Revenues and expenses
- Strategic plans and goals
- BAC feedback incorporated into the PF&R's Requested Budget

Constraint Budgeting and Council-Directed Changes

- Budget allocation level target that may be equal or less than the current budget level
- Flexibility to make desired changes within that allocation level
- Add decision packages should be formally directed by a Council member



FY 2019-20 BAC Calendar

First Meeting

- BAC Roles and Responsibilities
- City Budget Guidance and Financial Outlook
- PF&R Strategic Plan/Initiatives
- PF&R Budget Updates

Second Meeting (December 18th)

- Budget Overview
- Program Offers
- Council Directed Decision Packages

Third Meeting (January 8th)

- BAC Report

Fourth Meeting (January 18th), if needed



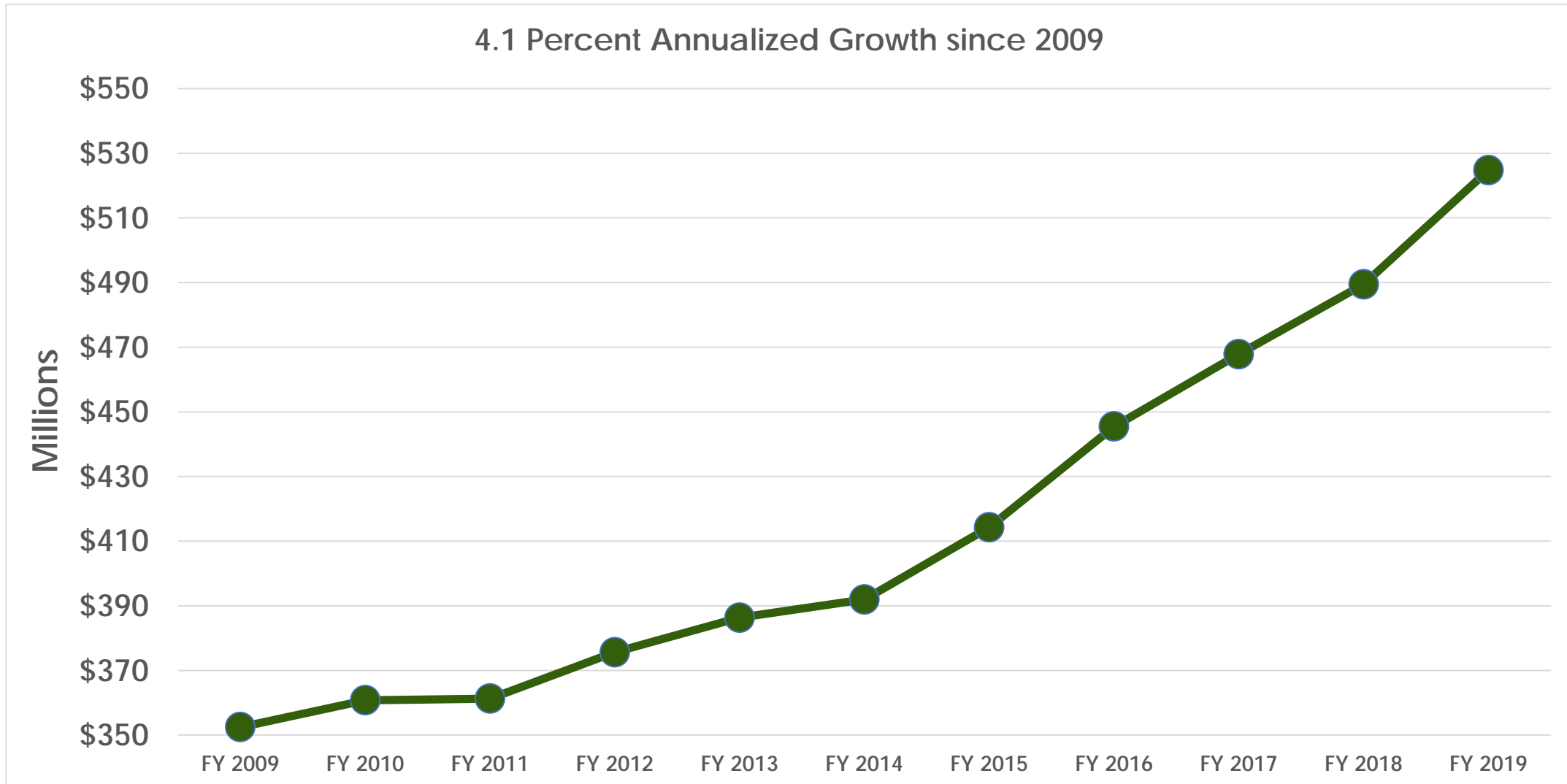
PF&R Strategic Plan and Initiatives



City Financial Outlook and Budget Guidance



Steady General Fund Growth...



...and Consistent Requests for Reductions

Despite this historic growth, bureaus receiving General Fund have been asked to submit reductions in 8 of the last 10 years.

- 5% for FY 2018-19
- 2% for FY 2017-18
- 5% for FY 2016-17...

Most proposed reductions were not implemented.

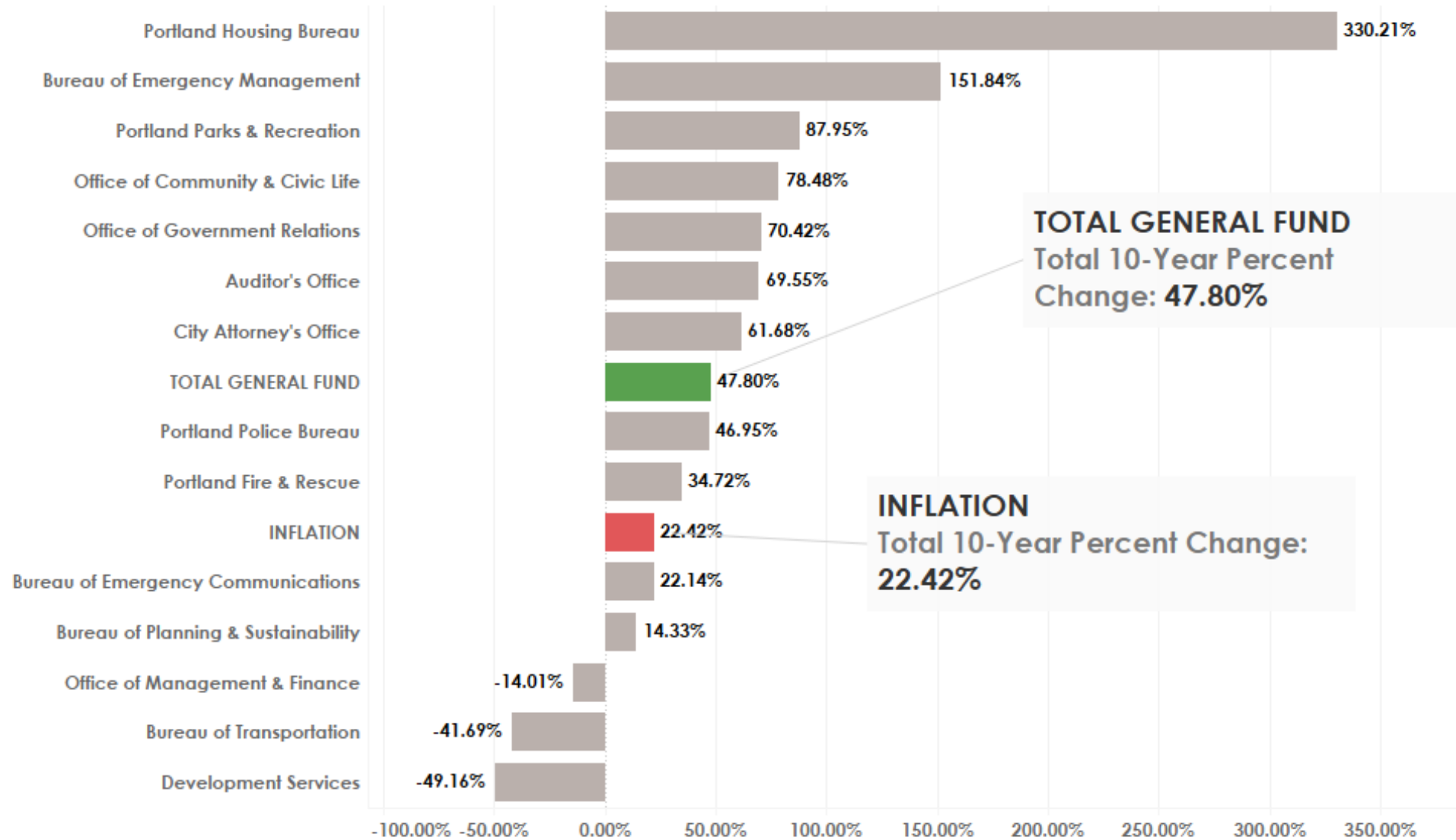


The City's Investments

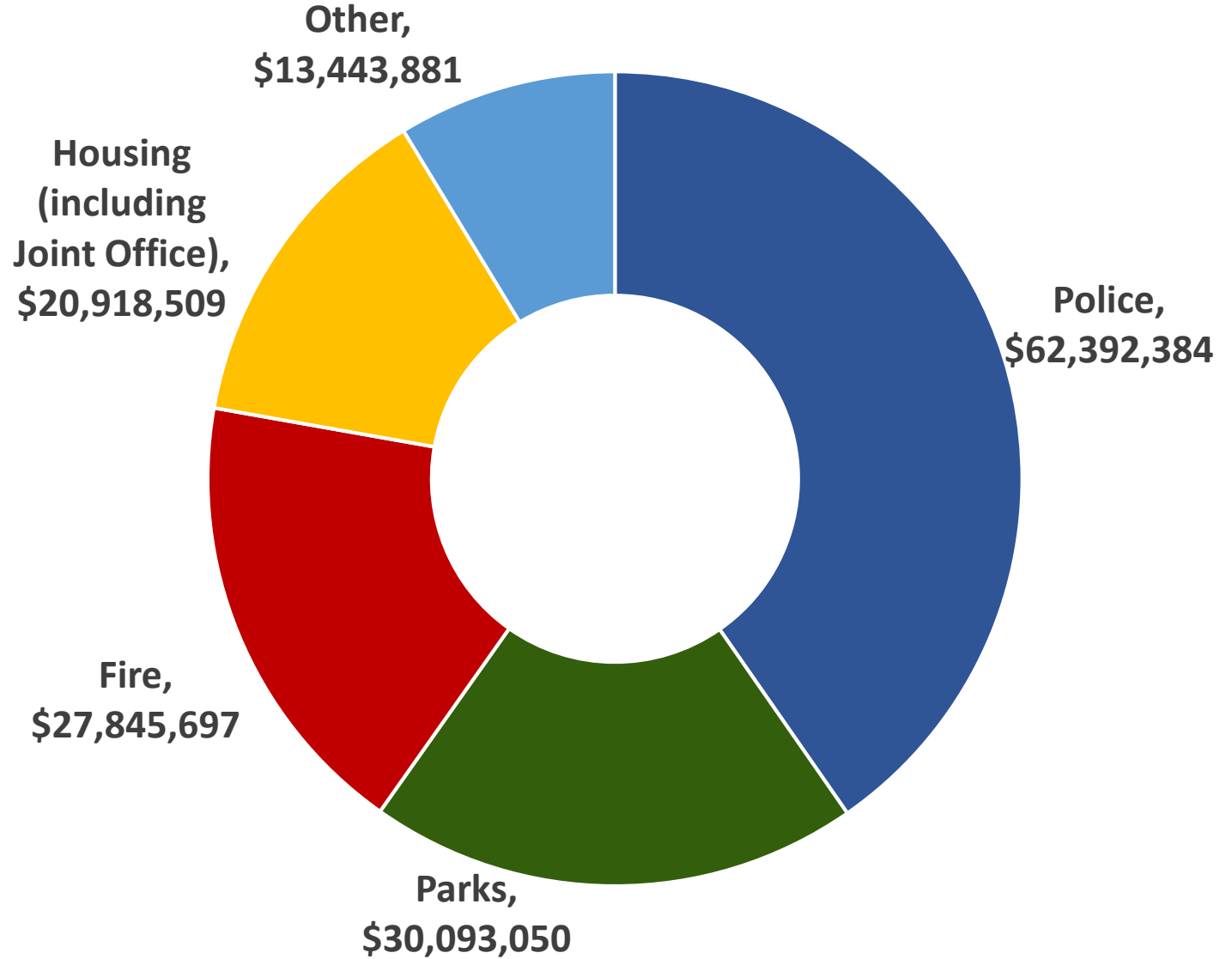
- **Staff:** Most of the growth is from labor costs, including new agreements--particularly for Public Safety bureaus--and new regular positions
- **Housing:** Joint Office, Rental Services
- **Parks:** Local Option Levy backfill, recreation arbitration, operations & maintenance for an expanding system, youth program, fountains, rangers
- **Conversion of serial one-time** –Prosper Portland, PHB, Civic Life



Total General Fund Growth Over the Last 10 Years



Total New Ongoing Since FY 2008-09



Upcoming Budget Issues

Housing and Homelessness

- Joint Office of Homeless Services
- Permanent Supportive Housing
- TIF Cliff in Housing
- Rental Registration Program
- Southwest Corridor Housing Strategy
- ADU Pilot

Other Issues

- 3-1-1 Integration
- Integrated Tax System
- Portland Building Technology
- Unreinforced Masonry Assessment
- Census Prep

Looming Liabilities

- ADA Improvements
- Portland Harbor Clean Up
- Columbia River Levee
- Major Maintenance funding gaps across City bureaus
- Mt. Tabor Reservoir
- Anderson Settlement

Labor Issues

- Non-Represented Compensation Increase
- PF&R labor contract
- Bureau of Emergency Communications labor contracts
- Pay Equity



Budget Guidance

Stable. Predictable. Transparent.

- 1% reduction guidance provided early in fiscal year
- New add packages only when directed by Commissioner
- Focus on base budgets and performance rather than “marginal budget changes through decision packages”



FY 2018-19 Budget Update



Decision Package Update

- Equity Manager
- Community Healthcare Manager (CHAT)
- Electrician
- Carpenter
- Self Contained Breathing Apparatus (SCBA) Replacement
- IT Investment – WiFi at Stations, Fire Inspection Software
- Fees
 - Repetitive False Alarm Policy
 - Propane Fee Increase
 - Lift Assist Fee



1% Reduction

PF&R has identified \$1,220,500 in savings for FY 2019-20 to meet 1% budget reduction as required by City's budget guidance.

Major savings include:

\$770,000 from closure of one Rapid Response Vehicle

\$165,000 in additional revenue

\$100,000 reduction in overtime expenses

\$170,000 in small, internal efficiencies



Next Steps

