ONI Budget Advisory Committee

Overview of Budget Instructions

December 10, 2012

Goals for Overview

- City Financial Outlook and Challenges
- Council Budget Instructions
- What the instructions mean for ONI
- Next steps for developing budget cuts

City Financial Outlook

- Slow recovery from recession
- 4 years of cuts, but large “shadow budget”
- Revenue decline projected
- Very little one-time revenues available (prior annual average of $20 million funded with one-time dollars)

City Financial Outlook - Deficit

- Current year shortfall – FY13
  - Fall Budget Monitoring ($2.4 M – mid-year cuts)
  - DOJ Agreement ($2.2 M)
- Forecast $25 million ongoing general fund deficit starting FY14:
  - Property taxes – voter impacts ($10 M)
  - Dept of Justice agreement ($5.4 M)
  - Budget Notes ($8.5M)
  - PFFA Labor Agreement costs ($.6 M)

Prior Years' Budget Instructions

- Meet cuts requested by Council/OMF
- Prioritize Programs
  - Core to Mission
  - Meeting Community Needs
- Realign funds to maintain most core programs serving critical needs
- Eliminate lower priority programs (funded with general fund dollars)

Summary of prior year approach

- “Right Budget for ONI” concept
- Did NOT simply eliminate the lowest ranked program(s)
- FY10 One-time funding realigned based on core to mission/goals – Graffiti & Mediation moved to one-time funds
- All programs took cuts, including no inflation increase for 3 yrs (FY10, FY11, FY13)

FY2007-FY2009 Major Decisions

- Neighborhood Program - additional funds for neighborhood grants, communications, insurance, outreach, accessibility (some ongoing, some one-time). Additional ONI staff support (one-time funds).
- Diversity and Civic Leadership, Effective Engagement Solutions, and Public Involvement Best Practices Programs – created and funded with one-time funds
- Disability – staffing expanded for volunteer emergency registry and Commission support.
- Crime Prevention – add 3.4 FTE (2 CP Coordinators, 1 Training/Events Coordinator, .4 Admin Support)
- Graffiti – increased funding for cleanup services.

Past Financial Challenges

FY2009-10

- 2.5% and 5% reductions
- Begin program prioritization
- ONI – more significant cuts and realignment of one-time funding to retain most core programs. Graffiti/Mediation move to one-time funding.

FY2010-11

- Public Safety: 1% ongoing, 1% One-time
- Others: 4% ongoing, 1% one-time
- ONI – 3% and 1% taken - cuts to grants, CP staff, M&S, temp staff. One time – continue graffiti, mediation and EPAP.

Past Financial Challenges (cont.)

FY2011-12

- Public Safety - .75% cut, Other: 1.5% cut
- ONI – No cuts. One-time: continue Graffiti/mediation and EPAP. Add Small Grants and Graffiti volunteer program.

FY2012-13

- 4%, 6% and 8% cut scenarios
- ONI – cuts to ongoing grants, ONI M&S, CP support, 1% partner cut, one-time continued – Graffiti, Mediation, Small Grants, and EPAP

Council Budget Guidance FY14

- General fund bureaus: 10% cut to current appropriation level
- Modified zero based budget
  - Load 90% of budget
  - Add packages for up to 10% to add back what would reach 100% of budget

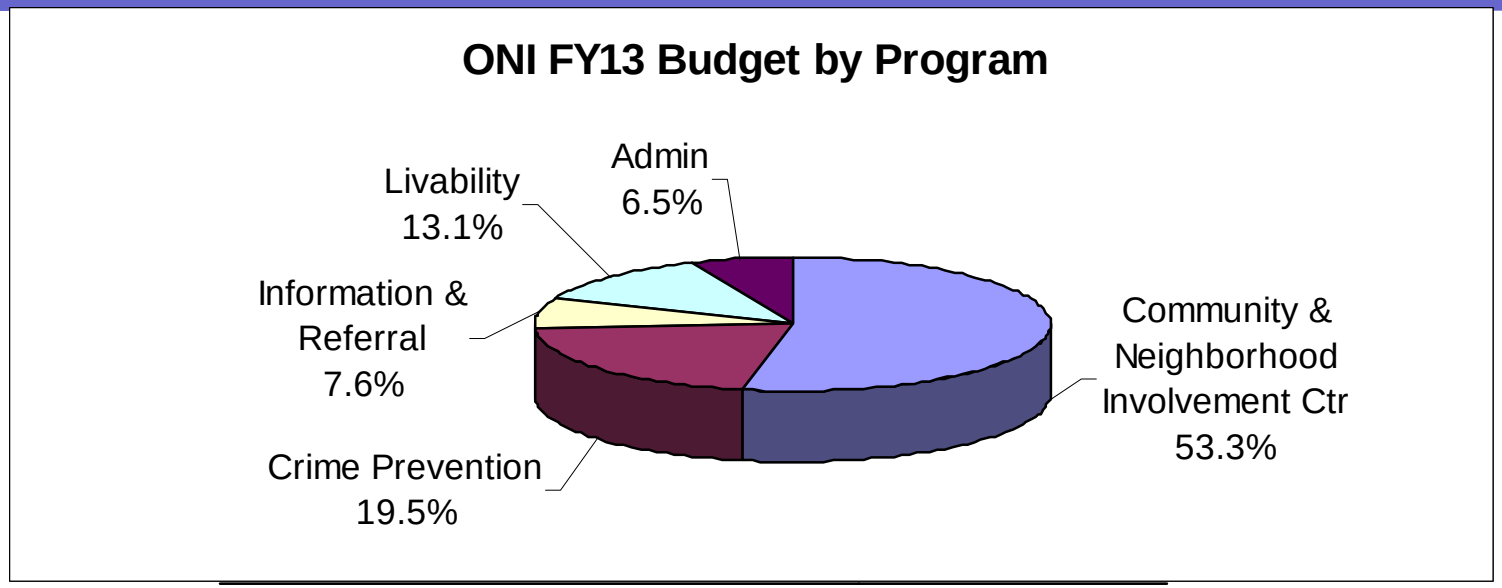
Add Packages for One-time

- No new programs/services
- Continue FY13 one-time funding. For ONI:
  - Neighborhood Small Grants - $93,855
  - East Portland Action Plan - $279,692 (staffing and grants/projects)

Facts about ONI budget

- All programs are under-funded
- Majority of budget funds staff/positions (at ONI and at partner organizations)
- Eliminated position may mean eliminated program
- Materials and Services:
  - Minimal - repeated cuts eliminated majority
  - Must maintain some for unanticipated expenses (unemployment, OMF/Council decisions impacting bureaus)

ONI Budget by Program (FY13)



Information & Referral (with Mult Co.)	$	534,560	7.6%
Crime Prevention Center	$	1,377,132	19.5%
Community/Neigh Involvement Ctr	$	3,754,435	53.3%
Neighborhood Livability Center	$	924,389	13.1%
Administration	$	455,497	6.5%
Total	$	7,046,013	100%

What is needed for FY2014?

- ONI 10% budget cut –$642,991
- Identify any bureau cuts with limited staffing impacts
- All programs and partners review budgets to identify cuts

Bureau cuts - no direct staff impact

- Eliminate inflation on external M&S – Amount TBD (estimate ~ $100,000)
- Eliminate free graffiti removal services – approximately $150,000
- Need to identify additional cuts of approximately $400,000

Programs/Partners budget cuts

- Template for presenting cut information? Some items included in the past:
  - Dollar amount cut
  - Services/products cut or impacted
  - Impact on staffing
  - Short-term and/or long-term consequences
  - At the cut level required, can the program be sustained?

Questions/Comments?