City of Portland, Oregon

Office of Management and Finance
FY 2014-15 Requested Budget

February 2014

Mayor Charlie Hales
Commissioner-in-Charge

Fred Miller
Interim Chief Administrative Officer

OFFICE OF MAYOR CHARLIE HALES
CITY OF PORTLAND

February 3, 2014

To: Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Steve Novick
Commissioner Dan Saltzman
Auditor LaVonne Griffin-Valade

From: Mayor Charlie Hales

Subject: FY 2014-15 Office of Management and Finance Requested Budget

As the Commissioner-in-Charge of the Office of Management and Finance (OMF), I am pleased to present to you the OMF Requested Budget for FY 2014-15. In preparing the budget, OMF responded to Council's budget direction to produce a stabilization budget that focuses on core services and looks to realignment packages to fund new initiatives or the restoration of services.

For the past two year, OMF has identified Significant Issues that, if not addressed, would cause substantial operational and/or financial risk to the City. These issues are Citywide in scope, involve a number of City partners to resolve, and require long-term attention. The issues are:

- **Adequate funding of internal service funds reserves**: maintaining operating reserves, which serve to absorb unanticipated costs throughout the fiscal year to avoid mid-year rate changes to customers.
- **Critical Technology recovery in a disaster**: building backup systems to maintain critical City services in the event of a catastrophic disaster.
- **Determining the City's appropriate earthquake insurance coverage**: determining the level of earthquake insurance coverage and other resources needed in a changing insurance market.
- **Facilities and technology asset major maintenance and replacement**: creating funding models to support adequate major maintenance and asset replacement.
- **Portland Building exterior envelope and structural deficiencies**: determining how to address the building's issues and how to address long-term space needs.
- **Workforce planning**: focusing on employee development and recruitment to plan for retirements.

In May 2013, City Council accepted the OMF FY 2012-17 Strategic Plan, which is a roadmap to achieving the organization's strategic goals. The plan was developed with substantial input from customers, taking into account their priorities and business needs. It is organized around four strategic themes: quality customer service, operational excellence, financial sustainability, and workforce development. Under each theme are goals, strategies for achieving these goals, and performance measures to determine if the goals are met. Each OMF program in the

Requested Budget outlines the goals they are addressing in the Strategic Plan, as the OMF budget plays a key role in how the plan moves forward.

When evaluating potential decision packages and determining which to submit, OMF's leadership team used the following criteria:

- Aligns with Council priorities
- Addresses an OMF Significant issue or Strategic Plan Strategy
- Mitigates an operational or financial risk
- Responds to customer input
- Increases outside agency revenues and intergovernmental partnerships.

In addition, OMF leadership prioritized the decision packages considering the amount of General Fund discretionary funding required and the amount of General Fund discretionary one-time and ongoing funding available to Council as outlined in the forecast. These decision packages in the Requested Budget equate to the highest priority for addressing critical issues and providing continued support to customer bureaus that provide direct service to the community.

OMF worked with its Advisory Committee, which serves as their Bureau Advisory Committee (BAC) during budget season, to review decision packages and their impact to City operations. A report summarizing the BAC recommendations and feedback is included in their requested budget. Overall, the committee was in support of positions and decision packages that pay for themselves or bring in additional revenues, as long as they do not adversely impact the services currently provided to the City. Committee members who are customers of OMF also acknowledged their reliance on services provided by OMF such as the Bureau of Human Resource's site teams, Technology Services, Procurement, and CityFleet. There was discussion about how changes to one program will directly affect another program, and this will have an overall impact on the services customers receive.

With this budget, we can start addressing ongoing issues we could not address during leaner times. Thank you for considering the decision packages put forward by OMF. I look forward to our upcoming discussion about the FY 2014-15 Requested Budget.

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CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

OMF Bureau Advisory Committee Report
FY 2014-15 Budget Process

About the OMF Budget Advisory Committee

The Office of Management and Finance (OMF) implemented an Advisory Committee in 2006 comprised of primary customers and stakeholders. The committee includes six non-OMF bureau directors, two Mayor/Commissioner staff members, as well as three labor representatives and three community members (membership list below). Chaired by OMF's Chief Administrative Officer, the committee meets to advise OMF on project and program questions, customer service issues, and budget decisions. The Advisory Committee convenes as OMF's Budget Advisory Committee (BAC) during the budget process.

Budget Advisory Committee Recommendations for FY 2014-15 OMF Requested Budget

OMF formulated a stabilization Requested Budget submission for FY 2014-15 based on the Mayor's guidance for City bureaus. The decision packages proposed for this fiscal year are seen as critical for City functions. The committee recognizes the difficult decisions OMF made in deciding which decision packages to put forward that meet Council's key priorities, critical needs of the bureaus, or realignments with existing resources, while balancing bureau service delivery needs. Over the last four years, OMF has cut one-time and ongoing resources of $26.53 million and 67 FTE. As in years past, the BAC has ongoing concerns about service level impacts from previous reductions.

The BAC discussed OMF programs and their rankings.

- City Bureaus rely on OMF bureaus and programs to provide direct services to the community.
  - It is challenging to give more importance to one program over another.
- Many services are connected, so it is difficult to prioritize one over the other.
  - Example: Bureaus like Water, Police, and Fire rely heavily on CityFleet for their vehicles, however services provided by Procurement are critical in order to purchase the vehicles. Changes to one program will impact overall service delivery.
- BHR's site teams are very effective. This model is supported by the BAC.

The BAC discussed decision packages and comments they want to bring to Council's attention.

- There is unanimous committee support for positions and decision packages that pay for themselves, as long as they do not adversely impact the services currently provided to City bureaus.
  - Example: The Bureau of Internal Business Services CityFleet division is putting forward a decision package to provide services to Multnomah County. This package would bring in revenue to pay for the additional service with no additional cost to the City. However, if the length of time to service a City vehicle or travel to a service location increases, then

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To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.

there would be concern. BAC members were assured this decision package would not change the service they currently receive, and may allow for more options with potential to reduce some costs.

- The ADA Title II Transition Plan Project Management was highlighted, as there is potential for adverse impacts if the City is not in compliance.
- There is some concern about the impact on City bureaus' budgets for decision packages that would increase rates.
- There is general support for the realignment and add packages OMF is submitting in the Requested Budget.

In addition to the OMF decision packages, some City bureaus have identified specific needs for their individual bureau. Those decision packages will be put forward by the requesting bureau. If accepted by Council, OMF will adjust their budget accordingly.

Program Ranking

Attached is the OMF Budget Advisory Committee ranking of OMF programs.

OMF Budget Advisory Committee Roster

Members

Amalia Alarcon de Morris, Office of Neighborhood Involvement
Tim Crail, Policy Advisor, Commissioner Fritz's Office
Mike Greenfield. Public Member
Donna Hammond, Labor Rep, IBEW
Carol Justice, Labor Rep. AFSCME, Local 189
Erin Janssens, Chief, Portland Fire & Rescue
Mark Lewis, Public Member
Traci Manning, Director, Portland Housing Bureau
Robert McCullough, Public Member
Fred Miller, Interim Chief Administrative Officer
Mike Reese, Chief. Portland Police
Paul Scarlett, Director, Bureau of Development Services
David Shaff, Director, Portland Water Bureau
Gail Shibley, Chief of Staff, Mayor's Office
Gerry Verhoef, Labor Rep, COPPEA

OMF Core Leadership Team

Betsy Ames, Senior Policy Analyst, Office of the CAO
Jeff Baer, Manager, Public Safety Systems Revitalization Program
Ben Berry, Director, Bureau of Technology Services
Jane Braaten, Manager, Business Operations Division
Jennifer Cooperman, City Treasurer, Public Finance and Treasury Division
Bryant Enge, Director, Bureau of Internal Business Services
Anna Kanwit, Director, Bureau of Human Resources
Jane Kingston, City Controller, Accounting Division
Thomas Lannom, Director, Revenue Bureau
Satish Nath, Manager, EBS Division

FY 2013-14 and FY 2014-15
OMF PROGRAM RANKING FROM BUREAU DIRECTORS & BAC

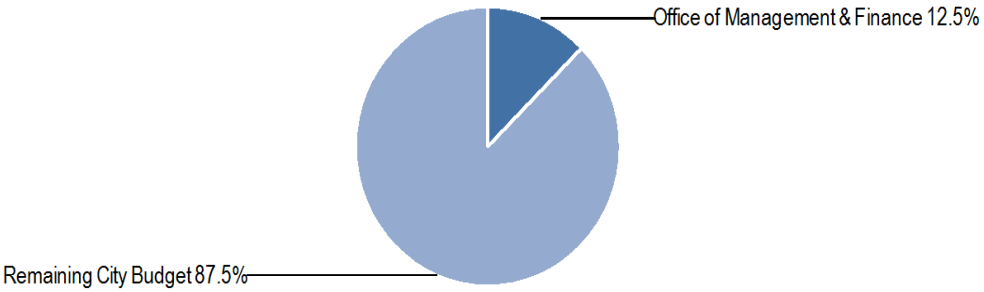
	FY 2013-14 BUREAU DIRECTORS' / BAC RANKINGS	FY 2014-15 BUREAU DIRECTORS' / BAC RANKINGS
BUREAU OF HUMAN RESOURCES		
Operations and Strategic Support	1	1
HR Corporate Services	2	2
Site Teams/Police HR	3	3
BUREAU OF INTERNAL BUSINESS SERVICES		
Procurement Services	1	1
Facilities Services	2	2
Risk Management	3	3
CityFleet	4	4
Printing & Distribution	5	5
BUREAU OF TECHNOLOGY SERVICES		
Communications	1	1
Productions Services	2	2
Police IT	3	3
Business Solutions	4	4
Information Security	5	5
Support Center	6	6
Project Management Office	7	7
Customer Relations	8	8
Administrative Services	9	9
OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER		
Business Operations	1	1
Enterprise Business Solutions	2	2
Accounting	N/A	3
Public Finance and Treasury Program	N/A	4
REVENUE BUREAU		
Revenue Collections	1	1
Franchise Management	2	2
Regulatory	3	3
Cable Communications	4	4

Office of Management & Finance

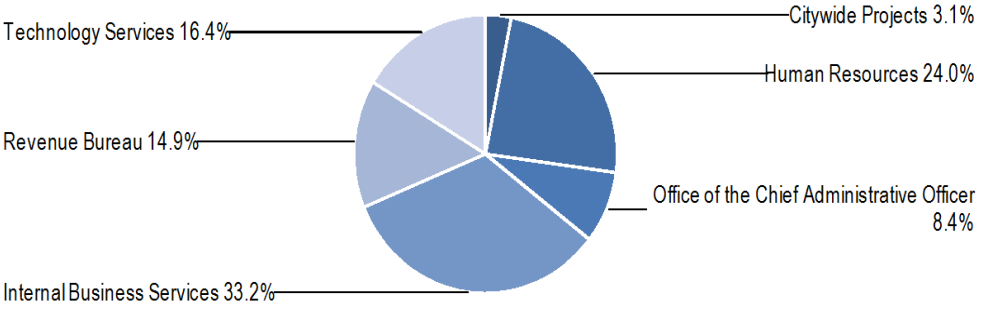
City Support Services Service Area

Mayor Charlie Hales, Commissioner-in-Charge
Fred Miller, Interim Chief Administrative Officer

Percent of City Budget

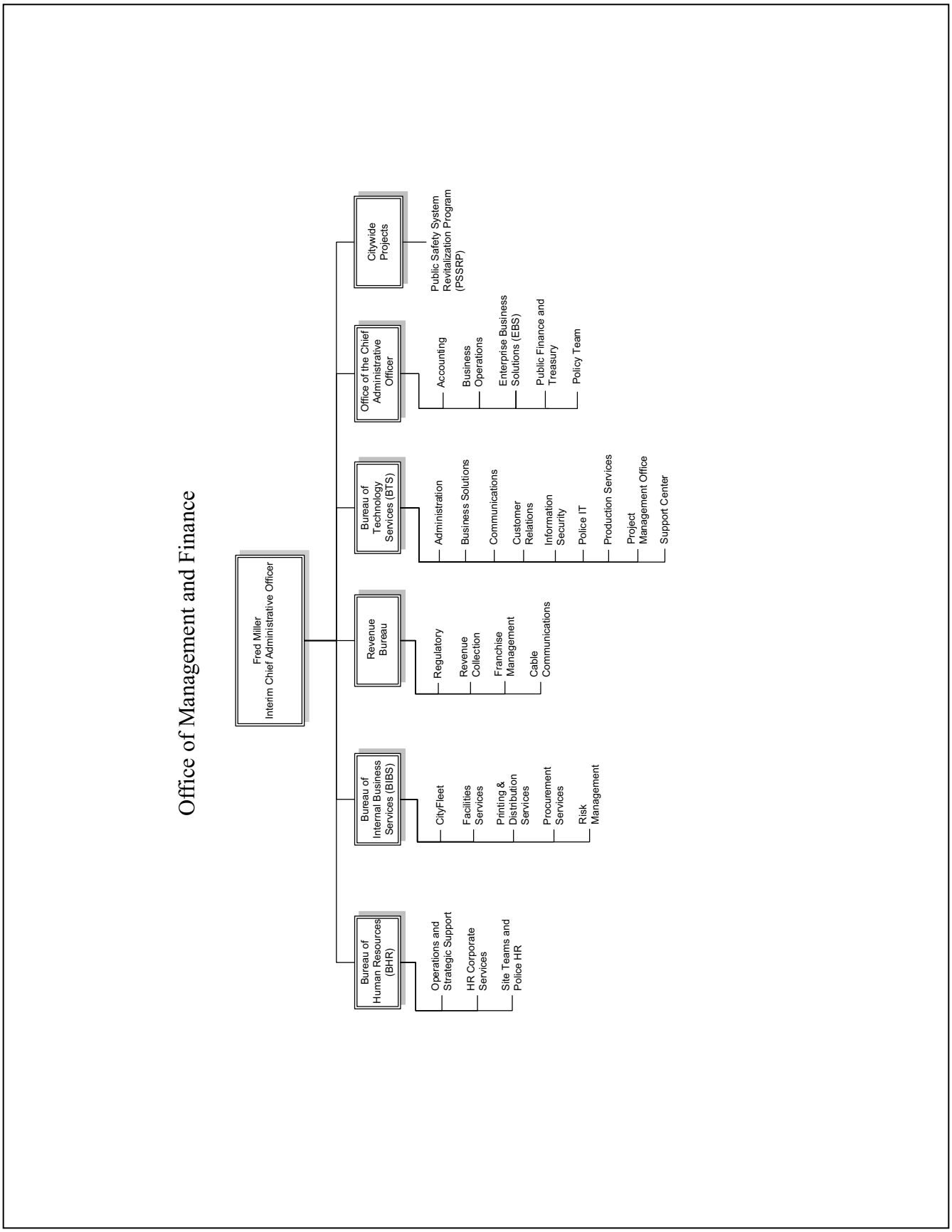


Bureau Programs



Bureau Overview

Expenditures	Revised FY 2013-14	Requested FY 2014-15	Change from Prior Year	Percent Change
Operating	414,452,004	394,045,901	(20,406,103)	(4.92)
Capital	62,994,833	23,068,251	(39,926,582)	(63.38)
Total Requirements	**477,446,837**	**417,114,152**	**(60,332,685)**	**(12.64)**
Authorized Positions	635.92	645.13	9.21	1.45


Office of Management and Finance
Fred Miller
Interim Chief Administrative Officer
Bureau of Human Resources (BHR)
Operations and Strategic Support
HR Corporate Services
Site Teams and Police HR
Bureau of Internal Business Services (BIBS)
CityFleet
Facilities Services
Printing & Distribution Services
Procurement Services
Risk Management
Revenue Bureau
Regulatory
Revenue Collection
Franchise Management
Cable Communications
Bureau of Technology Services (BTS)
Administration
Business Solutions
Communications
Customer Relations
Information Security
Police IT
Production Services
Project Management Office
Support Center
Office of the Chief Administrative Officer
Accounting
Business Operations
Enterprise Business Solutions (EBS)
Public Finance and Treasury
Policy Team
Citywide Projects
Public Safety System Revitalization Program (PSSRP)

Bureau Summary

Bureau Mission

To be a trusted partner creating smart solutions for the City and our community.

Bureau Overview

Services to the City

The Office of Management and Finance (OMF) is overseen by the City's Chief Administrative Officer (CAO) and provides core central services necessary for the operation of the City of Portland government. OMF also provides services to other government agencies such as the 800 MHz Public Safety Radio System, Integrated Regional Network Enterprise (IRNE), Portland Police Database System (PPDS), Multnomah County Business Income Tax collection, CityFleet, and Printing and Distribution (P&D). OMF consists of the bureaus of Human Resources (BHR), Internal Business Services (BIBS), Revenue, and Technology Services (BTS); as well as the Office of the CAO that includes the divisions of Accounting, Business Operations, Enterprise Business Solution (EBS), and Public Finance and Treasury; and Citywide Projects. OMF is guided by a 2012-17 Strategic Plan that identifies the organizational mission, values, goals, strategies and performance measures. The plan is described in more detail in the Strategic Direction portion of the budget narrative.

Summary of Resources

The office is funded through a combination of resources. Approximately half of its funding is through interagency charges to other City bureaus. Interagency revenue primarily includes charges from Technology Services, Enterprise Business Solutions, CityFleet, Facilities, Printing and Distribution, and Risk Management. In FY 2013-14, only 4.7% of its budget is funded through General Fund resources, mainly to fund portions of Accounting, Human Resources, Business Operations, Procurement Services, and Revenue. Other resources include General Obligation (GO) Bond proceeds for the Fire & Rescue GO Bond Construction Fund, the Public Safety GO Bond, user fees for the Spectator Facilities Fund, and payroll charges for the Health Insurance fund. Public Finance and Treasury also receives some interagency revenues for Debt Management, and recovers costs through a reduction in interest earnings distributed to bureaus. Many internal service funds also have outside agency customers.

Office of the Chief Administrative Officer (CAO)

In addition to Citywide responsibilities and managing OMF to ensure cost effective administrative and support services, the Chief Administrative Officer is responsible for providing the Mayor and City Council with accurate and timely information and analysis on a wide array of financial and policy issues. The divisions of Accounting, Business Operations, Enterprise Business Solution, and Public Finance and Treasury are part of the office. Business Operations provides financial, communications, strategic planning, project management, and administrative support to OMF and grants management to the City. The Enterprise Business Solution group provides SAP management Citywide. Accounting and Public Finance and Treasury provide financial management services to the City in areas such as accounting, financial reporting, treasury, and debt issuance.

Bureau of Human Resources

The Bureau of Human Resources is responsible for management of the City's human resources systems, including administrative rules and procedures. It is responsible for assisting City bureaus to recruit, develop, and retain a competent and high-quality workforce. The bureau also manages employee benefits, payroll, deferred compensation, the Health Insurance Fund, classification and compensation, labor relations, and workforce training.

Bureau of Internal Business Services

The Bureau of Internal Business Services manages a range of core internal services critical to meeting City business needs such as facilities, fleet, printing, procurement, and risk management. These services are offered Citywide.

Revenue Bureau

The Revenue Bureau is responsible for consolidated revenue collection and regulation of certain industries. Revenue programs issue permits, advocate for consumers, enforce regulations, and collect revenues including business license tax, utility license franchise fees, transient lodging tax, business property management, cable franchise management, and other revenues.

Bureau of Technology Services

The Bureau of Technology Services provides strategic planning and management of the City's communications related and information technology equipment and systems. BTS provides expert and cost effective communications and information technology services to the City and regional partners, promoting interoperability. BTS is managed by the Chief Technology Officer (CTO).

Citywide Projects

Within Citywide Projects is the Public Safety Systems Revitalization Program (PSSRP), which replaces aging public safety technology systems that support critical citywide needs. This program will ensure enhanced regional interoperability. The Chief Administrative Officer provides leadership and oversight and the office administratively supports this project.

Strategic Direction

Office of Management and Finance Goals

The OMF 2012-17 Strategic Plan was accepted by City Council in May 2013 and is a roadmap to achieve the organization’s strategic goals. The plan organizes these goals around four strategic themes, which are areas where the office must excel to achieve its mission and vision and deliver value to its customers. The strategic plan was developed through extensive research that included customer and employee surveys, stakeholder interviews, customer and employee focus groups, an environmental scan of OMF's numerous lines of business, and an analysis of strengths, weaknesses, opportunities and challenges. The data was analyzed and distilled into findings for a Steering Committee, and Steering Committee recommendations were shared with a 70-member task force. The task force developed goals, strategies, and performance measures and affirmed the mission and values. OMF leadership is incorporating the strategies and performance measures into the workplans, priorities and performance measures for individual bureaus and divisions. Below are a list of themes and their corresponding goals.

Quality Customer Service

- Deliver business solutions that take into account customer needs and interests.
- Provide a cross-City perspective to assist bureau directors and City Council in understanding the impact of their business, policy and budget decisions, including unintended consequences.
- Market Office of Management and Finance services effectively to customers.
- Build trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis, and communication.

Operational Excellence

- Provide streamlined business processes that are easy to understand, efficient and ensure compliance.
- Provide seamless, integrated service delivery models across the office to simplify business processes for our customers.
- Deliver business processes that provide options to address individual bureau requirements and changing environmental factors.
- Collaborate with our stakeholders to identify and eliminate barriers within office processes and procedures to provide equitable access to City services and opportunities.
- Develop a roadmap to effectively leverage existing technology and adopt emerging technology to meet citywide business needs.
- Develop business processes that support the City's sustainability goals.

Financial Sustainability

- Secure adequate and sustainable funding to maintain and replace critical technology and facilities infrastructure.
- Provide financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Maximize value to the community by promoting regional partnerships that create government efficiencies.

Workforce Development

- Lead Citywide initiatives that help bureaus plan for and adapt to a changing workforce.
- Provide programs to attract, on-board, develop, and retain a skilled, knowledgeable, and diverse City workforce.
- Create and sustain a workplace that promotes a balance between employee innovation, accountability, and business needs.
- Increase Citywide employee participation in wellness programs and safety initiatives.

Portland Plan

The Office of Management and Finance's 2012-17 Strategic Plan was developed with linkage to the Portland Plan. The organization adopted the value of equity, which is in alignment with the Portland Plan's equity lens. The strategic plan also includes goals and strategies that directly support the Portland Plan's priorities of prosperity and equity, and indirectly support all of the Portland Plan priorities

through development and work with City bureaus that provide direct services to the community. Examples of bureau support for the Portland Plan include implementation of the Social Equity Contracting Strategy; the Diversity, Outreach, and Employment Resources program; and the City's Americans with Disabilities Act Title II Transition Plan.

Evaluation of the Organization

As part of the OMF FY 2013-14 budget development process, bureau leadership evaluated the organizational structure of each bureau and division and how it supports service delivery. Bureau leadership considered the span of control and responsibilities for different managerial, supervisory, and individual contributor positions, impacts on service delivery, legal and statutory mandates, and whether there were alternative structures that could be considered to achieve efficiencies and cost savings.

OMF leadership participated in the Citywide span of control analysis conducted in FY 2013-14. Four positions with relatively lower spans of control were identified as needing follow up actions. There were no recommendations to eliminate positions. Two position recommendations will be addressed by bureau managers in upcoming reclassification requests, and two position recommendations may be addressed by bureau managers in future reorganizations. OMF also recommended to the Council Subcommittee that a more comprehensive classification and compensation study for non-represented employees be conducted. An add package requesting funds to conduct a classification and compensation study is included in the OMF FY 2014-15 Requested Budget.

In FY 2013-14, BTS is managing a Citywide Technology Assessment to review all technologies that are used to enable the business of the City, including systems, architectures, hardware, software, and staff. This assessment covers the areas of organizational structure, staff skills, state of technology Citywide, budget, and enterprise governance. Assessment findings and recommendations will be shared with the City Council in early 2014.

In FY 2013-14, the Mayor's Office is managing a review of OMF with an outside consultant and participation form a task force. The Interim CAO is participating in the OMF study and recommendations from the study could impact the OMF organizational structure in FY 2014-15.

Significant Issues

OMF leadership identified significant issues that, if not addressed, would cause substantial operational and/or financial risk to the City. These are Citywide in scope, require a number of City partners to resolve, and are long-term (longer than one or two fiscal years). Some of the issues described below are also reflected in the OMF 2012-17 Strategic Plan and others (earthquake insurance coverage and Portland Building structural issues) were identified after the completion of the five-year strategic plan.

Adequate Funding of Internal Service Funds Reserves

The Office of Management and Finance's internal service funds maintain operating reserves, which serve as a financial backstop for the funds operations to avoid mid-year rate increases or requests for funding due to unanticipated expenses or losses of revenues. Bureau policies and industry standards call for funding the operating reserves at 5-10% of each fund's fixed cost annual operating budget. Currently, most fund's operating reserves are at the low end of these ranges. Additionally, through years of cuts to reserves and budgets, the service providers have less ability to respond to cost fluctuations and this increases the risk of requiring mid-year rate increases.

Critical Technology Recovery in a Disaster

The City relies extensively on technology in order to provide critical services to the public. A large scale natural or man-made disaster could result in catastrophic destruction of numerous technology systems that are essential for the ongoing operation of the City. Key service areas that rely on technology include: law enforcement, fire and rescue, emergency dispatch, payroll, revenue collection, and accounts payable.

Determining the City's Appropriate Earthquake Insurance Coverage

All major property insurers are reevaluating their earthquake exposure in the Pacific Northwest, and are limiting their risk or leaving the market entirely in western Oregon. Consistent with these events, the City's property insurer will be reducing by 75% the City's current earthquake insurance coverage from $100 million down to $25 million for the 2014-15 renewal period.

A Probable Maximum Loss estimate for total insurable assets was commissioned by City Risk in 2010, which indicated the City would experience an expected loss of $163-188 million. The City now needs to determine its appropriate earthquake insurance coverage in the context of required critical assets and other resources available (i.e. FEMA, City reserves, etc.) after a major disaster. This analysis will require coordination between the Bureau of Internal Business Services, property and asset owning bureaus, and the City's emergency service providers.

Facilities and Technology Asset Major Maintenance and Replacement

The Bureau of Technology Services and Bureau of Internal Business Services Facilities Services are both responsible for maintaining critical City assets, including key buildings and technology systems. Both bureaus do not have funding models to support adequate major maintenance/asset preservation projects, as well as regular replacement schedules for technology assets.

Best practice for technology assets is to set aside money annually for replacement based on the length of the asset's useful life. With the exception of virtual servers, bureau computers, and laptops, BTS is not collecting for the replacement of technology assets in the rates it charges bureaus. Best practice for facility assets is to annually set aside 3% of replacement value to fund major maintenance/asset preservation projects so the facility can remain functional. Current collection is 1.2% annually.

The Portland Building Exterior Envelope and Structural Deficiencies

The Portland Building provides office space for approximately 1,300 City employees, as well as retail space and office space for other agencies. Since its completion, the buildings exterior envelope has presented numerous and chronic problems with water infiltration. In addition, an assessment conducted in 2013 determined that the building structure would perform poorly in a wide range of seismic events.

Some envelope issues have been identified and resolved during previous repairs, but ongoing repairs are not sustainable or practical, and will not work to address some of the structural issues. The Portland Building is also considered a historic building and on the National Register of Historic Places, which means additional requirements for addressing the building's issues. The cost to resolve the building's structural and envelope deficiencies is estimated at $95 million. Currently other alternatives are being researched. OMF will be asking Council for direction once more information on alternatives is available.

Workforce Planning

Over the next few years, one-third of the City's workforce will be eligible for retirement. This will represent a significant loss of critical institutional knowledge that bureaus depend upon for the effective delivery of City services. The current trend shows that there will not be enough work ready candidates in the market; therefore it is critical for the City to develop programs internally and externally to attract and retain employees.

Capital Budget

CIP Highlights

Highlights of the OMF CIP include the following:

Bureau of Internal Business Services

Facilities - Fire Station 21

In November 2010, voters approved a new General Obligation bond program. One component of this is the construction of a new Station 21 on the Willamette River for the fire boat crews. Because emergency water rescue is a primary duty for the new station, a boathouse and sixteen new pilings were added to the project scope of work to provide protection for rescue vessels.

The pilings were completed in October 2012. A contract was issued to Oregon Ironworks in January 2013 for off-site boathouse construction. Project completion is scheduled for October 2014. The project budget is $11.9 million, which includes funding sources of $8.8 million in bonds, a $800,000 federal grant, sale of surplus property of about $700,000, and $1.6 million transferred from the 1998 Fire GO Bond.

Facilities - Police Training Facility

At the request of the Police Bureau, OMF evaluated potential sites to construct a consolidated training center complex to house administrative, tactical, firearms, and driver training activities. In May 2012, a $15 million dollar bond was issued to pay for the purchase and remodeling of a ten acre site with 60,000 square feet of buildings located at 14912 NE Airport Way. The Airport Way site was selected because the buildings were a good fit for the training program and the ten acre site yielded four acres for driver training activities. Scott/Edwards Architects was

selected through a competitive process and completed the design work in June 2013. The plans and specifications were submitted for a building permit. 2KG Contractors, Inc. was selected in the construction bid process in October 2013 with a construction bid of $4.9 million. Construction is expected to start in December 2013 and be completed by August 2014.

Facilities - Jerome Sears Westside Operations Center

The City took possession of the former US Army Reserve Center located at 2730 SW Multnomah Blvd in July 2012. The site was acquired from the Army under the condition that it be used primarily for an emergency operations center. In June 2013, a master plan was completed that identified four phases of funding and levels of work. In discussion with Bureau of Development Services land use specialists, it was determined that the current zoning of the property as medium-density residential would not allow for the City's intended uses. In order to change the zoning, the project will require a type III land use review. In the fall of 2013, consultants were contracted to provide the necessary information to apply for the type III review. The process is expected to be completed in spring 2014. Until the site is re-zoned, the construction process is on hold.

Portland Bureau of Emergency Management (PBEM) is submitting a decision package in its FY 2014-15 Requested Budget for funding building improvements and a fueling station. If approved, the building improvement project would be appropriated in the Facilities Services Fund and the fueling station project would be appropriated in the Fleet Fund.

CityFleet - Scheduled Replacement for Vehicles and Equipment

CityFleet manages the fleet replacement program to provide timely replacement of City vehicles and equipment. When City vehicles have reached the end of their economic lifecycles, the replacement is paid out of a fund made up of the cumulative total of all fund payments, the accrued interest generated by the fund, and the salvage value received at the time of disposition. This program provides for timely vehicle and equipment turnover and benefits the customer by creating a predictable fleet replacement schedule and budget. In addition to the CityFleet replacement fund vehicles, CityFleet will procure new and replacement vehicles and equipment for the Water Bureau and the Bureau of Environmental Services (BES) on a direct bill basis. The Water Bureau and BES budget for both additional scheduled replacement vehicles and equipment in their respective Capital Budgets.

In FY 2014-15, there are 373 vehicles scheduled for replacement through the CityFleet Fund. The majority of the vehicles include 189 replacement vehicles for the Portland Police Bureau, 37 for the Fire Bureau, 49 for the Parks Bureau, 32 for the Transportation Bureau, and the balance coming from various other Bureaus such as Printing and Distribution, Bureau of Development Services, CityFleet Motor Pool, Golf, and Facilities. While not budgeted in the CityFleet Fund, there are 51 units scheduled for replacement for the Water Bureau and 15 units for BES.

Bureau of Technology Services

Enterprise Technology Refresh

The purpose of this project is to provide a technology refresh (establishing a six-year lifecycle replacement program for network switch and router equipment) for the City's computer network infrastructure. This multi-year CIP began in FY 2012-13 and costs are expected to be incurred through FY 2015-16. Work scheduled for FY 2014-15 includes replacing network switches and routers required for personal computer and printer connections, followed by replacement of routers that provide an interface between the City and its internet service provider. Estimated five-year project costs are $1,190,500.

IRNE Technology Refresh

This project provides capital and lifecycle improvements to the existing Integrated Regional Network Enterprise (IRNE) infrastructure. Work includes capacity upgrades, end-of-life equipment replacement and establishing an intertie with the Multnomah County telephone system. About half of the five-year CIP costs will be incurred in FY 2014-15. Anticipated work in FY 2014-15 includes replacing end-of-support SONET (synchronous optical network) equipment and SONET Multiplexers (a device that selects one or more analog or digital signals and forwards them as a single line). Estimated five-year project costs are $639,000.

SAN Storage Expansion

This ongoing CIP provides increased capacity of centralized storage and enterprise backup to meet demand from projected and existing data growth. The expansion allows BTS to meet the City's storage environment needs in a more cost effective manner. Rather than purchasing storage in a costlier, as-needed incremental manner, business needs will be aligned with types and quantities of storage, allowing for proper storage allocation coordination to ensure components aren't overburdened. The benefits to this approach are lower costs, assured performance levels, and system flexibility. The five-year costs are allocated in roughly equal amounts each year, with about 25% of the costs anticipated in FY 2014-15. Similar purchases and work will be conducted each year, including storage purchases and augmenting backup system capacity. Estimated five-year project costs are $2,220,500.

AIX Hardware Technology Refresh

This CIP replaces and consolidates end-of-life IBM/AIX hardware systems. In FY 2013-14 BTS successfully completed the initial stage of the AIX hardware refresh, finishing that part of the project under budget and returning unused funds to BTS customers. Additional AIX refresh work will continue in FY 2014-15 with the Virtual Computer Aided Dispatch (VCAD) system used by the Bureau of Emergency Communications. This work will consist of consolidating many physical servers into fewer, larger frames, and using IBM's logical partitioning capability. This will provide cost savings that can be realized on maintenance dollars and support time, while providing increased flexibility to the customer for adding processors and memory as needed in the future. In FY 2014-15 BTS will be refreshing the VCAD AIX Systems. Estimated five-year project costs are $684,800, with work expected to be completed in FY 2016-17.

Office 365 Implementation

This CIP will continue the City's transition to Office 365 by implementing Sharepoint collaboration and select content management tools, including identification of a governance model, implementation roadmap, user education, training and communication. All remaining work on the project is expected to be completed in FY 2014-15. Estimated remaining project costs are $301,600.

Office of the Chief Administrative Officer

EBS - SAP Benefits

The goal of the SAP Benefits implementation is to leverage the investment in SAP by saving money on external vendors for benefits administration and improving efficiency in administration by bringing all of the processes and data into SAP. Opportunities with the project include saving $300,000 annually to external vendors, retiring the legacy COBRA system, elimination of costly interfaces, and a central repository of personnel benefits data in SAP. Benefit elections will be moved from the external vendor's website into the SAP CityLink portal where other SAP personnel information is maintained by City employees. The costs associated with this project will largely consist of consulting; however, a specific dollar amount for project implementation has not been established at this time. BHR is the business owner and sponsor for SAP Benefits implementation, and all timelines are dependent on their resource availability. This project may start in FY 2014-15, but a firm date has not been established.

EBS - SAP Human Resources Forms & Processes

The objective of the SAP HCM Processes and Forms (SAP HCM P&F) project is to leverage existing SAP technologies to make business processes surrounding employee personnel changes more efficient, accurate, and transparent. SAP HCM P&F offers an efficient way to manage processes involving employee personnel changes, including approval and auditing functions. This flexible framework will allow the City to create an electronic process that replaces paper forms and approvals. Benefits of this process include faster turn-around time on processing personnel and organizational structure changes, elimination of duplicative and inconsistent processes used throughout the City, data validation points for reduced error handling, and self-service functionality incorporated in the SAP CityLink portal. The projected budget for consultant fees for this project is approximately $450,000. The proposal process started in January 2014 and the project is expected to last through FY 2014-15. BHR is the business owner and sponsor for this project, and all timelines are dependent on their approval and resource availability.

PSSRP - Public Safety Emergency Radio System Replacement Project

The purpose of this project is to ensure that the City implements a cost effective, highly reliable digital public safety voice radio system that meets the current and emerging needs of the Portland region for the next 15 to 20 years. The existing system is beyond its intended operational life and will no longer be supported by the manufacturer. The project budget is $53.3 million, including a contingency of 10%. Project resources include voter-approved General Obligation bonds. For the infrastructure replacement portion of the project, the City executed an agreement with Motorola and held its project kickoff meeting in November 2013 with detailed technical design to follow through early 2014. The project is at the peak of activity and is expected to be completed in FY 2015-16.

PSSRP - Regional Justice Information Network (RegJIN) Project

The purpose of the RegJIN records management system project is to replace the existing Portland Police data system, while also enhancing core system capabilities. RegJIN will have the capacity to track and share crime-related data between partnering regional law enforcement agencies, while keeping data confidential in a secure and highly reliable environment. The project budget is $13.3 million, including a contingency of 10%. Project completion is targeted for FY 2014-2015.

Spectator Facilities

Nothing to note in the FY 2014-15 CIP.

Major Issues

Bureau of Internal Business Services

CityFleet - Replacement Fund Balance

Fleet industry best practice is to have a replacement fund to provide for the timely replacement of vehicles and equipment. Maintaining a fund is absolutely imperative to realize the lowest possible cost of ownership over a vehicle's life. Prudent payment schedules developed for each vehicle provide planned replacements and benefits the bureaus by creating a predictable fleet replacement schedule and budget. When vehicles and equipment reach the end of their economic lifecycles, replacement funding must be available. Operating vehicles and equipment within their useful life significantly improves vehicle availability, productivity, and the City's ability to provide continuous essential services to the citizens of Portland.

The City's diverse fleet ranges from patrol cars to dump trucks to hybrids to construction equipment. In total, approximately 2,950 vehicles and equipment account for the value of the City's $115 million in fleet assets. The current balance for future equipment and vehicle purchases in the replacement fund just meets the industry standard of 10% of the total value of assets on hand. If funds are reallocated to non-vehicle related expenditures, the City will not have the resources available to adhere to industry standards for established replacement lifecycle schedules. As a result, the City will experience higher costs related to having to keep vehicles and equipment beyond economic lifecycles. Prudent fund management is absolutely imperative. Therefore, non-vehicle related expenditures from the fleet replacement fund is highly discouraged, as it will deplete necessary replacement funding and negatively impact bureaus with increased operating and maintenance costs.

CityFleet - Municipal Service Center (MSC)

The present fleet maintenance facility is antiquated, undersized, inefficient, and costly to operate. It is non-compliant with current building codes, provides only a fraction of the required workspace, and is in need of major repairs. Vehicles are currently located under a freeway overpass and flying debris is a cause for safety concerns on a daily basis. The City may be unable to respond should the freeway collapse on emergency response equipment in a major earthquake. A modern MSC is needed for the continuity of essential daily operations, safe annual snow and ice response coordination, and efficient regional emergency response for the community. Furthermore, a modern MSC is more critical in the event of a major catastrophe and to meet increasing service demands of a growing City. The current building has been remodeled several times since it was originally built. It is still not structurally sound and is no longer fiscally prudent to remodel. CityFleet will be

working with customer stakeholders to identify options and opportunities for consolidating services into a central MSC. At this time, potential project expenses and funding sources are not available. CityFleet is working with Multnomah County to potentially rent their John B. Yeon facility, as this would provide a satellite shop for the City's outer eastside operations and emergency backup.

CityFleet - Future Replacement of City Owned Fueling Stations

CityFleet will need to identify a funding source for the replacement of the City's aging fueling infrastructure. CityFleet is responsible for managing nine fuel stations. These stations enable the use of specialized alternative fuels, multiple fuel blends, and quality control of the fuel dispensed into the City's vehicles and equipment. Large capacity tanks enable wholesale bulk fuel purchases and provide extended storage for emergency fueling. Contract bulk purchases for Unleaded and Ultra Low Sulfur Diesel (ULSD) fuel is about 15% below Portland's retail market pricing. Five of the nine fueling stations are past the useful life of the asset (30 years) and will require replacement in the coming years in order to continue to provide daily fueling services for City vehicles and equipment and for availability of use by public safety equipment during any catastrophic event in the region.

Facilities - Strategic Space Planning

Beginning in FY 2013-14 and continuing through FY 2016-17, a restacking of bureaus within existing City-owned properties will take place to relocate City operations from leased office space to City-owned space. To complete this strategic space plan the City would purchase the 14th and 15th floors of the Portland Building from Multnomah County. The approach for completing this plan will be impacted by decisions on the Portland Building Exterior Envelope and Structural Improvements Project.

Facilities - Funding Facility Projects

Several Facilities projects lack funding sources, including City office space expansions, the Municipal Service Center, and the Jerome Sears Westside Operations Center. These projects will be critical to meeting the City's future needs and assuring adequate response and repair facilities.

Facilities - The Portland Building Exterior Envelope and Structural Improvements Project

Due to ongoing water intrusion issues, a major maintenance project was started in FY 2012-13 to thoroughly assess water intrusion and structural integrity of the Portland Building, and provide conceptual design for repairs and cost estimates for those repairs. The assessment identified repair solutions for the exterior envelope and seismic improvements estimated at $95 million. Currently, additional options are being researched.

Bureau of Technology Services

Funding Bureau of Technology Services (BTS) Projects

The major issue for the BTS five-year plan continues to be a lack of adequate and ongoing funding for technology equipment and software replacement. This occurs when the technology has reached the end of its useful service life and is no longer supported by the vendor for maintenance and repairs. As a result of budget reductions in FY 2013-14, BTS was forced to propose eliminating major maintenance collections for one year that contributed toward funding 800 MHz, Telecomm and Production Services projects. Major maintenance funding was partially restored in the FY 2014-15 budget, but the current level of collections is less than 10% of what is needed to adequately cover annual project expenses.

In prior years, BTS established a technology reserve to fund the replacement of systems that had no replacement component built into their rates. The reserve was funded through net income from rates the fund charged for its services. This could come from spending under budget, increased customer demand for services, or savings from efficiencies achieved from the consolidation of systems. That reserve has been depleted through critical BTS capital and operating projects. The use of those funds, combined with six years of budget reductions and a reduced demand for billable services, has prevented BTS from rebuilding any kind of fund reserve for future projects. As a result, BTS has had to tap into its operating reserves to fund critical projects in FY 2014-15, along with setting aside limited funds for required projects in FY 2015-16. This has resulted in an operating reserve of 5%, the minimum allowed within the policy guideline range of 5-10% of the annual operating budget. As this continues to be an unsustainable practice, BTS will need an ongoing, stable funding solution in order to complete its ongoing mission-critical capital and operating projects.

Major maintenance and capacity expansion are required to keep critical technology infrastructure operating at the level required to meet current and emerging customer needs. Bureaus throughout the City have gained efficiencies through the use of technology and depend on technology systems and services in order to perform their daily operations. Maintaining up-to-date technology has been shown to reduce the overall cost of operations. As hardware and software age, support costs increase. Direct cost increases are reflected in vendor support contracts, which often increase significantly as systems are maintained beyond their useful life. In many cases, replacement costs can be substantially offset by vendor contract savings. The City also incurs an increase in costs as staff spend a disproportionate amount of their time responding to service support issues. Service outages can result in lost productivity, as BTS has less capacity to implement new solutions while customers are impacted by the downtime of existing systems. Regular and ongoing technology replacements and upgrades contain costs and allow BTS staff to work on the priority needs of its customers.

Critical Technology Recovery in a Disaster

The City relies extensively on technology in order to provide critical services to the public. A large scale natural or man-made disaster can result in catastrophic destruction of numerous technology systems that are essential for the ongoing operation of the City. Key services relying on technology include communications for law enforcement, fire and rescue, emergency dispatch, payroll, revenue collection, and accounts payable.

Although BTS has invested significantly in improving the reliability and availability of key technology systems, a large disaster localized in the Portland area could result in complete loss of these critical technology assets, which would take months to restore.

In order for the City to quickly recover its most critical services after a major disaster, additional resources should be directed towards building and operating redundant technical systems for the City's most critical services at an offsite location. The site for these redundant systems would ideally be a location safe from disasters such as earthquakes and floods. Although BTS keeps redundant copies of critical City data at an offsite location, recovery from catastrophic destruction of key technology systems requires the ability to rapidly rebuild replacement systems in order to fully restore services.

The lead time to order and rebuild replacement systems, as well as identify alternate facilities to house this equipment, can take an extended period of time. If measures are not taken to fund redundant systems now, the City is at risk for an extended recovery, estimated at several months, for key City services and functions that rely on operating technology and equipment.

Office of the Chief Administrative Officer

Enterprise Business Solution - Project Approval Process

The way in which Enterprise Business Solution (EBS) identifies and approves projects presents a planning challenge for projects being included in the CIP. Project approval is based on a number of factors, most of which are outside the direct authority and control of EBS staff. The guidelines and approval process for EBS projects include first identifying and addressing City customer needs, which are then validated by the EBS Executive Steering Committee and Program Advisory Committee, and then approved by the bureau business owners. In addition to this standard process, EBS is also guided by evaluations and assessments conducted by third-party entities, such as the AKT report from 2012 and the current Citywide Technology Assessment conducted by Sierra Systems. Any additional needs or issues identified by these consultants must be presented and approved by the governing bodies and business process owners. After final agreement has been made, projects are then added to the EBS work plan and the RFP process begins. Timelines can also move based on resource availability. Due to these constraints and project uncertainty, EBS uses the Budget Monitoring Process to request capital project funding. As a result, the EBS CIP budget will only include those projects that have already been approved as beginning the RFP process and have a likelihood of beginning in the upcoming fiscal year.

Public Safety System Revitalization Program

Nothing to note in the FY 2014-15 CIP.

Spectator Facilities - Asset Condition of Veterans Memorial Coliseum

The asset condition of the Veterans Memorial Coliseum was downgraded from fair to poor in FY 2013-14. While discussions continue about several options for a major renovation of the facility, primary program elements have not been determined and funding resources for a project have not been fully identified.

Changes from Prior Year

Significant changes for the OMF CIP for FY 2014-15 include the following:

Bureau of Internal Business Services

Facilities - Completion of the Emergency Coordination Center

This multi-year project will be completed in FY 2013-14 within its budget of $19.849 million. Approval by voters of a Public Safety GO bond program provided $4 million in funding for this project. In addition, $10.72 million was provided by the Portland Bureau of Emergency Management (PBEM) and $9.13 million was provided by Water Bureau.

Facilities - Re-zoning and Use of the Jerome Sears Westside Operations Center

As mentioned above, it was determined that the current zoning of the property as medium-density residential would not allow for the City's intended uses. In order to change the zoning, the project will require a type III land use review. In the fall of 2013, consultants were contracted to provide the necessary information to apply for the type III review. The process is expected to be completed in spring 2014. Until the site is re-zoned, the construction process is on hold.

Portland Bureau of Emergency Management (PBEM) is submitting a decision package in its FY 2014-15 Requested Budget for funding building improvements and a fueling station. If approved, the building improvement project would be appropriated in the Facilities Services Fund and the fueling station project would be appropriated in the Fleet Fund.

Bureau of Technology Services

Exchange 2013 Technology Refresh

This project would upgrade the Exchange 2007 email platform to Exchange 2013 and refresh the related hardware infrastructure. This platform hosts the Exchange hybrid environment that provides connectivity to Office 365. It also hosts Police and other criminal justice information services in-scope mail boxes. Estimated FY 2014-15 project costs are $405,300.

Police SourceFire Intrusion Prevention System

The FBI Criminal Justice Information Services (CJIS) division and Oregon State Polices Law Enforcement Data System division both reserve the right to audit CJIS security policy compliance on a three-year cycle. Police will need to address intrusion prevention system compliance, as the penalty for non-compliance could result in the loss of access to State and Federal crime databases. Estimated FY 2014-15 project costs are $131,622.

Police Firewall Replacement

This project replaces Police Bureau end of life non-standard firewalls. Estimated FY 2014-15 project costs are $120,000.

Online Payment Services

This project replaces the City's existing payment gateway with an externally hosted service, allowing the City to achieve a standard payment gateway for all City bureau services. This online payment solution will be a Citywide service that will provide each bureau with consistent and standard technology for customers paying for a variety of City goods and services. Estimated FY 2014-15 project costs are $312,500.

Office of the Chief Administrative Officer

Enterprise Business Solution

This is the first year Enterprise Business Solution has been included in the CIP, but the following projects were approved during the Fall FY 2012-13 Fall Budget Monitoring Process:

- ESS/MSS Time Capture
- SAP Treasury Module Implementation
- SAP Learning Solution Implementation (LSO)
- FMLA Implementation
- Winshuttle
- Epi-Use data copy tools

PSSRP - Completion of the CAD Remaining Interfaces

During FY 2012-13, the City completed the remaining Computer Aided Dispatch (CAD) interfaces, implemented incident reporting for the Emergency Operations Center and for a media feed, and deployed the radio-based communications system for fire station alerting.

PSSRP - Completion of the radio project contracting process and project kickoff

PSSRP worked through the City's RFP process and completed vendor selection for the infrastructure portion of the radio project in spring 2013. Contract negotiations proceeded over several months, concluding with City Council approval in October 2013 and project kickoff in November. All project activities are in close collaboration with business partners, BTS, Bureau of Emergency Communication, Police, and Fire bureaus.

PSSRP - RegJIN project kickoff and start of system configuration

Contract negotiations with Versaterm were completed, and the contract was approved by City Council in June 2013. Kickoff with regional partners occurred shortly thereafter and the project proceeded with system configuration, IGA negotiation, and other essential project activities. All project activities are in close collaboration with all internal and external partners.

PSSRP - FIS replatform project revised scope and nearing completion

The Fire Information System (FIS) project started with some delays and challenges in project schedule and budget, but quickly was back on track with the appointment of a new project manager in FY 2012-13. In collaboration with the Fire Bureau and BTS, a module was removed from the project scope and the schedule was updated accordingly. Planned project completion is expected at the end of FY 2013-14, with the transition of the FIS to the Fire Bureau expected in early FY 2014-15. A post-project sustainment plan is in development in collaboration with business partners.

Spectator Facilities

Nothing to note in the FY 2014-15 CIP.

Strategic Direction

Council Goals and Priorities

The CIP supports the following City goals of ensuring a safe and peaceful community and delivering efficient, effective, and accountable municipal services. This is accomplished through:

- Buildings that are appropriately sited, well designed, and well maintained contribute to Portland's livability. Projects within this CIP are a result of good planning and the City's commitment to planning and well-managed growth.
- Reliable, adequate public safety and emergency response facilities and technology promote a safe and peaceful community. Projects within the OMF CIP will replace aging public safety systems and applications that increasingly rely on data and newer technology that if not replaced, pose a risk to future public safety and emergency response operations.
- City of Portland buildings in the downtown area, including City Hall, the 1900 Building, and the Portland Building, help maintain a vital downtown. The City-owned spectator and performance facilities (Veterans Memorial Coliseum, JELD-WEN Field and Portland's Center for the Arts) attract people from around the region and state to Portland's central city.
- Union Station contributes to the City's commitment to having a functional multimodal transportation system.
- Infrastructure maintenance is vital to the City's long-term fiscal health, stability, and its ability to deliver services.

City Comprehensive Plan

This CIP evolves from and supports the City's overall land use and facility plans. Three program areas are particularly relevant to comprehensive community planning:

- Police: The siting and organization of public safety response facilities are based largely on the City's physical size, growth, density, and demographic patterns. The Police Bureau Master Plan effort is closely connected to the City's growth projections and geographical form.
- Fire & Rescue: The siting and adaptation of Fire & Rescue Stations is highly dependent on neighborhood boundaries and neighborhood preferences. The foundation of the fire management area is the City's comprehensive land use plan and the regularly produced response time study.
- Downtown Buildings: The Portland Building, City Hall, the Justice Center, and the 1900 Building were all sited based on identified preferences in the downtown plan, particularly for the three located in the designated "government center" within downtown. The 1900 Building was sited and operates as part of the University Center Plan, supporting the south end of downtown and sharing the area with Portland State University (PSU). In addition, the city owned spectator and performance facilities support the Downtown and Lloyd District as the major cultural center for the region.

Criteria

Bureau of Internal Business Services

For this capital plan, OMF's primary focus is responding to customers needs for additional infrastructure. Funded projects allow infrastructure to be replaced with new functional and reliable assets, and reduced maintenance.

Bureau of Technology Services

For this capital plan, BTS continues to focus on the critical core elements of its infrastructure, with an emphasis on infrastructure that addresses maintenance and reliability of key systems, and provides the capacity to meet the City's changing business needs. The CIP was a coordinated effort between the BTS programs of Communications, Production Services, Information Security, Support Center, Business Solutions and Police IT. Priority was given to essential core services and system upgrades and replacements that maintain the stability of core data services, continuity of critical services, customer requirements, and asset replacements that facilitate cost savings and efficiency.

Office of the Chief Administrative Officer

For this capital plan, Enterprise Business Solutions primary focus is meeting the City's needs for an enterprise system that leverages access to integrated data; eliminates inefficient, duplicative or paper-based processes; and consolidates multiple systems on a common platform. As mentioned earlier, the criteria used to identify and prioritize these needs requires participation of the bureau, the business owner, the governance structure, and often includes third-party assessments.

Capital Planning and Budgeting

Capital Planning Process

The capital planning process is closely tied to OMF's overall asset management program. The asset management program drives the capital projects proposed in the CIP and the major maintenance projects proposed in the Requested Budget and detailed in OMF's five-year plan.

OMF works closely with its customers to understand their businesses and how their assets support and serve their work objectives. Projects in the CIP and major maintenance plans were developed with input from internal and external customers, staff who maintain the infrastructure, and City Council's established goals, objectives, and policies.

Bureau of Internal Business Services

CIP projects for new or relocated facilities, including those for Fire, are the result of considerable planning and collaboration with bureaus, community members and City Council decisions and directives. They appear here as a result of team efforts to keep City facilities useful and adapting to the changing requirements of this local government.

Bureau of Technology Services

The programs in BTS responsible for the CIP identified their projects and reasons for inclusion, and submitted them to a management review group for coordination and approval. Priority was given to items that supported clear business needs of BTS and its customers.

As BTS is responsible for nearly the entire City information technology and communications infrastructure, primary coordination opportunities exist in maintaining a robust infrastructure in order to maintain business continuity in the event of a disaster. Fiber network improvements are planned through joint participation of telecommunications and network engineering personnel. Fiber construction is coordinated through a cooperative agreement with TriMet and the

Oregon Department of Transportation (with the active participation of the Bureau of Transportation) and direct discussions with the Water Bureau and the Bureau of Environmental Services. Production Services and Production Engineering teams work together to develop integrated plans providing disk storage resources to meet anticipated demand.

Office of the Chief Administrative Officer

While no specific project is mentioned in the FY 2014-15 CIP, discussions and analysis of a major renovation at the Veterans Memorial Coliseum continue. For Enterprise Business Solution (EBS), the EBS Support Manager works closely with the EBS leadership team to identify future projects. The minimum requirements to establish the project in the Requested Budget are approval by the business process owner, approval of the governance committees, and a draft request for proposal for any procured services.

Financial Forecast Overview

This plan includes projects funded from a variety of sources.

- Projects for Fire facilities are funded from General Obligation bonds authorized by voters in November 2010.
- Vehicle replacement rates charged to bureaus through Fleet interagency service agreements fund vehicle replacement projects.
- BTS reserves fund a number of CIP projects. Reserves are used since the possibility of raising rates through decision package approval is low, and these projects may lead to efficiencies within the organization.
- General Fund debt financing, cash from the General Fund and BTS Fund, Urban Area Safety Initiative grants funds, and General Obligation bonds fund PSSRP projects.
- Portland Bureau of Emergency Management (PBEM) is submitting a decision package in its FY 2014-15 Requested Budget for funding Jerome Sears Westside Operations Center building improvements and a fueling station. If approved, the building improvement project would be appropriated in the Facilities Services Fund and the fueling station project would be appropriated in the Fleet Fund. This package will request General Fund money. However, City Council may choose to debt finance the projects, require other City funds to pay a fair share, or some combination of all three options.

The Portland Building Exterior Envelope and Structural Improvements Project identified in the issues section is unfunded.

Asset Management and Replacement Plans

Since the OMF CIP includes only capital projects, there are four categories of projects.

- Replacement projects replace assets at the end of their useful lives. Due to the nature of these assets, they are on regular replacement schedules. Examples include Fleet vehicle replacement and BTS technology equipment replacement projects. These projects are generally funded by interagency rates charged to customers.
- New assets in support of growing City programs whose current assets do not meet their functional requirements. Examples include an emergency communications system, a new management information system for Risk Management, and the PSSRP projects. These projects are funded with one-time money or debt financings.

- Major renovations or new construction of assets that are outdated due to new code requirements, new functional requirements, deferred maintenance, and renovations. An example is the replacement of Fire Station 21. Fire facilities projects are funded with voter approved General Obligation bond proceeds. Other projects are funded with one-time money or debt financings.
- Expansion of the City's infrastructure to accommodate growing demand. The funding source for this type of project varies depending on the beneficiary.

These replacement and new construction projects are one part of OMF's asset management program. The other part is the regular major maintenance of assets. These major maintenance projects do not meet the definition of capital expenses, so are not included in this plan. They are included in the OMF five-year plan.

Capital Programs and Projects

Capital Program Descriptions

The OMF CIP is organized around the following CIP programs:

- Technology Services
- Facilities
- CityFleet
- Enterprise Business Solution
- Citywide Projects

Funding Sources

The OMF CIP includes both funded and unfunded projects. Funded projects are those where current service level resources cover the costs of the projects and no decision package is required. Unfunded projects are those that have no current service level resource to cover their costs. Since budget guidelines call for limited decision packages in FY 2014-15, these projects are discussed only in the narrative section.

Current service level resources for funded projects in this plan include:

- Interagency rates for BTS and EBS projects
- BTS operating and technology reserves for other BTS projects
- Interagency rates for CityFleet vehicle acquisition projects
- GO Bond proceeds for Fire & Rescue facilities construction projects
- Other debt financings approved by City Council

Major Projects

Major projects include:

- Station 21 construction
- Police Training Facility improvements

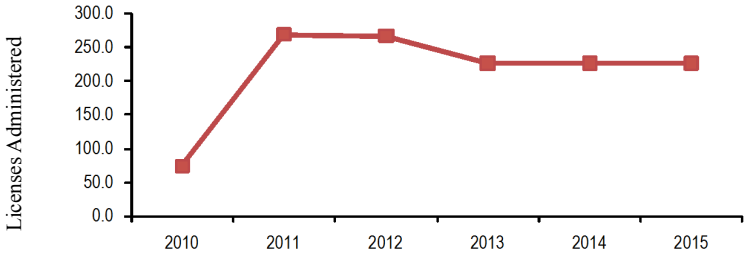
Net Operating Maintenance Costs

With the exception of the Jerome Sears Westside Operations Center improvements and fueling station being proposed by PBEM, BIBS projects in this plan have their net operating and maintenance costs included in the operating budgets of BIBS funds. Approval of the Jerome Sears Operations Center improvements and fueling station projects will require an increase in operating and maintenance costs.

Performance Measures

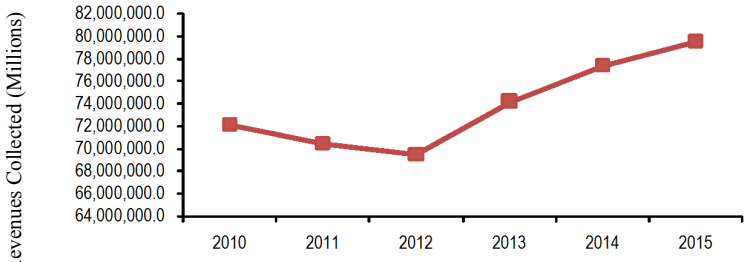
Franchisees/Utility Licenses Administered

The bureau expanded the scope of the Utility License Fee (ULF) in FY 2009-10 resulting in a 160% increase in the number of companies subject to the ULF. Utility Licenses and franchises totaled 75 in 2009 versus 226 in FY 2013-14.



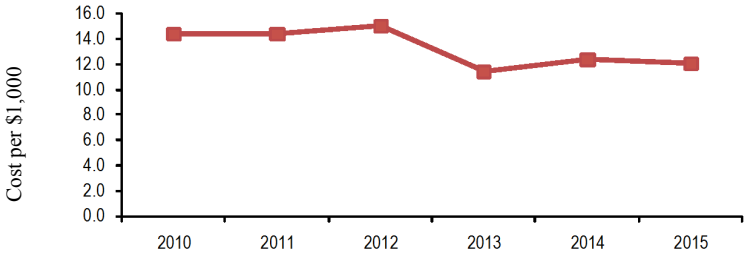
General Fund Revenues Collected

The bureau estimates collecting over $79 million in General Fund revenues in FY 2014-15 from cable, utility, telecom, utility licenses and various other franchisees. Ongoing increases can be attributed to an update in the ULF in November 2012 that requires CenturyLink and Frontier to pay 5% of gross revenue rather than 7% of dialtone revenue, a smaller base.



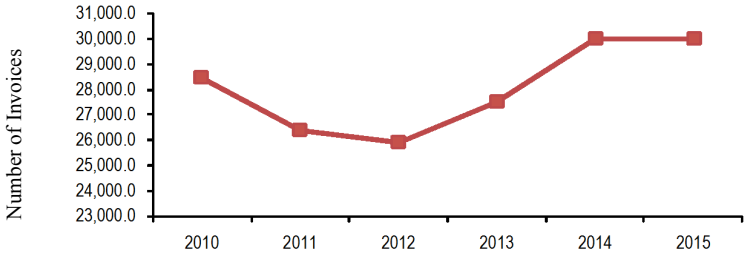
Cost per $1,000 General Fund Revenue Collected

The bureau budget for administering and collecting General Fund revenues is about 1.5% of the total General Fund revenues collected by the bureau. This means that the bureau spends approximately $12, for every $1,000 that it collects.



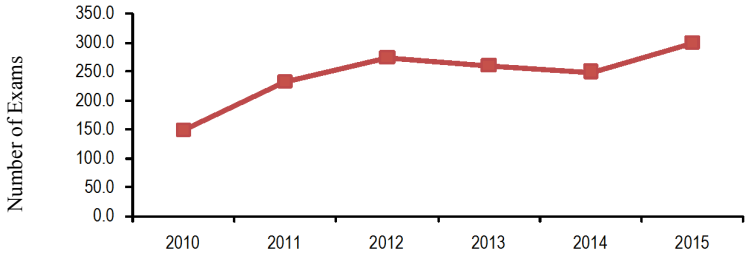
Accounts Receivable Invoices Issued

Accounts receivable invoices are recognized for all general billings, such as fire inspections, construction permits, intergovernmental billings, etc. Due to efficiencies from SAP implementation, invoices continue to increase.



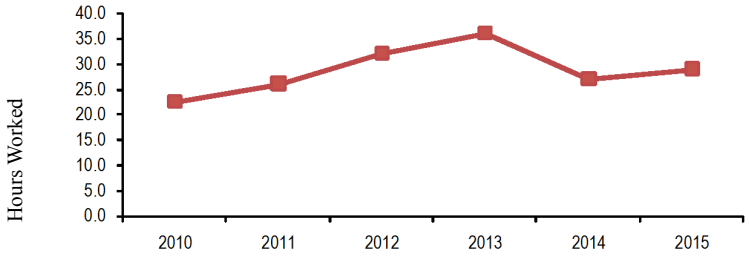
Number of Recruitments

The number of recruitments are expected to slowly increase moving forward due to both the improving financial conditions and retirements.



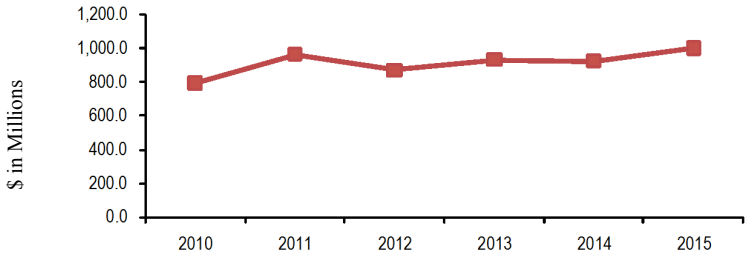
Percent of MWESB Hours Worked

The percent of minority/women contractor hours worked on City construction projects peaked in 2013 due to City economic stimulus efforts. With the cessation of the stimulus program percentages have declined but still remain favorable. Economic recovery paired with new and existing City programs to encourage minority/women utilization is expected to yield increased percentages in out years.



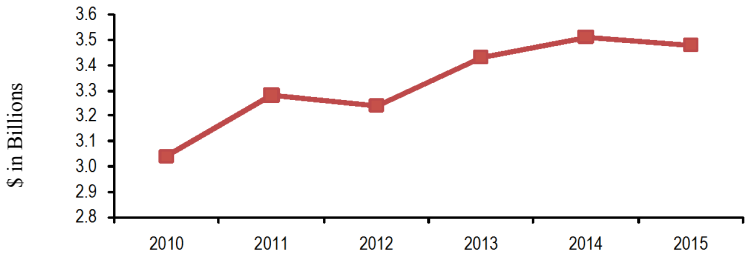
Investment Portfolio

The size of the investments managed by Treasury has slowly grown as a result of growth in City revenues. Treasury manages the City's cash assets, which are invested in accordance with the City's investment policy.



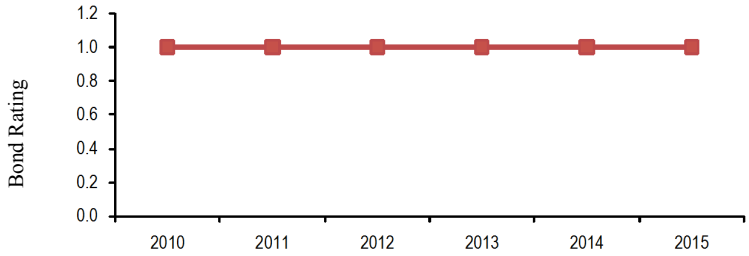
Debt Under Management

The level of debt managed by Debt Management reflects the City's investment in large capital projects.



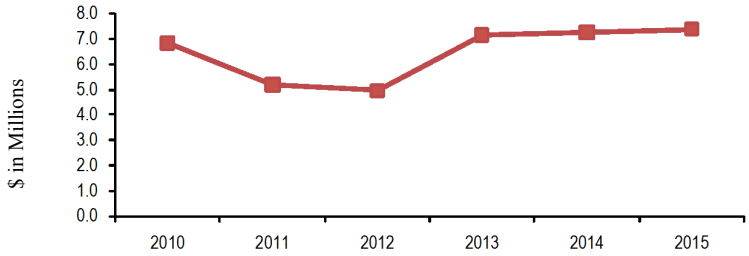
City's Unlimited Tax General Bond Rating (1=Aaa)

The City continues to maintain the highest Aaa bond rating.



Business Income Tax Gap

The tax gap is the difference between business taxes and fees owed and the amount paid. The number of new businesses has increased as the economy improves. Systematic and sustained collections have held the gap to within an acceptable range.



	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Resources					
External Revenues					
Taxes	3,522,932	14,946,055	22,052,566	22,059,000	22,059,000
Licenses & Permits	5,764,208	10,629,320	6,625,407	6,609,424	6,609,424
Charges for Services	55,673,315	61,994,004	64,368,754	66,601,791	66,601,791
Intergovernmental	14,077,695	15,178,385	11,405,249	10,313,355	11,119,623
Bond & Note	41,830,735	135,811	33,699,704	174,135	174,135
Miscellaneous	6,193,735	7,583,152	7,585,339	4,040,871	4,040,871
Total External Revenues	**127,062,620**	**110,466,727**	**145,737,019**	**109,798,576**	**110,604,844**
Internal Revenues					
General Fund Discretionary	12,160,602	12,788,008	13,746,557	15,105,076	15,144,795
General Fund Overhead	11,340,204	12,119,154	11,315,727	10,065,328	10,226,818
Fund Transfers - Revenue	17,445,571	8,607,737	12,647,318	7,808,272	8,341,707
Interagency Revenue	134,482,592	127,407,912	132,097,639	134,000,087	134,542,955
Total Internal Revenues	**175,428,969**	**160,922,811**	**169,807,241**	**166,978,763**	**168,256,275**
Beginning Fund Balance	179,842,770	194,885,323	161,902,577	138,253,033	138,253,033
Total Resources	**$482,334,359**	**$466,274,861**	**$477,446,837**	**$415,030,372**	**$417,114,152**
Requirements					
Bureau Expenditures					
Personnel Services	69,123,084	69,932,041	73,323,389	71,586,319	73,161,492
External Materials and Services	122,289,708	135,290,694	173,237,926	165,373,778	165,828,173
Internal Materials and Services	23,959,823	24,150,044	25,031,868	23,327,426	23,386,088
Capital Outlay	18,773,716	17,932,655	30,376,970	15,873,739	15,873,739
Total Bureau Expenditures	**234,146,331**	**247,305,434**	**301,970,153**	**276,161,262**	**278,249,492**
Fund Expenditures					
Debt Service	40,708,936	22,646,107	20,564,850	19,736,411	19,736,411
Contingency	0	0	138,350,253	110,812,119	110,782,669
Fund Transfers - Expense	20,033,595	7,643,744	16,561,581	8,320,580	8,345,580
Total Fund Expenditures	**60,742,531**	**30,289,851**	**175,476,684**	**138,869,110**	**138,864,660**
Ending Fund Balance	187,445,497	188,679,576	0	0	0
Total Requirements	**$482,334,359**	**$466,274,861**	**$477,446,837**	**$415,030,372**	**$417,114,152**
Divisions					
Citywide Projects	2,834,574	2,514,540	26,184,831	8,717,559	8,717,559
Office of the Chief Administrative Officer	21,036,620	23,569,897	22,010,340	23,340,766	23,340,766
Human Resources	61,277,062	62,842,013	66,360,341	66,478,560	66,778,560
Internal Business Services	86,146,132	82,357,745	101,069,859	90,822,092	92,480,931
Revenue Bureau	18,009,463	30,553,408	35,984,284	41,509,697	41,385,906
Technology Services	44,842,480	45,467,831	50,360,498	45,292,588	45,545,770
Total Divisions	**$234,146,331**	**$247,305,434**	**$301,970,153**	**$276,161,262**	**$278,249,492**

This table summarizes project expenses by capital programs. Only projects that are budgeted within the five-year capital plan are displayed.

Bureau Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
BTS								
AIX Hardware Tech. Refresh	1,022,354	77,200	618,600	0	66,200	0	0	684,800
Cherwell Capability Expansion	0	0	50,000	0	0	0	0	50,000
Enterprise Net. Tech. Refresh	1,180,713	570,000	578,400	612,100	0	0	0	1,190,500
IRNE Const. - Fiber	500,530	23,306	110,000	0	0	0	0	110,000
IRNE Net. Tech. Refresh	644,399	130,827	330,000	199,500	36,500	36,500	36,500	639,000
IRNE Voice System Tech. Refresh	0	1,546,500	0	1,546,500	1,589,420	0	0	3,135,920
Microwave Multiplexor Expansion	0	0	0	93,200	0	0	0	93,200
Microwave Radio Upgrades for Spur Sites	0	0	0	144,500	144,500	144,500	0	433,500
Office 365 Implementation	0	1,451,665	301,600	0	0	0	0	301,600
Online Payment Services	0	0	312,500	39,000	39,000	0	0	390,500
Police Juniper ISG1000 Firewall Replacement	0	0	120,000	0	0	0	0	120,000
Police SourceFire IPS	0	0	131,622	0	0	0	0	131,622
Radio Site Video Security Monitoring	0	0	0	0	90,600	90,600	0	181,200
Remote Antenna Testing and Monitoring	0	0	0	0	0	81,500	0	81,500
SAN Storage Expansion	3,465,666	775,594	548,700	440,700	440,700	440,700	349,700	2,220,500
VHF and 700 MHz NSPAC Repeater	0	0	0	0	140,600	140,600	0	281,200
Wireless Network Expansion	303,245	11,501	0	113,000	156,500	156,500	0	426,000
Total BTS	**7,116,907**	**4,586,593**	**3,101,422**	**3,188,500**	**2,704,020**	**1,090,900**	**386,200**	**10,471,042**
CityFleet								
BDS Replacement	0	0	240,672	233,294	224,786	0	0	698,752
Fire Bureau Replacement	0	0	740,563	615,259	340,674	216,779	218,923	2,132,198
Golf Replacement	0	0	269,972	246,933	224,786	152,902	400,704	1,295,297
Office of Management and Finance Replacement	0	0	249,772	195,956	85,104	246,156	273,692	1,050,680
Parks Bureau Replacement	0	0	1,208,364	834,289	1,070,709	1,351,634	430,861	4,895,857
PBOT Replacement	0	0	1,559,331	1,871,276	1,928,596	2,608,364	5,445,113	13,412,680
Police Replacement	0	0	2,105,798	2,406,614	2,134,727	2,199,199	1,175,301	10,021,639
Total CityFleet	**0**	**0**	**6,374,472**	**6,403,621**	**6,009,382**	**6,775,034**	**7,944,594**	**33,507,103**
Facilities								
Police Training Facility	6,461,566	7,681,407	1,899,475	0	0	0	0	1,899,475
Station 21 construction	3,542,361	6,895,352	3,180,755	0	0	0	0	3,180,755
Total Facilities	**10,003,927**	**14,576,759**	**5,080,230**	**0**	**0**	**0**	**0**	**5,080,230**
Citywide Projects								
Fire RMS Re-Platforming	1,186,041	699,248	0	0	0	0	0	0
Radio System Replacement	737,469	22,034,923	4,211,000	10,417,118	0	0	0	14,628,118
RegJIN Project	1,117,074	8,040,404	3,851,127	158,012	0	0	0	4,009,139
Total Citywide Projects	**3,040,584**	**30,774,575**	**8,062,127**	**10,575,130**	**0**	**0**	**0**	**18,637,257**

This table summarizes project expenses by capital programs. Only projects that are budgeted within the five-year capital plan are displayed.

Bureau Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
EBS								
HCM Forms & Processes	0	0	450,000	0	0	0	0	450,000
Total EBS	**0**	**0**	**450,000**	**0**	**0**	**0**	**0**	**450,000**
Total Requirements	**20,161,418**	**49,937,927**	**23,068,251**	**20,167,251**	**8,713,402**	**7,865,934**	**8,330,794**	**68,145,632**

Summary of OMF FY 2014-15 Requested Decision Packages

Bureau	Description	Total Request	Positions	Estimated GF Discretionary	Rank
Realignment					
Human Resources	Employment and Diversity Senior Human Resources Analyst, ongoing realignment	$ -	1.00	$ -	1
Human Resources	Workforce Development, one-time realignment	$ -	1.00	$ -	2
Revenue	Utility franchise/ license fee audit, one-time realignment	$ -	0.50	$ -	3
BIBS - Risk	Risk Specialist, ongoing realignment	$ -	1.00	$ -	4
Technology Services	BTS Police IT Information Systems Supervisor, ongoing realignment	$ -	-	$ -	5
BIBS - Facilities	Project Manager, ongoing realignment	$ -	1.00	$ -	6
BIBS - Facilities	Facilities Maintenance Technician, ongoing realignment	$ -	1.00	$ -	7
Revenue	MHCRC Special Appropriation, ongoing realignment	$ -	-	$ -	8
	Subtotal	$ -	5.50	$ -	
Key Priority					
Technology Services	Technology Disaster Planning Analyst, ongoing	$ 136,801	1.00	$ 56,369	1
BIBS - Risk	Sustain earthquake insurance coverage limits, ongoing	$ 500,000	-	$ 150,000	2
	Subtotal	$ 636,801	1.00	$ 206,369	
Critical Need					
Revenue	Tax Info Exchange - IRS and Portland, ongoing	$ 165,000	1.00	$ 165,000	1
Human Resources	City-Wide Non-Rep Classification/Compensation Study, one-time	$ 300,000	-	$ 138,510	2
Technology Services	Network Security Analyst, ongoing	$ 116,381	1.00	$ 61,682	3
BIBS - Facilities	ADA Title II Transition Plan Project Management, one-time	$ 123,121	1.00	$ 71,095	4
BIBS - CityFleet	Consolidate Multnomah County Fleet Services with CityFleet, ongoing*	$ 756,268	7.00	$ -	5
BIBS - Procurement	Assistant Procurement Specialist Position for PPS IGA, ongoing*	$ 50,000	1.00	$ -	6
BIBS - Facilities	Restore Janitorial Services, ongoing	$ 200,000	-	$ 123,530	7
Technology Services	Mitigate impact of change in Enterprise Server charges, one-time	$ 537,252	-	$ 537,252	8
Revenue	Property Management Fund GFOH Exception, one-time	$ 25,000	-	$ 25,000	9
	Subtotal	$ 2,273,022	11.00	$ 1,122,069	
	One-Time Subtotal	$ 448,121	1.00	$ 234,605	
	Ongoing Subtotal	$ 1,118,182	3.00	$ 556,581	
	Total FY 2014-15 City Resources Requested	**$ 1,566,303**	**4.00**	**$ 791,186**	
	Relignments	$ -	5.50	$ -	
	Requested for Other Bureaus	$ 537,252	-	$ 537,252	
	*Outside Revenue	$ 806,268	8.00	$ -	
	Grand Total	**$ 2,909,823**	**17.50**	**$ 1,328,438**	

Human Resources

Overview

The Bureau of Human Resources provides strategic leadership and management for Citywide human resources systems. These systems link to the overall business strategies of City Council and bureaus as they relate to strategic support, operations, benefits and wellness, payroll, classification and compensation, outreach, employment and diversity services, training and workforce development, labor relations, and affirmative action reporting. The bureau is responsible for developing and maintaining the City's Human Resources Administrative Rules, providing administrative support to the Civil Service Board, and ensuring compliance with the Health Insurance Portability and Accountability Act, as well as state and federally mandated leave laws (e.g., Family Medical Leave Act and Oregon Family Leave Act). The bureau is the SAP Human Capital Management business process owner. The bureau is also responsible, through its corporate level activities and site teams, for helping bureaus recruit, develop, and retain a competent and highly qualified workforce representative of the communities we serve.

The Bureau of Human Resources manages the Portland Police Bureau's Personnel Division and the City's health insurance programs and deferred compensation program. The bureau also provides leadership and expertise to the City Council and the Labor Management Benefit Committee, in developing strategic direction for the City's benefits and wellness programs.

The bureau is responsible for implementing the following initiatives in support of the City's equity goals:

- Workplace harassment and discrimination training
- Manager and supervisor core competency training
- Cultural competency training
- Bias reduction training
- The annual Northwest Public Employees Diversity Conference in collaboration with Multnomah, Clackamas, Clark, and Washington Counties, Metro, and the Portland Development Commission

In addition, the bureau conducts ongoing, focused outreach recruitment efforts for the City.

The budget reflects the move of Payroll to the Bureau of Human Resources. With the implementation of SAP, this will consolidate all functions related to employee pay, including personnel actions, central time administration, and payroll.

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Operations

Description

Operations and Strategic Support consists of the following three functions:

The Director's Office develops and maintains the City's administrative rules and policies and provides human resources consultation to bureau directors and City Council. The Director's Office manages the bureau's budget and the finances for the Benefits/Wellness program, provides oversight to the Operations program and their management of SAP Human Capital Management (HCM), and administers the Citywide family leave program, pre-employment medical programs, and the targeted severance program. The Director's Office also provides administrative support for the Civil Service Board.

Benefits/Wellness manages and administers the City's employee benefit plans including medical, dental, vision, life, long-term disability, dependent care and medical expense reimbursement, and employee assistance plans. The 457 Deferred Compensation plan helps employees save for retirement on a tax deferred basis.

The Operations program manages, administers, and coordinates the City's human resources and payroll systems. This program is the business process owner of SAP HCM and is responsible for business process oversight to the Organization Management, Personnel Administration, Payroll, and Time Administration programs.

Goals

Operations supports the City goal of delivering efficient, effective, and accountable municipal services and the Office of Management and Finance goals of:

- Collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.
- Delivering business solutions that take into account customer needs and interests.
- Leading Citywide initiatives that help bureaus plan for and adapt to a changing workforce.
- Providing streamlined business processes that are easy to understand, efficient, and ensure compliance.

Performance

Workload performance measures include employee personnel transactions reviewed, central time management transactions (payroll off-cycle check requests, quota adjustments/payouts and time pay override switch requests), organizational management transactions administered, and the percentage of employee basic pay records unlocked by the final payroll run. Benefits/Wellness performance measurements track participation in educational and health-related programs that help prevent obesity, cardiovascular disease, back/joint health, and stress/depression.

Changes to Services and Activities

The City continues its efforts to moderate health care costs through collaboration with the City's unions by seeking input on plan design, disease management, wellness, and other health plan initiatives. In collaboration with Enterprise Business Solutions, the Operations program will manage and support business process improvements in FY 2014-15 that streamline and automate organizational management and personnel transaction forms.

Human Resources

City Support Services Service Area

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	22.00	26.00	36.00	36.00	36.00
Expenditures					
Benefits/Wellness	(50,793)	(55,192)	46,256	639	639
Deferred Compensation	0	259,903	279,363	287,553	287,553
Health Insurance	30,589,690	52,348,398	57,819,589	57,623,351	57,623,351
HR Systems & Records	1,175,500	2,505,073	3,277,077	3,544,646	3,544,646
Total Expenditures	**31,714,397**	**55,058,182**	**61,422,285**	**61,456,189**	**61,456,189**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Number of payroll checks without error	204,053	158,304	161,600	162,400	162,400
Efficiency					
Percentage of payroll checks direct deposited	91%	88%	95%	96%	96%
Number of manual payroll checks issued	3,763	2,340	3,100	2,700	2,700

HR Corporate Services

Description

HR Corporate Services consists of the following four functions:

Classification/Compensation designs, implements, monitors, and maintains Citywide classification and compensation plans, programs, policies, and systems. Diversity, Outreach, and Employment Resources provides consulting services for Citywide recruiting strategies, including focused outreach services to increase the diversity of the City's workforce, processes and programs. Labor Relations oversees labor negotiations, responds to grievances, and acts as the official representative of the City with nine employee bargaining units. Training and Workforce Development creates and implements training programs Citywide.

Goals

By providing the legal framework for compensation; seeking high-quality candidates; educating the workforce to be respectful of diversity, equity, and cultural differences; planning thoughtful labor negotiation strategies; and providing training and development opportunities, HR Corporate Services supports the City goal of delivering efficient, effective, and accountable municipal services and the Office of Management and Finance goals of :

- Providing programs to attract, on-board, develop and retain a skilled, knowledgeable, and diverse City workforce.
- Creating and sustaining a workplace within OMF that promotes a balance between employee innovation, accountability and business needs.
- Collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.
- Delivering business solutions that take into account customer needs and interests.
- Leading Citywide initiatives that help bureaus plan for and adapt to a changing workforce.

Performance

The number of annual classification actions submitted to Classification/ Compensation are indicative of the number of items reviewed and processed through classification requests and other reviews. Affirmative Action reporting monitors activity related to hiring, promotion and termination of employees and the percentage of diverse applicants in each recruitment. The recruitment value reflects the City's networking and outreach efforts. The percentages for female and minority applicants are expected to reach 35% for female applicants and 19% for minority applicants in FY 2014-15. Training and Workforce Development measures performance based on the number of training and development opportunities offered and the number of City employees who receive and complete training.

Changes to Services and Activities

In FY 2014-15, Classification/Compensation submitted a budget request to review the non-represented compensation structure, and plans to continue updating classification specifications and undertaking various market surveys. Training and Workforce Development will continue to work with the Bureau of Technology Services and Enterprise Business Solution to implement an e-learning system to streamline training for City employees. Budget realignment packages have been submitted for the design of a new employee on-boarding process and the expansion of outreach programs to assist bureaus in diversifying their workforce.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	26.00	25.00	20.00	20.00	22.00
Expenditures					
Citywide Training	101,825	(4,269)	10,604	18,000	137,000
Class/Compensation	304,661	540,769	586,602	566,904	866,904
Diversity/Affirmative Action	177,520	349,146	397,727	376,798	376,798
Employment/Development	564,624	749,656	711,920	648,341	774,120
Labor Relations	353,015	723,138	795,202	997,248	752,469
Total Expenditures	**1,501,645**	**2,358,440**	**2,502,055**	**2,607,291**	**2,907,291**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of recruitments meeting original or renegotiated timelines	90%	90%	90%	85%	90%
Percentage of female applicants per recruitment	30%	37%	32%	35%	35%
Percentage of minority applicants per recruitment	20%	19%	18%	19%	19%
Workload					
Number of classification actions annually	435	409	460	460	460
Total number of grievances received by the LR system	83	91	125	125	125
Number of employment exams posted	275	260	250	300	300
Number of participant training hours coordinated or presented by the Bureau of Human Resources	8,419	9,993	6,000	9,000	9,000
Number of employment applications received	14,000	13,405	15,000	16,000	16,000
Number of interim and successor agreement negotiations	26	32	18	18	18
Number of labor relations training sessions	21	21	23	25	25
Number of benefit education presentations	NA	52	56	65	65
Number of fitness class participants	NA	12	15	18	18
Number of employees enrolled in health coaching programs	NA	133	220	275	275

Site Teams

Description

The Site Teams and Police HR provide human resources consultation, services, programs and training to ensure that bureau directors, managers, supervisors, and employees have the information and resources necessary to meet their business and work-related needs. These HR professionals facilitate bureaus' use of all human resources programs and coordinate a Citywide approach to the application of rules, policies, and best practices.

Goals

By helping bureaus plan for and adapt to a changing workforce, and providing programs to attract, on-board, develop and retain a skilled, knowledgeable, and diverse City workforce, the Site Teams support the City's goal to deliver efficient, effective, and accountable municipal services, and support the Office of Management and Finance goals of:

- Leading Citywide initiatives that help bureaus plan for and adapt to a changing workforce.
- Providing programs to attract, on-board, develop and retain a skilled, knowledgeable, and diverse City workforce.
- Creating and sustaining a workplace within OMF that promotes a balance between employee innovation, accountability and business needs.
- Increasing Citywide employee participation in wellness programs and safety initiatives.
- Providing streamlined business processes that are easy to understand, efficient and ensure compliance.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Delivering business solutions that take into account customer needs and interests.
- Collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.

Performance

The performance measures for the Site Teams and Police HR indicate the level of the City's investment in managing its workforce and are used as a standard comparison with other organizations. The Site Teams will continue to develop and deliver training for managers, supervisors, and employees as needed and requested to develop an engaged and high-performing workforce. Site Teams will continue to work with bureaus to develop talent development plans that build bench strength for key positions likely to be vacated through retirements. Site teams will continue to enhance online tools and resources for managers and supervisors to enable them to easily find information and resources needed to manage their employees.

Changes to Services and Activities

The Site Teams and Police HR are focusing on continuing to improve customer service in FY 2014-15. As identified through the recently updated BHR Strategic Plan, Site Teams will collaboratively work with bureaus to identify bureau business needs and strategically align BHR services to support bureau success.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	20.00	20.00	20.00	20.00	20.00
Expenditures					
Site Teams	2,318,954	2,201,616	2,436,001	2,415,080	2,415,080
Total Expenditures	**2,318,954**	**2,201,616**	**2,436,001**	**2,415,080**	**2,415,080**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Efficiency					
Number of City employees per Bureau of Human Resources employee	83	73	78	78	76
Cost of providing human resource service per City full time employee	$1,703	$1,653	$1,968	$1,968	$2,123

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Resources					
External Revenues					
Charges for Services	47,497,595	50,898,966	55,428,601	57,718,398	57,718,398
Miscellaneous	1,238,952	1,021,361	3,425,983	909,301	909,301
Total External Revenues	**48,736,547**	**51,920,327**	**58,854,584**	**58,627,699**	**58,627,699**
Internal Revenues					
General Fund Discretionary	3,648,968	3,283,904	3,142,779	4,008,444	4,146,954
General Fund Overhead	3,264,067	4,691,437	5,085,006	4,521,212	4,682,702
Fund Transfers - Revenue	445,397	1,784,266	4,690	0	0
Interagency Revenue	708,224	331,663	0	0	0
Total Internal Revenues	**8,066,656**	**10,091,270**	**8,232,475**	**8,529,656**	**8,829,656**
Beginning Fund Balance	17,492,185	13,020,637	11,773,185	11,278,247	11,278,247
Total Resources	**$74,295,388**	**$75,032,234**	**$78,860,244**	**$78,435,602**	**$78,735,602**
Requirements					
Bureau Expenditures					
Personnel Services	8,427,914	8,133,376	8,692,112	8,887,095	9,105,635
External Materials and Services	51,243,966	53,245,737	56,320,055	56,395,229	56,476,689
Internal Materials and Services	1,605,182	1,462,900	1,348,174	1,196,236	1,196,236
Total Bureau Expenditures	**61,277,062**	**62,842,013**	**66,360,341**	**66,478,560**	**66,778,560**
Fund Expenditures					
Debt Service	22,989	25,183	28,820	31,090	31,090
Contingency	0	0	12,336,499	11,650,753	11,650,753
Fund Transfers - Expense	829,882	402,458	134,584	275,199	275,199
Total Fund Expenditures	**852,871**	**427,641**	**12,499,903**	**11,957,042**	**11,957,042**
Ending Fund Balance	13,020,637	11,762,580	0	0	0
Total Requirements	**$75,150,570**	**$75,032,234**	**$78,860,244**	**$78,435,602**	**$78,735,602**
Programs					
Accounting	934,005	884,376	0	0	0
Administration & Support	1,339,028	195,138	0	0	0
Benefits	21,880,878	2,090,850	0	0	0
Class/Compensation	253,074	0	0	0	0
Diversity Development/Affirmative Action	261,308	20,360	0	0	0
Employment & Development	493,094	884	0	0	0
HR Corporate Services	1,501,645	2,358,440	2,502,055	2,607,291	2,907,291
Labor Relations	300,014	0	0	0	0
Operations	31,714,397	55,058,182	61,422,285	61,456,189	61,456,189
Public Finance and Treasury	112,737	0	0	0	0
Site Teams	2,318,954	2,201,616	2,436,001	2,415,080	2,415,080
Special Appropriation - City Support Services	72,046	32,167	0	0	0
Treasury	95,882	0	0	0	0
Total Programs	**61,277,062**	**$62,842,013**	**$66,360,341**	**$66,478,560**	**$66,778,560**

Class	Title	Salary Range Minimum	Salary Range Maximum	Revised FY 2013-14 No.	Revised FY 2013-14 Amount	Requested No DP FY 2014-15 No.	Requested No DP FY 2014-15 Amount	Requested FY 2014-15 No.	Requested FY 2014-15 Amount
30000063	Accountant II	51,397	64,688	1.00	60,648	1.00	62,796	1.00	62,796
30000064	Accountant III	56,597	71,178	1.00	71,184	1.00	71,184	1.00	71,184
30000562	Accounting Supervisor, Sr	65,478	87,422	1.00	76,272	1.00	79,404	1.00	79,404
30000434	Administrative Assistant	46,571	71,739	1.00	75,336	1.00	75,336	1.00	75,336
30000433	Administrative Specialist, Sr	43,368	66,768	4.00	213,414	4.00	218,973	4.00	218,973
30000436	Administrative Supervisor I	56,534	75,338	1.00	75,336	1.00	75,336	1.00	75,336
30001586	Affirmative Action/Diversity Analyst, Sr	59,342	79,123	1.00	65,074	1.00	67,740	1.00	67,740
30000539	Benefits Analyst	59,342	79,123	3.00	233,760	3.00	236,082	3.00	236,082
30001535	Benefits Coordinator	65,478	87,422	1.00	78,684	1.00	81,364	1.00	81,364
30000541	Benefits Manager	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000538	Benefits Specialist	56,534	75,338	1.00	67,272	1.00	69,562	1.00	69,562
30000449	Business Systems Analyst, Sr	65,478	87,422	1.00	83,336	1.00	86,640	1.00	86,640
30000533	Classification/Compensation Analyst, Sr	59,342	79,123	2.00	136,584	2.00	138,468	2.00	138,468
30000534	Classification/Compensation Coordinator	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000535	Classification/Compensation Manager	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000527	Employment & Development Coordinator	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000569	Financial Analyst, Principal	77,584	103,355	1.00	101,772	1.00	103,356	1.00	103,356
30000522	Human Resources Analyst, Sr	59,342	79,123	5.00	394,200	5.00	395,640	6.00	476,904
30000523	Human Resources Coordinator	65,478	87,422	13.00	1,091,529	13.00	1,106,626	13.00	1,106,626
30000409	Human Resources Director	119,205	170,830	1.00	170,832	1.00	170,832	1.00	170,832
30000526	Human Resources Director, Assistant	106,038	151,798	1.00	151,800	1.00	151,800	1.00	151,800
30000525	Human Resources Manager, Police	83,450	111,114	1.00	105,135	1.00	109,236	1.00	109,236
30000524	Human Resources Site Team Manager	83,450	111,114	3.00	327,620	3.00	331,660	3.00	331,660
30001633	Human Resources System Manager	83,450	121,576	1.00	118,356	1.00	121,572	1.00	121,572
30001858	Human Resources System Specialist	56,534	75,338	5.00	326,220	5.00	335,814	5.00	335,814
30000520	Human Resources Technician	46,571	71,739	4.00	254,394	4.00	261,260	4.00	261,260
30001834	Labor Relations Analyst	56,534	75,338	1.00	75,336	1.00	75,336	1.00	75,336
30001833	Labor Relations Analyst, Senior	59,342	79,123	1.00	73,041	1.00	76,035	1.00	76,035
30000536	Labor Relations Coordinator	72,134	96,928	3.00	274,683	3.00	280,246	3.00	280,246
30000537	Labor/Employee Relations Manager	83,450	127,774	1.00	118,308	1.00	122,752	1.00	122,752
30000011	Office Support Specialist I	29,640	42,370	1.00	38,835	1.00	41,454	1.00	41,454
30000012	Office Support Specialist II	32,552	46,758	2.00	93,528	2.00	93,528	2.00	93,528
30000013	Office Support Specialist III	41,642	55,203	3.00	159,317	3.00	163,605	3.00	163,605
30000530	Outreach Emp & Diversity Resources Mgr	83,450	127,774	1.00	127,776	1.00	127,776	1.00	127,776
30000464	Program Coordinator	62,338	83,138	2.00	152,904	2.00	158,641	2.00	158,641
30000463	Program Specialist	56,534	75,338	1.00	56,532	1.00	58,269	1.00	58,269
30000531	Training & Development Analyst	59,342	79,123	1.00	65,380	1.00	68,060	1.00	68,060
30001708	Training & Development Manager	77,584	103,355	1.00	111,108	1.00	111,108	1.00	111,108
TOTAL FULL-TIME POSITIONS				75.00	6,022,562	75.00	6,124,547	76.00	6,205,811
TOTAL PART-TIME POSITIONS				0.00	0	0.00	0	0.00	0
30000568	Financial Analyst, Sr	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000531	Training & Development Analyst	59,342	79,123	0.00	0	0.00	0	1.00	75,000
TOTAL LIMITED TERM POSITIONS				1.00	87,420	1.00	87,420	2.00	162,420
GRAND TOTAL				76.00	6,109,982	76.00	6,211,967	78.00	6,368,231

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 02 **Type:** Realignments

Decision Package: MF_02 - BHR-Workforce Development **Program:** Training and Development

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	105,236	0	105,236	0	0	0	0	0
External Materials and Services	(105,236)	0	(105,236)	0	0	0	0	0
Contingency	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Interagency Revenue	0	0	0	0	0	0	0	0
TOTAL REVENUES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FTE								
Limited Term Positions	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

This decision package will fund a new limited-term Training Development Analyst and associated materials and services to assist in the creation of a City-Wide new employee onboarding process. This new onboarding process will incorporate standardized orientation information and leverage the City's new eLearning system, CityLearner. The onboarding process also can be tailored for specific bureau and job role requirements. The City of Portland hires approximately 1,000 employees in a fiscal year, of which about one-third are regular full-time and two-thirds are seasonal/temporary employees. The new employee onboarding process will provide resources for both of these employee types.

This decision package proposes to use the savings OMF will realize from the update of the Enterprise Server cost allocation metrics as a realignment resource. The Bureau of Technology Services (BTS) updated the cost allocation metrics for the Enterprise Server to reflect current and planned usage. Since OMF and the City Budget Office (CBO) no longer routinely use IBIS historical financial and personnel data and the Water Bureau no longer routinely uses their historical billing information that are housed on the server, OMF assumed they will be off the server on July 1, 2014. This will eliminate an expense for OMF, CBO and the Water Bureau. (Note: OMF is submitting a decision package requesting one-time resources to mitigate the impact of the change for the Police Bureau and the Auditor's Office, the remaining users of the Enterprise Server).

The server savings was initially budgeted in external materials and services. This realignment request moves $105,236 to cover personnel costs and retains $13,764 in external materials and services to cover other costs associated with the position, for a total realignment request of $119,000.

Expected Results:

This program will benefit both new hires and managers/supervisors within the City through the following procedures: 1) New hires will have necessary information and resources readily available and delivered in a timely manner; 2) The City will avoid costs associated with employee performance and workplace behavior issues because expectations will be more clearly established and reinforced; 3) Managers and supervisors will become more effective at addressing and resolving employee performance standards; 4) Citywide information will be standardized and shared, creating a more cohesive workplace culture across the City; 5) City bureaus will be able to create orientation and onboarding modules to meet specific bureau requirements.

OMF submitted a request to the Innovation Fund for this package totaling $150,000. The amount of the realignment request is slightly reduced due to the availability of realignment dollars.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 01 **Type:** Realignments

Decision Package: MF_11 - BHR-Senior Human Resources Analyst **Program:** Diversity, Outreach & Employment Resources

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	113,304	113,304	0	0	0	0	0
External Materials and Services	0	(113,304)	(113,304)	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

This decision package would restore a Senior Human Resources Analyst within the Diversity, Outreach, and Employment Resources program which was eliminated due to budget reductions in FY 2013-14. This position would provide outreach, create announcements, review applications, create certifications lists, send qualified applications to supervisors and managers for review, conduct reviews, and create assessment centers. This position will assist the program in understanding and implementing the new Veterans Preference requirements. This position would also provide expertise in the use of social media and backup for the Senior HR Analyst in the same work unit who is responsible for all affirmative action data collection and reporting This decision package aligns with the Council Identified Focus area of Equity & Inclusion and Government Efficiency. Recently, results of the BHR customer service survey indicated the need for the restoration of the Senior HR Analyst position.

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This decision package proposes to use the savings OMF will realize from the update of the Enterprise Server cost allocation metrics as a realignment resource. The Bureau of Technology Services (BTS) updated the cost allocation metrics for the Enterprise Server to reflect current and planned usage. Since OMF and the City Budget Office (CBO) no longer routinely use IBIS historical financial and personnel data and the Water Bureau no longer routinely uses their historical billing information that are housed on the server, OMF assumed they will be off the server on July 1, 2014. This will eliminate an expense for OMF, CBO and the Water Bureau. (Note: OMF is submitting a decision package requesting one-time resources to mitigate the impact of the change for the Police Bureau and the Auditor's Office, the remaining users of the Enterprise Server).

The server savings was initially budgeted in external materials and services. This realignment request moves $113,304 to cover personnel costs and retains $12,475 in external materials and services to cover other costs associated with the position, for a total realignment request of $125,779.

Expected Results:

The approval of this decision package means BHR would be able to perform the full range of recruitment activities for city bureaus including the very time consuming initial screening of all applications to determine whether the applicants meet the minimum qualifications for the position. This package also will enable BHR to continue to improve its outreach activities, including the development and maintenance of a "resource central" tool to provide contacts and information to city bureaus to enhance their own outreach activities. If BHR is unable to add this position, the ability to perform on-demand recruitment services for City Bureaus will continue to be impacted. Applicant screenings will take longer and there will be less focused outreach efforts. In addition, BHR anticipates a higher workload from bureaus as more employees retire which makes approving the position even more crucial.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 02 **Type:** Critical Needs

Decision Package: MF_12 - BHR-City-Wide Non-Rep Class/Compensation Study **Program:** Classification Compensation

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
External Materials and Services	300,000	0	300,000	0	0	0	0	0
TOTAL EXPENDITURES	**300,000**	**0**	**300,000**	**0**	**0**	**0**	**0**	**0**
REVENUES								
General Fund Discretionary	138,510	0	138,510	0	0	0	0	0
General Fund Overhead	161,490	0	161,490	0	0	0	0	0
TOTAL REVENUES	**300,000**	**0**	**300,000**	**0**	**0**	**0**	**0**	**0**

Description:

This decision package requests one-time funds in support of a City-Wide comprehensive job classification and compensation study. The non-represented pay structure and classifications have not been reviewed since 1999. Best practice recommends a review every two years at a minimum. Problems have arisen over time as pay equity has not been maintained and classification specifications have become outdated. During the City's span of control study it became clear that employees had been promoted to supervisory classifications as a way to increase compensation in order to retain these employees for their expertise, but that supervision was not necessarily the key job responsibility. Multnomah County encountered a similar issue when they conducted their span of control study. The City is now in a position of not being able to compete for talent or retain the most qualified employees. Broadly described classification specifications mean that Bureaus often have to submit classification actions to more accurately describe the work and to pay the person appropriately. As retirements continue to occur, the City will be increasingly challenged with being unable to manage its human resources. This package aligns with both succession planning and equity goals by creating a more responsive and modern classification/compensation system. The City has hundreds of classifications. For a project of this magnitude, outside consulting assistance is required. It will take approximately 18 months to 2 years to complete the study. BHR staff will work closely with the consultants. This decision packages aligns with the Council Identified Focus Area of Fiscal Sustainability and Government Efficiency.

Expected Results:

This package is expected to result in a streamlined classification system allowing for fewer classifications, thus making future updates easier (changes happen to employee position descriptions-not to classifications). This results in better HR control of classification and compensation systems, which allows for easier pay structure creation, management, market surveys and updates due to broader class specifications. By having an updated classification and compensation plan in place, training and development programs can be targeted to the specific knowledge and needs of employee groups. Succession planning will also become a better informed process.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Charges for Services	47,497,488	50,876,978	55,126,238	57,410,845	57,410,845	
Miscellaneous	980,786	753,477	3,425,983	909,301	909,301	
Total External Revenues	**48,478,274**	**51,630,455**	**58,552,221**	**58,320,146**	**58,320,146**	
Fund Transfers - Revenue	3,897	1,482,446	4,690	0	0	
Interagency Revenue	188,750	275,753	0	0	0	
Total Internal Revenues	**192,647**	**1,758,199**	**4,690**	**0**	**0**	
Beginning Fund Balance	17,492,185	13,020,637	11,762,581	11,260,247	11,260,247	
Total Resources	**66,163,106**	**66,409,291**	**70,319,492**	**69,580,393**	**69,580,393**	
Requirements						
Personnel Services	1,115,801	1,110,221	1,340,028	1,305,358	1,305,358	
External Materials and Services	50,623,590	52,601,909	55,943,979	55,789,340	55,789,340	
Internal Materials and Services	550,207	506,940	535,582	528,653	528,653	
Total Bureau Expenditures	**52,289,598**	**54,219,070**	**57,819,589**	**57,623,351**	**57,623,351**	
Debt Service	22,989	25,183	28,820	31,090	31,090	
Contingency	0	0	12,336,499	11,650,753	11,650,753	
Fund Transfers - Expense	829,882	402,458	134,584	275,199	275,199	
Total Fund Expenditures	**852,871**	**427,641**	**12,499,903**	**11,957,042**	**11,957,042**	
Ending Fund Balance	13,020,637	11,762,580	0	0	0	
Total Requirements	**66,163,106**	**66,409,291**	**70,319,492**	**69,580,393**	**69,580,393**	

Fund Overview

The Health Insurance Operating Fund is used to pay medical, prescription and dental claims for City employees, dependents, retirees, and other participants in the City's self-insured medical and dental plans. The fund collects revenue through bureau, employee, and self-pay contributions.

Health Insurance Operating Fund expenses include medical claims, dental claims, prescription claims, third-party administration costs, stop-loss insurance, fees and taxes associated with healthcare reform, miscellaneous benefits administration costs, and General Fund overhead charges. The City's benefits administration staff and related materials and services are budgeted within the fund.

The fund's reserve must be sufficient to cover Incurred But Not Paid (IBNP) claims (claims incurred but submitted for payment in another plan year) and large claims between $100,000 and $350,000. Stop-loss insurance is purchased to cover large claims exceeding $350,000. Reserves include a medical IBNP, dental IBNP, medical large claims reserves, and medical contingency reserve at a 99% confidence interval and a dental contingency reserve at a 99% confidence interval. Any additional reserves are used to offset future plan increases within the Health Fund five year forecast.

Managing Agency Office of Management & Finance, Bureau of Human Resources

Significant Changes from Prior Year

FY 2014-15 Assumptions

Health Insurance Operating Fund claims expenditures are projected to be $56 million in FY 2013-14. Of this amount $51 million are medical claims and $5 million are dental. Through collective bargaining agreements, health premiums are paid 95% by the City and 5% by the employee, for most plans.

The City's medical claims are expected to increase by approximately 6%. This increase is inclusive of prescription medications and all other administrative charges to the plan, including changes mandated through healthcare reform laws. Health reform related taxes and fees are estimated to be $979,449, but are already included in the overall number.

Other Changes

The City continues its efforts to moderate costs through collaboration with the City's unions, seeking input on plan design, disease management, wellness, and other health plan initiatives. The City will also continue working to educate employees about preventive care, overall program costs and individual responsibility to make decisions about health and healthcare that will improve the overall health status of plan participants and will moderate expected plan increases over time.

Bureau of Internal Business Services

Overview

The Bureau of Internal Business Services (BIBS) serves the public and businesses by directly supporting all other City departments. Bureau of Internal Business Services strives to provide quality services in an efficient, innovative, and cost effective manner to meet the needs of our customers' businesses, the public, and internal City bureaus. The Bureau of Internal Business Services develops and implements policies and procedures that reflect the City's commitment to social, environmental, and economic sustainability goals.

The Directors Office provides overall oversight and support to the five divisions through leadership in policy development, planning, accountability, service integration, and customer service. The Director's Office is also responsible for efficient management and allocation of bureau resources, administrative control, accomplishment of goals, and continuous improvement efforts. The cost of the Director's Office is proportionately allocated to the five divisions.

The bureau consists of the following five divisions:

CityFleet provides professional and technical services for municipal fleet vehicles and specialized equipment to meet both the day-to-day needs of the City and emergency events. CityFleet's key functional areas include new additions and replacement equipment, maintenance and repair, parts and fuel, lease and rental equipment, body and paint, and motor pool. CityFleet performs work on a technologically diverse fleet of over 2,950 units valued at approximately $115 million, including patrol cars, dump trucks, hybrid, electric vehicles, and construction equipment.

Facilities Services maintains approximately 3.5 million square feet of buildings and properties including Police precincts, office buildings, labs, parking structures, emergency services, radio towers, and Bull Run headworks facilities. Facilities Services consists of five primary programs: Property Management, Project Management, Sustainable Operations and Maintenance, Contract Development, and Title VI Civil Rights/Title II Americans with Disabilities Act (ADA).

Risk Management minimizes the City's financial risk while creating and promoting a safe work environment. Risk Management administers the City's self-insured general liability, fleet liability, and workers compensation, and manages the City's portfolio of insurance, including property, excess workers compensation, and excess liability insurance. Risk advises and assists bureaus in managing risk of injury involving employees, City property, and the public.

Procurement Services provides leadership, policy development, oversight, and management of the City's procurement and contracting processes that insure equity and sustainability when public funds are being spent. Among its duties, Procurement promotes and identifies business opportunities that are mutually advantageous to vendors, contractors and the City, while ensuring all materials, supplies, equipment and services are acquired in compliance with applicable procurement legislation in City code.

Printing and Distribution (P&D) provides centralized, cost-effective reproduction and mailing services to the City, other agencies, and the general public. P&D supports bureaus cost-control efforts through ongoing consultation services and ensures the City's printing and mailing standards are used on all projects.

Fleet Services

Description

CityFleet provides professional and technical services for municipal fleet vehicles and specialized equipment to meet the day-to-day and incident, emergency response needs of the City and fleet services for other governmental agencies. CityFleet manages key functional areas that include new additions and replacement equipment, maintenance and repair, parts and fuel, lease and rental equipment, body and paint, and motor pool.

CityFleet work is performed on a technologically diverse fleet of over 2,950 units ranging from patrol cars, to dump trucks, to hybrid and all electric vehicles, to construction equipment. Vehicles and equipment managed by CityFleet are valued at approximately $115 million. Mission critical service is provided through nine fueling stations and seven maintenance facilities. Services include application design, specification writing, procurement, new vehicle outfitting, repair, maintenance, auto body work, welding, machining, project design, and metal fabrication. CityFleet is also responsible for maintaining emergency generators, renting construction equipment, and disposing of vehicles at the end of their economic lifecycles. Additionally, CityFleet operates a central motor pool shared by bureaus that have an occasional need for vehicles. CityFleet is also a regional service provider for local governmental agencies.

Goals

Through high quality and skilled service delivery, CityFleet supports the City goals of delivering efficient, effective, and accountable municipal services and the Office of Management and Finance goals of:

- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.
- Developing OMF business processes that support the City's sustainability goals.

Performance Measures

CityFleet's performance and achievements were recognized nationally as the #1 Fleet in North America for 2011 and an Elite Fleet in 2012 and 2013, which is the highest honor given by Government Fleet Magazine's Top 100 Fleets in North America Program. CityFleet's numerous accomplishments include maintaining cost-effective and competitive services with labor rates and fuel charges below the Portland market, 95% fleet availability, 95% customer service satisfaction, and completing 90% of vehicle and equipment repairs within 24 hours, well above the fleet industry benchmark of 70%. CityFleet continues to implement green initiatives, including using B-20 biodiesel for the entire diesel fleet and implementing hybrid and electric technologies.

Changes to Services and Activities

CityFleet's service levels are driven by customer demand. For FY 2014-15, CityFleet expects to expand its fleet services to Portland Public Schools, Multnomah County, and other governmental agencies.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	77.00	77.00	78.00	78.00	85.00
Expenditures					
Fleet Services	487	0	0	0	0
Maintenance and Repair	3,966,450	17,122,186	18,613,046	19,826,229	20,582,497
New and Replacement Acqs	597,726	4,522,989	12,923,651	9,171,504	9,171,504
Vehicle Pool	52,652	61,585	82,419	51,359	51,359
Total Expenditures	**4,617,315**	**21,706,760**	**31,619,116**	**29,049,092**	**29,805,360**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Average percentage availability of the fleet	95%	93%	93%	90%	90%
Percentage of total fleet vehicles that are leased	0.5%	0.5%	0.5%	0.5%	0.5%
Percentage of time spent on scheduled versus unscheduled repair (preventive maintenance compliance)	96%	89%	90%	70%	70%
Percentage of customers rating acquisition service satisfaction "usually"" or ""always"	98%	98%	95%	95%	95%
Percentage of customers rating repair service satisfaction "usually" or "always"	95%	98%	97%	95%	95%
Efficiency					
Percentage of usage against availability	81%	81%	80%	80%	80%
Rate instock parts filled	83%	82%	81%	80%	80%
Percentage of acquisition projects under budget	98%	98%	93%	90%	90%
Percentage of CityFleet vehicles that utilize alternate fuel and hybrid technology	41%	41%	46%	45%	45%
Workload					
Number of new vehicles purchased	164	291	254	250	250
Percentage of fleet purchase completed by December 31	70%	67%	65%	65%	65%

Facilities Services

Description

Facilities Services manages and maintains safe and energy efficient facilities that support City operations and use by the general public. Facilities provides services to 3.5 million square feet of buildings and properties ranging from Police precincts, office buildings, labs, parking structures, emergency services, radio towers, and Bull Run headworks facilities. Properties are primarily located in the downtown core area and within City limits, but extend as far as Mt. Hood. Services range from procuring properties and addressing ADA issues to construction and full property management. Programs include Property Management, Project Management, Sustainable Operations and Maintenance, Title VI Civil Rights/Title II ADA, and Contract Development.

Goals

By maintaining and providing services to City owned and operated properties, Facilities Services supports the City goals of delivering efficient, effective, and accountable municipal services and the Office of Management and Finance goals of:

- Securing adequate and sustainable funding to maintain and replace critical technology and facilities infrastructure.
- Developing OMF business processes that support the City's sustainability goals.
- Delivering business solutions that take into account customer needs and interests.
- Collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.

Performance

Facilities Services managed projects with a total value of over $9.2 million in FY 2012-13. They completed over 4,955 scheduled and requested work orders during FY 2012-13, with a square foot per maintenance FTE of 287,429. The majority of buildings in the Facilities Services portfolio are maintained in good or better condition according to the facility condition index.

Changes to Services and Activities

Achieving budget targets for FY 2013-14 required significant reductions in many areas of Facilities Services. Maintenance services reductions could result in premature deterioration of building assets and an increased risk of environmental issues for employees due to the level of cleaning reductions. In FY 2014-15, Facilities is requesting funding to restore the most critical janitorial services.

Reductions to security in the Portland Building and City Hall increased work load on our Facilities Dispatchers and reduced the amount of staff time available for meeting room reservations and maintenance requests. Increases in the number of square feet maintained by Facilities without staffing increases created longer lag times for construction projects, maintenance projects and routine or preventative maintenance response. The FY 2014-15 Request Budget proposes staffing increases in Maintenance and Project Management that will improve service delivery. However, due to staffing constraints, the Strategic Energy Management program will be eliminated in FY 2014-15, which may lead to increased costs to bureaus in the areas of utilities and other resource management areas, as well as making it less likely to meet the Climate Action Plan requirements.

Internal Business Services

City Support Services Service Area

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	36.00	34.00	33.00	32.00	35.00
Expenditures					
Facilities Services	0	1,065	0	0	0
Operations and Maintenance	4,423,797	16,934,835	23,736,853	29,051,732	29,193,700
Project Management	1,364,938	10,775,918	17,359,619	5,716,577	5,810,609
Property Management	142,827	996,822	231,526	244,655	244,655
Spectator Facilities	88,477	5,827	0	0	0
Support Services	872,543	1,794,800	2,295,574	1,815,782	1,932,353
Total Expenditures	**6,892,582**	**30,509,267**	**43,623,572**	**36,828,746**	**37,181,317**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of City facilities maintained in good or better condition	94%	61%	61%	61%	61%
Efficiency					
Total square footage per property management employee	786,155	794,578	797,376	794,595	794,595
Square foot of portfolio per maintenance Full Type Equivalent	287,693	277,089	277,089	287,429	268,267
Workload					
Total square footage of facilities managed	1,572,310	1,589,156	1,594,751	1,589,189	1,589,189
Number of internal leases	98	194	194	195	195
Number of external leases	51	53	53	49	49
Value of projects completed	$8,600,000	$9,300,000	$8,000,000	$9,500,000	$9,500,000
Number of work orders completed for scheduled maintenance	3,304	2,842	2,900	2,842	3,045
Number of work orders completed for customer service requests	5,163	4,729	4,900	4,729	5,066

Printing & Distribution

Description

Printing & Distribution provides centralized, high quality, convenient, technologically current, and cost-effective reproduction and mailing services to City and external customers, as well as the general public.

Printing & Distribution supports each bureaus unique workflow with products and services configured to maximize efficiency and effectiveness. The division's mission is to be the printer of choice for all City operations. The print shop is responsible for the City's central in-house printing and binding, pre-press services, paper purchases, customer service program, and also runs a satellite print shop at 1900 SW 4th Avenue. Mail/micrographics is responsible for the City's interoffice mail system, outgoing US mail and postage, traditional microfilm services, microfilm and large volume scanning services, and the Printing & Distribution office and billing functions.

Printing & Distribution contributes to City sustainability efforts by ensuring compliance with the City's sustainability paper policy, encouraging use of environmentally preferable papers, using vegetable-based inks, and minimizing waste.

Goals

By providing timely, customer focused printing and mailing services, Printing & Distribution supports the City's goal of delivering efficient, effective and accountable municipal services. The programs activities most directly support the Office of Management and Finance goals of:

- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.
- Providing streamlined business processes that are easy to understand, efficient and ensure compliance.
- Developing OMF business processes that support the City's sustainability goals.

Performance

City Printing & Distribution performance is measured by percentage of work shipped on time, number of pieces mailed per distribution employee, basic copy center rate, and number of work orders completed. Printing & Distribution continues to keep its basic copy rate very competitive at $.033 per sheet. The mail volume per distribution employee is expected to be over 900,000 pieces for FY 2014-15.

Changes to Services and Activities

Printing & Distribution continues to transition reprographics services from traditional film-based to digital. New services include large volume archival scanning, large format scanning, fiche scanning, and large format color printing. The division has also surveyed all City office printing devices, assessed their usage, and is making recommendations for configuration and workflow to better utilize the City's limited printing resources.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	22.00	21.00	20.50	19.00	19.00
Expenditures					
Copy Services	59,904	191,566	361,024	346,110	346,110
Distribution	178,753	2,167,803	2,301,135	2,131,139	2,131,139
Duplicating	499,806	2,431,186	3,697,106	3,645,740	3,645,740
Imaging	20,368	155,248	155,608	0	0
Printing & Distribution	0	0	3,000	0	0
Total Expenditures	**758,831**	**4,945,803**	**6,517,873**	**6,122,989**	**6,122,989**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of work shipped on time	99.4%	99.6%	99.0%	99.0%	99.0%
Efficiency					
Basic Copy Center rate	$0.0315	$0.0315	$0.0315	$0.0330	$0.0330
Total number of pieces mailed per distribution employee	1,073,304	1,126,755	900,000	900,000	900,000
Workload					
Total number of in-bureau copies	16,300,000	13,600,000	16,000,000	16,000,000	16,000,000
Total number of work orders completed	18,307	18,246	18,000	18,000	18,000
Total number of copy center sheets	9,940,000	8,540,000	9,000,000	9,000,000	9,000,000
Total number of press impressions	6,300,000	6,440,000	6,000,000	6,000,000	6,000,000
Total number of digital color prints in millions	1.38	1.18	1.40	1.25	1.25

Procurement

Description

Procurement Services procures supplies, materials, equipment and services in a timely, efficient, and effective manner consistent with the quality necessary for the proper operations of the various City bureaus, and in compliance with applicable laws, regulations, and City policies. Procurement Services strives to obtain the greatest value for each dollar spent in the procurement of commodities and services, while assuring fair and equal opportunity to all qualified vendors. Procurement Services provides leadership, policy development, oversight, and management of the City's procurement and contracting processes that insure equity and sustainability when public funds are used.

In fiscal year 2012-13, the City entered into contracts exceeding $375.7 million in value. The City is a major regional consumer entrusted to spend public money in the most responsible manner that can affect change in the community through positive development of locally owned, minority-owned, and women-owned business. Procurement also promotes business opportunities and identifies partnering opportunities beneficial to vendors and the City.

Goals

Federal and state laws, City Code, and Council directives mandate the services and oversight functions provided by Procurement Services. Activities link to all City goals and further support the following Office of Management and Finance goals:

- Providing contracting expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.
- Maximizing value to the community by promoting regional partnerships that create government efficiencies.
- Developing OMF business processes that support the City's sustainability goals.
- Providing streamlined business processes that are easy to understand, efficient and ensure compliance.

Performance

In 2013, Procurement Services was awarded the Achievement of Excellence in Procurement award from the National Purchasing Institute recognizing exceptional performance in governmental contracting.

Changes to Services and Activities

Due to the FY 2013-14 budget reductions, community sponsorships, and media advertisements regarding contracting opportunities have been limited. Budget challenges resulted in the Outside Services team reorganization to maximize operational efficiency and effectiveness. Procurement will expand its use of revenue generating cooperative procurements, allowing the City to realize potential gains.

A technology upgrade will be implemented to allow the receipt of online bids and to replace aging and inefficient systems. The addition of online bidding technology is responsive to the Administrative Process Review budget note by beginning to implement paperless procurement and archiving.

Internal Business Services

City Support Services Service Area

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	39.00	42.33	39.92	39.00	40.00
Expenditures					
Outside Services	487,449	1,072,384	917,866	348,504	412,656
Procurement	1,805,708	177,886	125,000	0	0
Procurement Services	2,017,178	3,753,967	4,480,816	5,009,700	4,995,548
Total Expenditures	**4,310,335**	**5,004,237**	**5,523,682**	**5,358,204**	**5,408,204**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of apprenticeship hours worked on City contracts	19.00%	17.00%	18.00%	18.00%	18.00%
Percentage of minority and women hours worked on City construction contracts	32.0%	36.0%	27.0%	29.0%	29.0%
Number of prime contracts awarded to Minority, Women, and Emerging Small Businesses contractors	105	105	100	100	100
Percentage of all subcontract dollars awarded to Minority, Women, and Emerging Small Businesses subs for construction and professional services contracts	26%	22%	22%	22%	22%
Efficiency					
Total number of procurement card transactions	55,280	53,253	53,400	54,500	54,500

Risk Management

Description

Risk Management minimizes the City's financial risk, while creating and promoting a safe work environment. Risk administers the City's self-insured general liability, fleet liability, and workers compensation programs, and manages the City's portfolio of insurance coverage, which includes property, excess workers compensation, and excess liability. Risk advises and assists City bureaus in managing their risk of injury involving employees, City property, and the public.

Goals

Through responsible risk mitigation, Risk Management supports the City goal of delivering efficient, effective, and accountable municipal services, and supports the Office of Management and Finance goals of:

- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.
- Developing OMF business processes that provide options to address individual bureau requirements and changing environmental factors.
- Developing OMF Business process that support the City's sustainability goals.
- Delivering business processes and business solutions that take into account customer needs and interests.

Performance

Risk managed 1,225 liability claims in FY 2012-13, paying out $4,025,055 and recovering $677,786. Workers Compensation managed 363 claims during FY 2012-13, paying $2,335,821 in benefits and recovered $388,247 in reimbursements. Occupational Health provided triage, counseling, and follow-up to 59 individuals exposed to body fluids or blood and infectious disease. Loss Prevention conducted Self-Insured reviews of 11 bureau safety programs, performed 108 ergonomic assessments and 14 Job Analysis evaluations, conducted 101 City Driver Motor Vehicle Record evaluations, processed 82 City employee driver license suspensions, facilitated 52 Fleet Accident Review Board crash incidents, and conducted five Defensive Driving Classes and four Van Driver Classes.

Changes to Services and Activities

The elimination of the Administrative Services Supervisor in FY 2013-14, along with prior administrative cuts, resulted in the inability to administer Citywide contracts for ergonomic chairs, adjustable furniture, and industrial hygiene services. In addition, on-site flu clinics are no longer provided, and contract services for OSHA required hearing testing are being modified. A realignment package is requested for a Risk Specialist to support program operations.

Efforts continue to obtain affordable earthquake insurance for buildings and contents essential to restore critical City services following a large quake. Current earthquake insurance limits are expected to be reduced by 75% next year. Risk is requesting funding to sustain $100 million coverage for the next fiscal year. Alternative loss funding needs to be developed. The market has forced an increase in the City's self-insured retention for law enforcement liability from $1 million to $2.5 million per occurrence beginning November 12, 2013. The excess workers compensation market is hardening. The addition of newly sworn police and fire personnel has changed the City's Workers Compensation exposure profile.

Internal Business Services

City Support Services Service Area

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	21.00	20.00	19.00	19.00	20.00
Expenditures					
Commercial Insurance	(98,306)	2,132,432	2,344,883	2,608,933	3,108,933
Liability	3,963,184	5,514,664	34,306	39,387	39,387
Loss Prevention	261,671	476,386	108,024	61,503	61,503
Occupational Health	87,925	184,356	17,600	7,500	7,500
Risk Claims Costs	0	0	7,515,660	7,637,638	7,637,638
Risk Management	0	89,286	3,726,206	3,068,715	3,068,715
Workers' Comp	1,568,149	4,350,538	35,937	39,385	39,385
Total Expenditures	**5,782,623**	**12,747,662**	**13,782,616**	**13,463,061**	**13,963,061**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Incurred cost of general liability claims per $100 payroll	$0.57	$0.51	$0.69	$0.69	$0.69
Incurred cost of fleet liability claims per 100,000 miles driven	$3,931	$3,265	$4,600	$4,600	$4,600
Annual cost of City's property premium based on market conditions	$995,000	$1,067,000	$1,132,000	$1,392,104	$1,892,104
Efficiency					
Number of general liability claims per 200,000 hours worked	8.60	6.07	10.53	6.07	6.07
Number of fleet liability claims per 100,000 miles driven	1.02	0.93	1.15	0.93	0.93

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Resources					
External Revenues					
Charges for Services	1,566,583	1,754,009	2,372,915	1,443,492	1,443,492
Intergovernmental	5,470,589	4,596,467	1,729,013	1,558,297	2,364,565
Bond & Note	29,599,761	97,008	6,581,375	102,954	102,954
Miscellaneous	3,090,399	4,123,898	2,502,694	1,471,207	1,471,207
Total External Revenues	**39,727,332**	**10,571,382**	**13,185,997**	**4,575,950**	**5,382,218**
Internal Revenues					
General Fund Discretionary	243,076	1,134,297	2,230,900	2,282,739	2,282,739
General Fund Overhead	3,312,822	2,815,584	2,791,282	2,661,465	2,661,465
Fund Transfers - Revenue	4,387,165	4,607,164	4,865,969	4,339,044	4,339,044
Interagency Revenue	71,393,158	66,962,133	73,616,315	73,370,282	74,193,403
Total Internal Revenues	**79,336,221**	**75,519,178**	**83,504,466**	**82,653,530**	**83,476,651**
Beginning Fund Balance	98,955,938	112,392,969	86,686,576	97,977,987	97,977,987
Total Resources	**$218,019,491**	**$198,483,529**	**$183,377,039**	**$185,207,467**	**$186,836,856**
Requirements					
Bureau Expenditures					
Personnel Services	18,043,667	17,881,995	19,568,050	18,575,392	19,518,863
External Materials and Services	41,840,223	41,703,885	45,440,533	50,879,521	51,536,227
Internal Materials and Services	8,856,247	8,768,991	9,547,506	9,225,306	9,283,968
Capital Outlay	17,405,995	14,002,874	26,513,770	12,141,873	12,141,873
Total Bureau Expenditures	**86,146,132**	**82,357,745**	**101,069,859**	**90,822,092**	**92,480,931**
Fund Expenditures					
Debt Service	15,497,988	9,421,496	8,566,493	8,280,800	8,280,800
Contingency	0	0	66,662,039	83,562,633	83,533,183
Fund Transfers - Expense	3,982,006	2,128,100	7,078,648	2,541,942	2,541,942
Total Fund Expenditures	**19,479,994**	**11,549,596**	**82,307,180**	**94,385,375**	**94,355,925**
Ending Fund Balance	112,392,969	104,576,188	0	0	0
Total Requirements	**$218,019,095**	**$198,483,529**	**$183,377,039**	**$185,207,467**	**$186,836,856**
Programs					
Administration & Support	3,151,177	104,408	0	0	0
Administration & Support	1,341,771	455,370	0	0	0
Commercial Insurance	1,221,437	834	0	0	0
Communications	0	15,672	0	0	0
Copy Services	111,571	16,328	0	0	0
Debt Management	0	527	0	0	0
Distribution	1,984,368	740	0	0	0
Duplicating	3,234,054	847,699	0	0	0
Enterprise Operations Management	70,101	876	0	0	0
Facilities Services	6,892,582	30,509,267	43,623,572	36,828,746	37,181,317
Fire Station Renovation & Construction	440,428	(28,019)	0	0	0
Fleet Services	4,617,315	21,706,760	31,619,116	29,049,092	29,805,360
Fuel Management	39,088	86,303	0	0	0
Liability	3,562,348	10,757	0	0	0
Loss Prevention	333,195	3,241	0	0	0
Maintenance & Repair	13,634,636	768,612	3,000	0	0
Microfilm	142,884	0	0	0	0

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
New & Replacement Acquisitions	7,496,251	4,154,019	0	0	0
Occupational Health & Infectious Disease	100,856	1,247	0	0	0
Operations	5,031	0	0	0	0
Operations and Maintenance	10,297,821	665,053	0	0	0
Outside Services	575,678	61	0	0	0
Printing & Distribution	758,831	4,945,803	6,517,873	6,122,989	6,122,989
Procurement	4,310,335	5,004,237	5,523,682	5,358,204	5,408,204
Project Management Office	13,744,498	602,788	0	0	0
Property Management	280,350	(268,338)	0	0	0
Risk Management	5,782,623	12,747,662	13,782,616	13,463,061	13,963,061
Vehicle Pool	32,405	0	0	0	0
Workers' Compensation	1,984,498	5,838	0	0	0
Total Programs	**86,146,132**	**$82,357,745**	**$101,069,859**	**$90,822,092**	**$92,480,931**

		Salary Range		Revised FY 2013-14		Requested No DP FY 2014-15		Requested FY 2014-15	
Class	Title	Minimum	Maximum	No.	Amount	No.	Amount	No.	Amount
30000434	Administrative Assistant	46,571	71,739	4.00	209,629	4.00	216,301	4.00	216,301
30000433	Administrative Specialist, Sr	43,368	66,768	1.00	57,546	1.00	59,904	1.00	59,904
30000125	Auto Body Restorer	53,685	60,091	2.00	120,192	2.00	120,192	3.00	173,880
30000448	Business Systems Analyst	59,342	79,123	1.00	79,128	1.00	79,128	1.00	79,128
30001208	Chief Procurement Officer	96,366	134,597	1.00	130,296	1.00	133,518	1.00	133,518
30000477	Claims Analyst	56,534	75,338	1.00	69,144	1.00	71,740	1.00	71,740
30000478	Claims Analyst, Sr	62,338	83,138	3.00	243,300	3.00	246,456	3.00	246,456
30000066	Claims Technician	42,931	56,888	2.00	104,684	2.00	107,428	2.00	107,428
30000470	Contractor Dev Program Coordinator	65,478	87,422	3.00	262,140	3.00	262,230	3.00	262,230
30000472	Contractor Development Supervisor	68,806	92,040	1.00	66,600	1.00	68,808	1.00	68,808
30000469	Contracts Compliance Specialist	59,342	79,123	5.00	361,980	5.00	366,612	5.00	366,612
30000041	Distribution Technician	39,707	48,672	3.00	146,016	3.00	146,016	3.00	146,016
30000042	Distribution Technician, Lead	41,704	51,085	1.00	51,084	1.00	51,084	1.00	51,084
30000368	Engineer-Mechanical	84,365	102,544	1.00	101,628	1.00	102,540	1.00	102,540
30000719	Facilities Construction Proj Mgr,Supvsg	77,584	103,355	1.00	103,356	1.00	103,356	1.00	103,356
30000718	Facilities Construction Project Manager	65,478	87,422	3.00	262,260	3.00	262,260	4.00	327,744
30000717	Facilities Construction Project Spec	56,534	75,338	3.00	190,492	3.00	198,294	3.00	198,294
30000456	Facilities Contracts Coordinator	59,342	79,123	1.00	79,128	1.00	79,128	1.00	79,128
30000711	Facilities Maint Dispatch/Scheduler	43,368	66,768	2.00	107,748	2.00	112,170	2.00	112,170
30000713	Facilities Maintenance Supervisor	56,534	75,338	1.00	75,336	1.00	75,336	1.00	75,336
30000071	Facilities Maintenance Technician	58,032	62,691	14.00	870,648	14.00	875,692	15.00	933,724
30000715	Facilities Services Division Manager	89,710	121,576	1.00	120,156	1.00	121,218	1.00	121,218
30000712	Facilities Services Specialist	56,534	75,338	1.00	70,764	1.00	73,184	1.00	73,184
30001108	Internal Business Services Director	106,038	151,798	1.00	151,800	1.00	151,800	1.00	151,800
30000721	Mail/Micrographics Supervisor	59,342	79,123	0.50	28,728	0.00	0	0.00	0
30000452	Management Analyst, Sr	65,478	87,422	1.00	83,892	1.00	86,752	1.00	86,752
30000450	Management Assistant	46,571	71,739	2.00	125,017	2.00	130,130	2.00	130,130
30000129	Motorcycle Mechanic	53,685	60,091	1.00	60,096	1.00	60,096	1.00	60,096
30000475	Occupational Health Program Manager	68,806	92,040	1.00	80,784	1.00	84,096	1.00	84,096
30000011	Office Support Specialist I	29,640	42,370	1.00	42,372	1.00	42,372	1.00	42,372
30000012	Office Support Specialist II	32,552	46,758	2.00	88,596	2.00	90,682	2.00	90,682
30000013	Office Support Specialist III	41,642	55,203	2.00	110,400	2.00	110,400	2.00	110,400
30000722	Print Shop Supervisor	62,338	83,138	1.00	62,340	1.00	64,896	1.00	64,896
30000044	Printing & Distrib Custmr Svc Rep, Lead	48,859	61,194	1.00	48,864	1.00	48,864	1.00	48,864
30000043	Printing & Distrib Customer Svc Rep	42,494	53,123	3.00	157,844	2.00	106,248	2.00	106,248
30000723	Printing & Distribution Manager	77,584	103,355	1.00	103,356	1.00	103,356	1.00	103,356
30000059	Procurement Specialist	49,130	61,797	3.00	176,112	3.00	181,068	3.00	181,068
30000058	Procurement Specialist, Assistant	40,997	51,522	3.00	148,273	3.00	152,756	4.00	193,748
30000060	Procurement Specialist, Sr	57,824	75,525	5.00	351,968	5.00	365,536	5.00	365,536
30000471	Procurement Supervisor	65,478	87,422	4.00	315,744	4.00	324,068	4.00	324,068
30000464	Program Coordinator	62,338	83,138	2.00	159,103	2.00	162,221	2.00	162,221
30000465	Program Manager	65,478	87,422	1.00	81,288	1.00	83,790	1.00	83,790
30000466	Program Manager, Sr	77,584	103,355	1.00	92,334	1.00	96,120	1.00	96,120
30000463	Program Specialist	56,534	75,338	1.00	75,336	1.00	75,336	1.00	75,336
30000698	Property Acquisition & Services Manager	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000473	Purchasing Manager	83,450	111,114	1.00	101,208	1.00	103,976	1.00	103,976
30000047	Reprographic Operator I	35,069	44,970	5.00	224,880	5.00	224,880	5.00	224,880
30000048	Reprographic Operator II	42,494	53,123	3.00	159,372	3.00	159,372	3.00	159,372
30000049	Reprographic Operator III	48,859	61,194	2.00	122,400	2.00	122,400	2.00	122,400
30000484	Risk Manager	89,710	121,576	1.00	111,868	1.00	116,458	1.00	116,458

Class	Title	Salary Range Minimum	Salary Range Maximum	Revised FY 2013-14 No.	Revised FY 2013-14 Amount	Requested No DP FY 2014-15 No.	Requested No DP FY 2014-15 Amount	Requested FY 2014-15 No.	Requested FY 2014-15 Amount
30000481	Risk Specialist	56,534	75,338	2.00	131,173	2.00	134,311	3.00	190,855
30000482	Risk Specialist, Sr	62,338	83,138	2.00	137,802	2.00	143,217	2.00	143,217
30000483	Risk Supervisor	77,584	103,355	3.00	293,460	3.00	299,572	3.00	299,572
30000055	Storekeepr/Acquisition II:Auto Part Spec	44,554	54,475	4.00	217,920	4.00	217,920	6.00	307,032
30000467	Stores System Supervisor I	56,534	75,338	1.00	74,940	1.00	75,303	1.00	75,303
30000457	Technology Svcs Contracts Coordinator	62,338	83,138	1.00	83,136	1.00	83,136	1.00	83,136
30000131	Vehicle & Equipment Mechanic	53,685	60,091	52.00	3,098,752	52.00	3,120,036	56.00	3,334,788
30000132	Vehicle & Equipment Mechanic, Lead	56,285	63,045	2.00	126,096	2.00	126,096	2.00	126,096
30000706	Vehicle Acquisition Analyst	59,342	79,123	1.00	79,128	1.00	79,128	1.00	79,128
30000709	Vehicle Maintenance Superintendent	72,134	96,928	1.00	96,924	1.00	96,924	1.00	96,924
30000707	Vehicle Maintenance Supervisor I	59,342	79,123	5.00	373,857	5.00	382,208	5.00	382,208
30000705	Vehicle Program Specialist	46,571	71,739	1.00	68,664	1.00	71,288	1.00	71,288
30001360	Vehicle Services Administration Supvr	65,478	87,422	1.00	72,645	1.00	75,624	1.00	75,624
30000710	Vehicle Services Manager	89,710	121,576	1.00	121,572	1.00	121,572	1.00	121,572
30000123	Welder	53,144	59,467	2.00	118,944	2.00	118,944	2.00	118,944
30000480	Workers Comp/Disability Analyst, Sr	62,338	83,138	2.00	157,680	2.00	160,740	2.00	160,740
30000479	Workers Compensation/Disability Analyst	56,534	75,338	1.00	73,176	1.00	75,336	1.00	75,336
TOTAL FULL-TIME POSITIONS				188.50	12,560,519	187.00	12,649,043	198.00	13,227,647
TOTAL PART-TIME POSITIONS				0.00	0	0.00	0	0.00	0
30000718	Facilities Construction Project Manager	65,478	87,422	1.00	68,808	0.00	0	0.00	0
30000464	Program Coordinator	62,338	83,138	0.00	0	0.00	0	1.00	62,340
30000465	Program Manager	65,478	87,422	0.92	79,970	0.00	0	0.00	0
TOTAL LIMITED TERM POSITIONS				1.92	148,778	0.00	0	1.00	62,340
GRAND TOTAL				190.42	12,709,297	187.00	12,649,043	199.00	13,289,987

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 05 **Type:** Critical Needs

Decision Package: MF_01 - BIBS/CityFleet - Consolidate Mult Co Fleet Srvs **Program:** CityFleet

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	512,018	512,018	0	0	0	0	0
External Materials and Services	0	234,250	234,250	0	0	0	0	0
Internal Materials and Services	0	10,000	10,000	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**756,268**	**756,268**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Intergovernmental Revenues	0	756,268	756,268	0	0	0	0	0
Interagency Revenue	0	0	0	0	0	0	0	0
Fund Transfers - Revenue	0	0	0	0	0	0	0	0
TOTAL REVENUES	**0**	**756,268**	**756,268**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	7.00	7.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	7.00	7.00	0.00	0.00	0.00	0.00	0.00

Description:

On November 28, 2012 City Council authorized an Intergovernmental Agreement with Multnomah County for the maintenance and repair of their vehicles and equipment. After a successful pilot program, the County has requested the City to provide all of their fleet services. Executing an agreement with the County would trigger section VII.F, the Transfer Statute (ORS 236.605-236.640). This is because the County would no longer provide fleet services, thus requiring existing Multnomah County fleet employees to legally transfer to CityFleet. If approved, the agreement between the County and the City requires that all fleet services work be performed by the City. The anticipated start date is July 1, 2014. Multnomah County will transfer seven (7) technical staff to the City of Portland, four (4) are Vehicle and Equipment Mechanics, one (1) is an Auto Body Restorer, and two (2) are Parts Acquisition Specialists. The additional staff will be supervised by current CityFleet supervisors, which will increase the span of control. No additional supervisors will be added with the transfer of the County positions listed above. CityFleet also needs to rent the John B. Yeon Facility, (1620 SE 190th Avenue, Portland OR 97233) to perform fleet service work for the County and other smaller agencies in the region.

The additional revenue will pay for the cost associated with this consolidation and help CityFleet reduce its rates for City bureaus and other governmental entities. The total ongoing cost of this package is $756,268 per year. The additional annual expense will be recovered through the additional billable hours charge for fleet services.

Expected Results:

Adding Multnomah County vehicles and equipment (approximately 750 vehicles and equipment) to the City of Portland's fleet portfolio will increase the number of billable hours that CityFlee will charge for fleet services in FY 2014-15. Therefore, the amount requested for this decision package will be recovered through the additional billable hours charged to Multnomah County for services rendered. This will allow CityFleet to spread its fixed costs over larger number of billable hours. Cost projections indicate that CityFleet's hourly rate will be at or below the current rate after consolidating fleet services with Multnomah County. The increased volume of parts and fuel purchases will also help reduce costs to Multnomah County and the City. Additionally, an outer eastside shop facility will assist City bureaus with daily operations, and increase City of Portland's ability to respond in an emergency. CityFleet presence on the eastside may encourage other governmental agencies to partner with the City. Providing maintenance and repair services to Multnomah County is in the City of Portland's interest because consolidated services have the potential to reduce rates of providing services and will increase accessibility to service facilities.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 06 **Type:** Realignments

Decision Package: MF_05 - BIBS/Facilities Srvs - Project Manager **Program:** Facilities Services

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	94,032	94,032	0	0	0	0	0
External Materials and Services	0	(94,032)	(94,032)	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

Facilities Services is proposing to change a Project Manager position from limited-term to permanent to manage the increasing City facility related projects. A project manager position was cut in a prior year with the winding down of the Fire facilities GO bond program. Funding for this restored position is through the project management budgets included in the cost of each approved and funded project.

Currently, Facilities Services has a limited term position authorized through FY 2013-14. However, the demand for project management services remains high and Facilities Services continues to experience a large backlog of funded projects that are delayed due to a lack of staff capacity. This backlog of funded projects represents a level of service that is not being met. Restoring this position is necessary to effectively manage the current backlog of funded projects.

This realignment package supports the Mayor's Emergency Management and Preparedness priority and the Council's Creating Jobs, Safer City/Public Safety, and Healthy Workplace priorities.

Expected Results:

Changing this position to ongoing will provide capacity to take on new projects while addressing the backlog of funded projects. The current workload of funded projects underway includes Fire Station 21, the Police Training Facility, The Portland Building Renovation, City-wide Space Plan Implementation, and City Hall Ecoroof. There are various funded projects on hold due to lack of staff, and there are new projects to implement, including planning for renovation of the Jerome Sears building as an emergency center.

If this package is not approved, City projects may be delayed. Project delays could jeopardize the City's ability to have critical facilities in place to respond to emergencies. Project delays cost the City more in the future due to inefficient building operations and the inflationary cost increases of products and services.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 07 **Type:** Realignments

Decision Package: MF_06 - BIBS/Facilities Srvs - Maintenance Technician **Program:** Facilities Services

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	94,955	94,955	0	0	0	0	0
External Materials and Services	0	(105,119)	(105,119)	0	0	0	0	0
Internal Materials and Services	36,000	10,164	46,164	0	0	0	0	0
Contingency	(36,000)	0	(36,000)	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

Facilities Services is requesting a new Maintenance Technician position to help maintain the City's increasing inventory of facilities. Funding for this position has been built into Facilities Services current service level rental rates and interagency agreements. The one-time cost of this package is for a vehicle for the technician to use.

The number of Facilities Services maintenance staff has not changed since 1995. The crew has had 14 technicians since 1995; at that time Facilities managed 2,262,604 square feet, which is approximately 161,614 square feet per technician. Over the past 20 years the square footage maintained by Facilities Services has nearly doubled to 4,024,007 square feet. The City recently added over 200,000 square feet for the Police Training Center and Westside Emergency Operations Center, which are not centrally located. Technicians now maintain 287,429 square feet each.

According to online research performed, square footages of facilities maintained by maintenance technicians ranged between 43,000 and 100,000 square feet. Maricopa County has a staffing target of 55,000 square feet per maintenance technician. Facilities Services Maintenance Technicians maintain 287,429 square feet, nearly three times greater than the upper range

This realignment package supports the Mayor's Emergency Management and Preparedness priority and Council's Government Efficiency and Healthy Workplace priorities. In addition, this package advances OMF's Strategic Plan Customer Service Goals.

Expected Results:

The additional Facilities Services Maintenance Technician will reduce the per square foot maintained by each technician by approximately 7% (from 287,429 to 268,267). This additional technician will permit Facilities Services to increase its preventative maintenance and repair services, provide more timely response to customer requests, and add capacity to respond to emergencies.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 07 **Type:** Critical Needs

Decision Package: MF_07 - BIBS/Facilities Srvs - Janitorial Services **Program:** Facilities Services

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
External Materials and Services	0	200,000	200,000	0	0	0	0	0
Contingency	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**200,000**	**200,000**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Interagency Revenue	0	200,000	200,000	0	0	0	0	0
TOTAL REVENUES	**0**	**200,000**	**200,000**	**0**	**0**	**0**	**0**	**0**

Description:

Facilities Services is requesting to restore janitorial services that have been cut since FY 2009-10. During this time, floor care, dusting, restroom maintenance, and other janitorial services were significantly cut, and in some cases eliminated. The current service level is less than desirable. Over the last year several bureaus, including BOEC, BDS, and BES have petitionec Facilities Services to restore some services.

This add package supports the Council's Healthy Workplace priority. In addition, this package advances OMF's Strategic Plan Customer Service Goals.

Expected Results:

Restoring some of the janitorial services will make City facilities more welcoming for City employees and the public. This will reduce the degradation of facilities' carpets, windows and furnishing, and will reduce the amount of dust. In addition, increasing janitorial services will reduce the likelihood that bureaus will seek these services on their own, jeopardizing the ability to leverage economies of scale and City-related social initiatives.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 04 **Type:** Realignments

Decision Package: MF_16 - BIBS - Risk - Risk Specialist **Program:** Risk Management

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	83,136	83,136	0	0	0	0	0
External Materials and Services	0	(83,136)	(83,136)	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

This package realigns resources to add a Risk Specialist position to provide technical assistance to the citywide Occupational Health and Infectious Disease program and the Risk Manager. City Risk has relied on a full time, temporary employee since 2011 to meet business needs. This temporary position has been essential in making up for the loss of two full time administrative positions in the last two years.

Expected Results:

Addition of this position will enable efficient and consistent program operations by assisting the Occupational Health Nurse and the Risk Manager in technical program documentation procedures updates, file management, data development, research, analysis, and report writing. It will allow effective use of new technology, enabling more sophisticated data analysis and trending. This will include better information on claims, losses and causes of loss to bureaus.

This add package supports the Mayor's Emergency Management and Preparedness priority and the Council's Healthy Workplace. The position will assist the Occupational Health Nurse and Risk Manager in fulfilling Risk's role in the OMF Strategic Plan to increase citywide employee participation in wellness programs and safety initiatives. It adds to emergency management and recovery by assisting the Occupational Health Nurse with management and maintenance of citywide Points of Dispensing (PODs) in the event of a public health emergency. This activity is a partnership with county and State Public Health Resources.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 02 **Type:** Key Priorities

Decision Package: MF_17 - BIBS - Risk - Earthquake Insurance **Program:** Risk Management

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
External Materials and Services	0	500,000	500,000	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**500,000**	**500,000**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Interagency Revenue	0	500,000	500,000	0	0	0	0	0
TOTAL REVENUES	**0**	**500,000**	**500,000**	**0**	**0**	**0**	**0**	**0**

Description:

All major property insurers are reevaluating their earthquake exposure in the Pacific Northwest, and are limiting their risk or leaving the market entirely in western Oregon. Consistent with these events, the City's property insurer will be reducing by 75% the City's current earthquake insurance coverage from $100 million down to $25 million for the 2014-15 renewal period.

A Probable Maximum Loss estimate for total insurable assets was commissioned by City Risk in 2010, which indicated the City would experience an expected loss of $163-188 million. The City now needs to determine its appropriate earthquake insurance coverage in the context of required critical assets and other resources available (i.e. FEMA, City reserves, etc.) after a major disaster. This analysis will require coordination between the Bureau of Internal Business Services, property and asset owning bureaus, and the City's emergency service providers.

Risk Management is proposing the City continue to purchase $100 million of coverage at an additional annual cost of $500,000. The amount of coverage the City can purchase is scalable, the $100 million amount was selected since this is the level we have had in the past.

Expected Results:

The City will retain insurance coverage at the $100 million limit it has had in the past.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 06 **Type:** Critical Needs

Decision Package: MF_18 - BIBS - Procurement - Asst.Procurement Specialist **Program:** Procurement

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	50,000	50,000	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**50,000**	**50,000**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Intergovernmental Revenues	0	50,000	50,000	0	0	0	0	0
TOTAL REVENUES	**0**	**50,000**	**50,000**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

Procurement Services will realize revenue through an Intergovernmental Agreement (IGA) with Portland Public Schools to provide contract compliance services. This revenue will be applied to Personnel Services and will fund the position of one Assistant Procurement Specialist to support this IGA work and overflow work for City construction compliance in which an FTE was cut through the FY 2013-14 budget reductions. The exact amount of the IGA is under negotiation at this time. At a minimum, the agreement will have a value of $50,000. In addition, Procurement Services has realized savings from a previous reclassification to offset the additional cost of the position (approximately $14,100). Although Procurement cannot take on this additional work from PPS without adding staff, there will be capacity within this FTE to assist the construction workgroup. This makes compliance for contractors much easier and also allows the City to take a lead role in the region managing workforce programs.

Expected Results:

The Outside Services team will gain one Assistant Procurement Specialist position, which will provide adequate staffing for the additional work related to processing and tracking contract compliance for the agreement with Portland Public Schools.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 04 **Type:** Critical Needs

Decision Package: MF_19 - BIBS/Facilities Srvs - ADA Trans Plan Proj Mgmt **Program:** Facilities Services

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	109,330	0	109,330	0	0	0	0	0
External Materials and Services	4,743	0	4,743	0	0	0	0	0
Internal Materials and Services	2,498	0	2,498	0	0	0	0	0
Contingency	6,550	0	6,550	0	0	0	0	0
TOTAL EXPENDITURES	**123,121**	**0**	**123,121**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Interagency Revenue	123,121	0	123,121	0	0	0	0	0
TOTAL REVENUES	**123,121**	**0**	**123,121**	**0**	**0**	**0**	**0**	**0**
FTE								
Limited Term Positions	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

Facilities Services is requesting a limited-term position of an ADA/Transition Plan Coordinator to complete the ADA Title II Transition Plan Project. In 1990, The U.S. Congress passed the Americans with Disabilities Act (ADA). The statute prohibits discrimination against persons in public facilities and public access areas. Title II of ADA requires public entities to adopt a Transition Plan and to evaluate their compliance with ADA. This involves identifying physical barriers to accessibility for disabled persons, describing the methods to be used to make facilities accessible, providing a schedule for making access modifications and identifying the public official responsible for implementation to the plan. Failing to comply with this federal requirement may result is loss of federal funding, such as federal grants, and possibly lawsuits.

The ADA Title II Transition Plan Project requires additional resources to provide project management oversight on behalf of the City to ensure that we are in compliance with federal laws. This position will coordinate the survey process, project reports, the plan to eliminate barriers, and will develop documentation to monitor and track progress.

This add package supports the Mayor's Emergency Management and Preparedness priority and Council's Complete Neighborhood priority. In addition, this add package supports OMF's Strategic Plan Customer Service Goals.

Expected Results:

The addition of this position will ensure that that the development of the plan is completed as planned. This position will work with City bureaus to identify barriers and develop a plan to remove barriers and conditions that prevent people with disabilities from accessing, participating and benefiting from City programs, services and activities. This additional staff person to coordinate the Transition Plan Project allows the Program Manager to fully implement the other required compliance elements of Title II of the ADA and Title VI of Civil Rights Act.

If the City does not fund this position it could be at risk of failing to comply with the ADA or other statutes. At a minimum, the Transition Plan project schedule may be delayed. In addition, OMF Title II and Title VI resources would have to be shifted to complete the project, neglecting other aspects of the OMF's federal compliance work.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Intergovernmental	158,464	780,737	361,000	425,000	1,181,268	
Bond & Note	0	48,504	53,553	51,477	51,477	
Miscellaneous	1,044,363	2,342,373	780,000	793,700	793,700	
Total External Revenues	**1,202,827**	**3,171,614**	**1,194,553**	**1,270,177**	**2,026,445**	
Fund Transfers - Revenue	2,620	9,232	46,840	0	0	
Interagency Revenue	27,482,256	25,602,311	29,808,133	29,522,894	29,522,894	
Total Internal Revenues	**27,484,876**	**25,611,543**	**29,854,973**	**29,522,894**	**29,522,894**	
Beginning Fund Balance	17,699,648	19,364,576	18,460,614	18,217,270	18,217,270	
Total Resources	**46,387,351**	**48,147,733**	**49,510,140**	**49,010,341**	**49,766,609**	
Requirements						
Personnel Services	6,473,651	6,630,165	7,516,846	7,418,863	7,930,881	
External Materials and Services	10,828,590	10,867,716	11,761,777	12,444,866	12,679,116	
Internal Materials and Services	1,638,006	1,555,964	1,687,206	1,982,891	1,992,891	
Capital Outlay	6,868,388	7,486,146	10,656,287	7,202,472	7,202,472	
Total Bureau Expenditures	**25,808,635**	**26,539,991**	**31,622,116**	**29,049,092**	**29,805,360**	
Debt Service	290,935	888,712	364,736	393,471	393,471	
Contingency	0	0	16,582,908	18,527,828	18,527,828	
Fund Transfers - Expense	923,205	595,868	940,380	1,039,950	1,039,950	
Total Fund Expenditures	**1,214,140**	**1,484,580**	**17,888,024**	**19,961,249**	**19,961,249**	
Ending Fund Balance	19,364,576	20,123,162	0	0	0	
Total Requirements	**46,387,351**	**48,147,733**	**49,510,140**	**49,010,341**	**49,766,609**	

Fund Overview

The CityFleet Operating Fund accounts for the revenues and expenditures associated with CityFleet's operations. CityFleet manages, acquires, modifies, services, repairs, and disposes of vehicles and equipment owned, leased, and rented by the City.

The fund's major source of revenue is service reimbursement transfers from City bureaus. Outside agencies also pay the City for vehicle maintenance services provided.

Managing Agency Office of Management & Finance, Bureau of Internal Business Services

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Charges for Services	1,464,400	1,635,630	2,266,792	1,361,164	1,361,164	
Intergovernmental	208,542	88,965	0	0	0	
Bond & Note	29,599,761	48,504	53,553	51,477	51,477	
Miscellaneous	969,994	944,137	150,000	85,000	85,000	
Total External Revenues	**32,242,697**	**2,717,236**	**2,470,345**	**1,497,641**	**1,497,641**	
Fund Transfers - Revenue	3,947,323	4,584,721	4,770,473	4,339,044	4,339,044	
Interagency Revenue	23,475,744	23,136,666	25,703,710	25,485,153	25,808,274	
Total Internal Revenues	**27,423,067**	**27,721,387**	**30,474,183**	**29,824,197**	**30,147,318**	
Beginning Fund Balance	26,850,781	40,433,064	19,516,794	36,085,000	36,085,000	
Total Resources	**86,516,545**	**70,871,687**	**52,461,322**	**67,406,838**	**67,729,959**	
Requirements						
Personnel Services	3,465,354	3,215,079	3,407,316	3,477,420	3,775,737	
External Materials and Services	15,141,064	17,510,377	20,589,368	25,634,718	25,640,310	
Internal Materials and Services	2,669,663	2,858,993	3,087,278	2,547,391	2,596,053	
Capital Outlay	8,340,505	1,435,479	9,322,614	1,824,089	1,824,089	
Total Bureau Expenditures	**29,616,586**	**25,019,928**	**36,406,576**	**33,483,618**	**33,836,189**	
Debt Service	15,002,807	8,309,607	7,617,340	7,611,789	7,611,789	
Contingency	0	0	7,281,010	25,624,903	25,595,453	
Fund Transfers - Expense	1,464,088	825,765	1,156,396	686,528	686,528	
Total Fund Expenditures	**16,466,895**	**9,135,372**	**16,054,746**	**33,923,220**	**33,893,770**	
Ending Fund Balance	40,433,064	36,716,387	0	0	0	
Total Requirements	**86,516,545**	**70,871,687**	**52,461,322**	**67,406,838**	**67,729,959**	

Fund Overview

The Facilities Services Operating Fund accounts for all of the facilities-related programs and capital projects managed by the Office of Management and Finance. The fund is generally self-sufficient, requiring no direct General Fund discretionary support, however Facilities Services may request General Fund capital support on behalf of a General Fund bureau to cover project expenses specific to that bureau.

The fund's primary sources of revenue are service reimbursements from City bureaus for space rental and other services, cash transfers for costs related to City Hall, and revenues from tenants occupying City-owned space. Services include building operations and maintenance, interior space remodels and reconfigurations, janitorial services, and property and capital project management. Debt issuance is also a resource for capital projects, with the resulting principal and interest obligations generally being incorporated into the rental rates.

Managing Agency Office of Management & Finance, Bureau of Internal Business Services

Significant Changes from Prior Year

This budget includes the operations and maintenance expenses association with two new facilities, the Emergency Coordination Center and the Police Training Center. In FY 2014-15, there are fewer capital projects being constructed from this fund.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Miscellaneous	27,696	14,150	668,416	1,000	1,000	
Total External Revenues	**27,696**	**14,150**	**668,416**	**1,000**	**1,000**	
Fund Transfers - Revenue	0	1,205	4,270	0	0	
Total Internal Revenues	**0**	**1,205**	**4,270**	**0**	**0**	
Beginning Fund Balance	3,550,264	1,716,150	1,682,660	2,314,433	2,314,433	
Total Resources	**3,577,960**	**1,731,505**	**2,355,346**	**2,315,433**	**2,315,433**	
Requirements						
External Materials and Services	180,032	451	0	0	0	
Internal Materials and Services	149,632	24,757	15,261	0	0	
Capital Outlay	1,462,975	1,102	2,291,408	2,248,489	2,248,489	
Total Bureau Expenditures	**1,792,639**	**26,310**	**2,306,669**	**2,248,489**	**2,248,489**	
Contingency	0	0	4,357	0	0	
Fund Transfers - Expense	69,171	26,101	44,320	66,944	66,944	
Total Fund Expenditures	**69,171**	**26,101**	**48,677**	**66,944**	**66,944**	
Ending Fund Balance	1,716,150	1,679,094	0	0	0	
Total Requirements	**3,577,960**	**1,731,505**	**2,355,346**	**2,315,433**	**2,315,433**	

Fund Overview

On November 7, 1998, the citizens of Portland authorized the sale of $53.8 million in general obligation bonds to support a $65.5 million program to improve the City's emergency facilities, including:

- Seismic upgrades to allow firefighters to effectively respond to an earthquake in the metropolitan area;
- Relocation and construction of new facilities to meet the goal of a four-minute response time to emergency calls;
- Renovation of facilities to be consistent with the evolving mission of Portland Fire & Rescue;
- Response to Americans with Disabilities Act accessibility requirements;
- Changes to fire stations for female firefighter accommodations; and
- Response to some emergency facilities approaching the end of their useful lives.

Of the $65.5 million program, $62.7 million will be used to improve fire facilities and $2.8 million will be used to expand the Portland Communications Center.

Managing Agency Office of Management & Finance, Office of the Chief Administrative Officer

Significant Changes from Prior Year

The projects in the program will be completed and the fund will be closed out during FY 2014-15. All funds are projected to be spent by year end.

Public Safety GO Bond Fund

Public Safety Service Area

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Bond & Note	0	0	46,228,756	0	0	
Miscellaneous	164,380	126,303	113,825	40,000	40,000	
Total External Revenues	**164,380**	**126,303**	**46,342,581**	**40,000**	**40,000**	
Fund Transfers - Revenue	11,408,529	3,472	221,000	0	0	
Total Internal Revenues	**11,408,529**	**3,472**	**221,000**	**0**	**0**	
Beginning Fund Balance	21,821,774	30,993,206	21,742,327	12,138,708	12,138,708	
Total Resources	**33,394,683**	**31,122,981**	**68,305,908**	**12,178,708**	**12,178,708**	
Requirements						
Personnel Services	245,687	251,381	300,000	335,490	335,490	
External Materials and Services	1,027,837	883,162	17,863,603	3,841,183	3,841,183	
Internal Materials and Services	130,471	240,311	731,913	611,643	611,643	
Capital Outlay	996,971	7,979,493	9,911,027	5,459,323	5,459,323	
Total Bureau Expenditures	**2,400,966**	**9,354,347**	**28,806,543**	**10,247,639**	**10,247,639**	
Debt Service	511	0	329,001	0	0	
Contingency	0	0	39,123,399	1,812,662	1,812,662	
Fund Transfers - Expense	0	26,306	46,965	118,407	118,407	
Total Fund Expenditures	**511**	**26,306**	**39,499,365**	**1,931,069**	**1,931,069**	
Ending Fund Balance	30,993,206	21,742,328	0	0	0	
Total Requirements	**33,394,683**	**31,122,981**	**68,305,908**	**12,178,708**	**12,178,708**	

Fund Overview

On November 2, 2010, the citizens of Portland authorized the sale of $72.4 million in general obligation bonds to support a $90 million program to improve the City's public safety infrastructure, including:

- Replacement of fire apparatus
- Construction of a fire station
- Construction of an emergency coordination center
- Replacement of the City's 800 MHz radio system

The Public Safety GO Bond Fund was approved by Council in December 2010 to account for these projects. As required by Council resolution, each City Council member appointed a citizen to the Independent Citizen Committee for a total of five members. The proposed oversight structure calls for three Project Oversight Committees that provide reports to the Independent Citizen Committee. Also, as required by Council resolution, this Independent Citizen Committee reports to the Chief Administrative Officer on a quarterly basis and to City Council on an annual basis regarding the status of the Public Safety General Obligation Bond.

Managing Agency Office of Management & Finance, Office of the Chief Administrative Officer

Significant Changes from Prior Year

The fund has no debt sales planned for FY 2014-15.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Charges for Services	102,183	112,488	106,123	82,328	82,328	
Intergovernmental	909,057	721,132	1,248,013	1,013,297	1,013,297	
Miscellaneous	77,089	74,376	73,412	80,319	80,319	
Total External Revenues	**1,088,329**	**907,996**	**1,427,548**	**1,175,944**	**1,175,944**	
Fund Transfers - Revenue	888	3,987	38,151	0	0	
Interagency Revenue	5,466,454	4,860,022	5,311,402	5,330,702	5,330,702	
Total Internal Revenues	**5,467,342**	**4,864,009**	**5,349,553**	**5,330,702**	**5,330,702**	
Beginning Fund Balance	1,724,880	1,116,703	636,052	543,531	543,531	
Total Resources	**8,280,551**	**6,888,708**	**7,413,153**	**7,050,177**	**7,050,177**	
Requirements						
Personnel Services	1,815,944	1,906,009	1,949,209	1,685,521	1,685,521	
External Materials and Services	3,618,472	3,209,236	3,506,750	3,380,917	3,380,917	
Internal Materials and Services	717,304	712,041	684,414	709,051	709,051	
Capital Outlay	79,849	41,375	377,500	347,500	347,500	
Total Bureau Expenditures	**6,231,569**	**5,868,661**	**6,517,873**	**6,122,989**	**6,122,989**	
Debt Service	98,592	108,001	123,601	133,340	133,340	
Contingency	0	0	527,451	517,306	517,306	
Fund Transfers - Expense	833,687	275,994	244,228	276,542	276,542	
Total Fund Expenditures	**932,279**	**383,995**	**895,280**	**927,188**	**927,188**	
Ending Fund Balance	1,116,703	636,052	0	0	0	
Total Requirements	**8,280,551**	**6,888,708**	**7,413,153**	**7,050,177**	**7,050,177**	

Fund Overview

The Printing & Distribution Services Operating Fund was established to account for all of the division's revenues and expenditures. The division provides support services to all City bureaus, Multnomah County, Portland-area State of Oregon departments, and other local governmental agencies. These services include traditional printing and binding, digital printing and prepress services, variable data printing, microfilming, reprographics and blueprints, the purchase and maintenance of copy machines, Citywide paper procurement and management, United States Postal Service mail processing, inserting, addressing, and delivery mail and supplies.

The main source of revenue is service reimbursement transfers from other City bureaus and outside agencies.

Managing Agency Office of Management & Finance, Bureau of Internal Business Services

Significant Changes from Prior Year

In FY 2013-14, the fund experienced a reduction of 8.6% in total requirements compared to FY 2012-13 Revised Budget. The interagency revenue, its largest revenue, is projected to be 11.6% less than the estimated amount for FY 2012-13 due to budget constraints in the City.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Miscellaneous	265,238	265,559	246,033	227,473	227,473	
Total External Revenues	**265,238**	**265,559**	**246,033**	**227,473**	**227,473**	
Fund Transfers - Revenue	1,043	1,968	1,100	0	0	
Interagency Revenue	10,616,161	9,591,977	9,249,718	9,154,131	9,654,131	
Total Internal Revenues	**10,617,204**	**9,593,945**	**9,250,818**	**9,154,131**	**9,654,131**	
Beginning Fund Balance	24,684,880	26,139,475	28,220,685	23,606,136	23,606,136	
Total Resources	**35,567,322**	**35,998,979**	**37,717,536**	**32,987,740**	**33,487,740**	
Requirements						
Personnel Services	1,121,571	1,073,329	1,223,563	1,046,658	1,088,226	
External Materials and Services	5,318,949	4,436,414	5,288,741	5,248,277	5,706,709	
Internal Materials and Services	2,465,206	2,441,258	2,545,684	2,501,092	2,501,092	
Total Bureau Expenditures	**8,905,726**	**7,951,001**	**9,057,988**	**8,796,027**	**9,296,027**	
Debt Service	54,327	59,511	68,108	73,474	73,474	
Contingency	0	0	24,093,496	23,922,114	23,922,114	
Fund Transfers - Expense	467,794	244,791	4,497,944	196,125	196,125	
Total Fund Expenditures	**522,121**	**304,302**	**28,659,548**	**24,191,713**	**24,191,713**	
Ending Fund Balance	26,139,475	27,743,676	0	0	0	
Total Requirements	**35,567,322**	**35,998,979**	**37,717,536**	**32,987,740**	**33,487,740**	

Fund Overview

The Insurance and Claims Operating Fund provides for tort, general liability, and fleet liability claims administration; management of the liability self-insurance program; management of the City's commercial insurance portfolio; and Citywide leadership in loss prevention.

Fund expenditures are primarily for claims-related payments. Projected claims are based on an independent actuarial study, which includes a projection for the current fiscal year and for the next five years.

The reserve requirement is also based on the actuarial study, which recommends a range for the reserve levels needed to cover outstanding incurred liabilities. The range is produced by calculating reserves at various confidence levels (i.e. the probability that actual losses will not exceed the reserve level). In addition, reserves are stated at a discounted level, which takes into account the interest the fund earns on the fund balance. The Insurance and Claims Operating Fund's reserves are forecasted at a discounted confidence level of 80%. Interagency revenues are projected on a five-year basis so that, by year five, the fund will achieve at the required claims reserve amount forecast by the actuarial consultant for year five. This five-year smoothing of interagency rates is designed to mitigate large fluctuations in rates from year to year.

Managing Agency Office of Management & Finance, Bureau of Internal Business Services

Significant Changes from Prior Year

In FY 2013-14, the fund's total requirements are approximately 8.6% less than the FY 2012-13 Revised Budget. The fund's interagency revenue, its largest revenue, is projected to be 11.6% less than the amount estimated in FY 2012-13 due to budget constraints in the City.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Miscellaneous	318,798	132,326	265,508	128,215	128,215	
Total External Revenues	**318,798**	**132,326**	**265,508**	**128,215**	**128,215**	
Fund Transfers - Revenue	1,620	4,987	5,135	0	0	
Interagency Revenue	3,659,121	3,299,629	3,367,352	3,698,902	3,698,902	
Total Internal Revenues	**3,660,741**	**3,304,616**	**3,372,487**	**3,698,902**	**3,698,902**	
Beginning Fund Balance	18,698,198	18,323,629	16,507,949	15,996,571	15,996,571	
Total Resources	**22,677,737**	**21,760,571**	**20,145,944**	**19,823,688**	**19,823,688**	
Requirements						
Personnel Services	999,497	1,010,681	1,264,124	1,064,095	1,105,663	
External Materials and Services	2,495,677	3,286,003	2,856,769	2,946,721	2,905,153	
Internal Materials and Services	584,057	580,005	603,735	656,218	656,218	
Total Bureau Expenditures	**4,079,231**	**4,876,689**	**4,724,628**	**4,667,034**	**4,667,034**	
Debt Service	50,816	55,665	63,707	68,726	68,726	
Contingency	0	0	15,209,194	14,930,482	14,930,482	
Fund Transfers - Expense	224,061	93,275	148,415	157,446	157,446	
Total Fund Expenditures	**274,877**	**148,940**	**15,421,316**	**15,156,654**	**15,156,654**	
Ending Fund Balance	18,323,629	16,734,942	0	0	0	
Total Requirements	**22,677,737**	**21,760,571**	**20,145,944**	**19,823,688**	**19,823,688**	

Fund Overview

The Workers' Compensation Self Insurance Operating Fund supports the City's self-insured workers' compensation program, including claims administration and Citywide loss prevention and occupational health activities aimed at minimizing occupational injury and illness from work-related infectious diseases.

Fund expenditures are primarily for claims-related payments. Projected claims are based on an independent actuarial study, which includes a projection for the current fiscal year and for the next five years.

The reserve requirement is also derived from the actuarial study, which recommends a range of reserve levels needed to cover outstanding incurred liabilities. The range of estimates is produced by calculating reserves at various confidence levels (i.e., the probability that actual losses will not exceed the reserve level). In addition, reserves are stated at a discounted level, which takes into account the interest the fund earns on the fund balance. The fund's reserves are currently forecasted at a discounted confidence level of 75%. Interagency revenues are projected on a five-year basis so that, by year five, the fund will arrive at the required claims reserve forecasted for the fifth year by the actuary. This five-year smoothing of interagency rates is designed to mitigate large fluctuations in rates from year to year.

Managing Agency Office of Management & Finance, Bureau of Internal Business Services

Revenue Bureau

Overview

The Revenue Bureau is the agency charged with collecting business and hotel/motel taxes for Portland and Multnomah County. The Bureau also collects utility license and franchise fees, property lien and business improvement district assessments, and maintains customer information/billing databases for other bureaus including the Portland Water Bureau, Bureau of Environmental Services, and the Portland Bureau of Transportation.

Bureau operations also include regulation and oversight of a wide range of industries to protect public safety and ensure equity: taxicabs and other for-hire transportation vehicles, towing, parking lots, vehicle impound lots, secondhand merchandise dealers, social games, payday lenders, placement of wireless antennas and equipment on utility poles, and use of the public right-of-way for special events like the Rose Festival Parade and Shamrock Run. The Bureau is also responsible for updating and implementing the City's Broadband Strategic Plan.

The Revenue Bureau staff provides support to the Mt. Hood Cable Regulatory Commission (MHCRC), a partnership of the cities of Fairview, Gresham, Portland, Troutdale, Wood Village, and Multnomah County, Oregon. MHCRC negotiates and enforces cable service franchise agreements, manages the public benefit resources and assets derived from the franchises, and advocates on behalf of the public interest on communications policy issues at the local, state, and federal levels.

The Bureau's employees will collect more than $300 million and support the collection of an additional $380 million during the year ending June 30, 2015.

The Revenue Bureau includes the following programs: Regulatory, Revenue Collections, Franchise Management, and Cable Communications. Through these programs, the bureau strives to provide outstanding service, to efficiently and equitably collect revenues to fund essential City services, and to provide regulatory oversight to promote safety and livability.

Regulatory

Description

The Regulatory program issues permits and enforces regulations for a variety of regulated businesses and events: private for-hire transportation (taxis, executive sedans, limousines, shuttles, tour vehicles, medical transportation, pedicabs, horse-drawn carriages, and other non-motorized transportation providers), towing (companies, vehicles, drivers, private property impounds and City contracts), pay and park lot inspections and regulations, moving special events on City streets and sidewalks, secondhand dealers, amusement devices, payday lenders, and social games (poker clubs).

Goals

Regulatory supports the City goal of ensuring a safe and peaceful community by investigating and resolving citizen complaints, ensuring private for-hire vehicles are safe and insured, providing consumer protections and promoting City Code updates to respond to changing community needs. Regulatory supports the Office of Management and Finance goals of:

- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis, and communication.
- Providing streamlined business processes that are easy to understand, efficient, and ensure compliance.
- Collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.
- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.

Performance

Regulatory continues to focus on increased compliance with City Code requirements that provide important consumer and safety protections. Expanded enforcement activities have increased the number of businesses meeting permit requirements and contributed to increased penalty and permit revenue. Regulatory programs expect to collect more than $1.2 million during the year ending June 30, 2015. In FY 2012-13, the Regulatory program achieved full cost recovery for direct program expenses. The program continues to strive for 100% cost recovery for all future improvements.

Changes to Services and Activities

The primary services and activities of the Regulatory program are consistent with prior years, but with a new focus on innovation and alignment with industry best practices. Fee changes approved by City Council in November 2012 provided funding for two additional positions in the private-for-hire team, which are providing higher levels of enforcement and oversight of regulations, including implementation of the Recommendations for Reform of the Taxi Industry, approved by Council in November 2012. City Council also approved a new, driver-owned taxi company, Union Cab, which has been operating since May 2013. Union Cab was the first new taxi company approved by Council since 1998. At the same time, additional taxi vehicle permits were approved for several existing companies,

bringing the overall number of permitted taxi vehicles from 382 to 460. These changes and additional permits are contributing to improved taxi services and availability for Portland citizens, business travelers, and tourists. Approval of more taxi permits will be reviewed in FY 2014-15, based on one year's experience with the increased vehicles.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	8.30	9.30	10.00	10.00	10.00
Expenditures					
Regulatory	491,636	594,701	1,489,245	1,504,950	1,504,950
Regulatory - Payday Lenders	1,200	1,200	0	0	0
Regulatory - Second Hand Dealers	105,502	108,675	0	0	0
Regulatory - Special Events	99,265	102,635	0	0	0
Regulatory - Taxi	280,787	518,756	0	0	0
Regulatory - Towing	170,304	180,120	0	0	0
Total Expenditures	**1,148,694**	**1,506,087**	**1,489,245**	**1,504,950**	**1,504,950**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of regulatory programs with full cost recovered (revenue/expenditure)	90%	94%	95%	100%	100%
Workload					
Regulatory revenue collected	1,034,934	1,224,039	1,275,000	1,300,000	1,300,000
Number of permits and contracts issued	3,923	4,182	4,200	4,200	4,200

Revenue Collection

Description

The Revenue Collection program provides centralized revenue collection in support of all City bureaus and programs, as well as collection and administrative support for business income tax, transient lodgings tax, tourism improvement and enhanced services districts, special assessment liens, and the utility billing system. In FY 2014-15, the Bureau will collect approximately 46% of all General Fund revenues (less beginning balance and fund transfers), second only to property taxes.

Goals

Through collection of funds to administer essential City services, Revenue Collections supports the City goal to deliver efficient, effective and accountable municipal services, as well as the Office of Management and Finance goals of:

- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis, and communication.
- Providing streamlined business processes that are easy to understand, efficient, and ensure compliance, and collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.

Performance

Revenue Collections continues to identify new revenue sources, enhance collection efforts, and improve the use of technology to complete work more efficiently. Revenue Collection's employees will collect more than $220 million and support the collection of an additional $380 million for other City bureaus during the year ending June 30, 2015. The program tracks cost per dollar collected, number of bureau accounts managed, number of e-commerce transactions, and the dollar amount collected from these transactions. The program also tracks an estimated business tax gap to ensure that collection efforts remain as high as possible.

Changes to Services and Activities

In FY 2014-15, the bureau is requesting funding for a position to support the direct exchange of taxpayer information with the IRS. After full implementation, this will result is a substantial reduction of the tax filing burden for citizens, a significant increase in compliance with local income taxes, and a reduction of bureau staff administrative workload.

In November 2012, Portland voters approved the Arts Education and Access Income Tax ("Arts Tax"). In FY 2014-15, collection of the Arts Tax will continue to improve as the program matures.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	58.20	55.60	60.80	59.00	60.00
Expenditures					
Business Solutions	2,948,893	2,963,536	3,267,457	3,133,358	3,133,358
Community Technology	1	0	0	0	0

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
License and Tax	11,826,849	16,603,017	27,168,963	32,804,741	32,969,741
Operations	2,085,026	1,840,575	1,608,608	1,616,989	1,546,989
Total Expenditures	**16,860,769**	**21,407,128**	**32,045,028**	**37,555,088**	**37,650,088**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Total dollar value of business income tax gap in millions	$4.96	$7.14	$7.24	$7.36	$7.36
Program revenue collected (in millions)	$185	$212	$220	$232	$232
Total e-commerce bureau revenue collected in millions	$13	$18	$20	$20	$20
Efficiency					
Cost per license and tax dollar collected	$0.03	$0.02	$0.02	$0.02	$0.02
Number of bureau e-commerce transactions	14,015	97,917	110,000	110,000	110,000
Workload					
Number of bureau accounts managed	77,427	323,245	350,000	350,000	350,000
Amount of supported revenue collection in millions	$353	$380	$402	$405	$405
Number of supported accounts	221,207	207,402	207,000	207,000	207,000

Franchise Management

Description

The Franchise Management/Utility Licenses program champions public policy and technology investments for communications and utility infrastructure to keep our local communities economically and culturally healthy. Staff negotiates and administers franchise agreements and pursues revenue opportunities arising from its authority to manage public rights-of-way and levy taxes and fees. Staff also leads implementation of the City's Broadband Strategic Plan. Franchise compliance represents a significant component of the program and includes audits, collections, and litigation.

Goals

Franchise Management/Utility Licenses supports City goals to deliver efficient, effective, and accountable municipal services and improve the quality of life in neighborhoods by providing vision, oversight and planning expertise for the community's technology and broadband infrastructure initiatives, and supports the Office of Management and Finance goals of:

- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis, and communication.
- Providing streamlined business processes that are easy to understand, efficient, and ensure compliance.
- Collaborating with stakeholders to identify and eliminate barriers within OMF processes and procedures to provide equitable access to City services and opportunities.
- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.

Performance

Franchise Management/Utility Licenses administers approximately 66 franchises and 110 utility licensees. Staff will collect more than $79 million in General Fund revenues.

Changes to Services and Activities

In FY 2013-14, the Revenue Bureau integrated many financial and administrative activities of the Office for Community Technology into other positions within the bureau, resulting in a reduction of 1.5 FTE. In FY 2014-15, OMF is realigning resources to fund a limited term, part-time position in the Revenue Bureau that would conduct 15-20 utility audits each year. This position will allow the bureau to recover funds for previous underpayments or non-compliance.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	0.00	6.00	4.90	4.00	4.50
Expenditures					
Franchise Management	0	929,444	671,433	613,543	683,543
Total Expenditures	**0**	**929,444**	**671,433**	**613,543**	**683,543**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Amount of General Fund revenues collected	$69,508,446	$74,192,503	$77,396,471	$79,500,000	$79,500,000
Efficiency					
Cost per $1,000 of General Fund revenue collected	$15.01	$11.39	$12.38	$12.00	$12.00
Workload					
Number of franchises and utility licenses administered	266	226	226	226	226

Cable Communications

Description

The Cable Communications program, together with Franchise Management/ Utility Licenses, champions public policy and technology investments for communications infrastructure to keep our local communities economically and culturally healthy. Staff provides cable regulatory and consumer protection services countywide through the Mt. Hood Cable Regulatory Commission (MHCRC), under an intergovernmental agreement in partnership with five other Multnomah County local governments. The MHCRC is a citizen body charged with overseeing the regulation and development of cable communications franchises, and protecting the public interest in accordance with federal, state, and local law. The program responds to cable subscriber complaints, supports planning and funding of community uses of broadband and cable technology, and provides oversight and funding for Portland Community Media and MetroEast Community Media.

Goals

Cable Communications supports City goals to deliver efficient, effective, and accountable municipal services and improve the quality of life in neighborhoods through championing the public interest in communications technology and associated government policies, and supports the Office of Management and Finance goals of:

- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis, and communication.
- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Maximizing value to the community by promoting regional partnerships that create government efficiencies.

Performance

Dedicated grant funds are awarded to nonprofits, schools, and local governments and represent a significant community investment. Broadband capacity and connectivity continue to reach critical sites, including public schools and libraries using the Comcast Institutional Network ("I Net"), which is connected to the City's Integrated Regional Network Enterprise (IRNE) system. Portland Community Media and MetroEast Community Media continue to excel in providing community programming, including live government meetings, accessibility, education, and training in community media.

Changes to Services and Activities

In FY 2013-14, a portion of this budget was removed from the City Budget and moved to a new Agency Fund. The portion that remains provides City administration of the new MHCRC Agency Fund. These services are paid for by an Intergovernmental Agreement with the MHCRC. In FY 2014-15, this program will implement a redesigned community grants program. Combined with a nearly $1 million annual competitive grant round, the grants program includes a funding initiative focused on student achievement outcomes and equity in education through strategic investments of about $2 million annually. This was developed in partnership with public school districts and other community organizations.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	0.00	3.00	4.00	3.50	3.50
Expenditures					
Cable Communications	0	0	0	1,134,452	845,661
Cable Regulatory Services	0	4,545	277,299	0	0
MHCRC Admin Services	0	0	0	701,664	701,664
PEG	0	5,838,007	683,440	0	0
Portland Community Media	0	868,197	817,839	0	0
Total Expenditures	**0**	**6,710,749**	**1,778,578**	**1,836,116**	**1,547,325**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Amount of grant funds provided to nonprofits, schools, and local government agencies	$1,300,774	$3,635,532	$4,000,000	$4,700,000	$4,700,000

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Resources					
External Revenues					
Taxes	3,522,932	14,946,055	22,052,566	22,059,000	22,059,000
Licenses & Permits	5,764,208	10,629,320	6,625,407	6,609,424	6,609,424
Charges for Services	37,506	2,566,932	11,900	18,350	18,350
Intergovernmental	877,966	905,183	1,865,083	1,872,672	1,872,672
Miscellaneous	55,156	778,973	135,335	130,850	130,850
Total External Revenues	**10,257,768**	**29,826,463**	**30,690,291**	**30,690,296**	**30,690,296**
Internal Revenues					
General Fund Discretionary	3,948,598	5,316,568	5,178,065	5,324,836	5,226,045
Fund Transfers - Revenue	0	5,040	29,910	0	0
Interagency Revenue	3,881,758	4,329,877	4,448,804	4,261,297	4,261,297
Total Internal Revenues	**7,830,356**	**9,651,485**	**9,656,779**	**9,586,133**	**9,487,342**
Beginning Fund Balance	517,729	7,922,570	7,633,887	1,594,970	1,594,970
Total Resources	**$18,605,853**	**$47,400,518**	**$47,980,957**	**$41,871,399**	**$41,772,608**
Requirements					
Bureau Expenditures					
Personnel Services	6,207,508	7,449,469	7,662,814	7,761,498	7,931,478
External Materials and Services	9,269,460	19,741,782	25,090,816	30,522,313	30,228,542
Internal Materials and Services	2,532,495	3,362,157	3,230,654	3,225,886	3,225,886
Total Bureau Expenditures	**18,009,463**	**30,553,408**	**35,984,284**	**41,509,697**	**41,385,906**
Fund Expenditures					
Contingency	0	0	11,940,553	311,702	311,702
Fund Transfers - Expense	113,646	170,499	56,120	50,000	75,000
Total Fund Expenditures	**113,646**	**170,499**	**11,996,673**	**361,702**	**386,702**
Ending Fund Balance	482,744	16,676,611	0	0	0
Total Requirements	**$18,605,853**	**$47,400,518**	**$47,980,957**	**$41,871,399**	**$41,772,608**
Programs					
Cable Communications	0	6,710,749	1,778,578	1,836,116	1,547,325
Franchise Management	0	929,444	671,433	613,543	683,543
Regulatory	1,148,694	1,506,087	1,489,245	1,504,950	1,504,950
Revenue Collection	16,860,769	21,407,128	32,045,028	37,555,088	37,650,088
Total Programs	**18,009,463**	**$30,553,408**	**$35,984,284**	**$41,509,697**	**$41,385,906**

Class	Title	Salary Range Minimum	Salary Range Maximum	Revised FY 2013-14 No.	Revised FY 2013-14 Amount	Requested No DP FY 2014-15 No.	Requested No DP FY 2014-15 Amount	Requested FY 2014-15 No.	Requested FY 2014-15 Amount
30000063	Accountant II	51,397	64,688	1.00	64,692	1.00	64,692	1.00	64,692
30000064	Accountant III	56,597	71,178	1.00	71,184	1.00	71,184	1.00	71,184
30000434	Administrative Assistant	46,571	71,739	1.00	52,872	1.00	55,039	1.00	55,039
30000437	Administrative Supervisor II	59,342	79,123	1.00	79,128	1.00	79,128	1.00	79,128
30000441	Business Operations Manager	77,584	103,355	1.00	77,580	1.00	80,760	1.00	80,760
30000448	Business Systems Analyst	59,342	79,123	5.00	352,296	4.00	296,724	4.00	296,724
30000447	Business Systems Analyst, Assistant	46,571	71,739	2.00	108,251	2.00	112,687	2.00	112,687
30000449	Business Systems Analyst, Sr	65,478	87,422	2.00	173,652	2.00	174,840	2.00	174,840
30000704	Community Technology Operations Mgr	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000703	Community Technology Program Mgr	68,806	92,040	2.00	165,371	2.00	168,374	2.00	168,374
30000017	Customer Accounts Specialist I	34,923	50,357	2.00	100,704	2.00	100,704	2.00	100,704
30000568	Financial Analyst, Sr	65,478	87,422	2.00	150,804	1.00	87,420	1.00	87,420
30000452	Management Analyst, Sr	65,478	87,422	0.00	0	0.00	0	1.00	78,540
30000450	Management Assistant	46,571	71,739	1.00	57,405	1.00	59,766	1.00	59,766
30000464	Program Coordinator	62,338	83,138	4.00	297,172	4.00	302,740	4.00	302,740
30000466	Program Manager, Sr	77,584	103,355	1.00	103,356	1.00	103,356	1.00	103,356
30000463	Program Specialist	56,534	75,338	1.00	69,804	1.00	72,666	1.00	72,666
30001033	Regulatory Division Manager	77,584	103,355	1.00	102,084	1.00	103,356	1.00	103,356
30000190	Regulatory Program Administrator	62,858	77,730	3.00	233,208	3.00	233,208	3.00	233,208
30000189	Regulatory Program Specialist	43,722	57,886	5.00	254,448	5.00	264,942	5.00	264,942
30000191	Revenue & Taxation Specialist I	34,923	46,758	3.00	138,936	3.00	140,179	3.00	140,179
30000192	Revenue & Taxation Specialist II	41,829	51,667	10.00	450,964	10.00	472,987	10.00	472,987
30000193	Revenue & Taxation Specialist III	43,722	57,886	6.00	314,221	6.00	321,833	6.00	321,833
30000194	Revenue & Taxation Specialist IV	47,466	61,734	8.00	453,640	8.00	467,046	8.00	467,046
30000196	Revenue & Taxation Specialist V	51,210	66,352	3.00	197,917	3.00	199,044	3.00	199,044
30000404	Revenue Auditor	59,883	79,830	3.00	178,020	3.00	185,688	3.00	185,688
30000405	Revenue Auditor, Sr	66,061	88,213	3.00	258,456	3.00	263,994	3.00	263,994
30000413	Revenue Bureau Director	106,038	151,798	1.00	151,800	1.00	151,800	1.00	151,800
30000588	Tax Division Manager	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000587	Tax Supervisor	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000531	Training & Development Analyst	59,342	79,123	1.00	78,108	1.00	79,128	1.00	79,128
TOTAL FULL-TIME POSITIONS				77.00	5,045,709	75.00	5,022,921	76.00	5,101,461
30000013	Office Support Specialist III	41,642	55,203	0.90	49,680	0.50	27,600	0.50	27,600
30000194	Revenue & Taxation Specialist IV	47,466	61,734	0.90	55,560	0.50	30,864	0.50	30,864
30000404	Revenue Auditor	59,883	79,830	0.90	53,412	0.50	29,940	0.50	29,940
TOTAL PART-TIME POSITIONS				2.70	158,652	1.50	88,404	1.50	88,404
30000404	Revenue Auditor	59,883	79,830	0.00	0	0.00	0	0.50	35,316
TOTAL LIMITED TERM POSITIONS				0.00	0	0.00	0	0.50	35,316
GRAND TOTAL				79.70	5,204,361	76.50	5,111,325	78.00	5,225,181

Decision Package Summary
Revenue Bureau

Bureau: Office of Management & Finance **Priority:** 03 **Type:** Realignments

Decision Package: MF_13 - Revenue - Utility Franchise/License Fee Audit **Program:** Franchise Management

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	60,000	0	60,000	0	0	0	0	0
External Materials and Services	(60,000)	0	(60,000)	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
REVENUES								
General Fund Discretionary	0	0	0	0	0	0	0	0
TOTAL REVENUES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FTE								
Limited Term Positions	0.50	0.00	0.50	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.50	0.00	0.50	0.00	0.00	0.00	0.00	0.00

Description:

The Office for Community Technology (OCT), a division of the Revenue Bureau, is responsible for managing franchise agreements for entities using the right of way and the utility license fee for utilities operating within the City of Portland. Together, the programs involve more than 175 entities, including telecommunications companies and utilities, and provide approximately $75 million towards the City's General Fund. Regular audits are necessary to ensure compliance with franchise agreements and the City's code. This decision package would add a dedicated 0.5 FTE, including materials and services costs, on a limited term basis for two years, within the Revenue Bureau Audit Section for utility franchise and license audits. OCT would like to initiate between 15-20 utility audits each fiscal year.

This decision package proposes to use the savings OMF will realize from the update of the Enterprise Server cost allocation metrics as a realignment resource. The Bureau of Technology Services (BTS) updated the cost allocation metrics for the Enterprise Server to reflect current and planned usage. Since OMF and the City Budget Office (CBO) no longer routinely use IBIS historical financial and personnel data, and the Water Bureau no longer routinely uses their historical billing information that is housed on the server, OMF assumed they will be off the server on July 1, 2014. This will eliminate an expense for OMF, CBO and the Water Bureau. This package will utilize $70,000 in savings from the aforementioned reduced expense to fund the limited term position with an anticipated return on investment to the General Fund. A review done by IntelliBridge Partners in September 2010, found that audit positions produced a return on investment ranging from 135% to 559%. An additional request could be made in FY 2015-16 for resources for the second year.

The server savings were initially budgeted in external materials and services. This realignment request moves $60,000 to cover personnel costs and retains $10,000 in external materials and services to cover other costs associated with the position, for a total realignment request of $70,000.

Expected Results:

This package would ensure that the City continues to monitor compliance with franchise agreements and the utility license law. There is a potential for increased one-time and/or on-going revenues based on audit findings. Regular audits also ensure that the City treats companies fairly by keeping up with the audit schedule. Many franchises have review periods between 2-5 years, and utilities paying under the utility license law should be audited every 3 years. If the add package is not funded, the Bureau will fall behind in its audit schedule and the City may lose the ability to recover past underpayments.

Decision Package Summary
Revenue Bureau

Bureau: Office of Management & Finance **Priority:** 08 **Type:** Realignments

Decision Package: MF_14 - Revenue - MHCRC Special Appropriation **Program:** Cable Communications

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
External Materials and Services	0	(288,791)	(288,791)	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**(288,791)**	**(288,791)**	**0**	**0**	**0**	**0**	**0**
REVENUES								
General Fund Discretionary	0	(288,791)	(288,791)	0	0	0	0	0
TOTAL REVENUES	**0**	**(288,791)**	**(288,791)**	**0**	**0**	**0**	**0**	**0**

Description:

The Mt. Hood Cable Regulatory Commission (MHCRC) Fund is governed by an Intergovernmental Agreement (IGA) among the cities of Portland, Gresham, Troutdale, Fairview, Wood Village and Multnomah County. The MHCRC Fund is an Agency Fund, which is budgeted, accounted for, and audited separately from the City's other funds. As a participant in the IGA, the City of Portland makes an annual contribution to the MHCRC, which is currently part of the Current Appropriation Level target provided by the City Budget Office to the Office of Management and Finance. The Commission has requested that the City of Portland's contribution to the MHCRC be designated as a Special Appropriation to segregate and more easily track the City's contribution to MHCRC.

Expected Results:

The package does not change the amount of the contribution to the MHCRC from the City of Portland. Rather, it requests to segregate the amount in a Special Appropriation to provide more transparency.

Decision Package Summary
Revenue Bureau

Bureau: Office of Management & Finance **Priority:** 01 **Type:** Critical Needs

Decision Package: MF_15 - Revenue - Tax Info Exchange-IRS and Portland **Program:** Revenue Collections

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	109,980	109,980	0	0	0	0	0
External Materials and Services	0	55,020	55,020	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**165,000**	**165,000**	**0**	**0**	**0**	**0**	**0**
REVENUES								
General Fund Discretionary	0	165,000	165,000	0	0	0	0	0
TOTAL REVENUES	**0**	**165,000**	**165,000**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Decision Package Summary
Revenue Bureau

Bureau: Office of Management & Finance **Priority:** 01 **Type:** Critical Needs

Decision Package: MF_15 - Revenue - Tax Info Exchange-IRS and Portland **Program:** Revenue Collections

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget

Description:

The Revenue Bureau is in the process of implementing an agreement for direct exchange of taxpayer information with the U.S. Internal Revenue Service (IRS). Having an information exchange with the IRS will provide the Bureau with local taxpayer information such as name, social security number/federal employer identification number, address, income and filing status which will greatly assist in the administration and collection of local income taxes such as the Portland Business License Tax, the Multnomah County Business Income Tax and the Arts Tax The IRS provides this service free of charge to all 50 states, the District of Columbia and eligible municipalities and counties with over 250,000 residents.

The three primary benefits of such an exchange are:

1) A substantial reduction in tax filing burden for hundreds of thousands of local taxpayers because completing tax returns in common tax preparation software packages such as TurboTax will satisfy Portland, Multnomah County, Oregon and federal filing requirements simultaneously when e-filing is implemented in conjunction with the Oregon Department of Revenue (data exchange is a precursor to e-filing). Many taxpayers will no longer need to fill out separate forms and mail copies of tax returns and other papers to the Revenue Bureau.

2) A significant increase in compliance with all local income taxes administered by the Revenue Bureau because key income and filing information will no longer be unknown and unverified. This is especially important in the identification of taxpayers that have never filed tax returns with the Bureau. The Bureau conservatively estimates a compliance increase of 1-3% for business income taxes and up to 5% for the Arts Tax, translating into millions of dollars of increased annual revenue for Portland and Multnomah County general funds, and the Arts Tax Fund.

3) A reduction of Bureau administrative burden related to processing paper returns; processing times for tax returns and turnaround times on taxpayer refunds will be greatly reduced after e-filing is in place. Other benefits include increased physical security of tax payments resulting from higher numbers of taxpayers paying electronically rather than by check. The reduction in administrative workload for the Bureau will result in reallocating additional staff to audit or other work, which could further increase revenues.

The Revenue Bureau has already applied for acceptance into the Tax Data Exchange Program with the IRS; the IRS has agreed the City is initially qualified to receive federal tax information pursuant to IRC Section 6103(d)(1). To fully implement an agreement, the City must comply with many security and other requirements delineated in IRS Publication 1075 (Pub 1075 http://www.irs.gov/pub/irs-pdf/p1075.pdf). Additional resources are needed to complete the initial implementation of an exchange agreement and these resources have already been requested through a City of Portland Innovation Fund Proposal.

However, to fully benefit from the exchange, additional resources are needed on an ongoing basis to both administer the agreement and to facilitate the exchange of data. Once the initial IRS security requirements are met, bi-annual IRS security reviews will continue to take place and additional implementation work will occur.

Also, there is substantial ongoing workload related to receiving the requested data from the IRS in the proper format and then maintaining an accurate and secure interface when transferring this data so it can be accepted and electronically processed by the Revenue Bureau. The requested position would be involved in building and maintaining partnerships with the IRS, the Oregon Department of Revenue and the tax software development companies such as TurboTax. All of these partnerships are necessary in order to ensure that the tax return information (including electronic tax payments) that is entered into the tax software programs by taxpayers and paid preparers can be properly and efficiently transmitted to and accepted by the Revenue Bureau. Technical specifications would need to be provided and maintained with all of these partners.

There would also be significant ongoing workload related to the new requirement for an IRS “liaison” in the Revenue Bureau. The requested position would act as this liaison by being the point person for regular and ad hoc data and information requests both by the Revenue Bureau and by the IRS.

The Revenue Bureau has determined, based on experience, that these duties could not be properly performed without adding a new position. Attempts have been made toward implementing and maintaining an exchange of data using existing staff, but it has been concluded that this project represents full-time workload in and of itself by an employee with a specialized skill set who has the ability to make this project their top priority.

Decision Package Summary
Revenue Bureau

Bureau: Office of Management & Finance **Priority:** 01 **Type:** Critical Needs

Decision Package: MF_15 - Revenue - Tax Info Exchange-IRS and Portland **Program:** Revenue Collections

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget

Description:
This requested position supports OMF's Strategic Plan goal of Operational Excellence by streamlining business processes and providing seamless service delivery to the public, specifically those subject to the Revenue Bureau's tax return filing requirements. Also, the Revenue Bureau regularly receives feedback from the public regarding their interest in being able to file and pay all of their taxes in one step. If fully implemented, this one-step e-filing would have significant public support and no foreseeable negative impact to the public. This request takes higher priority than restoring recent Revenue Bureau budget cuts as it has the potential to significantly (and favorably) impact the long-term workload and other costs of the Revenue Bureau and the public and increase revenues for the General Fund. The Revenue Bureau is unable to manage this expense through realignment because the bureau has already undergone an organizational restructuring in FY 2013-14 to manage to that year's reduced budget.

Expected Results:
1) Future Success Measure: Reduction in taxpayer burden for hundreds of thousands of local taxpayers. Metric: number of taxpayers e-filing returns.

2) Increased ongoing General Fund revenues of $780,000 to $2.3 million for Portland; $577,000 to $1.7 million for Multnomah County; and up to $540,000 for the Arts Tax. Substantial one-time business income tax revenues will also be realized as many taxpayers will be identified that have multiple unfiled or incorrectly filed previous tax years. Metric: incremental revenue tracking associated with increased compliance of accounts associated with IRS data.

3) Decreased administrative burden for the Revenue Bureau which will result in reallocation of staff to other revenue generating tasks, and potentially a longer term reduction in staff. Metric: Bureau will reallocate staff to other tasks, document the transfer, and report on any increase in revenue.

If this proposal were denied, the City would not be able to capitalize on the benefits listed above. While there would be no substantial additional costs to the City, as the Revenue Bureau would continue with its current, less efficient filing processes, the City would fail to meet the public's expectation that electronic filing and payment options are increasingly available

Decision Package Summary
Revenue Bureau

Bureau: Office of Management & Finance **Priority:** 09 **Type:** Critical Needs

Decision Package: MF_20 - Revenue- Property Management Fund GFOH Exception **Program:** Revenue Collections

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Fund Transfers - Expense	25,000	0	25,000	0	0	0	0	0
TOTAL EXPENDITURES	**25,000**	**0**	**25,000**	**0**	**0**	**0**	**0**	**0**
REVENUES								
General Fund Discretionary	25,000	0	25,000	0	0	0	0	0
TOTAL REVENUES	**25,000**	**0**	**25,000**	**0**	**0**	**0**	**0**	**0**

Description:

Updates to the General Fund Overhead Model approved by Council in the FY 2013-14 Fall BMP included charging $25,000 in overhead to the Property Management License Fund (Fund 204). This is a request to exempt the General Fund Overhead charge to the Property Management License Fund (a pass through fund) in FY 2014-15.

The Property Management License Fund is primarily composed of two parts. One is the Lloyd Business Improvement District and the other is the Downtown Clean and Safe District. Each of these contracts is governed by a cap of 1.25% of billings for the Revenue Bureau's Admin fee; it is acknowledged in the contracts that this cap is insufficient to cover actual Revenue Bureau's costs for directly administering the fund.

This fund has not been charged General Fund Overhead in previous years. It is anticipated that a similar request will need to be made in FY 2015-16, which is the last year of the current Downtown Clean and Safe contract. At that time, the Revenue Bureau can work to negotiate the cost of General Fund Overhead into their renewal contract.

Because of the dollar amount, OMF had intended to request carryover in the FY 2013-14 Spring Budget Monitoring Process (BMP) to fulfill the General Fund Overhead Exception requirement in FY 2014-15 and not to include this request in the Requested Budget. However, at the time of the Requested Budget submission, technical guidance regarding the use of programmatic carryover from FY 2013-14 to fund one-time FY 2014-15 needs was not available. Per the current BMP guidance, this request may not technically meet the definition of a program carryover. Therefore, OMF is including this request in the Requested Budget.

Expected Results:

If this request is denied, the City will be in violation of the Council-approved contract which contains an administrative fee cap (1.25% of billings) as this amount is already being charged to the fund.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Licenses & Permits	1,605,304	4,323,622	0	0	0	
Charges for Services	3,938,232	2,546,783	0	0	0	
Miscellaneous	34,324	261,350	0	0	0	
Total External Revenues	**5,577,860**	**7,131,755**	**0**	**0**	**0**	
Fund Transfers - Revenue	636	4,720	0	0	0	
Interagency Revenue	307,821	0	0	0	0	
Total Internal Revenues	**308,457**	**4,720**	**0**	**0**	**0**	
Beginning Fund Balance	6,555,453	7,439,826	0	0	0	
Total Resources	**12,441,770**	**14,576,301**	**0**	**0**	**0**	
Requirements						
Personnel Services	451,281	0	0	0	0	
External Materials and Services	4,417,971	5,232,458	0	0	0	
Internal Materials and Services	104,143	81,648	0	0	0	
Total Bureau Expenditures	**4,973,395**	**5,314,106**	**0**	**0**	**0**	
Fund Transfers - Expense	28,549	67,149	0	0	0	
Total Fund Expenditures	**28,549**	**67,149**	**0**	**0**	**0**	
Ending Fund Balance	7,439,826	9,195,046	0	0	0	
Total Requirements	**12,441,770**	**14,576,301**	**0**	**0**	**0**	

Fund Overview

The Cable Fund supports the Mt. Hood Cable Regulatory Commission (MHCRC).

The MHCRC administers cable franchises and Public, Education, and Government grant programs on behalf of Portland, Fairview, Gresham, Multnomah County, Troutdale, and Wood Village. These jurisdictions provide funding for the MHCRC's administrative budget. The majority of expenditures consist of the Community Access Capital Grants and Access Corporation Capital Grants.

Managing Agency Office of Management & Finance, Revenue Bureau

Significant Changes from Prior Year

This fund closed at the end of FY 2012-13. The activities associated with the MHCRC, which were formerly budgeted in the Cable Fund, are now budgeted in an agency fund as the Commission is a separate governmental entity.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Taxes	3,522,932	7,130,085	9,622,500	11,159,000	11,159,000	
Miscellaneous	3,834	3,841	8,000	5,500	5,500	
Total External Revenues	**3,526,766**	**7,133,926**	**9,630,500**	**11,164,500**	**11,164,500**	
Fund Transfers - Revenue	0	53	0	0	0	
Total Internal Revenues	**0**	**53**	**0**	**0**	**0**	
Beginning Fund Balance	255,981	220,729	0	114,904	114,904	
Total Resources	**3,782,747**	**7,354,708**	**9,630,500**	**11,279,404**	**11,279,404**	
Requirements						
External Materials and Services	3,394,783	6,945,685	9,340,043	10,964,479	10,964,479	
Internal Materials and Services	149,046	182,331	234,337	228,223	228,223	
Total Bureau Expenditures	**3,543,829**	**7,128,016**	**9,574,380**	**11,192,702**	**11,192,702**	
Contingency	0	0	0	61,702	61,702	
Fund Transfers - Expense	18,189	43,350	56,120	25,000	25,000	
Total Fund Expenditures	**18,189**	**43,350**	**56,120**	**86,702**	**86,702**	
Ending Fund Balance	220,729	183,342	0	0	0	
Total Requirements	**3,782,747**	**7,354,708**	**9,630,500**	**11,279,404**	**11,279,404**	

Fund Overview

The Convention and Tourism Fund receives revenues from a 1% transient lodging tax assessed on guests at hotels and motels within the City. Expenditures from this fund are authorized for the promotion and procurement of convention business and tourism as established by City Charter. The City currently contracts with Travel Portland, previously the Portland Oregon Visitors Association, for this service.

Managing Agency Office of Management & Finance, Revenue Bureau

Significant Changes from Prior Year

On June 20, 2012, Ordinance #185443 passed Council to create a Portland Tourism Improvement District. The Tourism Improvement District was established to enhance the promotion of Portland as a preferred destination for meetings, conventions and leisure travel. The 2% district assessment keeps Portland's lodging industry competitive with other cities. This new assessment will lead to increased revenues collected and distributed by the fund.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Licenses & Permits	4,760,464	5,022,146	5,115,650	5,241,789	5,241,789	
Charges for Services	343	377	300	350	350	
Miscellaneous	2,631	2,217	2,935	2,150	2,150	
Total External Revenues	**4,763,438**	**5,024,740**	**5,118,885**	**5,244,289**	**5,244,289**	
General Fund Discretionary	0	0	0	0	25,000	
Total Internal Revenues	**0**	**0**	**0**	**0**	**25,000**	
Beginning Fund Balance	41,049	39,957	0	35,000	35,000	
Total Resources	**4,804,487**	**5,064,697**	**5,118,885**	**5,279,289**	**5,304,289**	
Requirements						
External Materials and Services	4,683,825	4,963,475	5,054,940	5,213,767	5,213,767	
Internal Materials and Services	80,705	62,406	63,945	65,522	65,522	
Total Bureau Expenditures	**4,764,530**	**5,025,881**	**5,118,885**	**5,279,289**	**5,279,289**	
Fund Transfers - Expense	0	0	0	0	25,000	
Total Fund Expenditures	**0**	**0**	**0**	**0**	**25,000**	
Ending Fund Balance	39,957	38,816	0	0	0	
Total Requirements	**4,804,487**	**5,064,697**	**5,118,885**	**5,279,289**	**5,304,289**	

Fund Overview

The Property Management License Fund receives revenue from the business property management license fee payable by property managers of properties within the two Enhanced Services Districts (Clean & Safe and Lloyd districts). This fee supports enhanced services within the two districts, primarily cleaning and security. The fund transfers payments to the Office of Management and Finance - Revenue Bureau for reimbursement of a set level of program costs.

The purpose of the program is to keep the areas within the two districts vital and attractive to businesses, shoppers, visitors, and residents.

Clean & Safe, Inc., in accordance with a management agreement with the City of Portland, provides the following services:

- Enhanced security
- Sidewalk and graffiti cleaning
- Business recruitment, retention, and marketing services in the central business district

The Lloyd Transportation Management Association provides the following services:

- Transportation management
- District Attorney prosecution and crime prevention
- Holladay Street landscape maintenance
- Lloyd Eco District services

Managing Agency Office of Management & Finance, Revenue Bureau

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Licenses & Permits	0	79,141	0	0	0	
Miscellaneous	1,405	615	0	0	0	
Total External Revenues	**1,405**	**79,756**	**0**	**0**	**0**	
Fund Transfers - Revenue	0	267	0	0	0	
Total Internal Revenues	**0**	**267**	**0**	**0**	**0**	
Beginning Fund Balance	220,699	222,058	0	0	0	
Total Resources	**222,104**	**302,081**	**0**	**0**	**0**	
Requirements						
External Materials and Services	0	302,081	0	0	0	
Total Bureau Expenditures	**0**	**302,081**	**0**	**0**	**0**	
Fund Transfers - Expense	46	0	0	0	0	
Total Fund Expenditures	**46**	**0**	**0**	**0**	**0**	
Ending Fund Balance	222,058	0	0	0	0	
Total Requirements	**222,104**	**302,081**	**0**	**0**	**0**	

Fund Overview

The Private for Hire Transportation Safety Fund was created to provide a grant program for the purchase and replacement of cameras for Portland area taxicabs. This fund was established by Ordinance #177794 passed by Council on August 6, 2003.

The initial purchase of the cameras was funded with a one-time loan from the General Fund of $205,000. The ongoing source of revenue for repayment of the loan and replacement funds for future camera purchases comes from an increase in taxicab and limited passenger transportation fees. The final payment to the General Fund was made in FY 2006-07. The remaining balance is overseen by the Private for Hire Transportation Review Board and will be used for future private for hire safety programs.

Managing Agency Office of Management and Finance, Revenue Bureau

Significant Changes from Prior Year

This fund closed at the end of FY 2012-13. All funding in FY 2012-13 was used on a final purchase of cameras. Future camera maintenance and replacement will be the responsibility of the taxicab companies, as is now the industry norm.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Taxes	0	7,815,970	12,430,066	10,900,000	10,900,000	
Miscellaneous	0	4,939	58,000	60,000	60,000	
Total External Revenues	**0**	**7,820,909**	**12,488,066**	**10,960,000**	**10,960,000**	
Total Internal Revenues	**0**	**0**	**0**	**0**	**0**	
Beginning Fund Balance	0	0	7,633,887	1,445,066	1,445,066	
Total Resources	**0**	**7,820,909**	**20,121,953**	**12,405,066**	**12,405,066**	
Requirements						
External Materials and Services	0	0	7,630,000	11,559,500	11,559,500	
Internal Materials and Services	0	561,502	551,400	570,566	570,566	
Total Bureau Expenditures	**0**	**561,502**	**8,181,400**	**12,130,066**	**12,130,066**	
Contingency	0	0	11,940,553	250,000	250,000	
Fund Transfers - Expense	0	0	0	25,000	25,000	
Total Fund Expenditures	**0**	**0**	**11,940,553**	**275,000**	**275,000**	
Ending Fund Balance	0	7,259,407	0	0	0	
Total Requirements	**0**	**7,820,909**	**20,121,953**	**12,405,066**	**12,405,066**	

Fund Overview

The Arts Education and Access Fund receives revenues from a tax of $35 imposed on each income-earning resident of the City of Portland who is at least eighteen years old. Households at or under the Federal Poverty level are exempt. Net revenues are distributed from this fund to the six school districts located in the City (Portland Public, David Douglas, Centennial, Parkrose, Reynolds and Riverdale) and the Regional Arts and Culture Council, in accordance with their respective intergovernmental agreement or contract.

Funds distributed to the school districts are to be used to hire certified arts or music education teachers for kindergarten through 5th grade (K-5). Distribution shall be based on a ratio of one teacher for every 500 K-5 students or a pro rata basis for less than 500 students attending a school. Any funds remaining after distribution to the School Districts shall be distributed to the Regional Arts and Culture Council (RACC). Up to 95% of the funds distributed to RACC shall be for grants to support non-profit Portland arts organizations. A minimum of 5% of the funds distributed to RACC shall be for grants to schools and nonprofit organizations that will give access to high-quality arts experiences to K-12th grade students with particular emphasis on programs directed to underserved communities.

The Revenue Bureau manages the Arts Education and Access Fund, administers the collection of the Arts Tax, and charges the fund an administrative fee for services.

Managing Agency Office of Management & Finance, Revenue Bureau

Significant Changes from Prior Year

No significant changes expected in FY 2014-15.

Bureau of Technology Services

Overview

The Bureau of Technology Services (BTS) is responsible for management, policy setting, strategic planning and leadership in the use of computer, radio, and telecommunications technologies, to support the delivery of effective government services to the City of Portland and its regional partners. The bureau is overseen by the Chief Technology Officer.

In FY 2013-14 the Bureau of Technology Services is participating in a Citywide Technology Assessment and recommendations from the assessment could result in organizational and programmatic changes in FY 2014-15.

Administration & Support

Description

The Administration program delivers efficient and effective ordering, storekeeping, budget development, and administrative services. The Administration program includes the Office of the Chief Technology Officer (CTO). The CTO plans, organizes, integrates and directs the organization, financial management, administration, personnel and operations of the bureau. Administration is responsible for executing streamlined processes to deliver timely and efficient order fulfillment of technology products; delivering consistent and effective administrative services including bureau policy development, timekeeping, payroll, and personnel administration; maintaining effective inventory controls of technology equipment and software; and budget coordination with staff from Business Operations.

Goals

By setting citywide policy that governs the use of technology resources, the Administration program supports the City goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Securing adequate and sustainable funding to maintain and replace critical technology and facilities infrastructure.
- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Creating and sustaining a workplace within OMF that promotes a balance between employee innovation, accountability and business needs.
- Providing programs to attract, on-board, develop and retain a skilled, knowledgeable and diverse City workforce.

Performance

Performance measures for the Administration program focus on the speed with which customer orders are filled, as well as the workload effectiveness of administrative staff. Performance of the Office of the CTO is measured through Office of Management and Finance customer satisfaction surveys.

Changes to Services and Activities

Key initiatives for FY 2014-15 include the measurement and reporting of ongoing professional development plans for all BTS employees. In FY 2014-15 the Administration Program will work in conjunction with the Office of the Chief Administrative Officer to implement recommendations from the Citywide Technology Assessment. In addition, Administration and Support, along with the other BTS Divisions, will begin drafting the next BTS Strategic Plan.

BTS is updating the cost allocation metrics for the Enterprise Server to reflect current and planned usage. This means fewer customers will support the server that still houses the Portland Police Data System and the Auditors lien accounting system. OMF recognizes that this shifts a larger percentage of the costs of maintaining the server onto these two bureaus. To alleviate these bureaus from having to make reductions elsewhere in their FY 2014-15 budget, BTS is requesting one-time funding to address this cost shift while further steps are implemented to move these two systems off the Enterprise Server.

Technology Services

City Support Services Service Area

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	13.00	12.00	12.00	12.00	12.00
Expenditures					
Administration	8,303,758	8,022,744	3,472,541	3,365,619	3,365,619
Stores & Order Fullfillment	196,087	125,128	0	0	0
Total Expenditures	**8,499,845**	**8,147,872**	**3,472,541**	**3,365,619**	**3,365,619**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Number of days elapsed from ordering a new desktop PC to installation	4	4	4	4	4
Office of Management and Finance customer survey average satisfaction rating for the Office of the Chief Technology Officer	3	3	NA	3	3
Efficiency					
Number of bureau staff per clerical employee	68	68	66	66	68

Business Solutions

Description

The Business Solutions program develops and supports corporate-wide and bureau-specific business applications and services, advances e-government and e-commerce initiatives that address internal and public needs, and manages strategic planning and enterprise architecture efforts. Key responsibilities are to provide Citywide application development, implementation, and support; develop and maintain the Bureau of Technology Services strategic plan and technology roadmap; engineer new technology solutions to meet customer business needs; and provide oversight for any outsourced application development and selection of all third party applications and services.

Goals

Through the development and delivery of innovative services that allow customers to meet their business objectives, the Business Solutions program supports the City goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Delivering business solutions that take into account customer needs and interests.
- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Creating and sustaining a workplace within OMF that promotes a balance between employee innovation, accountability and business needs.
- Providing streamlined business processes that are easy to understand, efficient and ensure compliance.

Performance

Performance of this program is measured through use of the City's e-government (portlandonline.com, portlandoregon.gov, portlandmaps.com) and e-commerce (payment gateway) platforms.

Changes to Services and Activities

Key initiatives for FY 2014-15 include the implementation of projects that will assist the bureau's customers in achieving improved business processes and increased service delivery including: the Bureau of Developmental Services' new online permitting system, the re-platforming of the Fire Information System (FIS) application, and continued execution of the Geographical Information Systems (GIS) Plan. Other Business Solutions activities in FY 2014-15 include the selection of an external provider of payment gateway services and the continued emphasis on maturing the City's Enterprise Architecture (EA) program.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	64.63	57.90	55.90	55.63	55.63
Expenditures					
Business Solutions	6,890,805	7,610,709	9,270,391	9,404,638	9,404,638
Corporate Applications	10,473	0	0	0	0
Vertical Applications	1,164,648	763,650	0	0	0
Total Expenditures	**8,065,926**	**8,374,359**	**9,270,391**	**9,404,638**	**9,404,638**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Average number of unique visitors per day to PortlandOnline	17,600	11,000	12,900	13,000	13,000
Average number of maps per day served through PortlandMaps	200,188	170,060	165,000	190,000	190,000
Percentage of payment gateway availability	99.9%	100.0%	99.9%	99.9%	99.9%
Efficiency					
Yearly revenue processed electronically through the payment gateway in millions	$111.00	$133.00	$134.00	$150.00	$150.00
Workload					
Number of application and development hours billed	27,864	29,280	28,000	28,000	28,000

Communications

Description

The Communications program maintains a robust public safety radio and emergency dispatch system, as well as large telecommunications, video surveillance and network environments. The responsibilities of Communications are to rapidly respond to and resolve all voice, radio, dispatch technology, and network support issues; and effectively engineer and maintain the City's communications systems and networks including the Integrated Regional Network Enterprise (IRNE) and Institutional Network (I-NET) serving government agencies throughout Multnomah County.

Goals

By supporting the City and regional mission critical voice and data communications needs, the Communications program supports the City goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Maximizing value to the community by promoting regional partnerships that create government efficiencies.
- Securing adequate and sustainable funding to maintain and replace critical technology and facilities infrastructure.
- Creating and sustaining a workplace within OMF that promotes a balance between employee innovation, accountability and business needs.
- Marketing OMF services effectively to customers.

Performance

The Communications program is primarily focused on the reliability and availability of critical network and communications systems and services as well as the efficiency and effectiveness of the staff who support large quantities of technology equipment such as radios and telephones.

Changes to Services and Activities

The key focus for FY 2014-15 continues to be the replacement of the City's analog public safety radio system, which received a majority of funding through a voter approved general obligation bond in November 2010, and is scheduled to go live in 2016. BTS is requesting a Network Security Analyst to help ensure the confidentiality, integrity, and availability of all City data, communications systems, and assets.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	40.00	39.00	40.00	40.00	41.00
Expenditures					
Communications	9,489,903	9,669,698	17,752,928	14,407,513	14,523,894
Total Expenditures	**9,489,903**	**9,669,698**	**17,752,928**	**14,407,513**	**14,523,894**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage uptime for phone switch	100.00%	100.00%	99.80%	99.80%	99.80%
Number of telephone lines provided in service	7,867	6,608	7,200	7,050	7,050
Percentage of time radio system operated without failure	99.99%	99.99%	99.70%	99.99%	99.99%
Percentage Internet availability	99.97%	99.99%	99.60%	99.99%	99.99%
Percentage availability of network excluding scheduled maintenance	100.0%	100.0%	99.6%	100.0%	100.0%
Efficiency					
Number of pieces of electronic radio equipment maintained per technician	1,353	1,533	1,581	1,717	1,717
Number of pieces of electronic radio equipment maintained	7,442	6,902	7,115	7,725	7,725
Average number of telephone trouble tickets resolved per technician	392	410	406	400	400
Workload					
Number of service orders submitted	1,176	1,304	1,220	1,300	1,300
Number of radio communication units accessing system	8,504	8,221	8,400	7,620	7,620

Customer Relations

Description

Customer Relations works with customers to identify business requirements in order to develop solutions and service level agreements aligned with their business needs. The responsibility of Customer Relations is to understand customer business needs and key challenges, gather customer business requirements to assist in the development of appropriate technology solutions, collaboratively develop technology work plans in concert with the annual budget process, provide transparent and timely two-way communication and information sharing that builds strong partnerships between the bureau and its customers, and provide ongoing management and revisions to the Bureau's Service Catalog and bureau specific Service Level Agreements.

Goals

By aligning customer business needs with appropriate technology solutions, Customer Relations supports the City goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Marketing OMF services effectively to customers.

Performance

Performance is measured through annual BTS customer satisfaction surveys. However, the BTS Annual customer survey, historically conducted in the fall, was suspended in 2013 to allow for greater participation and response rate for the surveys and interviews conducted with BTS customers as part of the Citywide Technology Assessment. The Customer Relations Division will resume issuing the survey in the fall of 2014.

Changes to Services and Activities

Key initiatives for FY 2014-15 include continued tracking of measureable improvement in customer satisfaction through improved collaboration between BTS, Facilities, and Procurement Services.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	5.00	5.00	5.00	5.00	5.00
Expenditures					
Customer Relations	802,799	718,721	635,261	800,287	800,287
Total Expenditures	**802,799**	**718,721**	**635,261**	**800,287**	**800,287**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Bureau of Technology Services customer survey satisfaction average rating (5=highest)	4	5	NA	4	4

Information Security

Description

The role of Information Security is to ensure the confidentiality, integrity, and availability of all City data and communications systems and assets. The responsibilities of this program are to develop and measure compliance with information policies and procedures; minimize risk through implementation of effective technical, administrative, and physical security controls; and develop and maintain the Bureau of Technology Services business continuity and disaster recovery plan.

Goals

By employing appropriate safeguards required in order to properly protect the City's information assets, Information Security supports the city goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Providing streamlined business processes that are easy to understand, efficient and ensure compliance.

Performance

Performance is measured by the effectiveness of the Information Security program in protecting the City's technology environment from security threats.

Changes to Services and Activities

Key initiatives for FY 2014-15 include implementing the BTS components of the Council approved Citywide business continuity plan. In addition, Information Security will provide an updated disaster recovery plan in order to understand the priority and timelines for service recovery in the event of a natural or man-made disaster. BTS is requesting funding for a position to assist in the mitigation of threats to the City's information and technology systems in the case of a natural or man-made disaster.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	5.00	5.00	4.00	4.00	5.00
Expenditures					
Information Security	820,006	869,094	1,722,549	1,390,547	1,527,348
Total Expenditures	**820,006**	**869,094**	**1,722,549**	**1,390,547**	**1,527,348**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of compliance with current Payment Card Security Standards for City's electronic payment gateway	100%	100%	100%	100%	100%
Average time between security incidents involving five or more workstations in days	365	365	120	180	180
Percentage of computers able to accept security patching	95%	95%	95%	97%	97%

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Efficiency					
Average number of days in deployment cycle to workstations for major security software updates	30	30	30	30	30
Average number of days for deployment of security updates to servers	90	90	90	30	30
Maximum percentage of computers without current security software installed and functioning	5%	5%	5%	5%	5%

Police IT

Description

Police IT supports effective application development and maintenance, and provides quality infrastructure and field support to the Police Bureau. The responsibilities of Police IT are to develop and maintain Police data applications and supporting systems, and rapidly respond to and resolve all Police field and infrastructure support requests.

Goals

By delivering dependable services and innovative solutions to the Portland Police Bureau, the Police IT program supports the City goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Delivering business solutions that take into account customer needs and interests.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.

Performance

Performance results of the Police IT program reflect the ability to maintain a reliable technology environment to meet the around-the-clock, everyday mission critical needs of the Portland Police Bureau.

Changes to Services and Activities

The key initiative for FY 2014-15 is the replacement of the Portland Police Data System (PPDS), a critical regional law enforcement records management system, with a contemporary commercial solution as a component of the Public Safety System Revitalization Program (PSSRP). The Regional Justice Information Network (RegJIN) is scheduled to go live in FY 2014-15. BTS is requesting approval of a realignment decision package to fund a Police IT Supervisor to ensure critical systems and initiatives provide better officer safety, productivity, and accountability to the public.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	16.00	16.00	15.00	15.00	16.00
Expenditures					
Police Applications	937,992	944,489	0	0	0
Police Infrastructure Support	(673,920)	(431,212)	87,828	83,448	83,448
Police IT	1,564,446	1,318,679	1,844,958	2,239,430	2,370,239
Total Expenditures	**1,828,518**	**1,831,956**	**1,932,786**	**2,322,878**	**2,453,687**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of field reporting system availability excluding scheduled maintenance	100.0%	100.0%	99.6%	99.6%	99.6%

Production Services

Description

Production Services effectively maintains the City's state of the art data center facilities; supports the City's server, email, storage and backup infrastructure; and effectively maintains the infrastructure of the City's mission critical technology systems (SAP, Cayenta, Synergen, Maximo, CAD, TRACS, PPDS and email).

Goals

By maintaining a premier production technology environment, Production Services supports the City goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Securing adequate and sustainable funding to maintain and replace critical technology and facilities infrastructure.
- Delivering business solutions that take into account customer needs and interests.
- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.

Performance

Performance measures for the Production Services program focus on the reliability of the City's mission-critical production systems.

Changes to Services and Activities

The key focus for FY 2014-15 will be the collaboration between Production Services, Police IT and the Public Safety Systems Revitalization Program (PSSRP) to finish the critical production infrastructure required for the Regional Justice Information Network (RegJIN) implementation scheduled for December 2014.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	24.00	22.00	20.00	20.00	20.00
Expenditures					
Production Services	6,349,585	6,829,158	6,373,098	6,730,836	6,730,836
Total Expenditures	**6,349,585**	**6,829,158**	**6,373,098**	**6,730,836**	**6,730,836**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of mission critical production system availability for Cayenta	100.00%	99.98%	99.96%	99.97%	99.97%
Percentage of mission critical production system availability for SAP	99.96%	99.98%	99.96%	99.96%	99.96%
Percentage of email availability excluding scheduled maintenance	100.00%	99.99%	99.99%	99.90%	99.90%
Percentage of public safety system availability - Bureau of Emergency Communications	99.96%	99.99%	99.98%	99.90%	99.90%
Percentage of public safety system availability - Police Bureau	99.99%	99.99%	99.99%	99.99%	99.99%

Project Management Office

Description

The role of the Project Management Office is to deliver effective and consistent bureau wide project management practices for all disciplines of technology services provided by each Bureau of Technology Services program. The responsibilities of the office are to implement consistent project management methodologies and approaches regardless of technology discipline or program, facilitate project oversight including priority and resource alignment across the organization, and facilitate effective technology governance to ensure BTS is working on the City's highest priority technology initiatives.

Goals

By delivering project management services modeled after industry standards and best practices, the Project Management Office supports the City goal to deliver efficient, effective, and accountable municipal services as well as the Office of Management and Finance goals of:

- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.
- Delivering business solutions that take into account customer needs and interests.
- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.

Performance

Performance of this program is measured through direct customer survey feedback at the completion of projects, as well as the quantity of hours billed for project management service.

Changes to Services and Activities

The key focus for FY 2014-15 is further refining the use of the Innotas Project Portfolio Management tool by incorporating and prioritizing citywide as well as BTS technology projects into the technology project portfolio.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	10.00	8.00	7.00	7.00	6.00
Expenditures					
Project Management	1,077,944	1,013,188	1,213,160	1,010,272	879,463
Total Expenditures	**1,077,944**	**1,013,188**	**1,213,160**	**1,010,272**	**879,463**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of customers rating project management service provided as excellent	76%	75%	70%	70%	70%
Number of total billable project hours managed by the Project Management Office	2,518	1,665	1,377	2,200	2,200

Support Center

Description

The Support Center acts as the first point of contact for the majority of customer support needs. It also implements and manages effective tracking systems and tools. The responsibilities of the Support Center are to respond to and resolve all desktop and laptop issues and provide the first level of support to printing issues; act as the central point for user account and access management; deliver new and replacement desktop computers in time to meet customer needs; effectively manage City desktop, laptop and server systems with robust, down-the-wire administration and deployment tools; and engineer, implement, and maintain the systems and tools needed for tracking service requests and computing assets.

Goals

By resolving the majority of office computing support requests the same day reported, the Support Center program supports the City goal to deliver efficient, effective, and accountable municipal services, as well as the Office of Management and Finance goals of:

- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet Citywide business needs.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.
- Delivering business solutions that take into account customer needs and interests.

Performance

The performance measures of the Support Center program focus on responsiveness in resolving support issues reported to the HelpDesk and the overall effectiveness and efficiency of Support Center staff.

Changes to Services and Activities

The key focus area for FY 2014-15 is the upgrade and expansion of the Altiris Service Desk ticketing system, and support of the Office 365 project.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	42.00	41.00	39.00	39.00	39.00
Expenditures					
Desktop Support	0	(50)	0	0	0
PC Deployment	2,406	0	0	0	0
Support Center	5,628,467	5,681,936	7,987,784	5,859,998	5,859,998
Total Expenditures	**5,630,873**	**5,681,886**	**7,987,784**	**5,859,998**	**5,859,998**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of problems resolved by Help Desk without escalation to field staff (first call resolution)	69.00%	60.70%	65.00%	65.00%	65.00%
Percentage of calls answered within 20 seconds	65%	82%	79%	80%	80%
Percentage of problems resolved on the same day	69%	72%	66%	70%	70%

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Efficiency					
Number of desktop and laptop computers supported per technician	129	148	145	145	145
Percentage of all eligible PCs replaced every fourth year under the Lifecycle Replacement Program	23%	43%	25%	5%	5%
Workload					
Number of email accounts supported	6,477	6,499	6,450	6,500	6,500
Average number of Help Desk tickets per month	3,700	3,062	3,500	3,500	3,500

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Resources					
External Revenues					
Charges for Services	137,380	140,611	40,808	226,341	226,341
Intergovernmental	5,116,439	5,227,556	5,231,693	4,537,660	4,537,660
Bond & Note	88,766	38,803	42,842	71,181	71,181
Miscellaneous	745,721	549,092	464,100	436,555	436,555
Total External Revenues	**6,088,306**	**5,956,062**	**5,779,443**	**5,271,737**	**5,271,737**
Internal Revenues					
Fund Transfers - Revenue	101,204	1,275,103	314,477	0	533,435
Interagency Revenue	43,238,677	40,797,334	38,547,639	40,700,248	40,419,995
Total Internal Revenues	**43,339,881**	**42,072,437**	**38,862,116**	**40,700,248**	**40,953,430**
Beginning Fund Balance	43,376,476	32,416,630	16,992,618	10,056,842	10,056,842
Total Resources	**$92,804,663**	**$80,445,129**	**$61,634,177**	**$56,028,827**	**$56,282,009**
Requirements					
Bureau Expenditures					
Personnel Services	24,512,966	24,511,137	25,749,990	24,926,309	25,169,491
External Materials and Services	15,482,911	16,243,607	17,512,412	13,929,226	13,939,226
Internal Materials and Services	3,878,618	3,606,543	3,734,896	3,705,187	3,705,187
Capital Outlay	967,985	1,106,544	3,363,200	2,731,866	2,731,866
Total Bureau Expenditures	**44,842,480**	**45,467,831**	**50,360,498**	**45,292,588**	**45,545,770**
Fund Expenditures					
Debt Service	1,955,631	1,735,383	433,496	467,649	467,649
Contingency	0	0	8,639,522	8,364,306	8,364,306
Fund Transfers - Expense	10,805,949	2,337,327	2,200,661	1,904,284	1,904,284
Total Fund Expenditures	**12,761,580**	**4,072,710**	**11,273,679**	**10,736,239**	**10,736,239**
Ending Fund Balance	32,416,630	30,904,588	0	0	0
Total Requirements	**$90,020,690**	**$80,445,129**	**$61,634,177**	**$56,028,827**	**$56,282,009**
Programs					
Administration & Support	8,499,845	8,147,872	3,472,541	3,365,619	3,365,619
Business Solutions	8,065,926	8,374,359	9,270,391	9,404,638	9,404,638
Communications	9,489,903	9,669,698	17,752,928	14,407,513	14,523,894
Customer Relations	802,799	718,721	635,261	800,287	800,287
Information Security	820,006	869,094	1,722,549	1,390,547	1,527,348
Infrastructure & Engineering	658,940	(2,448)	0	0	0
Office of the Chief Technology Officer	437,049	48	0	0	0
Police IT	1,828,518	1,831,956	1,932,786	2,322,878	2,453,687
Production Services	6,349,585	6,829,158	6,373,098	6,730,836	6,730,836
Project Management Office	1,077,944	1,013,188	1,213,160	1,010,272	879,463
Replacement	1,181,092	2,334,299	0	0	0
Support Center	5,630,873	5,681,886	7,987,784	5,859,998	5,859,998
Total Programs	**44,842,480**	**$45,467,831**	**$50,360,498**	**$45,292,588**	**$45,545,770**

Class	Title	Salary Range Minimum	Salary Range Maximum	Revised FY 2013-14 No.	Revised FY 2013-14 Amount	Requested No DP FY 2014-15 No.	Requested No DP FY 2014-15 Amount	Requested FY 2014-15 No.	Requested FY 2014-15 Amount
30000434	Administrative Assistant	46,571	71,739	1.00	67,668	1.00	70,209	1.00	70,209
30000433	Administrative Specialist, Sr	43,368	66,768	1.00	66,768	1.00	66,768	1.00	66,768
30000201	Applications Analyst I-Generalist	57,034	76,024	1.00	75,672	1.00	75,962	1.00	75,962
30000203	Applications Analyst II-Generalist	59,883	79,830	2.00	159,672	2.00	159,672	2.00	159,672
30000204	Applications Analyst III-Generalist	66,061	88,213	15.00	1,323,180	15.00	1,323,180	15.00	1,323,180
30000207	Applications Analyst IV-Generalist	69,430	92,872	9.00	791,856	9.00	797,591	9.00	797,591
30001234	Applications Analyst IV-Web Developer	69,430	92,872	3.00	247,800	3.00	256,134	3.00	256,134
30000618	Business Solutions Division Manager	96,366	134,597	1.00	127,776	1.00	131,700	1.00	131,700
30000448	Business Systems Analyst	59,342	79,123	1.00	66,936	1.00	68,768	1.00	68,768
30000411	Chief Technology Officer	119,205	170,830	1.00	170,832	1.00	170,832	1.00	170,832
30000832	Chief Technology Officer, Assistant	106,038	151,798	1.00	151,800	1.00	151,800	1.00	151,800
30000700	Communications Engineer	69,430	92,872	2.00	184,404	2.00	185,625	2.00	185,625
30000238	Communications Switch Technician	57,845	70,138	2.00	140,280	2.00	140,280	2.00	140,280
30000627	Communications Systems Administrator	77,584	103,355	1.00	100,608	1.00	103,127	1.00	103,127
30000624	Communications Systems Rep	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000628	ComNet Operations Manager	96,366	134,597	1.00	122,196	1.00	127,212	1.00	127,212
30000234	Electronics Technician I: Communications	49,400	59,966	3.00	179,892	3.00	179,892	3.00	179,892
30000236	Electronics Technician II: Commun	57,845	70,138	9.00	610,638	9.00	623,963	9.00	623,963
30000341	GIS Technician I	39,437	52,832	1.00	52,356	1.00	52,836	1.00	52,836
30000218	Inf Syst Analyst, Principal-Gen	78,291	104,291	21.00	2,060,012	21.00	2,067,732	22.00	2,146,020
30000217	Inf Syst Analyst, Principal-GIS Enterprs	78,291	104,291	4.00	417,168	4.00	417,168	4.00	417,168
30000219	Inf Syst Analyst, Principal-Proj Mgmt	78,291	104,291	7.00	623,904	7.00	628,440	6.00	550,152
30000220	Inf Syst Analyst, Principal-Security	78,291	104,291	2.00	160,746	2.00	164,862	2.00	164,862
30000610	Inf Syst Mgr, Sr-Applications	89,710	121,576	1.00	113,716	1.00	118,242	1.00	118,242
30000613	Inf Syst Mgr, Sr-General	89,710	121,576	4.00	472,169	4.00	476,571	4.00	476,571
30000614	Inf Syst Mgr, Sr-Production	89,710	121,576	1.00	111,472	1.00	116,044	1.00	116,044
30000879	Inf Syst Mgr, Sr-Proj Mgmt	89,710	121,576	1.00	111,382	1.00	115,950	1.00	115,950
30000615	Inf Syst Mgr, Sr-Security	89,710	121,576	1.00	121,572	1.00	121,572	1.00	121,572
30001035	Inf Syst Mgr-Corporate Applications	83,450	111,114	1.00	109,512	1.00	110,576	1.00	110,576
30000607	Inf Syst Mgr-Generalist	83,450	111,114	5.00	516,876	5.00	524,980	5.00	524,980
30000608	Inf Syst Mgr-Network Manager	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000609	Inf Syst Mgr-Wide Area Network	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000605	Inf Syst Supvr-Generalist	77,584	103,355	5.00	515,508	5.00	516,780	6.00	594,360
30000198	Inf Syst Tech Analyst I-Generalist	43,763	67,371	4.00	196,926	4.00	203,602	4.00	203,602
30000199	Inf Syst Tech Analyst II-Generalist	46,987	72,384	4.00	246,645	4.00	249,340	4.00	249,340
30000200	Inf Syst Tech Analyst III-Generalist	57,034	76,024	2.00	152,040	2.00	152,040	2.00	152,040
30000209	Inf Syst Tech Analyst III-Telecomm	57,034	76,024	1.00	68,165	1.00	70,958	1.00	70,958
30000210	Inf Syst Tech Analyst IV-Generalist	59,883	79,830	23.00	1,768,735	23.00	1,787,536	23.00	1,787,536
30000211	Inf Syst Tech Analyst IV-Telecomm	59,883	79,830	3.00	239,508	3.00	239,508	3.00	239,508
30000212	Inf Syst Tech Analyst IV-Vertical GIS	59,883	79,830	1.00	59,340	1.00	59,880	1.00	59,880
30000213	Inf Syst Tech Analyst V-Generalist	66,061	88,213	14.00	1,185,585	14.00	1,199,690	15.00	1,265,750
30001933	Inf Syst Tech Analyst V-Proj Mgmt	66,061	88,213	1.00	85,542	1.00	87,738	1.00	87,738
30000215	Inf Syst Tech Analyst VI-Generalist	69,430	92,872	18.00	1,567,964	18.00	1,586,749	18.00	1,586,749
30001003	Inf Syst Tech Analyst VI-Security	69,430	92,872	1.00	68,808	1.00	69,432	1.00	69,432
30000452	Management Analyst, Sr	65,478	87,422	1.00	85,968	1.00	87,420	1.00	87,420
30000013	Office Support Specialist III	41,642	55,203	2.00	110,400	2.00	110,400	2.00	110,400
30000622	SAP Architect- XI/PI	106,038	151,798	1.00	151,800	1.00	151,800	1.00	151,800
30000053	Storekeeper/Acquisition Specialist I	42,390	51,917	2.00	103,824	2.00	103,824	2.00	103,824
30000054	Storekeeper/Acquisition Specialist II	44,554	54,475	1.00	54,480	1.00	54,480	1.00	54,480
30000056	Storekeeper/Acquisition Specialist III	50,315	62,566	1.00	62,568	1.00	62,568	1.00	62,568

Class	Title	Salary Range Minimum	Salary Range Maximum	Revised FY 2013-14 No.	Revised FY 2013-14 Amount	Requested No DP FY 2014-15 No.	Requested No DP FY 2014-15 Amount	Requested FY 2014-15 No.	Requested FY 2014-15 Amount
30000625	Technical Operations Supervisor	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000620	Technology Services Bureau Business Rep	83,450	111,114	4.00	426,960	4.00	432,910	4.00	432,910
TOTAL FULL-TIME POSITIONS				196.00	17,006,685	196.00	17,171,399	198.00	17,315,039
30000204	Applications Analyst III-Generalist	66,061	88,213	0.90	49,620	0.63	52,292	0.63	52,292
TOTAL PART-TIME POSITIONS				0.90	49,620	0.63	52,292	0.63	52,292
30000204	Applications Analyst III-Generalist	66,061	88,213	1.00	65,484	1.00	66,060	1.00	66,060
TOTAL LIMITED TERM POSITIONS				1.00	65,484	1.00	66,060	1.00	66,060
GRAND TOTAL				197.90	17,121,789	197.63	17,289,751	199.63	17,433,391

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 01 **Type:** Key Priorities

Decision Package: MF_03 - BTS-Technology Disaster Planning Analyst **Program:** Information Security

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	131,801	131,801	0	0	0	0	0
External Materials and Services	0	5,000	5,000	0	0	0	0	0
Contingency	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**136,801**	**136,801**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Interagency Revenue	0	136,801	136,801	0	0	0	0	0
TOTAL REVENUES	**0**	**136,801**	**136,801**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

The Bureau of Technology Services (BTS) is requesting ongoing funding for one Principal Information System Analyst to assist in the mitigation of threats to the City's information and technology systems in the case of a natural or man-made disaster. Currently, BTS operates a variety of information systems that have limited to no ability to survive such disasters. These systems include the City's financial and certain public safety systems. A robust technology disaster recovery strategy and plan will support the Portland Bureau of Emergency Management's (PBEM) Citywide Continuity of Operations Planning (COOP), and has been identified as an OMF significant issue. In ongoing interviews and dialogues conducted as part of the Citywide Technology Assessment, BTS customers have expressed strong support for BTS to resolve the City's risk to its information systems and technology assets in the event of a disaster. BTS can not meet this demand at current service level due to multiple years of budget reductions. This package supports the OMF Strategic Plan Goal 1: Quality Customer Service by providing Bureaus with a defined set of information assets that will be recovered in the case of a disaster. This package also aids BTS in fulfilling its own strategic plan initiative to provide a business continuity and disaster planning strategy. The total cost of the package includes ongoing external material and services associated with the position.

Expected Results:

This position is expected to: 1) create and monitor an information system and technology asset business continuity plan, 2) assist in the annual testing of the plan, 3) monitor progress towards the Citywide mitigation of threats to its information and technology assets. If this package is not adopted, the City will continue to operate without clear documentation of threats to its ability to operate in the event of a natural or man made disaster. Without a plan in place, a large scale disaster could cost the City several million dollars in revenue and fines due to its inability to pay its employees and collect core City revenues.

Funding of the Disaster Recovery Planning Analyst supports the Council priority of Emergency Management Preparedness and OMF's significant issue of funding Critical Technology Recovery in a Disaster. The specific metrics used to determine this package's success will be: 1) the initial adoption of a Citywide threat mitigation plan by the Disaster Policy Council (DPC) and 2) annual update and approval of this plan by the DPC.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 05 **Type:** Realignments

Decision Package: MF_04 - BTS-Police IT Information Systems Supervisor **Program:** Police IT

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Interagency Revenue	0	0	0	0	0	0	0	0
TOTAL REVENUES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Description:

The Bureau of Technology Services (BTS) is requesting a realignment package to restore ongoing funding for one Information System Supervisor in the BTS Police IT Division. Due to the complexity and quantity of technology projects deemed critical to ensure public safety, BTS is requesting that one Principal Information Systems Analyst position be initially realigned from the BTS Project Management Office (PMO) in order to focus on the requirements of Police IT projects.

Police, BTS, and PSSRP management agree that ongoing funding of this position is critical to the success of the RegJIN project as well as other important Police and BTS initiatives. These projects and systems include, High Definition Video evidence, digital photo evidence, 3D crime scene scanning, license plate recognition and mobile application support.

Expected Results:

Ongoing funding of this position will provide the technical and managerial resource required to move many of the City's most visible and important Public Safety projects forward, including the region critical RegJIN project, the Mobile Report Entry project, the patrol car video project, the Mobile Data Computer (MDC) replacement project, and the Police Training Facility. These systems will provide both better officer safety and productivity as well and better accountability to the public.

Funding of the Police IT Supervisor supports the Council priority of Emergency Management Preparedness and OMF's significant issue of funding Critical Technology Recovery in a disaster. Without ongoing funding of this position, highly visible Public Safety projects will be under supported and at higher risk impacting the City of Portland and our 40+ regional partners that depend on these services.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 08 **Type:** Critical Needs

Decision Package: MF_09 - BTS-Mitigate impact of Enterprise Server Charges **Program:** Production Services

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
REVENUES								
Interagency Revenue	(533,435)	0	(533,435)	0	0	0	0	0
Fund Transfers - Revenue	533,435	0	533,435	0	0	0	0	0
TOTAL REVENUES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Description:

OMF is requesting one-time resources to mitigate an increase in charges to the Police Bureau and the Auditor's Office for operations and maintenance of the Enterprise Server.

The Bureau of Technology Services (BTS) updated the cost allocation metrics for the Enterprise Server to reflect current and planned usage. Since OMF and the City Budget Office (CBO) no longer routinely use IBIS historical financial and personnel data and the Water Bureau no longer routinely uses their historical billing information that is housed on the server, OMF assumed they would be off the server on July 1, 2014. This change will eliminate an expense for OMF, CBO and the Water Bureau.

This will result in a large cost shift from OMF, CBO and Water to the Police Bureau and the Auditor's Office.

Expected Results:

The impact of this decision package is one-time relief of resources for the Police Bureau and Auditor's Office for FY 2014-15 costs of the Enterprise Server. If not approved, both bureaus affected would have to realign resources within their current service level budgets in order to absorb the additional cost.

Decision Package Summary

Bureau: Office of Management & Finance **Priority:** 03 **Type:** Critical Needs

Decision Package: MF_10 - BTS-Network Security Analyst **Program:** Communications

	FY 2014-15 Requested 1 Time DP	FY 2014-15 Requested Ongoing DP	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	
EXPENDITURES								
Personnel Services	0	111,381	111,381	0	0	0	0	0
External Materials and Services	0	5,000	5,000	0	0	0	0	0
TOTAL EXPENDITURES	**0**	**116,381**	**116,381**	**0**	**0**	**0**	**0**	**0**
REVENUES								
Interagency Revenue	0	116,381	116,381	0	0	0	0	0
TOTAL REVENUES	**0**	**116,381**	**116,381**	**0**	**0**	**0**	**0**	**0**
FTE								
Full-Time Positions	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
TOTAL FTE	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Description:

The Bureau of Technology Services (BTS) is requesting ongoing funding for one Information System Technical Analyst V on the Communications Network Team. The BTS Information Security team is being reorganized to focus on Audit and Architectural initiatives, and as a result the day to day security operations are being transferred to BTS Communications Division Network Team. The added ISTA V position on the Network Team will have responsibility for Virtual Private Network (VPN) access and maintenance, and responsibility for granting access to and maintenance of the Web Gateways. These tasks will also include the patching of operating system upgrades to these devices, as well as any troubleshooting and problem resolution that includes hardware, software and user connectivity issues. Work done by this position ensures the City remains Payment Card Industry (PCI) compliant. This compliance allows the city to continue to process more than $134 million in payment card transactions in FY 2013-14. The Network Team also provides 24 x 7 support and that includes responding to after hours Firewall issues that may occur. The total cost of the package includes ongoing external material and services associated with the position.

Expected Results:

Ongoing funding for this position will help ensure the confidentiality, integrity, and availability of all City data, communications systems and assets, which includes ensuring the City is PCI compliant. Without the addition of this position, the City risks being non-compliant and puts the City at risk for fines levied by PCI auditors and the inability for City bureaus (Water, PBOT, Parks, BDS etc.) to process payment cards for its customers as part of doing business. Fines for being non-compliant can range from $5-$50,000 per month and any breach to card holder data could result in additional fines per affected card, loss of reputation with customers, suppliers, and partners, and possible civil litigation from breached customers.

In addition to meeting the City's critical need to be PCI compliant, the duties of the Network Analyst support the Council priority of Emergency Management Preparedness and OMF's significant issue of funding Critical Technology Recovery in a disaster. Funding of this position also increases the effectiveness and service delivery capacity of the Network Security Team. Providing adequate Network Security staffing allows the City to continue its pursuit of the City of Portland goal of delivering efficient, effective, and accountable municipal services.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Charges for Services	137,380	140,611	40,808	226,341	226,341	
Intergovernmental	4,996,960	4,929,827	5,231,693	4,537,660	4,537,660	
Bond & Note	88,766	38,803	42,842	71,181	71,181	
Miscellaneous	745,721	549,092	464,100	436,555	436,555	
Total External Revenues	**5,968,827**	**5,658,333**	**5,779,443**	**5,271,737**	**5,271,737**	
Fund Transfers - Revenue	657,357	1,275,103	373,157	0	533,435	
Interagency Revenue	43,238,677	40,797,334	38,547,639	40,700,248	40,419,995	
Total Internal Revenues	**43,896,034**	**42,072,437**	**38,920,796**	**40,700,248**	**40,953,430**	
Beginning Fund Balance	43,385,276	32,416,630	30,315,428	15,727,516	15,727,516	
Total Resources	**93,250,137**	**80,147,400**	**75,015,667**	**61,699,501**	**61,952,683**	
Requirements						
Personnel Services	24,512,966	24,511,137	25,749,990	24,926,309	25,169,491	
External Materials and Services	15,372,232	15,945,878	17,512,412	13,929,226	13,939,226	
Internal Materials and Services	3,878,618	3,606,543	3,734,896	3,705,187	3,705,187	
Capital Outlay	967,985	1,066,913	3,363,200	2,731,866	2,731,866	
Total Bureau Expenditures	**44,731,801**	**45,130,471**	**50,360,498**	**45,292,588**	**45,545,770**	
Debt Service	1,955,631	1,735,383	433,496	467,649	467,649	
Contingency	0	0	15,535,930	10,730,627	10,730,627	
Fund Transfers - Expense	14,146,075	3,015,873	8,685,743	5,208,637	5,208,637	
Total Fund Expenditures	**16,101,706**	**4,751,256**	**24,655,169**	**16,406,913**	**16,406,913**	
Ending Fund Balance	32,416,630	30,265,673	0	0	0	
Total Requirements	**93,250,137**	**80,147,400**	**75,015,667**	**61,699,501**	**61,952,683**	

Fund Overview

The Technology Services Fund provides technology support to all City bureaus and some non-City agencies. Fund activities are managed by the Bureau of Technology Services.

The fund's major source of revenue is service reimbursement transfers from City bureaus and outside agencies.

Managing Agency Office of Management & Finance, Bureau of Technology Services

Significant Changes from Prior Year

The fund's beginning fund balance for FY 2014-15 has continued its downward trend as a result of ongoing budget reductions from both City and non-City customers. Replacement contingency has fallen dramatically as funds have been transferred to the Public Safety Systems Revitalization Program and the replacement component in equipment rates has been eliminated. General Operating contingency has also sustained significant losses as reductions in resources have necessitated that the bureau expend operating reserves in order to fund the completion of much needed capital improvement and operating projects.

Office of the Chief Administrative Officer

Overview

The Office of Management and Finance (OMF) provides internal services to support the operational needs of City bureaus, as well as coordination and leadership on overall administrative services. The Office of Management and Finance is overseen by the Chief Administrative Officer. The Office of the Chief Administrative Officer includes the divisions of Accounting, Business Operations, Enterprise Business Solution, and Public Finance and Treasury.

The Chief Administrative Officer reports directly to the Mayor and advises Council and bureau managers on strategic issues, as well as ensures the delivery of accurate, cost effective, and responsive citywide administrative services. The Office of the Chief Administrative Officer provides leadership, oversight and support for a variety of Citywide projects including the Public Safety Systems Revitalization Program, and provides direction to managers who perform an array of financial management, administrative policy development, and project management services for Council and City bureaus. The Chief Administrative Officer leads the development of the OMF Strategic Plan and ongoing reporting on the completion of strategies. The Chief Administrative Officer directs the bureaus of Human Resources, Internal Business Services, Revenue, and Technology Services.

With the elimination of the Bureau of Financial Services in FY 2013-14, the divisions of Accounting and Public Finance and Treasury now report directly to the Chief Administrative Officer. The Grants unit is now part of the Business Operations Division.

Administration & Support

Description

The Administration & Support program consists of the Office of the Chief Administrative Officer (CAO), Business Operations Division, and Spectator Facilities.

The Office of the CAO provides overall direction and management for the Office of Management and Finance, as well as Citywide and elected official support. Within the Office of the CAO, the Policy Team works across City bureaus and within the Office of Management and Finance on complex Citywide and organization-specific issues having significant policy, financial and/or community implications and consequences.

Business Operations: This division consists of financial, communications, grants management, and administrative teams. The division provides financial management services for 15 funds, four bureaus, four divisions, five Council offices, two Council office programs, and the Public Safety Systems Revitalization Program. Business Operations also manages organization-wide strategic planning services, public records requests, and staff coordination for the Citywide Bureau Directors' meetings, OMF committees, and three Council-appointed committees.

Spectator Facilities: This program manages the operations and maintenance, capital improvements, and contract administration for the City and other parties related to the City's interests in specific facilities, including the Rose Quarter facilities and JELD-WEN Field. In addition, the program supports a variety of tourism, travel, and arts/cultural activities and facilities, including Portland's Centers for the Arts (formerly Portland Center for the Performing Arts), Travel Portland, Metro's Visitor Venues division, and the Visitor Development Initiative.

Goals

Administration and Support furthers the City goal to deliver efficient, effective, and accountable municipal services, as well as all Office of Management and Finance goals. The program specifically addresses the goals of:

- Delivering business solutions that address customer needs and interests.
- Providing a cross-City perspective to assist City leaders in understanding the impact of their business decisions, including unintended consequences.
- Marketing OMF services effectively to customers.
- Building trust with all customers by managing expectations and providing timely, comprehensive, transparent analysis and communication.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Maximizing value to the community by promoting regional partnerships that create government efficiencies.

Performance

The Office of the CAO is continuously evaluated through the successful management and completion of organization initiatives. In FY 2012-13, the OMF 2012-17 Strategic Plan was accepted by City Council. In FY 2013-14, OMF managed a budget of $462 million in 15 funds, and Spectator Facilities oversaw several operating agreements.

Changes to Services and Activities

The CAO supports the Mayor in the OMF study, which may result in organizational changes in FY 2014-15.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	29.67	31.00	34.48	34.08	34.08
Expenditures					
Administration & Support	3,119,354	2,863,031	4,257,149	4,450,117	4,450,117
CAO's Office	482,451	681,725	682,043	692,584	692,584
Spectator Facilities	756,143	4,319,982	3,376,784	5,486,121	5,486,121
Total Expenditures	**4,357,948**	**7,864,738**	**8,315,976**	**10,628,822**	**10,628,822**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Total budget managed annually (in millions)	$306	$324	$277	$285	$288
Customer service survey rating (4 is highest)	3.00	NA	2.70	2.70	2.70
Workload					
Annual number of accounts payable invoices processed	21,000	21,773	21,500	21,500	21,500
Annual dollar amount of interagency billings in millions	$141	$127	$130	$127	$128
Number of employee hours of diversity training conducted at Office of Management and Finance-wide training	250	388	480	480	480

Accounting

Description

The Accounting program provides centralized accounting and financial reporting, and manages the City's corporate accounting policies, systems, and processes. Program activities include:

- Ensuring City accounting operations result in accurate, complete, and timely information.
- Establishing and maintaining Citywide accounting standards, policies, and supporting administrative rules.
- Assisting bureaus in establishing a strong system of internal accounting controls, and providing on-going review and assessment of those controls.
- Monitoring and processing receivables, payments, billings, and accounting entries.
- Monitoring accounting operations for compliance with City, State, and Federal regulations and Generally Accepted Accounting Principles (GAAP).
- Preparing financial reports, including the City's Comprehensive Annual Financial Report (CAFR), that comply with current accounting principles and regulatory requirements.
- Managing the City's annual independent financial audit.

Goals

By maintaining a financially healthy City government, Accounting supports the City goal to deliver efficient, effective, and accountable municipal services and the Office of Management and Finance goals of:

- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Providing streamlined business processes that are easy to understand, efficient and ensure compliance.

Performance

The program received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 32nd consecutive year for the 2012 CAFR. The 2013 CAFR is complete and received a clean audit opinion from the City's independent financial auditors. The report was submitted on time to the State of Oregon Audits Division and Government Finance Officers Association. The program continues to provide a full range of high quality accounting services to its internal and external customers.

Changes to Services and Activities

Governmental accounting and reporting requirements and the City's accounting environment continue to grow in complexity.

There are no major changes to services and activities expected for FY 2014-15 at this time.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	22.25	21.25	21.00	21.00	21.00
Expenditures					

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Accounting	1,909,117	1,959,755	2,399,344	375,889	375,889
Accounting Administration	252,633	410,341	216,655	608,481	608,481
Operational Accounting	84,163	105,824	98,268	944,242	944,242
Processing and Payroll	0	480	0	0	0
Technical Accounting	416,819	440,639	346,372	835,168	835,168
Total Expenditures	**2,662,732**	**2,917,039**	**3,060,639**	**2,763,780**	**2,763,780**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Percentage of accounts receivable invoices collected within 60 days	58%	61%	70%	62%	62%
Efficiency					
Number of manual accounts payable checks issued	230	262	250	500	500
Workload					
Number of accounts receivable invoices issued	25,922	27,492	30,000	30,000	30,000

Enterprise Business Solution

Description

The Enterprise Business Solution Division manages the SAP application for the City, and has a mission to deliver and support innovative, integrated, and cost-effective enterprise solutions to our City customers. The City implemented SAP in 2008 to replace an aging financial and human resources system and to consolidate many other programs into one comprehensive, integrated system. Today, approximately 1,500 users access SAP for financial, purchasing, and human resources transactions and reports, and approximately 6,000 employees use the system for time keeping.

Goals

The Enterprise Business Solution Division supports the City's goal of delivering efficient, effective, and accountable services and also supports the Office of Management and Finance goals of:

- Delivering business solutions that take into account customer needs and interests.
- Providing seamless, integrated service delivery models across OMF to simplify business processes for customers.
- Developing a roadmap to effectively leverage existing technology and adopt emerging technology to meet citywide business needs.
- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls

Performance

The Enterprise Business Solution Division performance measures were updated in FY 2013-14. The new performance data provides indicators on how well the division is accomplishing planned goals. The customer service satisfaction rating demonstrates satisfaction with the work of division employees. The number of end user logins demonstrates the effectiveness of functionality. The number of SAP transactions measures usage and shows the effectiveness of functionality. The average length of time a helpdesk ticket is open demonstrates workload, effectiveness and efficiency. As the program continues to define and implement standardized operational processes, customer satisfaction and efficiencies should increase.

Changes to Services and Activities

The Enterprise Business Solution Division is currently developing a long-term roadmap to identify Citywide business needs and appropriate enterprise solutions to meet those needs. In FY 2014-15, the roadmap will work to integrate the OMF Strategic Plan, recommendations from the focused review of EBS undertaken by AKT consulting in 2012, and the BTS Citywide Technology Assessment. The division will also communicate proposed updates to cost allocation metrics to customers that would be effective in the following fiscal year.

EBS is funded by interagency rates. The metrics and data associated with these rates have been frozen since FY 2008-09. In 2014, EBS and Business Operations will work with appropriate stakeholders to update rates and metrics in time for the FY 2015-16 budget process. Also of note, the debt used to finance the purchase of SAP will be paid off in FY 2016-17.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	20.00	20.00	19.00	19.00	19.00
Expenditures					
Enterprise Business Solution	8,070,082	8,800,752	8,816,062	8,093,602	8,093,602
Total Expenditures	**8,070,082**	**8,800,752**	**8,816,062**	**8,093,602**	**8,093,602**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
Customer Service satisfaction rating number	4.84	4.85	4.80	4.85	4.85
Efficiency					
Number of end-user logins (excluding Employee Self Service and portal)	286	302	300	305	305
Average length of time an SAP Help Desk customer ticket is open	NA	11	18	10	10
Workload					
Number of SAP transactions created annually	8,600,000	1,077,298	1,077,298	1,100,100	1,100,000

Public Finance and Treasury

Description

Public Finance and Treasury provides the City's corporate Debt Management and Treasury operations. Treasury manages the City's daily cash position, develops and executes the investment strategy for all of the City's cash funds, manages the City's banking and merchant service relationships, and negotiates and manages all banking, custodial, and merchant service agreements. Debt Management directs the City's debt program to ensure access to capital markets, handles post-debt issuance compliance and continuing disclosure, coordinates investor and rating agency relations, and provides financial analysis for special projects. Public Finance and Treasury's daily activities are critical to achievement of the City's corporate financial strategies, capital financing objectives and compliance with federal and state laws and regulations, including applicable Internal Revenue Service arbitrage rebate requirements.

Goals

Through informed debt-related decisions, efficient corporate cash management processes, and prudent management of the City's investment portfolio, Public Finance and Treasury supports the City goal of delivering efficient, effective, and accountable municipal services, and supports the Office of Management and Finance goals of:

- Providing financial expertise and innovative business solutions to meet current and emerging bureau business needs and resource shortfalls.
- Securing funding to support investments in City infrastructure.
- Providing streamlined business processes that are easy to understand, efficient and ensure compliance.

Performance

Public Finance and Treasury's performance is measured quantitatively by the size of and yield attained on the City's investment portfolio, the total dollar volume of debt under management, number of long-term debt issues outstanding, number of short-term borrowing programs managed, and maintaining the City's Aaa unlimited tax general obligation bond rating.

Treasury assists all City bureaus in their cash management and merchant bankcard operations and contributes to the City's financial sustainability by distributing net portfolio earnings to all City funds. Debt Management provides City bureaus with timely access to capital markets to ensure that cost-effective funding options are available to implement capital programs. The City's Debt Management program is recognized as a model for other jurisdictions.

Changes to Services and Activities

Debt Management is funded through interagency charges, only 4.83% of which are direct costs to the General Fund. All unspent interagency charges are returned to customer bureaus at year end.

Treasury is a net revenue-producing operation to the City and distributes investment portfolio earnings, net of expenses, to all City funds with balances, including the General Fund. Treasury recently implemented the SAP Treasury Module, which automates the investment portfolio accounting functions, improves workflow, and strengthens financial controls.

There are no major changes to services and activities expected for FY 2014-15 at this time.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	11.63	10.50	9.42	9.42	9.42
Expenditures					
Debt Management	372,534	1,111,174	765,274	805,343	805,343
Treasury	556,701	1,021,402	986,840	1,049,219	1,049,219
Total Expenditures	**929,235**	**2,132,576**	**1,752,114**	**1,854,562**	**1,854,562**

Performance	Actual FY 2011-12	Actual FY 2012-13	Yr End Est. FY 2013-14	Base FY 2014-15	Target FY 2014-15
Effectiveness					
City's unlimited tax General Obligation bond rating (1=Aaa)	1.00	1.00	1.00	1.00	1.00
Investment portfolio yield - % of benchmark	125%	255%	125%	100%	100%
Efficiency					
Percentage of bank reconciliation transactions cleared	100%	100%	100%	100%	100%
Number of journal entries processed	2,605	2,097	30,120	31,024	31,024
Workload					
Total dollar value of investment portfolio in millions	$870	$932	$925	$1,000	$1,000
Dollar amount of debt under management in billions	$3.24	$3.43	$3.51	$3.48	$3.48
Number of long-term debt issues outstanding	86	87	90	90	91
Number of short-term borrowing programs managed	13	14	12	12	12

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Resources					
External Revenues					
Charges for Services	6,434,251	6,633,486	6,514,530	7,195,210	7,195,210
Intergovernmental	2,373,619	4,449,179	1,977,350	2,344,726	2,344,726
Bond & Note	12,142,208	0	0	0	0
Miscellaneous	1,063,335	1,109,828	1,057,227	1,092,958	1,092,958
Total External Revenues	**22,013,413**	**12,192,493**	**9,549,107**	**10,632,894**	**10,632,894**
Internal Revenues					
General Fund Discretionary	2,801,786	1,722,156	1,948,324	2,286,851	2,286,851
General Fund Overhead	4,763,315	4,612,133	3,439,439	2,882,651	2,882,651
Fund Transfers - Revenue	375,668	255,210	667,510	164,875	164,875
Interagency Revenue	15,260,775	14,986,905	15,484,881	15,668,260	15,668,260
Total Internal Revenues	**23,201,544**	**21,576,404**	**21,540,154**	**21,002,637**	**21,002,637**
Beginning Fund Balance	11,429,557	11,114,951	7,978,268	7,463,313	7,463,313
Total Resources	**$56,644,514**	**$44,883,848**	**$39,067,529**	**$39,098,844**	**$39,098,844**
Requirements					
Bureau Expenditures					
Personnel Services	10,834,893	10,786,833	10,415,967	10,459,429	10,459,429
External Materials and Services	3,217,148	3,929,187	5,162,043	6,532,504	6,532,504
Internal Materials and Services	6,584,843	6,030,640	5,932,330	5,348,833	5,348,833
Capital Outlay	399,736	2,823,237	500,000	1,000,000	1,000,000
Total Bureau Expenditures	**21,036,620**	**23,569,897**	**22,010,340**	**23,340,766**	**23,340,766**
Fund Expenditures					
Debt Service	23,232,328	11,464,045	11,536,041	10,956,872	10,956,872
Contingency	0	0	4,973,342	4,556,404	4,556,404
Fund Transfers - Expense	405,833	1,926,814	547,806	244,802	244,802
Total Fund Expenditures	**23,638,161**	**13,390,859**	**17,057,189**	**15,758,078**	**15,758,078**
Ending Fund Balance	11,114,951	7,923,092	0	0	0
Total Requirements	**$55,789,732**	**$44,883,848**	**$39,067,529**	**$39,098,844**	**$39,098,844**
Programs					
Accounting	2,662,732	2,917,039	3,060,639	2,763,780	2,763,780
Administration & Support	4,357,948	7,864,738	8,315,976	10,628,822	10,628,822
Budget & Economics	2,405,631	1,585,654	0	0	0
Communications	0	39,010	0	0	0
Debt Management	775,021	25,105	0	0	0
Enterprise Business Solution	8,070,082	8,800,752	8,816,062	8,093,602	8,093,602
Facilities Services	25,985	400	0	0	0
Grants Management	0	195,639	65,549	0	0
Operations and Maintenance	941	0	0	0	0
PGE Park	(1,231)	0	0	0	0
Printing & Distribution	0	275	0	0	0
Public Finance and Treasury	929,235	2,132,576	1,752,114	1,854,562	1,854,562
Spectator Facilities	1,440,288	83	0	0	0
Treasury	369,988	8,626	0	0	0
Total Programs	**21,036,620**	**$23,569,897**	**$22,010,340**	**$23,340,766**	**$23,340,766**

Class	Title	Salary Range Minimum	Salary Range Maximum	Revised FY 2013-14 No.	Revised FY 2013-14 Amount	Requested No DP FY 2014-15 No.	Requested No DP FY 2014-15 Amount	Requested FY 2014-15 No.	Requested FY 2014-15 Amount
30000062	Accountant I	39,312	56,514	1.00	56,520	1.00	56,520	1.00	56,520
30000063	Accountant II	51,397	64,688	6.00	380,306	6.00	382,666	6.00	382,666
30000064	Accountant III	56,597	71,178	10.00	672,769	10.00	683,352	10.00	683,352
30000559	Accountant, Assistant Systems	46,571	71,739	2.00	93,552	2.00	97,044	2.00	97,044
30000560	Accountant, Systems	59,342	79,123	1.00	76,056	1.00	78,876	1.00	78,876
30000564	Accounting Compliance Manager	72,134	96,928	1.00	96,924	1.00	96,924	1.00	96,924
30000562	Accounting Supervisor, Sr	65,478	87,422	2.00	158,988	2.00	161,438	2.00	161,438
30000061	Accounting Technician	32,552	46,758	2.00	79,320	2.00	79,320	2.00	79,320
30000434	Administrative Assistant	46,571	71,739	1.00	45,072	1.00	46,572	1.00	46,572
30000433	Administrative Specialist, Sr	43,368	66,768	2.00	122,012	2.00	126,603	2.00	126,603
30000436	Administrative Supervisor I	56,534	75,338	1.00	62,305	1.00	64,858	1.00	64,858
30000441	Business Operations Manager	77,584	103,355	2.00	199,656	2.00	203,604	2.00	203,604
30000442	Business Operations Manager, Sr	96,366	134,597	1.00	132,564	1.00	134,592	1.00	134,592
30000406	Chief Administrative Officer	134,118	192,192	1.00	137,330	1.00	142,959	1.00	142,959
30000563	Controller	96,366	134,597	1.00	130,272	1.00	134,232	1.00	134,232
30000573	Debt Analyst, Principal	77,584	103,355	1.00	103,356	1.00	103,356	1.00	103,356
30000572	Debt Analyst, Sr	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000574	Debt Manager	96,366	134,597	1.00	127,698	1.00	132,426	1.00	132,426
30000567	Financial Analyst	59,342	79,123	3.00	219,207	3.00	227,225	3.00	227,225
30000566	Financial Analyst, Assistant	46,571	71,739	2.00	116,580	2.00	120,890	2.00	120,890
30000569	Financial Analyst, Principal	77,584	103,355	2.00	201,516	2.00	205,201	2.00	205,201
30000568	Financial Analyst, Sr	65,478	87,422	7.00	544,347	7.00	557,613	7.00	557,613
30000856	Investment Officer	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000451	Management Analyst	59,342	79,123	2.00	114,912	2.00	118,680	2.00	118,680
30000453	Management Analyst, Principal	77,584	103,355	1.00	95,220	1.00	99,132	1.00	99,132
30000452	Management Analyst, Sr	65,478	87,422	1.00	75,000	1.00	77,313	1.00	77,313
30000012	Office Support Specialist II	32,552	46,758	2.00	93,528	2.00	93,528	2.00	93,528
30000460	Policy Analyst	83,450	111,114	1.00	111,108	1.00	111,108	1.00	111,108
30000461	Policy Analyst, Sr	96,366	134,597	1.00	123,443	1.00	128,503	1.00	128,503
30000495	Public Information Officer	65,478	87,422	1.00	86,148	1.00	87,420	1.00	87,420
30001433	SAP Business Systems Analyst, Principal	77,584	103,355	2.00	202,776	2.00	205,728	2.00	205,728
30001684	SAP Business Systems Analyst, Senior	68,806	92,040	12.00	1,029,741	12.00	1,050,305	12.00	1,050,305
30001233	SAP Support Manager	96,366	151,798	1.00	151,800	1.00	151,800	1.00	151,800
30000716	Spectator Facilities & Dev Mgr	83,450	111,114	1.00	101,064	1.00	104,870	1.00	104,870
30001708	Training & Development Manager	77,584	103,355	1.00	91,098	1.00	94,832	1.00	94,832
30000532	Training & Development Officer	65,478	87,422	1.00	87,420	1.00	87,420	1.00	87,420
30000580	Treasurer, City	106,038	151,798	1.00	133,232	1.00	138,692	1.00	138,692
30000581	Treasury Analyst	59,342	79,123	1.00	57,456	1.00	59,340	1.00	59,340
30001358	Treasury Analyst, Principal	72,134	96,928	1.00	96,924	1.00	96,924	1.00	96,924
30001083	Treasury Analyst, Sr	65,478	87,422	1.00	72,552	1.00	75,528	1.00	75,528
TOTAL FULL-TIME POSITIONS				83.00	6,678,300	83.00	6,815,922	83.00	6,815,922
30000567	Financial Analyst	59,342	79,123	0.90	42,866	0.50	41,568	0.50	41,568
TOTAL PART-TIME POSITIONS				0.90	42,866	0.50	41,568	0.50	41,568
TOTAL LIMITED TERM POSITIONS				0.00	0	0.00	0	0.00	0
GRAND TOTAL				83.90	6,721,166	83.50	6,857,490	83.50	6,857,490

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Miscellaneous	34,639	24,377	20,000	15,000	15,000	
Total External Revenues	**34,639**	**24,377**	**20,000**	**15,000**	**15,000**	
Fund Transfers - Revenue	253,710	91,061	477,739	0	0	
Interagency Revenue	12,517,743	12,337,764	12,504,788	12,605,157	12,605,157	
Total Internal Revenues	**12,771,453**	**12,428,825**	**12,982,527**	**12,605,157**	**12,605,157**	
Beginning Fund Balance	4,059,807	4,204,484	1,905,366	1,838,313	1,838,313	
Total Resources	**16,865,899**	**16,657,686**	**14,907,893**	**14,458,470**	**14,458,470**	
Requirements						
Personnel Services	2,316,462	2,337,514	2,499,836	2,409,462	2,409,462	
External Materials and Services	1,396,195	2,050,131	1,939,933	1,605,210	1,605,210	
Internal Materials and Services	4,354,177	4,328,037	4,376,293	4,078,930	4,078,930	
Capital Outlay	0	124,080	0	0	0	
Total Bureau Expenditures	**8,066,834**	**8,839,762**	**8,816,062**	**8,093,602**	**8,093,602**	
Debt Service	4,393,763	4,392,988	4,391,513	4,394,125	4,394,125	
Contingency	0	0	1,469,742	1,939,372	1,939,372	
Fund Transfers - Expense	200,818	1,578,921	230,576	31,371	31,371	
Total Fund Expenditures	**4,594,581**	**5,971,909**	**6,091,831**	**6,364,868**	**6,364,868**	
Ending Fund Balance	4,204,484	1,846,015	0	0	0	
Total Requirements	**16,865,899**	**16,657,686**	**14,907,893**	**14,458,470**	**14,458,470**	

Fund Overview

The Enterprise Business Solution (EBS) Services Fund supports the implementation, maintenance, and continuous improvement of the City's SAP integrated resource planning system. The fund currently supports financial system users and human resources and payroll users in 28 business groups across the City.

The fund's major source of revenue is service reimbursements from City bureaus.

Managing Agency Office of Management & Finance, Office of the Chief Administrative Officer

Significant Changes from Prior Year

EBS is funded by interagency rates. The metrics and data associated with these rates have been frozen since FY 2008-09. In 2014, EBS and Business Operations will work with appropriate stakeholders to update rates and metrics in time for the FY 2015-16 budget process. Also of note, the debt used to finance the purchase of SAP will be paid off in FY 2016-17.

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15	Proposed FY 2014-15
Resources						
Charges for Services	6,405,408	6,607,406	6,486,530	7,167,210	7,167,210	
Intergovernmental	2,161,698	4,209,501	1,683,803	2,037,121	2,037,121	
Bond & Note	12,142,208	0	0	0	0	
Miscellaneous	96,064	68,109	72,250	50,000	50,000	
Total External Revenues	**20,805,378**	**10,885,016**	**8,242,583**	**9,254,331**	**9,254,331**	
Fund Transfers - Revenue	104	609	19,657	0	0	
Interagency Revenue	0	0	7,000	0	0	
Total Internal Revenues	**104**	**609**	**26,657**	**0**	**0**	
Beginning Fund Balance	7,369,750	6,910,467	6,072,902	5,625,000	5,625,000	
Total Resources	**28,175,232**	**17,796,092**	**14,342,142**	**14,879,331**	**14,879,331**	
Requirements						
Personnel Services	0	144,042	180,000	185,000	185,000	
External Materials and Services	1,220,023	1,248,392	2,355,162	4,033,350	4,033,350	
Internal Materials and Services	601,426	228,474	341,622	267,771	267,771	
Capital Outlay	399,736	2,699,157	500,000	1,000,000	1,000,000	
Total Bureau Expenditures	**2,221,185**	**4,320,065**	**3,376,784**	**5,486,121**	**5,486,121**	
Debt Service	18,838,565	7,071,057	7,144,528	6,562,747	6,562,747	
Contingency	0	0	3,503,600	2,617,032	2,617,032	
Fund Transfers - Expense	205,015	327,893	317,230	213,431	213,431	
Total Fund Expenditures	**19,043,580**	**7,398,950**	**10,965,358**	**9,393,210**	**9,393,210**	
Ending Fund Balance	6,910,467	6,077,077	0	0	0	
Total Requirements	**28,175,232**	**17,796,092**	**14,342,142**	**14,879,331**	**14,879,331**	

Fund Overview

The Spectator Facilities Fund is a self-sustaining enterprise fund within the Office of Management and Finance established to budget, monitor, and account for resources and requirements for the Rose Quarter facilities and JELD-WEN Field (formerly PGE Park). Major program activities include operations and maintenance; capital improvements; financial planning and contract administration; special projects; and liaison activities among City bureaus, other governmental agencies, and private parties.

Rose Quarter

Rose Quarter facilities include the Moda Center (formerly Rose Garden Arena), Veterans Memorial Coliseum, East/West Parking Garages, Plaza, and the Benton Lot. The Moda Center is the home venue for the Portland Trail Blazers, a National Basketball Association franchise team, and the Portland Thunder, an Arena Football League franchise team that begins play in 2014. The Veterans Memorial Coliseum is the home venue for the Portland Winterhawks, a Western Hockey League franchise team. The Rose Quarter venues host a variety of other sports, entertainment, community, and arts/cultural events as well as a variety of expositions, meetings and shows. User fees and parking receipts from the Rose Quarter's venues account for over 50% of the annual projected revenue for the fund. Through FY 2016-17, the fund makes bond payments on debt issued for Rose Quarter public improvements and the East/West Parking Garages.

JELD-WEN Field The renovation of JELD-WEN Field was completed in April 2011 and it is now the home venue for the Portland Timbers, a Major League Soccer franchise team, the Portland State Vikings, an NCAA affiliated football team, and the Portland Thorns, a National Women's Soccer League franchise team. The City's share of the renovation cost was about $12 million. In 2012, 20-year bonds to cover this debt were issued; the bond payments are paid from the fund and are expected to be retired in FY 2026-27. A new 25-year operating agreement with Peregrine Sports, LLC took effect on January 1, 2011, and provides the fund with a gradually increasing flow of revenue from user fees for a seven year period of time. The fund continues to make bond payments for debt issued for the prior renovation of this facility (then named PGE Park) as well. As a result, the net expenses needed to operate and maintain JELD-WEN Field and to cover the associated debt service will continue to rely on net income from Rose Quarter operations to fully meet these obligations.

Managing Agency Office of Management & Finance, Office of the Chief Administrative Officer

Significant Changes from Prior Year

A community based process begining in 2009, led by the Portland Development Commission (PDC), looked at future development in the Rose Quarter District and examined options for renovation or adaptive reuse of the Veterans Memorial Coliseum (VMC). One result of that effort was a City Council decision in 2010 to continue to operate the VMC as a spectator facility for the foreseeable future. Over a two-year period of time, OMF, PDC, Portland Arena Management - a subsidiary of the Trail Blazers responsible for operating the VMC, and the Winterhawks developed a renovation plan and negotiated the funding needed for its implementation. Those agreements were not implemented. Additional discussions about the options for the future of the VMC are currently ongoing.

Citywide Projects

Overview

The Public Safety Systems Revitalization Program (PSSRP) is part of the Office of Management and Finance Citywide Projects.

PSSRP manages the procurement and implementation of upgrades to the City of Portland's public safety systems used by the City and its regional partner agencies.

This program has overall responsibility for monitoring life cycles for public safety systems including those used for: emergency call processing and dispatching, criminal justice information, emergency operations, radio and data communications, and interoperability needs of the City of Portland and partnering regional jurisdictions.

The key driving factors for the program are: the inability to receive ongoing maintenance from current public safety systems vendors, the retirement of key system support staff and the difficulty of maintaining interoperability with existing systems. The program is necessary to replace or upgrade aging public safety technology systems in order to sustain vital emergency response services and public safety operations for the citizens of Portland.

Current core projects in the portfolio are:

- The Regional Justice Information Network (RegJIN) Records Management System Project, which will replace the legacy Portland Police Data System, a system used by regional law enforcement partner agencies.
- The Public Safety Emergency Radio Replacement Project (Radio), which will implement a cost effective, highly reliable digital public safety voice radio system replacement that meets the current and emerging needs of the Portland region.

Public Safety Systems Revitalization Program

Description

The PSSRP provides overall management and technical leadership for the projects in the PSSRP portfolio, and includes staff needed to plan for and implement public safety system replacements and upgrades.

Goals

Citywide Projects supports the City goal of delivering efficient, effective, and accountable municipal services by maintaining a financially healthy City government through upgrades to the City's public safety technology systems and ensuring that the City of Portland is a safe and peaceful community. Citywide Projects supports the OMF goals of:

- Securing adequate and sustainable funding to maintain and replace critical technology and facilities infrastructure.
- Maximizing value to the community by promoting regional partnerships that create government efficiencies.
- Delivering business processes that provide options to address individual bureau requirements and changing environmental factors.
- Delivering business solutions that take into account customer needs and interests.

Performance

There are no performance measures associated with PSSRP in the budget. Quality and effectiveness of PSSRP are measured and reported monthly by an independent quality assurance (QA) services firm on contract with the City. Each month, the QA consultant assesses and reports on critical quality focal points and provides independent observations and recommendations for avoiding and/or responding to any future negative impacts. An Executive Steering Committee comprised of the City's Public Safety Bureau Directors, Chief Technology Officer and two citizen participants also monitor the progress of the projects and act as an advisory body. There is also a five member Council-appointed Independent Citizen Committee (ICC) overseeing PSSRP's involvement in the Radio Replacement Project, funded in part by the Public Safety General Obligation (GO) Bond approved by voters in November 2010.

Changes to Services and Activities

During FY 2012-13, the City completed the remaining Computer Aided Dispatch (CAD) interfaces, the implementation of incident reporting for the Emergency Operations Center and for a media feed, and the deployment of radio-based communications for the Fire Station Alerting System. The Fire Information Systems Replatform Project (FIS), which will port the system to a current and supported development platform, will be completed at the end of FY 2013-14, and the transition of the FIS to the Fire Bureau (PF&R) will occur at the beginning of FY 2014-15. Post project sustainment of the system will be important to ensure cost effectiveness for the Fire Bureau. Anticipated activities in FY 2014-15 include go-live of the RegJIN Records Management System, and site installation work and completion of functional acceptance testing for the replacement radio system.

FTE & Financials	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
FTE	10.00	9.00	8.00	7.00	7.00
Expenditures					
Public Safety Systems Revitalization Program	2,833,292	2,513,040	26,184,831	8,717,559	8,717,559
Total Expenditures	**2,833,292**	**2,513,040**	**26,184,831**	**8,717,559**	**8,717,559**

	Actual FY 2011-12	Actual FY 2012-13	Revised FY 2013-14	Requested No DP FY 2014-15	Requested FY 2014-15
Resources					
External Revenues					
Intergovernmental	239,082	0	602,110	0	0
Bond & Note	0	0	27,075,487	0	0
Miscellaneous	172	0	0	0	0
Total External Revenues	**239,254**	**0**	**27,677,597**	**0**	**0**
Internal Revenues					
General Fund Discretionary	1,518,174	1,331,083	1,246,489	1,202,206	1,202,206
Fund Transfers - Revenue	12,136,137	680,954	6,764,762	3,304,353	3,304,353
Total Internal Revenues	**13,654,311**	**2,012,037**	**8,011,251**	**4,506,559**	**4,506,559**
Beginning Fund Balance	8,070,885	18,017,566	30,838,043	9,881,674	9,881,674
Total Resources	**$21,964,450**	**$20,029,603**	**$66,526,891**	**$14,388,233**	**$14,388,233**
Requirements					
Bureau Expenditures					
Personnel Services	1,096,136	1,169,231	1,234,456	976,596	976,596
External Materials and Services	1,236,000	426,496	23,712,067	7,114,985	7,114,985
Internal Materials and Services	502,438	918,813	1,238,308	625,978	625,978
Total Bureau Expenditures	**2,834,574**	**2,514,540**	**26,184,831**	**8,717,559**	**8,717,559**
Fund Expenditures					
Contingency	0	0	33,798,298	2,366,321	2,366,321
Fund Transfers - Expense	3,896,279	678,546	6,543,762	3,304,353	3,304,353
Total Fund Expenditures	**3,896,279**	**678,546**	**40,342,060**	**5,670,674**	**5,670,674**
Ending Fund Balance	18,017,566	16,836,517	0	0	0
Total Requirements	**$24,748,419**	**$20,029,603**	**$66,526,891**	**$14,388,233**	**$14,388,233**
Programs					
Enterprise Business Solution Project	1,282	1,500	0	0	0
Public Safety Systems Revitalization Program	2,833,292	2,513,040	26,184,831	8,717,559	8,717,559
Total Programs	**2,834,574**	**$2,514,540**	**$26,184,831**	**$8,717,559**	**$8,717,559**

Class	Title	Salary Range Minimum	Salary Range Maximum	Revised FY 2013-14 No.	Revised FY 2013-14 Amount	Requested No DP FY 2014-15 No.	Requested No DP FY 2014-15 Amount	Requested FY 2014-15 No.	Requested FY 2014-15 Amount
30000218	Inf Syst Analyst, Principal-Gen	78,291	104,291	2.00	136,020	1.00	33,024	1.00	33,024
30000607	Inf Syst Mgr-Generalist	83,450	111,114	1.00	52,776	1.00	54,576	1.00	54,576
30000452	Management Analyst, Sr	65,478	87,422	1.00	82,892	1.00	86,060	1.00	86,060
30001031	Technology Capital Project Manager I	89,710	121,576	3.00	358,392	3.00	363,120	3.00	363,120
30001032	Technology Capital Project Manager II	106,038	151,798	1.00	151,800	1.00	151,800	1.00	151,800
TOTAL FULL-TIME POSITIONS				8.00	781,880	7.00	688,580	7.00	688,580
TOTAL PART-TIME POSITIONS				0.00	0	0.00	0	0.00	0
TOTAL LIMITED TERM POSITIONS				0.00	0	0.00	0	0.00	0
GRAND TOTAL				8.00	781,880	7.00	688,580	7.00	688,580

Introduction

The OMF Five-Year Plan focuses on two areas. First, it includes a discussion of Significant Issues that are critical for OMF and the City to address and should inform resource decisions over the next five years.

Many of the significant issues and resource decisions in the OMF 2014-19 Five-Year Plan overlap with issues and strategies in the OMF 2012-17 Strategic Plan. Because the time frames differ, some strategies in the strategic plan were completed and do not require resource decisions in the Five-Year Plan. Some strategies do require resource decisions and will be added to the Five-Year Plan as OMF develops a specific approach and cost estimate to address issues. Some issues and resource decisions in the Five-Year plan were not identified during the planning stage for the strategic plan.

Second, the plan includes a discussion of financial issues OMF bureaus and funds will address over the next five years. These bureau-specific and fund-specific sections include major maintenance and operating projects planned for the next five years, as well as fund financial projections for the next five years. This allows the OMF Capital Improvement Plan (CIP) to focus on the capital projects planned and proposed by OMF for the next five years. The Five-Year Plan may include references to these capital projects, and over-arching financial issues impacting OMF funds over the next five years. Fund or project projections are also included.

This planning of capital and non-capital projects for OMF assets is an integral part of OMF's asset management program.

Significant Issues

Adequate Funding of Internal Service Funds Reserves
The Office of Management and Finance's internal service funds maintain operating reserves, which serve as a financial backstop for the fund's operations to avoid mid-year rate increases or requests for funding due to unanticipated expenses or losses of revenues. Bureau policies and industry standards call for funding the operating reserves at 5-10% of each fund's fixed cost annual operating budget. Currently, most funds' operating reserves are at the low end of these ranges. Additionally, through years of cuts to reserves and budgets, the service providers have less ability to respond to cost fluctuations and this increases the risk of requiring mid-year rate increases.

Critical Technology Recovery in a Disaster
The City relies extensively on technology in order to provide critical services to the public. A large scale natural or man-made disaster could result in catastrophic destruction of numerous technology systems that are essential for the ongoing operation of the City. Key service areas that rely on technology include: law enforcement, fire and rescue, emergency dispatch, payroll, revenue collection, and accounts payable.

Determining the City's Appropriate Earthquake Insurance Coverage
All major property insurers are reevaluating their earthquake exposure in the Pacific Northwest, and are limiting their risk or leaving the market entirely in western Oregon. Consistent with these events, the City's property insurer will be reducing by 75% the City's current earthquake insurance coverage from $100 million down to $25 million for the 2014-15 renewal period.

A Probable Maximum Loss estimate for total insurable assets was commissioned by City Risk in 2010, which indicated the City would experience an expected loss of $163-188 million. The City now needs to determine its appropriate earthquake insurance coverage in the context of required critical assets and other resources available (i.e. FEMA, City reserves, etc.) after a major disaster. This analysis will require coordination between the Bureau of Internal Business Services, property and asset owning bureaus, and the City's emergency service providers.

Facilities and Technology Asset Major Maintenance and Replacement
The Bureau of Technology Services and Bureau of Internal Business Services Facilities Services are both responsible for maintaining critical City assets, including key buildings and technology systems. Both bureaus do not have funding models to support adequate major maintenance/asset preservation projects, as well as regular replacement schedules for technology assets.

Best practice for technology assets is to set aside money annually for replacement based on the length of the asset's useful life. With the exception of virtual servers, bureau computers, and laptops, BTS is not collecting for the replacement of technology assets in the rates it charges bureaus. Best practice for facility assets is to annually set aside 3% of replacement value to fund major maintenance/asset preservation projects so the facility can remain functional. Current collection is 1.2% annually.

The Portland Building Exterior Envelope and Structural Deficiencies
The Portland Building provides office space for approximately 1,300 City employees, as well as retail space and office space for other agencies. Since its completion, the building's exterior envelope has presented numerous and chronic problems with water infiltration. In addition, an assessment conducted in 2013 determined that the building structure would perform poorly in a wide range of seismic events.

Some envelope issues have been identified and resolved during previous repairs, but ongoing repairs are not sustainable or practical, and will not work to address some of the structural issues. The Portland Building is also considered a historic building and on the National Register of Historic Places, which means additional requirements for addressing the building's issues. The cost to resolve the building's structural and envelope deficiencies is estimated at $95 million. Currently other alternatives are being researched. OMF will be asking Council for direction once more information on alternatives is available.

Workforce Planning

Over the next few years, one-third of the City's workforce will be eligible for retirement. This will represent a significant loss of critical institutional knowledge that bureaus depend upon for the effective delivery of City services. The current trend shows that there will not be enough work ready candidates in the market; therefore it is critical for the City to develop programs internally and externally to attract and retain employees.

OMF General Fund FY 2014-15 Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
CAO							
CAO's Office	$ 681,723	$ 682,043	$ 692,584	$ 717,830	$ 743,264	$ 768,955	$ 794,806
Business Operations	$ 3,312,615	$ 4,322,698	$ 4,450,117	$ 4,608,225	$ 4,767,344	$ 4,928,222	$ 5,089,824
Accounting	$ 3,799,114	$ 3,150,639	$ 2,763,780	$ 2,862,609	$ 2,961,960	$ 3,061,691	$ 3,162,717
Debt	$ 686,855	$ 765,274	$ 805,343	$ 833,797	$ 862,559	$ 891,663	$ 920,751
Treasury	$ 1,050,026	$ 986,840	$ 1,049,219	$ 1,085,638	$ 1,122,400	$ 1,159,621	$ 1,196,799
PSSRP	$ 2,008,132	$ 7,731,571	$ 4,506,559	$ 857,853	$ -	$ -	$ -
Bureau of Human Resources	$ 7,738,562	$ 8,540,752	$ 9,155,209	$ 9,487,358	$ 9,822,157	$ 10,160,448	$ 10,500,476
BIBS General Fund	$ 4,770,891	$ 5,523,682	$ 5,408,204	$ 5,596,005	$ 5,785,390	$ 5,977,110	$ 6,168,810
Revenue Bureau	$ 12,305,448	$ 13,109,619	$ 12,783,849	$ 13,209,174	$ 13,636,060	$ 14,068,713	$ 14,501,302
Total Expenses	**$ 36,353,366**	**$ 44,813,118**	**$ 41,614,864**	**$ 39,258,489**	**$ 39,701,133**	**$ 41,016,424**	**$ 42,335,486**
Resources:							
CAO							
CAO's Office	$ 681,723	$ 682,043	$ 692,584	$ 717,830	$ 743,264	$ 768,955	$ 794,806
Business Operations	$ 3,312,615	$ 4,322,698	$ 4,450,117	$ 4,608,225	$ 4,767,344	$ 4,928,222	$ 5,089,824
Accounting	$ 3,799,114	$ 3,150,639	$ 2,763,780	$ 2,862,609	$ 2,961,960	$ 3,061,691	$ 3,162,717
Debt	$ 686,855	$ 765,274	$ 805,343	$ 833,797	$ 862,559	$ 891,663	$ 920,751
Treasury	$ 1,050,026	$ 986,840	$ 1,049,219	$ 1,085,638	$ 1,122,400	$ 1,159,621	$ 1,196,799
PSSRP	$ 2,008,132	$ 7,731,571	$ 4,506,559	$ 857,853	$ -	$ -	$ -
Bureau of Human Resources	$ 7,738,562	$ 8,540,752	$ 9,155,209	$ 9,487,358	$ 9,822,157	$ 10,160,448	$ 10,500,476
BIBS General Fund	$ 4,770,891	$ 5,523,682	$ 5,408,204	$ 5,596,004	$ 5,785,390	$ 5,977,110	$ 6,168,810
Revenue Bureau	$ 12,305,448	$ 13,109,619	$ 12,783,849	$ 13,209,174	$ 13,636,060	$ 14,068,713	$ 14,501,302
Total Revenues	**$ 36,353,366**	**$ 44,813,118**	**$ 41,614,864**	**$ 39,258,489**	**$ 39,701,133**	**$ 41,016,424**	**$ 42,335,486**

Assumptions/Comments:

Projection assumes that the OMF General Fund will receive General Fund Discretionary/Overhead revenue sufficient to cover all projected expenses.
Expenses are growing faster than revenues when the economist's inflation factors are applied.
Grants Management's budget is included with Business Operations beginning in FY 2013-14.
Debt and Treasury are in the General Fund, although they do not receive General Fund Overhead or General Fund Discretionary.

Bureau of Human Resources
OMF General Fund

The following is a discussion of the major financial issues the Bureau of Human Resources will address over the next five years:

Training and Workforce Development Funding
Currently, there is not sufficient funding to establish a tuition reimbursement program for City employees. This fund will need seed money to successfully implement this program. This program is needed to ensure professional development of our current employees and to be competitive for the recruitment and retention of future employees. There is also insufficient staffing to fully accomplish the goals of the training program, including, but not limited to implementation of e-learning and development of key Citywide trainings, such as Emotional Intelligence Training. OMF is submitting a decision package in the FY 2014-15 Requested Budget to help address this issue. However, BHR projects the need for additional ongoing funding and staffing in the future.

Non-Represented Classification and Compensation Funding
The pay structure and classifications for non-represented employees have not been reviewed in over ten years. Best practice recommends a review every two years, at a minimum. Over time, problems arrise as pay equity is not maintained and classification specifications become invalid. The City is now in a position of not being able to compete for talent or retain the most qualified employees. As retirements continue to occur, the City will be increasingly challenged with managing its resources. The Class/Comp Unit is understaffed and does not have the resources to complete a comprehensive non-rep study within a reasonable time frame. Therefore, outside consulting assistance is required. OMF is submitting a decision package in the FY 2014-15 Requested Budget to help address this issue.

Staffing for Affirmative Action Tracking
BHR needs a position to assist with Affirmative Action data production because the primary person assigned to do this work is also the City's primary investigator for complaints alleging discrimination and retaliation based on protected class status (2.02 investigations), as well as a lead for social media and web support and development activities and to assist the site teams. Currently, these duties are either spread out to multiple positions within the bureau or there is simply a gap in the bureau's ability to manage some of these important functions. BHR has a desire to consolidate these activities to one position to provide more effective and efficient delivery of services and to ensure no gaps exist. There is no funding available in the current budget for this position; it remains a future need.

Equity Initiatives
It is anticipated that BHR will be supporting various Office of Equity and Human Rights initiatives that will impact BHR services. BHR does not have the budget capacity to absorb additional costs and will request additional appropriation if needed.

Bureau of Human Resources
Health Fund

The Health Insurance Fund covers the costs incurred for claims, claims administration, internal administration and stop-loss insurance for the self-insured CityCore program, which is the medical coverage elected by the majority of City's employees, COBRA enrollees, and retirees. The Health Insurance Fund also covers the Seasonal Maintenance Worker union plan and the costs incurred for the self-insured Dental program elected by the majority of City employees, COBRA enrollees and retirees.

Health Plan Funding
Health care costs are predominately measured in terms of the premiums we pay to obtain coverage through an insurance carrier (e.g. Kaiser) and the "premium equivalents" we assess for the City's self-insured health and dental plans. The City shares the costs of its medical, dental and vision plan offerings by paying 95% of the total cost with employees paying the 5% balance (for full-time employees). The only groups outside this funding model are the Seasonal Maintenance Workers, who pay 10% of the total cost, and employees who are part of the Portland Police Association (PPA). For PPA members, the Bureau and employees contribute the same 95/5 for the insured CityNet plan, but the premium share for Kaiser Participants can vary as participants pay the difference in value between the two plans. Currently PPA Kaiser participants do not have a premium share contribution.

The City projects its health fund costs over a five-year forecast period. AON Hewitt Consulting assists the City in its continuing plan design review and preparation of the five-year forecast. It is important to note that the forecast is based upon a number of assumptions that may not remain static over a five-year period. As a result, the actual fund balance is expected to vary from what is projected within the forecast. Updates are provided to the City every six months.

Health Fund Reserve
The fund maintains three components to its reserves. A restricted reserve covers the Incurred But Not Reported (IBNR) requirements, which is a standard for self-insured programs. A large claims reserve is maintained to fund claims between $100,000 and $350,000. Claims above $350,000 are covered by stop loss insurance and the City pays premiums to its Third Party Administrator for the coverage. The fund also maintains a Contingency Reserve to protect against large swings in cost from one year to the next. Any unallocated reserves may be used to fund the annual difference between the combination of City and employee contributions and the actual plan costs. Costs in excess of funding are paid from the fund's unallocated reserves.

Health Plan Experience
In FY 2012-13 the City increased the rate by 5.5% for its self-insured medical plan. In FY 2013-14 plan costs were projected to increase by 15%. Much of the increase was attributable to catastrophic claims for injury and illness. Through the collaborative efforts of the Labor Management Benefits Committee, the Committee agreed to plan design changes that would lower the increase required by the self-insured plan. Council adopted the revised plan that included a higher annual maximum and increased copayments for primary and specialty care. The rate increased by 8.7%. AON Hewitt Consulting projects a rate increase of about 6.5% for plan year 2014-15 and anticipates the average growth will be between 7% and 8% over the five-year forecast period. The City is one year into an improved chronic disease management program, Healthy Foundations. Patient activation measures are high and the program is well received by participants.

Health Fund Five Year Financial Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2013-14 Estimated	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Resources:								
Beginning Fund Balance	$13,020,637	$11,762,581	$11,762,580	$11,260,247	$11,650,753	$12,041,084	$12,457,391	$12,898,521
Service Charges and Fees	$50,876,978	$53,726,238	$54,824,255	$57,410,845	$59,069,255	$60,844,693	$62,702,878	$64,560,066
Interfund Cash Transfers	$1,482,446	$4,690	$4,690	$0	$0	$0	$0	$0
Interest	$66,243	$75,000	$50,474	$50,671	$52,428	$54,185	$56,058	$58,043
Other	$962,987	$4,750,983	$909,326	$858,630	$883,433	$909,986	$937,777	$965,553
Total Revenues	**$66,409,291**	**$70,319,492**	**$67,551,324**	**$69,580,393**	**$71,655,869**	**$73,849,948**	**$76,154,104**	**$78,482,183**
Requirements:								
Personnel Services	$1,110,221	$1,340,028	$1,274,467	$1,305,358	$1,384,862	$1,434,659	$1,518,809	$1,575,183
External M&S	$52,601,908	$55,943,979	$54,324,969	$55,789,340	$57,447,285	$59,154,544	$60,912,584	$62,711,555
Internal M&S	$506,941	$535,582	$528,236	$528,653	$541,341	$553,250	$565,422	$577,861
Cash Transfer	$402,458	$134,584	$134,584	$275,199	$205,580	$210,900	$216,856	$222,979
Debt Service	$25,183	$28,820	$28,820	$31,090	$35,717	$39,203	$41,913	$44,388
Ending Fund Balance/Contingency	$11,762,581	$12,336,499	$11,260,247	$11,650,753	$12,041,084	$12,457,391	$12,898,521	$13,350,216
Total Expenses	**$66,409,291**	**$70,319,492**	**$67,551,324**	**$69,580,393**	**$71,655,869**	**$73,849,948**	**$76,154,104**	**$78,482,183**

Bureau of Internal Business Service
CityFleet

The following is a discussion of the major financial issues the fund will address over the next five years:

CityFleet Facility
The current fleet maintenance facility is inefficient and costly to operate. It provides only a fraction of the required workspace, and is in need of major repairs. A modern Municipal Service Center (MSC) is needed for the continuity of essential daily operations, safe annual snow and ice response coordination, and efficient regional emergency response for the Portland community. Furthermore, a modern MSC is essential to meet increasing service demands of a growing city and even more critical in the event of a major catastrophe. The current building has been remodeled several times since it was originally built.

CityFleet Fuel Stations
A funding source needs to be identified for the replacement of the City's fueling infrastructure. CityFleet is responsible for managing nine fuel stations. These stations enable the use of specialized alternative fuels, multiple fuel blends, and quality control of the fuel dispensed to the City's vehicles and equipment and to other government agencies. Large capacity tanks enable wholesale bulk fuel purchases and provide extended storage for emergency fueling. Contract bulk purchases for unleaded and Ultra Low Sulfur Diesel (ULSD) fuel is about 15% below Portland's retail market pricing.

To meet State Department of Environmental Quality requirements, efficiency goals, and improve accountability, CityFleet has replaced Sandy River, Bull Run, and Stanton Yard, as well as added a fuel station at the Police East Precinct. The City's remaining fueling sites are past their useful life and should be replaced. This process will ensure compliance with DEQ standards and meet the needs of the City. The five remaining tank projects, including 15% project contingency are initially estimated to cost between $6.5 and $7.5 million. These stations are: Columbia Yard ($1.5 million), First and Jefferson Garage ($2.0 million), Mt. Tabor Station ($1.0 million), Interstate ($1.25 million), and 47th and Burnside ($1.0 million). CityFleet will have better cost estimates when the replacement project scope and timeline are completed.

Funding options for this project consist of one-time discretionary funds, debt service and/or pay-as-you-go funding. One-time discretionary funds would help rebuild the City's infrastructure without heavily burdening bureau operating budgets. If debt service is used, CityFleet would request to issue debt, and then debt service would be supported by fixed annual charges to the bureaus. This method eases the burden of cash financing a large infrastructure project. Other options for funding would be to cash finance part or the entire project. One aspect of the fuel management study will be to identify the appropriate funding source, long-term infrastructure management, and future tank replacements.

The City has a strategic need to provide fueling capabilities west of the Willamette River near the downtown area. The City recently acquired land on the westside to meet emergency event needs. A site master plan is being developed, including planning for an above ground fuel station, which would cost an estimated $900,000. Other site improvements and cost estimates are in process and will be added as they become available. Funding will be proposed for this project as part of the budget process when direction from the City Council is received.

Major Capital Items
Each fiscal year CityFleet adds or replaces capital items such as vehicle hoists, tire machines, diagnostic equipment, shop tools, jacks, hose reels, and fuel management systems. The cost is about $220,000 per year.

Fuel Costs
The volatility of the world petroleum market has caused dramatic cost increases for fuel. Since the cost of fuel is affected by a number of factors, they are difficult to predict. CityFleet uses many fuel cost models, like the Energy Information Administration (EIA) Department of Energy data to forecast the bureaus fleet budgets.

Alternative Fuels and Hybrid Vehicles
To further support the City's sustainability goals, CityFleet continuously seeks to improve air quality, reduce dependence on foreign oil, reduce environmental impact, control costs and reduce vehicle emissions through a comprehensive Green Fleet Vehicles Implementation Program. This program includes an analysis of every vehicle and piece of equipment to determine the optimal balance between functionality, fuel type, fuel consumption, emissions, and economics. There are costs associated with procuring alternative fuels, fueling infrastructure, hybrid drive systems, and other sustainable technologies, but the City strives to be a good steward of the environment and a model for sustainability.

Graham Building
To provide operating and financing certainty, the Graham building should be studied as part of the MSC project. In 2008, CityFleet vacated the building on SE Powell and moved into leased space at the 810 N Graham St. On January 23, 2012, the lease was extended for five years until May 31, 2017. Within the timeframe of this lease, CityFleet may have the opportunity to purchase the building. To do this, CityFleet would need either one-time discretionary funds or the ability to debt finance the cost and build the resulting debt service into rates. Debt financing may require a customer rate increase above current service level, and customer support would be needed. Customers are now seeing the advantages of the Graham building in the form of reduced costs due to more efficient body shop work, vehicle outfitting and the reduced need to shuttle vehicles and parts across the city.

Provision of Services to Outside Agencies
Recognized as a leader in the industry for providing excellent fleet services, CityFleet has been asked by multiple outside agencies to enter into formal Intergovernmental Agreements (IGA's) for its services. Outside agencies receive the benefit of a full service fleet operation while current City customers receive added value through expanded coverage across the city – making it more convenient for daily operations and putting the City in a better position to respond to emergency situations. Benefits to all customers include lower labor rates, more service locations, and lower parts and fuel costs due to volume purchasing.

OMF
Bureau of Internal Business Services-CityFleet
Asset/program/etc
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
BDS Replacement Vehicles	$240,672	$233,294	$224,786	$0	$0
CityFleet Replacement Vehicles	$249,772	$195,955	$85,104	$246,155	$273,692
Fire Bureau Replacement Vehicles	$740,563	$615,259	$340,674	$216,779	$218,923
Golf Replacement Vehicles	$269,972	$246,933	$224,786	$152,902	$400,704
Park Bureau Replacement Vehicles	$1,208,364	$834,289	$1,070,709	$1,351,634	$430,861
PBOT Replacement Vehicles	$1,559,331	$1,871,276	$1,928,596	$2,608,364	$5,445,113
Police Bureau Replacement Vehicles	$2,105,798	$2,406,614	$2,134,727	$2,199,199	$1,175,301
CityFleet Shop Maintenance	$220,000	$220,000	$220,000	$220,000	$220,000
	$6,594,471	$6,623,621	$6,229,382	$6,995,033	$8,164,594

Does not include CIP projects

CityFleet Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$6,630,165	$7,516,846	$7,930,881	$8,232,254	$8,536,847	$8,844,173	$9,153,719
External M&S	$10,867,713	$11,761,777	$12,679,116	$13,021,452	$13,373,031	$13,734,103	$14,077,456
Internal M&S	$1,555,965	$1,687,206	$1,992,891	$2,040,720	$2,085,616	$2,131,500	$2,178,393
Capital	$7,486,146	$10,656,287	$7,202,472	$7,396,939	$7,596,656	$7,801,766	$7,996,810
Cash Transfer	$595,868	$940,380	$1,039,950	$1,068,029	$1,096,866	$1,126,481	$1,154,643
Debt Service	$888,712	$364,736	$393,471	$393,471	$393,471	$393,471	$393,471
Other Fund Level	$0	$0	$0	$0	$0	$0	$0
Ending Fund Balance/Contingency	$19,364,576	$16,582,908	$18,527,828	$18,628,773	$18,509,680	$18,166,775	$17,642,021
Total Expenses	**$47,389,146**	**$49,510,140**	**$49,766,609**	**$50,781,638**	**$51,592,167**	**$52,198,269**	**$52,596,513**
Resources:							
Beginning Fund Balance	$18,605,989	$18,460,614	$18,217,270	$18,527,828	$18,628,773	$18,509,680	$18,166,775
IA Revenue	$25,602,311	$29,808,133	$29,522,894	$30,231,443	$30,896,535	$31,576,259	$32,270,937
Fund Transfers	$9,232	$46,840	$0	$0	$0	$0	$0
Intergovernmental Revenues	$780,736	$361,000	$1,181,268	$1,209,618	$1,236,230	$1,263,427	$1,291,222
Miscellaneous	$2,342,374	$780,000	$793,700	$812,749	$830,629	$848,903	$867,579
Charges for Services	$0	$0	$0	$0	$0	$0	$0
Bond & Note Proceeeds	$48,504	$53,553	$51,477	$0	$0	$0	$0
Total Revenues	**$47,389,146**	**$49,510,140**	**$49,766,609**	**$50,781,638**	**$51,592,167**	**$52,198,269**	**$52,596,513**

Bureau of Internal Business Services
Facilities Services

The following is a discussion of the major financial issues the fund will address over the next five years:

Major Maintenance
Facilities' major maintenance reserve rate collection continues to be inadequate to meet the growing major maintenance needs of the facilities. Overall, Facilities Services rental rates now collect only 1.2% of building replacement value each year for major maintenance. This is down from prior years, and below the industry standard of 3%. Reasons for the decrease are rapidly escalating costs to replace buildings (over regular inflation), the increase in the number of new facilities, increasing only the major maintenances component of rental rates at the level of inflation, and occasionally cutting major maintenance collections or keeping it flat.

There are two primary impacts of not collecting enough major maintenance funds each year. First, the timeliness of projects may be affected. Each year, the major maintenance accounts need to be balanced, and if enough major maintenance funding is not collected, then critical projects may be scheduled in the out years of the major maintenance plan. Second, and more importantly, collecting the industry standard of major maintenance funds each year should create a reserve large enough to replace or renovate large building systems when needed. Currently, the practice for major maintenance projects is essentially a pay-as-you-go process, and there may not be enough funds in reserve to replace or renovate large building systems when the time comes.

Facilities Project Management Software
Develop and implement an automated centralized facilities project management tool that documents and organizes project development cycle information including: project scope, budget management, time management, and task assignments. The tool will provide reports for monitoring project development cycle, including documenting changes in the cycle. This tool will allow for customer access, project tracking, schedules, project notes, updates, procurement timelines, and Council action tracking.

Facilities Condition Assessment
Facilities Services performs annual building inspections to assist with budgeting processes and identifing Major Maintenance projects. However, a more comprehensive and organized approach to these inspections is desired, along with a more robust tracking system that incorporates information about the age of equipment. As part of the assessment, Facilities will perform a thorough assessment of each facility (interior and exterior), including grounds, architectural components, civil/structural, and mechanical/electrical building systems. This assessment may include a seismic study, if appropriate.

Facilities Work Order Upgrade
The work order system currently used by Facilities is no longer supported by IBM. As such, Facilities Services is exploring the best approach to update its system, incorporating needed features that the current system does not provide.

City Hall Eco Roof
The useful life of the current roof membrane on City Hall is nearing the end. A study indicated that although the roof at City Hall has different structural capabilities at different locations, the building can be retrofitted with an eco-roof system substantial enough in both area and depth to provide significant environmental benefits. Since City Hall is listed on the Register of Historic Places, the proposed eco roof will likely require review by Historic Design Review.

Portland Building Emergency Power Upgrade
The emergency generator power for the Portland Building's fire life safety system was determined to be inadequate. Facilities installed a 600 KW generator to support these systems in 2013. In FY 2014-15 Facilities plans a project to implement an emergency power load shedding system for non-emergency and non-required systems connected to the new generator as well as its backup generator.

Portland Building Egress and Lighting Upgrade
The Portland Building egress lighting needs to be updated and an egress plan needs to be created in order to be compliant with Fire Code. Additionally, the Portland Building has an aged lighting system that needs to be updated. Not only are these lights failing at a higher rate as they age, they are also becoming less efficient. Cost for this project is estimated at $930,000 and would save the City approximately $100,000 annually, once implemented.

Space Planning
An assessment of Citywide office space requirements, both current and a five-year projection, was completed in 2012. The report findings and recommendations were presented to Council in 2013. They include purchasing the 14th and 15th floors of the Portland Building, and restacking both the Portland Building and the 1900 Building to consolidate bureaus and increase space use efficiency through adoption and implementation of space standards that reflect current industry standards.

The City now leases over 90,000 square feet of office space in downtown Portland. As the last of these leases expire in 2016, it is anticipated that all but one City entity would be able to move into a City-owned building, thereby meeting the intent of Administrative Rule (ADM) 13.01 and saving the City millions in private lease costs. The budget estimated for the space plan implementation is $5 million.

Resource Management
Energy and other resources cost Facilities Services more than $2 million per year, and continue to be difficult to estimate beyond one year. In an effort to strategically manage these resources, Facilities is implementing a strategic resource management program that will include the purchase and development of a tool that will track and monitor the resources we use. Additionally, Facilities is upgrading the building control systems to provide better monitoring of energy usage.

Building Controls Upgrades
Many of the buildings owned and operated by OMF have obsolete control systems needing upgrades or replacements. These buildings each have a single software license, which vary in manufacturer and are costly for employee training and maintenance. This project will provide a server based building controls system maintained by the Bureau of Technology Services. The server will have two or three different software licenses from control vendors most common in our buildings. Each of the licenses will allow multiple buildings to be added on a single license. The objectives will be to eliminate single control licensing for each building, allow building technicians to access the building controls via the internet or the City network, provide an efficient way to upgrade control software, as well as Microsoft operating software; provide fewer systems on which to be trained; and provide a competitive method for the installed software vendors to bid on hardware upgrades in each building.

Portland Police Bureau Facilities
The City purchased the County's interest in the Kelly Building and a new site for the Police Training Center in FY 2011-12. The Police Bureau reorganized precincts and created a new location for Southeast Precinct, Detectives Division, and Traffic Division in the former Traffic and Training Division sites. This is a major improvement eliminating long-standing substandard facility issues for the Police Bureau's Traffic and Training Divisions and improving police response by reestablishing a Southeast

Precinct. Additional work will continue on vacant retail and non-City office space at various Police facilities to achieve maximum space use and income revenue.

Union Station
Union Station is managed by Facilities Services through an agreement with the Portland Development Commission (PDC), the building owner. The building is old, and despite ongoing major projects, continues to need significant maintenance, including seismic upgrades, electrical and plumbing system replacements, ADA upgrades, and major interior improvements. The total cost of a complete restoration of Union Station is estimated to be approximately $45 million. Major Maintenance reserves are too low to fund the long list of needs for this facility. Net revenues received from the leases with Amtrak and other commercial tenants are projected to average $100,000 per year. This amount is neither enough to fund the necessary major maintenance projects at the facility on a pay-as-you-go basis, nor adequate to build a sufficient balance to fund projects in the future.

Facilities Services recently completed a large, two-phased project funded through Transportation Enhancement grants and American Recovery and Reinvestment Act (ARRA) funds to help with critical building improvements, focusing on the building's leaking roof. PDC was recently awarded additional funding from the Federal Rail Administration for a Phase III Facility Improvements project to complete design and environmental planning (PE/NEPA) for the remainder of the necessary repairs to the facility, as well as track improvements. Facilities and PDC are working together to develop a funding strategy to fully renovate this iconic building.

Portland Building Exterior Envelope Restoration and Structural Improvements
Due to ongoing water intrusion issues, a major maintenance project was started in FY 2012-13 to thoroughly assess water intrusion and structural integrity of the Portland Building, and provide conceptual design for repairs and cost estimates for those repairs. The results of the assessment identified repair solutions for the exterior envelope and seismic improvements estimated at $95 million. Currently, additional options are being researched.

Jerome F. Sears Operations Center
The City took possession of the former US Army Reserve Center in July 2012. The site was acquired from the Army under the condition that it be used primarily as an emergency operations center. The 3.66 acre site has a two-story building of 24,120 square feet, a vehicle maintenance shop of 4,789 square feet, and a metal fabricated storage building of 4,853 square feet.

In June 2013, a Master Plan was completed that identified four funding levels to phase in the work that is required to occupy the building, prepare the site for use by City bureaus, including installation of a fuel station; and to ultimately upgrade the two-story building to essential facility status. It was determined that the property currently zoned R-1 (medium-density residential) would not allow the uses the City plans for the site and that it should be re-zoned to an EG2 zone (general employment).

Additional Operating Costs
The following projects will have an impact on costs in the future. These projects are the construction of the Emergency Coordination Center, purchase of the Kelly Building, purchase and remodel of the new Police Training Center, and the acquisition of the Jerome Sears building.

As noted above, the Jerome Sears Building is preliminarily planned to serve as backup Emergency Communications Center for the Portland Bureau of Emergency Management and Water Bureau. Transportation has future plans to use it as a Westside staging area. A very low confidence operating budget number to maintain the building in a fairly "vacant" status is approximately $180,000. This will provide for minimal utilities, insurance, basic building maintenance and establish a major maintenance

reserve fund for the building. At this time the Bureaus associated with this acquisition do not have adequate funds identified to support this location.

OMF - Facilities
1900 Bldg - Major Maintenance
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
Carpet 3rd Floor	$234,148	$0	$0	$0	$0
Patch & Paint 1st, 2nd & 3rd flrs	$78,049	$0	$0	$0	$0
1st flr Terrazzo repairs	$0	$0	$0	$243,904	$0
Restack - BDS move fr 6 to 3	$305,462	$0	$0	$0	$0
Restack - Revenue move to 6	$390,246	$0	$0	$0	$0
Chiller Replacement	$1,046,788	$0	$0	$0	$0
Replace/Repair Cooling Towers (PSU)	$0	$0	$0	$390,246	$0
Sunny Espresso Exhaust	$0	$42,927	$0	$0	$0
Exterior Sealant Replacement at Footing/Sidewalk Transition	$29,268	$0	$0	$0	$0
Restroom Upgrade w/ sustainable features	$498,345	$0	$0	$0	$0
Upgrade restrooms for ADA compliance	$124,587	$0	$0	$0	$0
ADA handrail modifications/stairwells	$0	$0	$44,878	$0	$0
ADA signage	$0	$46,830	$0	$0	$0
	$2,706,893	$89,757	$44,878	$634,150	$0

Does not include CIP projects

OMF - Facilities
All Police Facilities - Major Maintenance
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
Justice Center - Carpet/Paint for floors 1, 11-16	$420,296	$659,225	$0	$0	$195,123
Justice Center - Eyebrow Repair	$0	$0	$195,123	$0	$0
Justice Center - Curtain Wall Crack Repair	$58,537	$0	$0	$0	$0
Justice Center - Upgrade Water Fountains	$249,661	$0	$0	$0	$0
Justice Center - Security Assessment	$39,025	$0	$0	$0	$0
Justice Center - ADA Transition from Sidewalk through Front Door	$440,979	$0	$0	$0	$0
Kelly Bldg - Carpet Replacement	$0	$0	$39,025	$169,777	
Kelly Bldg - Paint	$0	$0	$39,025	$89,195	
Kelly Bldg - Move/Relocated Employees	$0	$0	$0	$58,537	
Kelly Bldg - Demolition w/Tenant Improv	$50,100		$0	$0	
Kelly Bldg - Exterior Bldg Paint/Repairs	$58,537	$292,685	$292,685	$0	$0
Kelly Bldg - New Front Entry Gate	$156,099	$0	$0	$0	$0
Kelly Bldg - Repair Water Intrusion in Garage/Assessment	$585,371	$0	$0	$0	$0
East Pct - Carpet Interior Flrs	$0	$117,074	$117,074	$0	$0
East Pct - Paint Interior Flrs	$78,049	$0	$0	$0	$0
East Pct - Replace Rooftop AC Unit	$35,122	$0	$0	$0	$0
East Pct - Assessment/Roof Coating	$58,537	$0	$0	$0	$0
East Pct - Garage Beam Showing Stress	$48,781	$0	$0	$0	$0
MPU - Carpet Interior Office Area	$0	$0	$0	$25,366	$0
MPU - Paint Interior Office of Barn & Office	$0	$0	$0	$116,099	$0
MPU - Ventilation Improvements	$97,562	$0	$0	$0	$0
MPU - Roof Repair/Patching	$0	$0	$0	$35,122	$0
MPU - Patching/Paint/Weatherization	$0	$0	$0	$23,415	$0
North Pct - Celing Repair	$17,562	$0	$0	$0	$0
North Pct - Men's Locker Room Flr replacement	$0	$0	$0	$0	$15,610
North Pct - 150 KW UPS	$273,172	$0	$0	$0	$0
North Pct - Repaint Exterior	$0	$0	$0	$136,586	$0
North Pct - Parking Lot Structural Assessment	$29,268	$0	$0	$0	$0
North Pct - Clean/Resurface Parking Lot	$926,836	$0	$0	$0	$0
North Pct - Parking Lot Lighting Upgrade	$58,537	$0	$0	$0	$0
St. John's - Floor Tiles Replacement	$0	$151,220	$0	$0	$0
St. John's - Water Intrusion	$33,171	$0	$0	$0	$0
St. John's - Parking Lot Cracking & Moss	$0	$0	$0	$0	$282,929
St. John's - UPS	$33,171	$151,220	$0	$0	$282,929
Training Cntr @ Airport Way - Repair & Fog Seal Asphalt Paving	$97,562	$0	$0	$0	$0
	$3,845,935	$1,371,424	$682,932	$654,097	$776,591

Does not include CIP projects

OMF - Facilities
City Hall - Major Maintenance
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
Replace Roll Up Shades in Council Chambers	$0	$0	$15,610	$0	$0
Elevator Floor Indicators	$0	$0	$0	$117,074	$0
Cooling Tower Bypass Valves	$0	$0	$0	$156,099	$0
Replace Heat Pumps	$555,450	$318,052	$0	$0	$0
Replace Ventilation Fans SF-1 & SF-2	$0	$0	$284,880	$0	$0
Roof Replacement w/ Eco Roof installation	$0	$195,123	$0	$0	$0
	$555,450	$513,175	$300,490	$273,173	$0

Does not include CIP projects

OMF - Facilities
Kerby Garage - Major Maintenance
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
Electrical Overcurrent Study	$0	$0	$0	$39,025	$0
	$0	$0	$0	$39,025	$0

Does not include CIP projects

OMF - Facilities
PCC - Major Maintenance
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
Carpet Replacement for restack	$0	$0	$195,123	$195,123	$0
Patch & Paint for restack	$0	$175,611	$20,854	$58,537	$0
Roof Replacement	$975,617	$0	$0	$0	$0
Investigate/Correct Water Entry Paths	$0	$19,512	$0	$0	$0
	$975,617	$195,123	$215,977	$253,660	$0

Does not include CIP projects

OMF - Facilities
The Portland Building - Major Maintenance
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
Carpet replacement for 7 floors	$234,148	$234,148	$234,148	$234,148	$234,148
Paint for 7 floors	$78,049	$78,049	$78,049	$78,049	$78,049
Space Plan projects	$246,999	$0	$0	$0	$0
Wall Protection for Recycling Bins in Trash Rooms	$97,562	$0	$0	$0	$0
Terrazo - 1st & 2nd Floor repairs	$468,296	$0	$0	$0	$0
Air Conditioner - replace for Portlandia Restaurant	$370,734	$0	$0	$0	$0
HVAC - Replace in Elevator Machine Room	$243,904	$0	$0	$0	$0
Emergency Power - Upgrade	$78,049	$682,932	$0	$0	$0
Emergency Power - For Domestic Water Booster Pump	$87,805	$0	$0	$0	$0
Chiller - Install variable chiller and pumping	$780,494	$0	$0	$0	$0
Ventilation - Fan Plenuim Insulation Replacement	$243,904	$0	$0	$0	$0
Lighting Retrofit - LED Option	$1,816,599	$0	$0	$0	$0
Exterior Façade - Exterior Envelope Restoration	$0	$0	$602,931	$0	$0
Sidewalks - Pedestrian Improvements	$0	$0	$0	$620,493	$0
Fuel Tank - Replace underground for generator	$419,515	$0	$0	$0	$0
	$5,166,058	$995,129	$915,128	$932,690	$312,197

Does not include CIP projects

OMF
Facilities - All Buildings
Unfunded projects

Projects	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Operating projects				
Justice Center - Potable Water Line Replacement	$0	$0	$0	$2,926,851
Justice Center - Carpet/Paint for floors 1, 11-16	$0	$0	$0	$885,643
MPU - Wall Detorization & Cracking	$0	$0	$0	$682,932
City Hall - Replace Heath Pumps	$0	$0	$0	$3,482,952
City Hall - Clean & Repair Exterior	$0	$0	$0	$873,501
PCC - Generator Overhaul	$0	$0	$0	$390,246
	$0	$0	$0	$9,242,125

Facilities Services Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$3,212,721	$3,407,316	$3,887,754	$3,992,723	$4,100,527	$4,211,241	$4,316,522
External M&S	$17,513,503	$20,589,368	$25,640,310	$15,852,335	$15,126,262	$16,038,921	$14,632,462
Internal M&S	$2,858,991	$3,087,278	$2,596,053	$2,658,358	$2,716,842	$2,776,613	$2,837,698
Capital	$1,435,479	$9,322,614	$1,824,089	$0	$0	$0	$0
Cash Transfer	$825,765	$1,156,396	$686,528	$705,064	$724,101	$743,652	$762,243
Debt Service	$8,309,606	$7,617,340	$7,611,789	$7,611,789	$5,332,539	$5,332,539	$3,138,039
Other Fund Level	$0	$0	$0	$0	$0	$0	$0
Ending Fund Balance/Contingency	$0	$7,281,010	$25,483,436	$27,066,615	$29,902,776	$32,455,762	$36,859,403
Total Expenses	**$34,156,065**	**$52,461,322**	**$67,729,959**	**$57,886,884**	**$57,903,047**	**$61,558,728**	**$62,546,367**
Resources:							
Beginning Fund Balance	$0	$19,516,794	$36,085,000	$25,483,436	$27,066,615	$29,902,776	$32,455,762
IA Revenue	$23,136,666	$25,703,710	$25,808,274	$26,427,673	$27,009,082	$27,603,282	$26,016,054
Fund Transfers	$4,584,721	$4,770,473	$4,339,044	$4,443,181	$2,261,681	$2,311,438	$2,362,290
Intergovernmental Revenues	$88,964	$0	$0	$0	$0	$0	$0
Miscellaneous	$915,045	$150,000	$85,000	$87,040	$88,955	$90,912	$92,912
Charges for Services	$1,626,516	$2,266,792	$1,361,164	$1,393,832	$1,424,496	$1,455,835	$1,487,863
Bond & Note Proceeeds	$48,722	$53,553	$51,477	$51,722	$52,218	$194,485	$131,486
Total Revenues	**$30,400,634**	**$52,461,322**	**$67,729,959**	**$57,886,884**	**$57,903,047**	**$61,558,728**	**$62,546,367**

Bureau of Internal Business Services
BFRES Facilities General Obligation Construction Fund

On November 7, 1998, the citizens of Portland authorized the sale of $53.8 million in general obligation bonds to support a $65.5 million program to improve the City's emergency facilities, including:

- Seismic upgrades to allow firefighters to effectively respond to an earthquake in the metropolitan area.
- Relocation and construction of new facilities to meet the goal of a four-minute response time to emergency calls.
- Renovation of facilities to be consistent with the evolving mission of Portland Fire & Rescue.
- Response to Americans with Disabilities Act accessibility requirements.
- Changes to fire stations for female firefighter accommodations.
- Response to some emergency facilities approaching the end of their useful lives.

Of the $65.5 million program, $62.7 million will be used to improve fire facilities and $2.8 million will be used to expand the Portland Communications Center.

The projects in the program will be completed and the fund will be closed out during FY 2014-15. All funds are projected to be spent by year end.

BFRES Facilities General Obligation Construction Program Five Year Forecast

	Program Budget	Life to date actuals through FY 2012-13	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:								
Fire facilities	$60,841,784	$58,557,120	$0	$2,248,489	$0	$0	$0	$0
Portland Communications Center projects	$2,875,740	$2,849,740	$0	$0	$0	$0	$0	$0
Bond issuance costs	$672,602	$26,000	$0	$0	$0	$0	$0	$0
Administrative Costs	$1,538,283	$2,148,225	$78,264	$66,944	$0	$0	$0	$0
Fire project management	$256,874	$256,874	$0	$0	$0	$0	$0	$0
Ending fund balance	$0	$1,682,660	$2,314,433	$0	$0	$0	$0	$0
Total Requirements	**$66,185,283**	**$65,520,619**	**$2,392,697**	**$2,315,433**	**$0**	**$0**	**$0**	**$0**
Resources:								
Other cash resources	$5,959,592	$5,959,592	$4,270	$0	$0	$0	$0	$0
Land and building sales	$1,114,924	$450,263	$696,755	$0	$0	$0	$0	$0
GO bond proceeds	$53,825,000	$53,825,000	$0	$0	$0	$0	$0	$0
Interest earnings	$5,285,767	$5,285,764	$9,012	$1,000	$0	$0	$0	$0
Beginning fund balance	$0	$0	$1,682,660	$2,314,433	$0	$0	$0	$0
Total Resources	**$66,185,283**	**$65,520,619**	**$2,392,697**	**$2,315,433**	**$0**	**$0**	**$0**	**$0**

Bureau of Internal Business Services
Public Safety General Obligation Bond Program

On November 2, 2010, the citizens of Portland authorized the sale of $72.4 million in general obligation bonds to support a $90 million program to improve the City's public safety infrastructure, including:

- Replacement of fire apparatus
- Construction of a fire station
- Construction of an emergency coordination center
- Replacement of the City's 800 MHz radio system

The Public Safety GO Bond Fund was approved by Council in December 2010 to account for the bond sale proceeds. It is anticipated the program will be completed in the five year term of this plan.

Public Safety GO Bond Program Five Year Forecast

	Program Budget	Life to date actuals through FY 2012-13	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:								
Fire Station 21	$11,924,553	$2,885,919	$5,790,935	$3,247,699	$0	$0	$0	$0
Fire Apparatus	$20,530,878	$6,094,481	$2,336,519	$4,940,000	$7,159,878	$0	$0	$0
ECC	$4,000,000	$4,000,000	$0	$0	$0	$0	$0	$0
Public Safety Emergency Radio Sy	$52,096,007	$7,566,374	$25,644,820	$4,211,000	$14,673,813	$0	$0	$0
Administrative Costs	$625,000	$26,656	$199,448	$197,780	$201,116	$0	$0	$0
Fire project management	$250,000	$0	$83,332	$85,000	$81,668	$0	$0	$0
Bond issuance costs	$560,000	$230,999	$329,001	$0	$0	$0	$0	$0
Program contingency	$0	$0	$0	$0	$0	$0	$0	$0
Ending fund balance	$0	$23,066,510	$14,494,141	$1,852,662	$0	$0	$0	$0
Total Requirements	**$89,986,438**	**$43,870,939**	**$48,878,196**	**$14,534,141**	**$22,116,475**	**$0**	**$0**	**$0**
Resources:								
Other PSSRP cash for 800 MHz ra	$13,156,007	$13,156,007	$0	$0	$0	$0	$0	$0
Property sales (Station 21)	$696,461	$0	$696,461	$0	$0	$0	$0	$0
Grants (Station 21)	$800,000	$800,291	$0	$0	$0	$0	$0	$0
Grants (Apparatus)	$1,310,000	$1,310,000	$0	$0	$0	$0	$0	$0
GO bond proceeds (1998)	$1,620,000	$1,620,000	$0	$0	$0	$0	$0	$0
GO bond proceeds (2010)	$72,400,000	$26,662,244	$25,059,777	$0	$20,254,516	$0	$0	$0
Miscellaneous	$3,970	$6,362	$1,080	$0	$0	$0	$0	$0
Interest earnings	$0	$316,035	$54,368	$40,000	$9,297	$0	$0	$0
Beginning fund balance	$0	$0	$23,066,510	$14,494,141	$1,852,662	$0	$0	$0
Total Resources	**$89,986,438**	**$43,870,939**	**$48,878,196**	**$14,534,141**	**$22,116,475**	**$0**	**$0**	**$0**

Bureau of Internal Business Services
Printing and Distribution

The following is a discussion of the major financial issues the fund will address over the next five years:

Technological Change
Technological change will continue to be a major issue for the fund over the next five years. It is important for Printing and Distribution (P&D) to keep current with new technologies processes, as well as the ability to finance and implement them, in order to continue providing customers with a high level of service. The ongoing upgrading and replacement of production systems, which the financial plan assumes, will facilitate this effort.

Sustainability
Sustainability issues will continue to grow in importance, with emphasis on paper stocks used for City projects. If, in the future, the City chooses to mandate higher levels of recycled content and other environmental criteria, customer bureaus may see cost increases.

Digital Color
Full digital color has become less expensive and more accessible to the bureaus through their copiers and printers. Color documents printed on these dry toner devices costs significantly less per page than prints produced on laser jets. To gain the long term benefit of lower costs per print P&D will lead efforts to help the City find a way to invest in the initial purchase of color copiers and printers to replace current, aging, high-volume laser jets. After initial placement, the devices will be placed in P&D's copier program, and replaced and/or updated per the current program's guidelines.

Right-sizing organization as a result of reduced customer demand
P&D business is changing as content that used to be printed is now made available online, and an increasing number of communications are now done through email and social media rather than through the US Mail. Additionally, technologies like microfilm are being transferred to digital mediums where they can be accessed online.

As a result, P&D is seeing decreased revenues. In order to balance revenue to expenses, P&D has taken a number of actions, including reducing positions in production and eliminating a management position. The division is also focusing on new areas of business like assisting bureaus in document design tools for electronic document management. In the future, P&D will continue to assess changing customer needs and adjust the organization accordingly. This includes aligning position counts with business needs and revenues.

Printing & Distribution Services Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$1,906,009	$1,949,209	$1,685,521	$1,749,571	$1,814,305	$1,879,620	$1,945,407
External M&S	$3,209,237	$3,506,750	$3,380,917	$3,372,202	$3,463,251	$3,556,759	$3,645,678
Internal M&S	$712,041	$684,414	$709,051	$726,068	$742,041	$758,366	$775,050
Capital	$41,375	$377,500	$347,500	$356,883	$366,519	$376,415	$385,825
Cash Transfer	$275,994	$244,228	$276,542	$284,009	$291,677	$299,552	$307,041
Debt Service	$108,000	$123,601	$133,340	$133,340	$133,340	$133,340	$133,340
Other Fund Level	$0	$0	$0	$0	$0	$0	$0
Ending Fund Balance/Contingency	$636,052	$527,451	$517,306	$558,039	$556,294	$511,436	$431,391
Total Expenses	**$6,888,708**	**$7,413,153**	**$7,050,177**	**$7,180,112**	**$7,367,427**	**$7,515,488**	**$7,623,732**
Resources:							
Beginning Fund Balance	$1,116,703	$636,052	$543,531	$517,306	$558,039	$556,294	$511,436
IA Revenue	$4,860,022	$5,311,402	$5,330,702	$5,458,639	$5,578,729	$5,701,461	$5,826,893
Fund Transfers	$3,987	$38,151	$0	$0	$0	$0	$0
Intergovernmental Revenues	$721,132	$1,248,013	$1,013,297	$1,037,616	$1,060,444	$1,083,774	$1,107,617
Miscellaneous	$74,376	$73,412	$80,319	$82,247	$84,056	$85,905	$87,795
Charges for Services	$112,488	$106,123	$82,328	$84,304	$86,159	$88,054	$89,991
Bond & Note Proceeeds	$0	$0	$0	$0	$0	$0	$0
Total Revenues	**$6,888,708**	**$7,413,153**	**$7,050,177**	**$7,180,112**	**$7,367,427**	**$7,515,488**	**$7,623,732**

Bureau of Internal Business Services
Procurement Services

The following issues, needs, and requirements will be addressed by Procurement Services over the next five years:

Social Equity Contracting Strategy
Procurement launched its Social Equity Contracting Strategy in July 2012, which focuses on increased participation of minorities and women in public contracting.

- **Workforce Training and Hiring** – The City established an aspirational goal of 18% minority and 9% female for apprentices and journey level workers on construction contracts, in addition to the 20% apprenticeship goal already in place with each contract.
- **Subcontracting** – Through the Good Faith Effort initiative, there is an aspirational goal of using 35% minority-owned, women-owned and emerging small businesses (M/W/ESB) for all subcontracts in construction contracts.
- **Prime Contractor Development Program** – A new program was launched in FY 2013-14 to create access to contracting opportunities for M/W/ESB businesses and to encourage minority owned and women-owned companies to act as prime contractors for the City in the areas of sewer construction, water construction, street improvements and building alteration/construction for construction projects up to $350,000.
- **Professional, Technical and Expert Services** – A strategy was developed to allow for further targeting of certified firms through direct contracts and informal contracts by increasing the formal solicitation dollar threshold, with an aspirational goal of 20% for M/W/ESB firms.

Additional program enhancements implemented or in progress include standardization of the prequalification program, expanded outreach and technical assistance, a business equity performance recognition program, and the Minority Evaluator program.

Ongoing funding for the City's equity contracting efforts has been allocated. At this time no further resource requirements are anticipated.

Estimated Annual Financial Impact
Additional funding of $125,000 was allocated in FY 2013-14 for the Prime Contractor Development Program. Ongoing program costs will be maintained at $450,000. This program is required by City Council and directly benefits the City's construction bureaus. Funding for the program is distributed among the bureaus who use the program through the Overhead Model.

Number of Positions
No new positions are anticipated. New positions may be required, however, depending on Council direction and agreements to provide services to other jurisdications in out years.

Fiscal Year Span
Ongoing

Web and Database Technology Upgrades
Procurement Services requires and uses two tracking and reporting systems. The development of these systems was mandated in 1994 with the adoption of the Fair Contracting and Employment Strategy and they are now integral components of the City's procurement and contract compliance processes. These systems are crucial components in tracking solicitations and contracts and the collection of workforce and

M/W/ESB contractor information. Ongoing costs associated with these systems include annual maintenance fees to third-party providers and periodic upgrades of both systems and related software.

In FY 2013-14, Procurement Services began efforts to map procurement processes and create requirements documents in anticipation of purchasing a new vendor registration/bid hosting system. Missing functionality in the existing system includes online bid receipt, online evaluation capability, and a robust database searchable by authorized staff Citywide. Systems currently available on the market include these features, as well as numerous technological advantages over the City's existing system. Procurement Services anticipates acquisition of a new system prior to the end of FY 2013-14, with system implementation and training in FY 2014-15.

Upon implementation of the procurement software, Procurement Services will have to follow a similar process to acquire and implement contract compliance software. Although it would be advantageous to find a single system that combines both procurement and compliance functions, it is recognized that there is currently no system available that meets the City's unique requirements. In addition to operating a complex compliance program, the City markets compliance services to other jurisdictions, each with its own requirements. The City's compliance system at this time is built on an Access database, with little automation. City staff processes data manually, resulting in a great deal of staff time dedicated to data entry. Greater automation coupled with online data gathering and reporting will result in staff efficiencies as well as increased potential to meet the City's equity contracting aspirations.

Planning, mapping, and requirements documentation will begin in FY 2014-15, with system acquisition completed and implementation begun in FY 2015-16. Completed implementation may be realized in FY 2015-16 or FY 2016-17, depending on the timing of research and acquisition and the amount of customization required.

Estimated Annual Financial Impact
Procurement Services has set aside funding in a reserve account for a procurement system replacement. Costs are expected to fall between $200,000 - $250,000. Ongoing maintenance expenses should roughly match existing expenditures, which are budgeted as ongoing requirements.

Examining existing available compliance systems that will meet City requirements, staff has been able to estimate the cost of a new system at $125,000 - $150,000. This is a preliminary estimate. Ongoing maintenance funding requirements have not been determined at this time.

Number of Positions
No new positions are anticipated.

Fiscal Year Span
FY 2013-14 through FY 2016-17, resulting in systems that will serve the City in out years.

Supplier Diversity Program Development
Procurement Services began research and development of a Supplier Diversity Program during FY 2008-09. A consultant was retained to research the City's supplier diversity needs for commodities and non-professional services and to recommend next steps. A preliminary policy was drafted, but due to economic conditions requested program funding was not approved in the FY 2011-12 or FY 2012-13 budget processes. Procurement Services continues to research supplier diversity strategies and best practices and is looking within its own resources for possible implementation at a later date. Currently, the division anticipates the need for two FTE to manage and support increased activity created by this program when adopted by City Council. In the absence of adequate resources, Procurement Services will continue with its low-level supplier diversity research and development.

Estimated Annual Financial Impact
Approximately $190,000 with funding provided by overhead recovery.

Number of Positions
Two

Fiscal Year Span
Ongoing, beginning with Council approval of a proposed program.

Bureau of Internal Business Services
Risk Management

The following is a discussion of major financial issues the Insurance & Claims and Workers' Compensation funds of Risk Management will address over the next five years:

Confidence Levels
Actuarial reserve targets, as well as the projections of ultimate costs and planned payments, are all based on the environment in which the Risk funds currently operate. As a result, they do not address:

- Changes to covered individuals
- Changes in the medical utilization and the cost of new technologies
- Legislation affecting statutory benefits, immunities, defenses or statutory caps
- Changes in interpretations of statutes by the courts
- Shifting economic conditions
- Claim settlement patterns
- Internal changes in claims management

Unknowns such as these are normally addressed by monitoring reserves' confidence levels. In the Workers' Compensation Fund, the 75% confidence level has proven adequate to cover the change in exposure (effective 2013), the City's first on-the-job death claim (filed in FY 2012-13), the higher self-insured retention (effective 2012), and modest excess insurance premium increases.

In the Insurance & Claims Fund, 80% confidence level should provide adequate reserves to address claim cost increases related to the higher Oregon Tort Claims Act caps allowed by the 2009 legislature, changing pattern of claim settlements and judgments, higher excess liability insurance premium, and a forced self-insured retention increase for law enforcement liability (effective November 2013.) However, as the City addresses the changing understanding of earthquake risk, there may be a need to review the adequacy of the confidence limit to allow for changes in property coverage.

Cost of Insurance
The City purchases commercial insurance for exposures not self-insured or to limit the effect of catastrophic losses on the self-insurance fund.

The Workers' Compensation insurance market has been stabilizing for the last few years after a decade of flat or reduced premium renewals. A higher self-insured retention ($850,000 per occurrence) was selected in 2012 to reduce the excess workers compensation insurance premium increase. The policy was renewed in 2013 for a modest premium increase.

However, as a loss rated entity for excess liability insurance, the changing pattern of catastrophic law enforcement liability losses since 2006 has resulted in a notice of non-renewal. In 2012, the City experienced a 27.49% premium increase for Excess Liability insurance providing $1 million retention and $10 million in limits. As a budget cut for FY 2012-13, the City did not renew a second layer of insurance above the $10 million limits to $30 million. For the November 2013 excess insurance renewal, the City has a $2.5 million per occurrence forced self-insurance retention for Law Enforcement Liability wrongful acts. In addition, the insurance premium increased 12%.

The City transfers the risk of major property loss (more than $100,000) of buildings and contents to commercial insurance. The current market is limiting its earthquake exposure in western Washington and Oregon. Efforts to obtain additional coverage have proven far more expensive than initially projected. Additional insurance may be available in the "Difference in Conditions" market, by directly approaching

the reinsurance market or through other, novel, financial transfer instruments. All will be significantly more expensive than the current commercial property coverage. Currently, the City pays $0.06/$100 insured value. At current market rates, we can expect costs between $0.11 and $0.13 for another layer of coverage above the current $100 million in earthquake coverage. The market is contracting rapidly and these costs may change. Costs will also likely be higher once the current sublimit drops to $25 million at the July 1, 2014 renewal. To address this, Risk is proposing a decision package in the FY 2014-15 budget to increase rates to keep coverage at the $100 million level.

Risk will work with City bureaus to determine which structures are critical to the City's recovery after a disaster. This will help determine the right amount of insurance coverage. In addition, Risk is analyzing various scenarios based on coverage levels, surveying other public entities to determine how they are addressing this issue, putting together a Request for Proposal for another insurance broker with different expertise in coverage and risk financing alternatives, and researching financing alternatives available to the City.

Loss Exposure
Since FY 2011-12, the City retains on-the-job injury/illness losses up to $850,000 per occurrence. In this first year of experience, newly covered sworn employees have filed only one claim.

However, the City processed its first workers' compensation claim for death benefits. This claim for occupational disease under the fire fighters presumption will likely reach the Excess Workers' Compensation insurance attachment of $850,000. The covered employee had been "grandfathered" into the Workers Compensation program many years ago when the City annexed areas of east Multnomah County. The claim was filed in late FY 2012-13.

Older employees continue to work longer than they may have anticipated. Uncertain economic conditions, health care costs and eroding retirement benefits are keeping employees on the job. As a result, workers' compensations claims are indicating a movement toward more expensive claims, particularly for employees in heavy manual labor positions. Safety efforts can provide only limited effect in these types of jobs. Employees must have the physical capacity to perform the work. National research is concluding that neither traditional safety nor traditional wellness can, alone, address this issue.

In the past four years, the City has settled three tort claims at $1.6 million, $1.3 million, and $2.3 million respectively. Currently another claim is being prepared for trial in December 2013 that will also likely go above the City's $1 million self-insured retention. The claimant has made a $32 million settlement demand. This is a 2010 claim. It is the first claim to be filed with the second layer of excess insurance greater than $10 to $30 million limits. This second layer of insurance was cut in FY 2011-12, and it is the first time the City has had two catastrophic claims in a single policy year. Restoring this second layer of insurance will be an issue Risk Management will address in the five-year term of this plan.

In 2013, the incumbent excess insurer issued a Notice of Non-Renewal (for a policy with $1 million retention and $10 million in limits) due to concerns related to law enforcement liability. In November 2013, the City bound coverage with the incumbent insurer for $10 million in limits with split retention: $2.5 million for law enforcement torts; and $1 million for all other covered loss. Risk Management's cost allocation model will be updated to address these different limits.

A Probable Maximum Loss study conducted in May 2012 indicates the City is underinsured for 6.5 West Hills earthquake-related loss. The market is withdrawing from earthquake risk in western Oregon. The incumbent insurer has notified the City that it will reduce earthquake coverage at the next renewal (July 2014) by 75%. As risk transfer to insurance will be limited, alternative financing must be pursued. An increased focused on resilience through building retrofit and focused continuity/recovery plans is needed.

Work on coverage for catastrophic flooding losses has been suspended as available resources are focused on earthquake coverage.

Insurance & Claims Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$1,073,329	$1,223,563	$1,088,226	$1,182,741	$1,216,800	$1,252,065	$1,288,593
External M&S	$4,436,419	$5,288,741	$5,706,709	$5,960,094	$6,352,033	$6,789,317	$7,293,064
Internal M&S	$2,441,253	$2,545,684	$2,501,092	$2,596,914	$2,680,702	$2,754,013	$2,824,779
Capital	$0	$0	$0	$0	$0	$0	$0
Cash Transfer	$244,791	$4,497,944	$196,125	$200,861	$205,720	$210,705	$215,820
Debt Service	$59,511	$68,108	$73,474	$84,747	$93,299	$95,742	$105,742
Other Fund Level	$0	$0	$0	$0	$0	$0	$0
Ending Fund Balance/Contingency	$27,743,676	$24,093,496	$23,922,114	$23,521,044	$22,863,116	$21,937,361	$20,678,323
Total Expenses	**$35,998,979**	**$37,717,536**	**$33,487,740**	**$33,546,401**	**$33,411,670**	**$33,039,203**	**$32,406,321**
Resources:							
Beginning Fund Balance	$26,139,475	$28,220,685	$23,606,136	$23,922,114	$23,521,044	$22,863,116	$21,937,361
IA Revenue	$9,591,977	$9,249,718	$9,654,131	$9,417,102	$9,694,907	$9,980,906	$10,275,343
Fund Transfers	$1,968	$1,100	$0	$0	$0	$0	$0
Intergovernmental Revenues	$0	$0	$0	$0	$0	$0	$0
Miscellaneous	$265,559	$246,033	$227,473	$207,185	$195,719	$195,181	$193,617
Charges for Services	$0	$0	$0	$0	$0	$0	$0
Bond & Note Proceeeds	$0	$0	$0	$0	$0	$0	$0
Total Revenues	**$35,998,979**	**$37,717,536**	**$33,487,740**	**$33,546,401**	**$33,411,670**	**$33,039,203**	**$32,406,321**

Workers' Comp Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$1,010,681	$1,264,124	$1,105,663	$1,163,065	$1,197,133	$1,232,440	$1,269,040
External M&S	$3,286,004	$2,856,769	$2,905,153	$3,005,817	$3,120,465	$3,202,838	$3,351,626
Internal M&S	$580,004	$603,735	$656,218	$679,922	$711,928	$732,057	$752,227
Capital	$0	$0	$0	$0	$0	$0	$0
Cash Transfer	$93,275	$148,415	$157,446	$161,633	$165,941	$170,374	$174,936
Debt Service	$55,666	$63,707	$68,726	$78,959	$83,596	$89,555	$94,555
Other Fund Level	$0	$0	$0	$0	$0	$0	$0
Ending Fund Balance/Contingency	$16,734,942	$15,209,194	$14,930,482	$13,989,902	$13,248,839	$12,796,422	$12,610,564
Total Expenses	**$21,760,572**	**$20,145,944**	**$19,823,688**	**$19,079,298**	**$18,527,902**	**$18,223,686**	**$18,252,948**
Resources:							
Beginning Fund Balance	$18,323,629	$16,507,949	$15,996,571	$14,930,482	$13,989,902	$13,248,839	$12,796,422
IA Revenue	$3,299,629	$3,367,352	$3,698,902	$4,039,050	$4,438,916	$4,878,368	$5,361,327
Fund Transfers	$4,987	$5,135	$0	$0	$0	$0	$0
Intergovernmental Revenues	$0	$0	$0	$0	$0	$0	$0
Miscellaneous	$132,327	$265,508	$128,215	$109,766	$99,084	$96,479	$95,199
Charges for Services	$0	$0	$0	$0	$0	$0	$0
Bond & Note Proceeeds	$0	$0	$0	$0	$0	$0	$0
Total Revenues	**$21,760,572**	**$20,145,944**	**$19,823,688**	**$19,079,298**	**$18,527,902**	**$18,223,686**	**$18,252,948**

Revenue Bureau
OMF General Fund

The following is a discussion of the major financial issues the Revenue Bureau will address over the next five years:

New Revenue
The Revenue Bureau advises City Council on the potential and feasibility of new revenue sources to meet the City's operational needs. Revenue Bureau anticipates continuing in this role over the next five years.

Cable Fund Moved to Agency Fund
In FY 2013-14, the Cable Fund was closed and funds associated with the Mt. Hood Cable Regulatory Commission were budgeted in an agency fund. This fund is a non-budgeted fund, but is still managed by the Revenue Bureau as part of the Commission's intergovernmental agreement with the City.

Community Capital Grant and I-Net Funding
The Mt. Hood Cable Regulatory Commission (MHCRC) Agency Fund maintains sufficient operating funds to manage the community capital grant and I-Net programs. The MHCRC is responsible for effectively granting about $4.9 million into the community for community technology and infrastructure capital projects. Because of federal law constraints, none of these funds can be used to support the operational budget of the MHCRC. However, a small percentage may be used to administer and manage the funds by agreement of the franchisee. The cable services franchise agreements dictate that if any capital funds are not responsibly invested and granted into the community, including schools, libraries, local governments and nonprofits, the funds will be returned to the companies in December 2015.

Nearly $42,000 of the MHCRC operating budget is funded through interest earned on the MHCRC Fund. Interest revenue has dropped dramatically due to record low interest earning on City funds. If current interest rates remain steady, the MHCRC will face a deficit in FY 2015-16 in interest revenue needed to cover current service level.

Broadband Development Fee
Consistent with the City's Broadband Strategic Plan, staff will begin to assess a 1% Broadband Development Fee (BDF) on new carriers. The 1% fee will be dedicated to implementing the Broadband Strategic Plan. The BDF is above the 5% franchise fee, which goes to the General Fund. No revenue estimate is possible at this time.

Arts Education and Access Income Tax Implementation
The Arts Education and Access Income Tax (Arts Tax) was passed by voters in November 2012. Implementation of this tax was a major issue for the Revenue Bureau and will continue to have significant outside focus on how effectively this tax program is up and running. The focus has been to set up a comprehensive yet "easy to access" tax payment process that incorporates the latest technologies used by residents to interact with government and each other. Doing so will allow the Bureau to drive tax compliance to the highest level possible for a reduced cost, which is critical due to the administration expense cap. Using the latest technologies, and best practices for those technologies, will increase tax collections, promote the tax and the value to the community of the programs being funded, and provide avenues for feedback and information sharing of the community's viewpoint.

IRS Data Exchange
The Revenue Bureau is in the process of implementing an agreement for direct exchange of taxpayer information with the U.S. Internal Revenue Service (IRS). Having an information exchange with the IRS

will greatly assist in the administration and collection of local income taxes such as the Portland Business License Tax and the Multnomah County Business Income Tax and the Arts Tax. There are three primary benefits of such an exchange. First, there is a substantial reduction in tax filing burden for hundreds of thousands of local taxpayers. Second, there is a significant increase in compliance with all local income taxes administered by the Revenue Bureau. Third, there is an anticipated reduction of Bureau administrative burden related to processing paper returns. To fully benefit from the exchange, additional resources are needed on an ongoing basis to both administer the agreement and facilitate the exchange of data. Once the initial IRS security requirements are met, bi-annual IRS security reviews will continue to take place and additional implementation work will occur. OMF is submitting a decision package in the FY 2014-15 Requested Budget to request the needed ongoing resources and has also submitted a request to the City's Innovation Fund for one-time startup costs.

Bureau of Technology Services

The following is a discussion of the major financial issues the fund will address over the next five years:

Funding Bureau of Technology Services (BTS) Projects
The major issue for the Bureau of Technology Services (BTS) Five-Year Plan operating projects continues to be a lack of adequate and ongoing funding required for technology equipment and software replacement when it has reached the end of its useful service life and is no longer supported by the vendor for maintenance and repairs. As a result of budget reductions in recent years, BTS no longer collects replacement funds on most user devices, as well as some systems (radio equipment, video systems, desk phone sets and the Geographical Information System (GIS) infrastructure). BTS has been able to continue collecting replacement costs as a component of PC and laptop computer equipment rates, and in FY 2012-13 added to that with replacement collections on virtual servers. As economic conditions improve and budget restrictions are eased, BTS will look to restore replacement funding in its rates so that systems and equipment can be updated on a regular basis.

In prior years, BTS had a Technology Reserve established to fund the replacement of systems that had no replacement component built into its rates. The reserve was funded through net income from rates the fund charged for its services. This net income could come from spending under budget, increased customer demand for services, or savings from efficiencies achieved by consolidating systems. That reserve was essentially depleted as BTS completed critical CIP and operating projects. The use of those funds, combined with six years of budget reductions and a reduced demand for billable services, has prevented BTS from rebuilding any kind of fund reserve for future projects. As a result, BTS had to tap into its Operating Reserves to complete critical projects for FY 2014-15 and has set aside funds for completing some critical projects in FY 2015-16 and beyond. This resulted in an Operating Reserve of 5%, the minimum allowed within the policy guideline range of 5%-10% of the annual operating budget. As this continues to be an unsustainable practice, BTS will need an ongoing, stable funding solution in order to complete its ongoing mission-critical capital and operating projects.

Major maintenance and capacity expansion are needed to keep critical technology infrastructure operating at the level required to meet current and emerging customer needs. Bureaus throughout the City have gained efficiencies through the use of technology and depend on technology systems and services in order to perform their daily operations. Maintaining up-to-date technology has been shown to reduce the overall cost of operations. As hardware and software age, support costs increase. Direct cost increases are reflected in vendor support contracts, which often increase significantly as systems are maintained beyond their useful life. In many cases, replacement costs can be substantially offset by vendor contract savings. The City also incurs an increase in costs as staff spends a disproportionate amount of their time responding to service affecting support issues. Service outages can result in lost productivity as BTS has less capacity to implement new solutions while customers are impacted by the downtime of existing systems.

Regular and ongoing technology replacements and upgrades contain costs and allow BTS staff to work on the priority needs of its customers.

Critical Technology Recovery in a Disaster
The City relies extensively on technology in order to provide critical services to the public. A large scale natural or man-made disaster can result in catastrophic destruction of numerous technology systems that are essential for the ongoing operation of the City. Key services relying on technology include communications for law enforcement, fire and rescue, emergency dispatch, payroll, revenue collection, and accounts payable.

Although BTS has invested significantly in improving the reliability and availability of key technology systems, a large disaster localized in the Portland area could result in complete loss of these critical technology assets, which would take months to restore.

In order for the City to quickly recover its most critical services after a major disaster, additional resources should be directed toward building and operating redundant technical systems for the City's most critical services at an offsite location. The location for these redundant systems would ideally be a location safe from disasters such as earthquakes, floods, and hurricanes.

Although BTS keeps redundant copies of critical City data at an offsite location, recovery from the catastrophic destruction of its key technology systems or data center requires the ability to rapidly rebuild replacement systems and place them into operation in order to restore full services.

The lead time to order and rebuild replacement systems, as well as identify alternate facilities to house this equipment, can take an extended period of time. If measures are not taken to fund redundant systems now, the City is at risk for an extended recovery, estimated at several months, for key City services and functions that rely on operating technology and equipment.

BTS Operating Projects

GIS Infrastructure Technology Refresh
Provides ongoing maintenance and replacement for Corporate GIS services including: Enterprise GIS Hub; Data Maintenance Environments for PBOT, BES, Water, and PortlandMaps.

GIS Platform Strategic Enhancements
Provides modernization from the older existing CGIS (Corporate Geographic Information System) Platform and transitions to a more robust, mobile integrated, Esri (Environmental Systems Research Institute) 10.1 supported platform, leveraging cloud services to provide continuity of operations and enable on-demand (ArcGIS) services availability.

Planning Startup and PTE Services
Provides for Enterprise Architecture (EA) Program startup costs including PTE services, training and tools.

E-Government Infrastructure Technology Refresh
Provides ongoing maintenance and replacements for E-Government services available through the City's website.

E-Commerce Infrastructure Technology Refresh
Provides ongoing maintenance and replacement of the electronic payment gateway infrastructure which is used to collect over $100 million in revenue annually.

Radio IP Technology Refresh
The Radio IP server software is no longer supported by the manufacturer and requires updating. This upgrade includes server software, client software, and licenses for 150 clients and the first year of maintenance and support.

Business Continuity and Disaster Recovery Planning
Creates a BTS business continuity and disaster recovery plan to properly prepare for and respond to large scale man-made or natural disasters.

Virtual Private Network Technology Refresh
Provides for the lifecycle replacement of the City's Virtual Private Network (VPN) Remote Access platform.

Two-Factor Authentication Technology Refresh
Provides for the lifecycle replacement of the City's two-factor authentication.

Storage Area Network (SAN) Technology Refresh
Provides for the lifecycle replacement of the City's centralized storage and enterprise backup environment.

Server Technology Refresh
Provides for upgrades to server infrastructure hardware, thereby keeping it current and under manufacturer warranty and support, which also allows for higher performance at a lower cost.

Prune Hill Generator Upgrade
Increases generator capacity at the Prune Hill radio site. Additional equipment will be installed at the site, necessitating upgrading the generator so that it can support the load, ensuring that the site remains online during power outages.

Radio Master Site Uninterruptible Power Supply
Implements an uninterruptible power supply (UPS) for the public safety radio system master site located at the Communications Center. This system would provide eight hours of backup power to critical radio infrastructure in the event the emergency generators are inoperable or the delivery of additional diesel fuel is delayed.

Forest Heights IR Site Move
Relocates the Forest Heights Intellirepeater (IR) site to a location with improved coverage.

Goat Mountain IR Site Move
Relocates the Goat Mountain Radio site to a less expensive location with increasing interoperability with emergency response personnel located in Clackamas County.

Mt. Scott Radio Site Move Study
Conducts a feasibility study of moving the critical Mt. Scott Simulcast site to an alternate location for improved coverage.

Firewall Technology Refresh
Upgrades firewalls (electronic perimeter security devices) that are at end-of-life with new supported firewalls. The firewalls provide security for services such as SAP, protecting these services from exposure to internet attack.

Security Incident and Event Management Platform Expansion
Provides for the lifecycle replacement of the City's Security Incident and Event Manager (SIEM) platform.

Wireless Intrusion Prevention
Provides for the lifecycle replacement of the City's wireless (wifi) access point monitoring system to control unauthorized access to the City's local network.

Secure Web Gateway Technology Refresh
Provides for lifecycle replacement of the City's secure web gateway platform.

Exchange 2013 Technology Refresh
Provides for the lifecycle replacement of the City's email and calendaring platform.

Toolset Expansion
Expands the tool set within the Support Center for effective management of the desktop across the enterprise, including remote desktop, virtualization, and Group Policy management.

Upgrade Altiris SQL Database to 2012
Upgrades the Altiris 2012 SQL database to stay current on support.

Microsoft Server 2012 R2 Datacenter License and CAL Purchase
Establishes newest version of Microsoft server solution, Server 2012 R, in order to begin deploying the latest version of server products after service pack 1 is released in early 2013.

Desktop Virtualization Proof of Concept
Documents detailed business cases for virtual desktop technology and implements a small-scale, proof-of-concept environment.

Police Log Analytics Platform
The CJIS (Criminal Justice Information Services) division of the FBI requires agencies to maintain event logs of networking, server and security equipment related to firewalls maintained by Police IT. This project will provide Police IT with the necessary tools for managing this process.

Police Security Firewall Management Tool
New City standards require that all firewalls be replaced and upgraded to models running the Junos operating system. This project will provide for the management consol needed to manage the Police Bureau's large volume of firewalls.

OMF
Technology Services
Funded projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
Radio Master Site UPS	$89,000	$0	$0	$0	$0
Forest Heights IR Site Purchase	$0	$41,000	$0	$0	$0
Prune Hill Generator Upgrade	$41,000	$0	$0	$0	$0
Exchange 2013 Technology Refresh	$405,300	$0	$0	$0	$0
Server Technology Refresh	$52,500	$0	$0	$0	$0
GIS Infrastructure Technology Refresh	$68,400	$98,120	$30,000	$70,200	$0
E-Government Infrastructure Technology Refresh	$36,000	$0	$0	$0	$0
Business Continuity/Disaster Recovery Planning	$100,000	$0	$0	$0	$0
Security Incident and Event Mgmt. Platform Expansion	$165,000	$0	$0	$0	$0
Wireless Prevention Intrusion	$121,000	$0	$0	$0	$0
Toolset Expansion	$125,000	$0	$0	$0	$0
Planning Function Startup PTE Services	$110,000	$0	$0	$0	$0
GIS Platform Strategic Enhancements	$53,980	$79,752	$69,689	$88,922	$0
Police Log Analytics Platform	$35,044	$0	$0	$0	$0
Police Security Director	$16,300	$0	$0	$0	$0
	$1,418,524	$218,872	$99,689	$159,122	$0

Does not include CIP projects

OMF
Technology Services
Unfunded projects

Projects	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Operating projects				
IRNE Remote Site Battery Technology Refresh	$32,688	$0	$0	$0
IRNE TPB Inverter Power	$56,720	$0	$0	$0
Radio IP Technology Refresh	$20,800	$0	$0	$0
Forest Heights IR Site Purchase	$0	$385,500	$0	$0
Goat Mountain IR Site Move	$61,700	$382,500	$0	$0
Mt. Scott Site Move Study	$90,600	$0	$0	$0
Prune Hill Generator Upgrade	$30,500	$0	$0	$0
Server Technology Refresh	$8,580	$120,640	$21,190	$27,690
E-Government Infrastructure Technology Refresh	$56,480	$9,000	$10,800	$0
Microsoft Server 2012 R2 Datacenter License	$224,280	$0	$0	$0
Desktop Virtualization Proof of Concept	$106,200	$0	$0	$0
SAN Technology Refresh	$508,930	$1,084,200	$100,100	$826,000
Secure Web Gateway Technology Refresh	$307,200	$0	$0	$0
Firewall Technology Refresh	$192,200	$0	$0	$0
Virtual Private Network Technology Refresh	$105,200	$0	$0	$0
Two-Factor Authentication Technology Refresh	$207,800	$0	$0	$0
Update Altiris SQL Database to 2012	$63,000	$0	$0	$0
Toolset Expansion	$10,000	$10,000	$10,000	$10,000
E-Commerce Infrastructure Technology Refresh	$0	$13,500	$0	$0
Capital projects				
IRNE Voice System Technology Refresh	$510,793	$1,484,420	$0	$0
Wireless Network 802.11n Capacity Expansion	$113,000	$156,500	$156,500	$0
IRNE Network Technology Refresh	$199,500	$36,500	$0	$0
Remote Antenna Testing and Monitoring	$0	$0	$40,500	$0
Microwave Multiplexor Expansion	$93,200	$0	$0	$0
VHF and 700 MHz NSPAC Repeater	$0	$140,600	$140,600	$0
Radio Site Video Security Monitoring	$0	$90,600	$90,600	$0
Microwave Radio Upgrades for Spur Sites	$144,500	$144,500	$144,500	$0
AIX Hardware Technology Refresh	$0	$66,200	$0	$0
SAN Storage Expansion	$346,200	$346,200	$346,200	$255,200
Online Payment Services	$39,000	$39,000	$0	$0
	$3,529,071	$4,509,860	$1,060,990	$1,118,890

BTS Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$24,511,137	$25,749,990	$25,169,491	$26,125,932	$27,092,591	$28,067,924	$29,050,301
External M&S	$15,945,880	$17,512,412	$13,939,226	$14,259,134	$13,113,072	$13,467,125	$13,803,803
Internal M&S	$3,606,540	$3,734,896	$3,705,187	$3,794,111	$3,877,581	$3,962,888	$4,050,072
Capital	$1,066,913	$3,363,200	$2,731,866	$0	$0	$0	$0
Cash Transfer	$3,015,873	$8,685,743	$5,208,637	$1,955,700	$2,008,504	$2,062,734	$2,114,302
Debt Service	$1,279,372	$433,496	$467,649	$467,649	$467,649	$467,649	$467,649
Other Fund Level	$456,011	$0	$0	$0	$0	$0	$0
Ending Fund Balance/Contingency	$30,265,673	$15,535,930	$10,730,627	$11,389,782	$13,131,823	$14,467,572	$15,431,524
Total Expenses	**$80,147,399**	**$75,015,667**	**$61,952,683**	**$57,992,308**	**$59,691,220**	**$62,495,892**	**$64,917,651**
Resources:							
Beginning Fund Balance	$32,416,630	$30,315,428	$15,727,516	$10,730,627	$11,389,782	$13,131,823	$14,467,572
IA Revenue	$40,797,334	$38,547,639	$40,419,995	$41,390,075	$42,300,657	$43,231,271	$44,182,359
Fund Transfers	$1,275,103	$373,157	$533,435	$546,237	$558,254	$570,536	$583,088
Intergovernmental Revenues	$4,929,827	$5,231,693	$4,537,660	$4,646,564	$4,748,788	$4,853,261	$4,960,033
Miscellaneous	$549,091	$464,100	$436,555	$447,032	$456,867	$466,918	$477,190
Charges for Services	$140,611	$40,808	$226,341	$231,773	$236,872	$242,083	$247,409
Bond & Note Proceeeds	$38,803	$42,842	$71,181	$0	$0	$0	$0
Total Revenues	**$80,147,399**	**$75,015,667**	**$61,952,683**	**$57,992,308**	**$59,691,220**	**$62,495,892**	**$64,917,651**

Office of the CAO
OMF General Fund

The following is a discussion of the major financial issues the Office of the CAO general fund divisions will address over the next five years:

Accounting Policy
The Accounting Policy Manager was eliminated in the FY 2013-14 budget impacting the ability to research, interpret, and implement revised and/or new Accounting policies.

CAFR Funding
Accounting CAFR Software implementation should reduce reliance on outside contractors, although adequate internal staffing resources are still a concern and will impact the ability to produce the CAFR on time.

Pension Accounting Requirements Change
The Governmental Accounting Standards Board (GASB) has issued pronouncement 68 Accounting and Reporting for Pensions. The changes include a requirement that the City show the full pension liability, estimated to be approximately $2.5 billion in FY 2014-15, in the appropriate section of the Comprehensive Annual Financial Report (CAFR). It is anticipated that this change will result in a negative net position for the City.

The City's ability to comply with GASB 68 depends upon receiving new, audited information from PERS and its actuaries. Existing State law prohibits PERS from incurring and recovering costs associated with producing this information for PERS employers such as the City of Portland. Interested parties are working to address this issue through legislative action in the February 2014 session.

Additionally, GASB 67 Financial Reporting for Pension Plans imposes new reporting requirements for pension funds, including the State of Oregon PERS and the Fire and Police Disability & Retirement Pension Trust Fund. Completion of a timely CAFR is contingent on receiving actuarial information from an external firm that is in turn waiting for information from PERS.

Grants Management Funding
Lack of funding in Grants Management will continue to restrict the City's ability to track grants for compliance. Any growth in grant revenue to the City will exacerbate that situation.

Treasury Funding
Treasury operations are funded from investment portfolio earnings. As limits are placed on investment alternatives and as interest rates continue to compress, the ability to self-fund this key operation could be strained.

Business Operations Funding Methodology and Services
Business Operations completed a review of its funding methodology as it serves OMF General Fund discretionary, General Fund overhead, and interagency service provider bureaus. In addition, it provides services to the five Council offices, and two Council programs. Exploring agreements to provide financial and business services to other City bureaus is an action item for future fiscal years.

Office of the CAO
Enterprise Business Solution

The following is a discussion of the major financial issues the fund will address over the next five years:

Consulting Services
The Enterprise Business Solution (EBS) division will continue to reduce its reliance on external professional services for system maintenance issues by developing deeper and broader expertise among the EBS analytical and technical staff.

In collaboration with business process owners, and to meet the business needs of City customers, EBS will continue to use outside professional services in three overlapping areas:

- Automation of business processes
- Implementation of modules that were initially planned but not implemented due to a downsize of initial project scope
- Implementation of modules the City owns but has not yet implemented

Functionality Roadmap
In addition to our continuing service level obligations to customers, EBS has a variety of projects currently planned and underway to meet City business needs including:

- Citywide Time Capture
- Learning Management System Implementation – Phase 2
- Automation of the Processes and Forms
- Public Sector Collections and Disbursement (PSCD)
- Streamlining CAFR Preparation and Publishing
- SAP Benefits

In FY 2014-15, EBS will continue to develop and implement a long-term roadmap to identify citywide business needs and appropriate enterprise solutions to meet those needs. This roadmap will integrate and be concurrent with the OMF Strategic Plan and will incorporate recommendations from the focused review of EBS undertaken by AKT consulting in 2012, as well as the BTS Assessment conducted by Sierra Systems in 2013.

Staffing and Training
In order to provide the City with improved services, it is critical to continue building EBS' overall capacity. Toward this end, the organization has been staffed to 20 FTE in the EBS division and an additional 10 FTE from BTS to provide technical support. It is expected that this staffing level will remain relatively constant over the next five years.

Continuing training is an essential element of a high-performing technical organization. Training will ensure the EBS team builds sufficient skill and proficiency to support and maintain SAP, as well as reduce reliance on costly consulting services. Team members will improve existing levels of SAP expertise, while staying current on SAP updates and enhancements in order to support and maintain current and new SAP functionality. Each functional team member will attend two to three classes in specific subject matter areas per year, based on a review of their knowledge and needed level of expertise. SAP classes are offered throughout the country with some courses offered virtually, enabling the team to take advantage of additional training throughout the year at reduced cost.

Rate Model Updating
EBS is funded by interagency rates. The metrics and data associated with these rates have been frozen since FY 2008-09. In 2014, EBS and Business Operations will work with appropriate stakeholders to update rates and metrics in time for the FY 2015-16 budget process.

Also of note, the debt used to finance the purchase of SAP will be paid off in FY 2016-17.

EBS Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$2,337,514	$2,472,924	$2,409,462	$2,501,022	$2,593,560	$2,686,928	$2,780,970
External M&S	$2,050,132	$1,602,277	$1,605,210	$1,648,551	$1,693,062	$1,738,775	$1,782,244
Internal M&S	$4,328,036	$4,368,005	$4,078,930	$4,176,824	$4,268,714	$4,362,626	$4,458,604
Capital	$124,080	$0	$0	$0	$0	$0	$0
Cash Transfer	$1,578,921	$230,576	$31,371	$236,802	$243,196	$1,249,762	$256,006
Debt Service	$4,392,988	$4,391,513	$4,394,125	$4,398,250	$3,036,800	$0	$0
Other Fund Level	$0	$0	$0	$0	$0	$0	$0
Ending Fund Balance/Contingency	$1,852,562	$1,842,598	$1,939,372	$1,900,964	$3,272,980	$2,386,313	$2,461,244
Total Expenses	**$16,664,232**	**$14,907,893**	**$14,458,470**	**$14,862,413**	**$15,108,312**	**$12,424,404**	**$11,739,068**
Resources:							
Beginning Fund Balance	$4,211,030	$1,905,366	$1,838,313	$1,939,372	$1,900,964	$3,272,980	$2,386,313
IA Revenue	$12,337,764	$12,504,788	$12,605,157	$12,907,681	$13,191,650	$9,135,381	$9,336,359
Fund Transfers	$91,061	$477,739	$0	$0	$0	$0	$0
Intergovernmental Revenues	$0	$0	$0	$0	$0	$0	$0
Miscellaneous	$24,377	$20,000	$15,000	$15,360	$15,698	$16,043	$16,396
Charges for Services	$0	$0	$0	$0	$0	$0	$0
Bond & Note Proceeeds	$0	$0	$0	$0	$0	$0	$0
Total Revenues	**$16,664,232**	**$14,907,893**	**$14,458,470**	**$14,862,413**	**$15,108,312**	**$12,424,404**	**$11,739,068**

Office of the CAO
Spectator Facilities

The following is a discussion of the major financial issues the Spectator Facilities Fund (SFF) will address over the next five years:

Rose Quarter
In late fall 2012, the Office of Management and Finance (OMF), Portland Development Commission, Portland Arena Management (PAM) – the Trail Blazer subsidiary responsible for the operations of the Veterans Memorial Coliseum (VMC), and the Portland Winterhawks completed negotiations on a renovation plan for the VMC, including its financing with urban renewal (tax increment) resources and private investment. The City Council's consideration of the proposed agreements to implement and fund the renovation project, along with agreements for the continued operations of the VMC through 2033 was not completed due to circumstances beyond the City's control.

In May 2013, City Council approved an amendment to the VMC Operating Agreement, which included a two year extension of the agreement's term. The length and other terms of future extensions of the Operating Agreement are tied to whether or not a Redevelopment Agreement for the VMC is completed. In the fall of 2013, OMF initiated another round of discussion about the future of the VMC that will examine a broader range of options – including potential renovation – and is expected to conclude with a report to Council in June 2014. Resolution of this question is a critical financial issue for this fund.

JELD-WEN Field
In February 2010, the City reached agreement with Peregrine Sports LLC to redevelop PGE Park into a soccer specific facility, now named JELD-WEN Field. The improvements were completed in March of 2011. The City's share of the renovation costs was approximately $12 million; bonded debt to cover these costs was issued in 2012. The bond payments are paid from the Spectator Facilities Fund and are expected to be retired in FY 2026-27. Under the new agreements, the Spectator Facilities Fund remains responsible for some repairs and capital improvements to the facility. Planned capital improvements for FY 2014-15 to FY 2018-19 include a partial roof replacement, security enhancements and turf replacement.

Financial Forecast
The Five-Year financial forecast is based on the current obligations and requirements. The VMC is an aging facility with many years of deferred repair and limited capital improvement. The City's annual average cost for repair and capital improvement over the prior five fiscal years was $525,000 per year, with an additional $2.82 million in capital improvement during FY 2011-12 and FY 2012-13 for replacement of the ice floor and ice plant. The amended VMC Operating Agreement obligates the fund to budget $500,000 per year to VMC repair and capital improvement. In addition, through the amended Operating Agreement, the City is now obligated to share – 50/50 with PAM – net operating losses at the VMC up to $250,000 per year. These expenses alone exceed the annual revenues from user fees and parking generated by events at the VMC and contribute to a four-year period when the Spectator Facilities Fund's year-end balance is projected to drop below the established target for the Operating Reserve. A Renovation Agreement is expected to address many of the VMC's deferred repair and capital improvements, which is expected to result in reductions in operating, repair and maintenance costs. However, it is unknown what additional requirements may be placed on the the fund as a result.

In September 2013, City Council, County Board and Metro Council approved an amendment to the Visitor Facilities Intergovernmental Agreement (VF IGA) that, among other changes, included a new allocation (from an existing transient lodging tax surcharge) for the City's Rose Quarter properties and other tourism related programs and services. Implementation of the new provisions in the VF IGA

requires a County Code amendment, which can be referred by petition to a public vote. This new allocation is included in the fund's financial forecast.

In December 2013, the 2001 PGE Park Bonds were refunded yielding $600,000 per year in savings in FY 2013-14 through FY 2017-18. The savings in FY 2014-15 though FY 2017-18 are reflected in the fund's forecast.

Also in 2013, JELD-WEN Field added a National Women's Soccer League team – the Portland Thorns – as a new franchise tenant. In March 2014, the Moda Center will add an Arena Football League team – the Portland Thunder – as a new franchise tenant. The estimated increase in revenue from both of these new teams is included in the fund's forecast.

OMF
Office of the CAO/Policy Team
Spectator Facilities Fund
Operating Projects

Projects	FY 2014-15 Requested Budget	FY 2015-16 Plan	FY 2016-17 Plan	FY 2017-18 Plan	FY 2018-19 Plan
JELD-WEN Field Half Roof Replacement	$500,000	$0	$0	$0	$0
Veterans Memorial Coliseum Roof Replacement	$0	$0	$1,800,000	$0	$0
JELD-WEN Field Turf Replacement	$0	$0	$0	$700,000	$0
	$500,000	$0	$1,800,000	$700,000	$0

Does not include CIP projects

Spectator Facilities Fund Five Year Forecast

	FY 2012-13 Actual	FY 2013-14 Revised	FY 2014-15 Total Request	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast
Requirements:							
Personnel Services	$144,042	$180,000	$185,000	$190,550	$196,267	$202,155	$208,219
External M&S	$1,248,389	$2,355,162	$4,033,350	$2,431,311	$2,474,404	$2,518,945	$2,564,971
Internal M&S	$228,476	$341,622	$267,771	$286,660	$295,260	$304,118	$313,242
Capital	$2,699,157	$500,000	$1,000,000	$0	$0	$0	$0
Cash Transfer	$105,372	$107,044	$108,329	$149,422	$60,975	$62,654	$64,466
Debt Service	$7,071,057	$7,144,528	$6,562,747	$6,690,813	$4,790,419	$2,842,127	$3,441,591
Other Fund Level	$222,521	$210,186	$105,102	$222,986	$229,676	$236,566	$243,663
Ending Fund Balance/Contingency	$6,077,079	$3,503,600	$2,617,032	$2,116,618	$3,747,861	$5,377,745	$5,356,738
Total Expenses	**$17,796,093**	**$14,342,142**	**$14,879,331**	**$12,088,360**	**$11,794,862**	**$11,544,310**	**$12,192,890**
Resources:							
Beginning Fund Balance	$6,910,467	$6,072,902	$5,625,000	$2,617,032	$2,116,618	$3,747,861	$5,377,745
User Fees	$4,354,104	$4,125,909	$4,735,000	$4,930,855	$5,142,437	$4,943,392	$4,566,776
Parking Fees	$1,336,426	$1,411,866	$1,450,000	$1,496,027	$1,522,949	$1,550,545	$1,607,115
Rents and Reimbursements	$916,877	$948,755	$966,500	$991,964	$1,017,223	$692,489	$9,431
Intergovernmental Revenues	$4,209,501	$1,683,803	$2,037,121	$1,994,338	$1,945,635	$560,023	$576,823
Interest	$38,156	$50,000	$50,000	$50,000	$50,000	$50,000	$55,000
Plaza Rent	$29,953	$22,250	$15,710	$8,144	$0	$0	$0
Other	$609	$26,657	$0	$0	$0	$0	$0
Total Revenues	**$17,796,093**	**$14,342,142**	**$14,879,331**	**$12,088,360**	**$11,794,862**	**$11,544,310**	**$12,192,890**

Office of the CAO
Citywide Projects

The Citywide Projects Division of the Office of Management and Finance was established to manage large citywide projects. Currently there is only one program in the division, the Public Safety Systems Revitalization Program (PSSRP). PSSRP was established to bring interrelated public safety capital technology projects under one City program.

PSSRP is an initiative to replace and upgrade the emergency communication and information systems essential to public safety services provided by the City. The PSSRP portfolio currently consists of two major projects:

- Public Safety Emergency Radio System Replacement Project
- Regional Justice Information Network (RegJIN Records Management System) Project

Public Safety Emergency Radio System Replacement Project
The purpose of the Public Safety Emergency Radio Replacement Project (Radio) is to ensure that the City implements a cost effective, highly reliable digital public safety voice radio system that meets the current and emerging needs of the Portland region for the next 15 to 20 years. The existing system is beyond its intended operational life and will no longer be supported by the manufacturer. The project budget is $53.3 million, including a contingency of ten percent. Project resources include voter-approved General Obligation bonds. The infrastructure replacement portion of the project executed an agreement with Motorola and held its project kickoff meeting in November 2013 with detailed technical design to follow through early 2014. The project is at the peak of activity and is expected to be completed in FY 2015-16.

Regional Justice Information Network (RegJIN) Project
The purpose of the Regional Justice Information Network (RegJIN) Records Management System project is to replace the existing Portland Police Data System (PPDS) while also enhancing core system capabilities. RegJIN will be regional in scope with the capacity to track, display, and share crime-related information among partnering regional law enforcement agencies. RegJIN will enable data sharing within and between agencies while keeping data confidential in a secure, highly reliable environment. The project budget is $13.3 million, including a contingency of ten percent. Project completion is targeted for FY 2014-15.

Major Issues

Risks: Public Safety Emergency Radio System Replacement Project

- Regional partner agencies may not be able to fund the purchase of compatible subscriber units which may impact regional interoperability.
- Delay in subscriber unit procurement could impact the broader project schedule.
- Failure to resolve a new tower location on Walter's Hill or a comparable alternative site will jeopardize the current system design and functionality for all East County users.

Risks: Regional Justice Information Network (RegJIN) Project

- IGAs must be executed on schedule in order to avoid impacting the broader project schedule.
- BTS resource scheduling and availability is critical to project schedule and success.

Completion of program and impact on Project Office
PSSRP is on a trajectory for successful completion of the current project portfolio by late FY 2015-16 with the conclusion of the Radio project. In the meantime, PSSRP's involvement in the Fire Information System (FIS) project is anticipated to conclude at the end of FY 2013-14 with transitioning of the

completed modules to Portland Fire & Rescue. (PF&R) Final acceptance testing for the RegJIN project will occur in mid to late 2015. Sustainment plans for RegJIN and the Radio project will detail any ongoing staffing resources, assets and business processes to a bureau business owner. There will be short-term post-implementation follow-up or support required by the project manager so some expenses will continue beyond system go-live. Nevertheless, as the transition from projects to ongoing operations proceeds and assuming project schedules remain constant, PSSRP's program and project budgets for personnel and other costs will gradually decline through FY 2015-16.

Changes from Prior Year

Completion of the CAD Remaining Interfaces
During FY 2012-13, the City completed the remaining CAD interfaces; the implementation of incident reporting for the Emergency Operations Center and for a media feed, and the deployment of radio-based communications for the Fire Station Alerting System.

Completion of the Radio Project Infrastructure Request for Proposal (RFP), Contracting Process and Project Kickoff
In FY 2012-13 working through the City's RFP process, PSSRP completed vendor selection for the infrastructure portion of the Radio project in spring 2013. Contract negotiations then proceeded over several months concluding with Council approval in October 2013 and then with project kickoff following in November. All project activities are in close collaboration with all business partners, BTS, Police, and Fire.

RegJIN Project Kickoff and start of system configuration
Contract negotiations with Versaterm were completed, and the contract was approved by Council in June 2013. Kickoff with regional partners then proceeded with system configuration, IGA negotiation and other essential project activities following. All project activities are in close collaboration with all internal and external partners.

FIS Replatform Project Revised scope and nearing completion
FIS started with some delays and challenges in project schedule and budget but was quickly put on track with the appointment of a new project manager in FY 2012-13. In collaboration with PF&R and BTS, a module was removed from the project scope and the schedule was updated accordingly. Planned project completion at the end of FY 2013-14, and the transition of the FIS to PF&R will occur at the beginning of FY 2014-15. A post-project sustainment plan is in development in collaboration with business partners.

Office of Management & Finance

Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
BTS								
NEW - AIX Hardware Tech. Refresh			Total Project Cost:	1,784,354		Area:		Citywide
	Confidence:	Moderate	Original Cost:	1,698,578		Objective:		Replacement
Project Description								
Replace and consolidate end of life AIX systems. Various AIX systems are due for a hardware refresh. By consolidating many physical servers into fewer, larger frames and using IBM's logical partitioning capability, cost savings can be realized on maintenance dollars and support time, while providing increased flexibility to the customer for adding processors and memory as needed in the future. This project is funded by interagency revenues.								
Total Expenditures	1,022,354	77,200	618,600	0	66,200	0	0	684,800
Net Operations and Maintenance Costs			0	0	0	0	0	
NEW - Cherwell Capability Expansion			Total Project Cost:	50,000		Area:		Citywide
	Confidence:	Moderate	Original Cost:	50,000		Objective:		Expansion
Project Description								
This project will allow the BTS Support Center to expand the usage of the new Help Desk system, Cherwell, to address other areas not included in the initial implementation. Those include Customer Self Service, Change Management, Configuration Management Database and Knowledgebase. This expansion of functionality will assist the Help Desk in being more effective in servicing customers and enabling them to serve themselves.								
Total Expenditures	0	0	50,000	0	0	0	0	50,000
Net Operations and Maintenance Costs								
Enterprise Net. Tech. Refresh			Total Project Cost:	2,904,241		Area:		Citywide
	Confidence:	Moderate	Original Cost:	2,913,500		Objective:		Replacement
Project Description								
This CIP establishes a 6-year lifecycle replacement program for network switch and router equipment, providing a technology refresh for the City's computer network infrastructure. This project is funded by IA revenues.								
Total Expenditures	1,180,713	570,000	578,400	612,100	0	0	0	1,190,500
Net Operations and Maintenance Costs			0	0	0	0	0	
IRNE Const. - Fiber			Total Project Cost:	634,887		Area:		Citywide
	Confidence:	High	Original Cost:	742,906		Objective:		Expansion
Project Description								
Continue construction of fiber optic extensions to the Integrated Regional Network Enterprise (IRNE) system. Work includes all elements of fiber optic construction, end to end. This project is funded by IA revenues								
Total Expenditures	500,530	23,306	110,000	0	0	0	0	110,000
Net Operations and Maintenance Costs			0	0	0	0	0	

Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
IRNE Net. Tech. Refresh			Total Project Cost:	1,264,398			Area:	Citywide
	Confidence:	Moderate	Original Cost:	653,316			Objective:	Replacement
Project Description								
Capital and lifecycle improvements to the existing Integrated Regional Network Enterprise (IRNE) infrastructure. Work includes capacity upgrades, end-of-life equipment replacement and establishing an intertie with the Multnomah County telephone system. This project is funded by interagency revenues.								
Total Expenditures	644,399	130,827	330,000	199,500	36,500	36,500	36,500	639,000
Net Operations and Maintenance Costs			0	0	0	0	0	
IRNE Voice System Tech. Refresh			Total Project Cost:	3,135,920			Area:	Citywide
	Confidence:	Moderate	Original Cost:	3,118,000			Objective:	Replacement
Project Description								
Project includes: Migration from, and ultimate retirement of, Lucent 5ESS as primary voice switch, migration to Avaya Communication Manager PBX, and establishment of fault-tolerant architecture and enhanced connectivity to Public Switched Telephone Network. This project is funded by interagency revenues.								
Total Expenditures	0	1,546,500	0	1,546,500	1,589,420	0	0	3,135,920
Net Operations and Maintenance Costs			0	0	0	0	0	
NEW - Microwave Multiplexor Expansion			Total Project Cost:	93,200			Area:	Southeast
	Confidence:	Moderate	Original Cost:	93,200			Objective:	Expansion
Project Description								
This project will expand the port capacity of the multiplexors used to provision circuits on the Technology Service's microwave system that supports the Public Safety Radio System. This upgrade will provide for two OC3 (high bandwidth) circuits on the microwave, allowing BTS to fully implement the capability of the system.								
Total Expenditures	0	0	0	93,200	0	0	0	93,200
Net Operations and Maintenance Costs								
NEW - Microwave Radio Upgrades for Spur Sites			Total Project Cost:	433,500			Area:	Southeast
	Confidence:	Moderate	Original Cost:	433,500			Objective:	Replacement
Project Description								
BTS upgraded their main microwave loop with Aviat Eclipse radios. This project will upgrade their spur microwave links to an IP (internet protocol) based Eclipse radio with TDM (T1 - fiber optic line for digital transmission service) capabilities. There is a need for more IP bandwidth at sites and this will help to improve BTS capabilities to provide it. This also allows for easier maintenance of the system by putting it all on a single platform.								
Total Expenditures	0	0	0	144,500	144,500	144,500	0	433,500
Net Operations and Maintenance Costs								

Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
Office 365 Implementation			Total Project Cost:	1,753,265			Area:	Citywide
	Confidence:	Moderate	Original Cost:	1,753,265			Objective:	Replacement
Project Description								
This CIP will continue the City's transition to Office 365 by implementing Sharepoint collaboration and select content management tools, including identification of a governance model, implementation roadmap, user education, training and communication.								
Total Expenditures	0	1,451,665	301,600	0	0	0	0	301,600
Net Operations and Maintenance Costs								
NEW - Online Payment Services			Total Project Cost:	390,500			Area:	Citywide
	Confidence:	Low	Original Cost:	390,500			Objective:	Replacement
Project Description								
This project will replace the City's existing payment gateway with an externally hosted service. This online payment solution will be a city-wide service that will provide each City bureau with standard technology to allow their customers to pay for a wide variety of City goods and services.								
Total Expenditures	0	0	312,500	39,000	39,000	0	0	390,500
Net Operations and Maintenance Costs								
NEW - Police Juniper ISG1000 Firewall Replacement			Total Project Cost:	120,000			Area:	Citywide
	Confidence:	High	Original Cost:	120,000			Objective:	Replacement
Project Description								
The Police network Juniper ISG1000 firewalls, due to age and obsolescence, have reached the end of their service life and no longer adhere to City standards. This project will replace the firewalls with new generation Juniper SRX3400 firewalls.								
Total Expenditures	0	0	120,000	0	0	0	0	120,000
Net Operations and Maintenance Costs								
NEW - Police SourceFire IPS			Total Project Cost:	131,622			Area:	Citywide
	Confidence:	High	Original Cost:	131,622			Objective:	Efficiency
Project Description								
Intrusion Detection (IDS) and Intrusion Prevention (IPS) technology systems are now required by CJIS (Criminal Justice Information Services) Security Policy v5.2. New information security standards require SourceFire IDS/IPS devices as the BTS City standard. This project will ensure compliance with CJIS IDS/IPS requirements.								
Total Expenditures	0	0	131,622	0	0	0	0	131,622
Net Operations and Maintenance Costs								

Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
NEW - Radio Site Video Security Monitoring			Total Project Cost:	181,200			Area:	Southeast
	Confidence:	Moderate	Original Cost:	181,200			Objective:	Efficiency
Project Description								
This project will install remote controllable video monitoring equipment at Technology Services radio sites. BTS radio sites are located as far away as Vancouver and Mt. Hood. The addition of video monitoring equipment will allow for remote (as opposed to on-site) monitoring in response to alarms, providing views of both site perimeters as well as building interiors.								
Total Expenditures	0	0	0	0	90,600	90,600	0	181,200
Net Operations and Maintenance Costs								
NEW - Remote Antenna Testing and Monitoring			Total Project Cost:	81,500			Area:	Southeast
	Confidence:	Low	Original Cost:	81,500			Objective:	Replacement
Project Description								
This project will install sensors in 800 MHz radio antenna systems to allow Technology Services to test and monitor the antenna systems at sites without taking them offline.								
Total Expenditures	0	0	0	0	0	81,500	0	81,500
Net Operations and Maintenance Costs								
SAN Storage Expansion			Total Project Cost:	5,834,963			Area:	Citywide
	Confidence:	Low	Original Cost:	4,751,326			Objective:	Expansion
Project Description								
Provide increased capacity of centralized storage and enterprise backup to meet demand from projects and existing data growth. This project is funded by interagency revenues.								
Total Expenditures	3,465,666	775,594	548,700	440,700	440,700	440,700	349,700	2,220,500
Net Operations and Maintenance Costs			0	0	0	0	0	
NEW - VHF and 700 MHz NSPAC Repeater			Total Project Cost:	281,200			Area:	Southeast
	Confidence:	Moderate	Original Cost:	281,200			Objective:	Efficiency
Project Description								
This project will install interoperable repeaters on VHF frequencies and 700 MHz frequencies at BTS radio sites. As the capabilities of radios have improved there has been increased demand from City and non-city agencies for VHF and 700 MHz repeaters to support regional interoperable communications.								
Total Expenditures	0	0	0	0	140,600	140,600	0	281,200
Net Operations and Maintenance Costs								

Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
Wireless Network Expansion			Total Project Cost:	740,893			Area:	Citywide
	Confidence:	Moderate	Original Cost:	240,000			Objective:	Expansion
Project Description								
Deploy WiFi network coverage in the Portland Building, 1900 Building, City Hall, and other facilities with a 6-year replacement plan and funding model. This project is funded by interagency revenues.								
Total Expenditures	303,245	11,501	0	113,000	156,500	156,500	0	426,000
Net Operations and Maintenance Costs			0	0	0	0	0	
CityFleet								
NEW - BDS Replacement			Total Project Cost:	698,752			Area:	Citywide
	Confidence:	High	Original Cost:	698,752			Objective:	Replacement
Project Description								
Scheduled vehicle and equipment replacement for Development Services. This project is funded by interagency revenues.								
Total Expenditures	0	0	240,672	233,294	224,786	0	0	698,752
Net Operations and Maintenance Costs								
NEW - Fire Bureau Replacement			Total Project Cost:	2,132,198			Area:	Citywide
	Confidence:	High	Original Cost:	2,132,198			Objective:	Replacement
Project Description								
Scheduled vehicle and equipment replacement for the Fire Bureau. This project is funded by interagency revenues.								
Total Expenditures	0	0	740,563	615,259	340,674	216,779	218,923	2,132,198
Net Operations and Maintenance Costs								
NEW - Golf Replacement			Total Project Cost:	1,295,297			Area:	Citywide
	Confidence:	High	Original Cost:	1,295,297			Objective:	Replacement
Project Description								
Scheduled vehicle and equipment replacement for the Golf fund. This project is funded by interagency revenues.								
Total Expenditures	0	0	269,972	246,933	224,786	152,902	400,704	1,295,297
Net Operations and Maintenance Costs								

Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
NEW - Office of Management and Finance Replacement			Total Project Cost:		1,050,679		Area:	Citywide
	Confidence:	High	Original Cost:		1,050,679		Objective:	Replacement
Project Description								
Scheduled vehicle and equipment replacement for the Office of Management and Finance Divisions - Mayor's Office, Printing and Distribution, Bureau of Technology Services, CityFleet and Facilities Services. This project is funded by interagency revenues.								
Total Expenditures	0	0	249,772	195,956	85,104	246,156	273,692	1,050,680
Net Operations and Maintenance Costs								
NEW - Parks Bureau Replacement			Total Project Cost:		4,895,857		Area:	Citywide
	Confidence:	High	Original Cost:		4,895,857		Objective:	Replacement
Project Description								
Scheduled vehicle and equipment replacement for the Parks Bureau. This project is funded by interagency revenues.								
Total Expenditures	0	0	1,208,364	834,289	1,070,709	1,351,634	430,861	4,895,857
Net Operations and Maintenance Costs								
NEW - PBOT Replacement			Total Project Cost:		13,412,680		Area:	Citywide
	Confidence:	High	Original Cost:		13,412,680		Objective:	Replacement
Project Description								
Scheduled vehicle and equipment replacement for the Transportation Bureau. This project is funded by interagency revenues.								
Total Expenditures	0	0	1,559,331	1,871,276	1,928,596	2,608,364	5,445,113	13,412,680
Net Operations and Maintenance Costs								
NEW - Police Replacement			Total Project Cost:		10,021,639		Area:	Citywide
	Confidence:	High	Original Cost:		10,021,639		Objective:	Replacement
Project Description								
Scheduled replacement vehicles and equipment for the Portland Police Bureau. This project is funded by interagency revenues.								
Total Expenditures	0	0	2,105,798	2,406,614	2,134,727	2,199,199	1,175,301	10,021,639
Net Operations and Maintenance Costs								
Citywide Projects								
Fire RMS Re-Platforming			Total Project Cost:		1,885,289		Area:	Citywide
	Confidence:	Optimal	Original Cost:		1,250,000		Objective:	Efficiency
Project Description								
This project develops technology solutions to support Portland Fire and Rescue. Funding for this project comes from the General Fund.								
Total Expenditures	1,186,041	699,248	0	0	0	0	0	0
Net Operations and Maintenance Costs			0	0	0	0	0	

Capital Program / Project	Prior Years	Revised FY 2013-14	Requested FY 2014-15	Capital Plan FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
Radio System Replacement			Total Project Cost:	45,490,510			Area:	Citywide
	Confidence:	Optimal	Original Cost:	45,197,000			Objective:	Replacement
Project Description								
This project covers the study, development and eventual replacement of the 800 MHz Radio System, and assumes no inclusion of Regional and/or State participation. Sources of funding for this project include the General Fund and funds from the Public Safety GO Bond sales.								
Total Expenditures	737,469	22,034,923	4,211,000	10,417,118	0	0	0	14,628,118
Net Operations and Maintenance Costs			0	0	0	0	0	
RegJIN Project			Total Project Cost:	13,239,207			Area:	Citywide
	Confidence:	Optimal	Original Cost:	11,430,000			Objective:	Replacement
Project Description								
The project replaces the Portland Police Data System (PPDS), a legacy Police Records Management System used by the Portland Police Bureau as well as many local and state law enforcement agencies. Funding for this project comes from the General Fund.								
Total Expenditures	1,117,074	8,040,404	3,851,127	158,012	0	0	0	4,009,139
Net Operations and Maintenance Costs			0	0	0	0	0	
EBS								
NEW - HCM Forms & Processes			Total Project Cost:	450,000			Area:	Citywide
	Confidence:	Low	Original Cost:	450,000			Objective:	Efficiency
Project Description								
This project replaces paper forms and approvals with SAP HCM technologies to make the business, approval and auditing processes changes more efficient, accurate and transparent.								
Total Expenditures	0	0	450,000	0	0	0	0	450,000
Net Operations and Maintenance Costs								
Facilities								
Police Training Facility			Total Project Cost:	$15,414,125			Area:	Northeast
	Confidence:	High	Original Cost:	15,000,000			Objective:	Expansion
Project Description								
The Police Training Center project purchases and remodels buildings for the Police training program. The site is located at 14912 NE Airport Way. The property is on 9.5 acres with approximately 4 acres of paved area suitable for all but the high speed driver training requirements. The building is separated into 4 main spaces for a total of 61,275 square feet. The building will be remodeled to meet the requirements of the preliminary program including administration, reception, training, shooting range, tactical range, and building support functions. This project is funded through debt financing.								
Total Expenditures	6,461,566	7,681,407	1,899,475	0	0	0	0	1,899,475
Net Operations and Maintenance Costs			$503,410	$575,326	$575,326	$575,326	$575,326	

Capital Program		Revised	Requested	Capital Plan				
Project	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	5-Year Total
Station 21 construction				Total Project Cost:	$11,924,553		Area:	Southeast
	Confidence:	Moderate		Original Cost:	11,489,000		Objective:	Expansion
Project Description								
This project will construct a station on the Willamette River to house a fire boat and fire truck crew. It is funded by Public Safety GO Bond sales.								
Total Expenditures	3,542,361	6,895,352	3,180,755	0	0	0	0	3,180,755
Net Operations and Maintenance Costs			0	0	0	0	0	

Capital Improvement Plan -- Summary by Geographic Area

This table summarizes capital costs by geographic area within each bureau

Bureau Geographic Area	Prior Years Capital	FY 2013-14 Revised Budget	FY 2014-15 Requested Budget	FY 2015-16 Estimated Budget	FY 2016-17 Estimated Budget	FY 2017-18 Estimated Budget	FY 2018-19 Estimated Budget	5-Year Total
Office of Management & Finance								
Citywide	10,157,491	35,361,168	17,988,021	19,929,551	8,337,702	7,408,734	8,330,794	61,994,802
Northeast	6,461,566	7,681,407	1,899,475	0	0	0	0	1,899,475
Southeast	3,542,361	6,895,352	3,180,755	237,700	375,700	457,200	0	4,251,355
Total Office of Management & Fi	20,161,418	49,937,927	23,068,251	20,167,251	8,713,402	7,865,934	8,330,794	68,145,632
Total Capital Plan	**20,161,418**	**49,937,927**	**23,068,251**	**20,167,251**	**8,713,402**	**7,865,934**	**8,330,794**	**68,145,632**

City of Portland, Oregon

Office of Management and Finance
FY 2014-15 Fee Study

February 2014

Mayor Charlie Hales
Commissioner-in-Charge

Fred Miller
Interim Chief Administrative Officer

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Office of Management and Finance

Fee Study FY 2014-15

Context

Comprehensive Financial Management Policy 2.06 states that all bureaus charging fees are required to complete fee studies based upon cost-of-service principles. These studies are to be updated at a minimum of every two years and provided to City Council and the City Budget Office in the Requested Budget Submission.

The policy requires that a fee analysis take into account the following:

1. The degree to which a service provides a general benefit in addition to the private benefit provided to a specific business, property or individual.
2. The economic impact of new or expanded fees, especially in comparison with other governments within the metropolitan area.
3. The true or comprehensive cost of providing a service, including the cost of fee collection and administration.
4. The impact of imposing or increasing fees on economically at-risk populations and on businesses.
5. The overall achievement of City goals.

Scope of Fee Study

Multiple business units within the Office of Management and Finance (OMF) charge rates and fees to both internal and external customers. This study focuses on services that benefit specific public users, i.e. an external customer, for providing a service or for a regulatory purpose. Fees charged exclusively to internal (City) or intergovernmental customers are out of the scope of this study.

Additional scoping considerations in this study:

1. If a fee charged to the public is included in yearly Internal Service Fund rate-setting analysis, no further analysis is included in the study. Only characteristics of the fees will be included, i.e. fee description, category, rate, etc.
2. If a fee charged to the public simply passes costs through, provides a public service through partial cost recovery, or is contracted on a case-by-case basis, no further analysis is included in the study. Only characteristics of the fees will be included, i.e. fee description, category, rate, etc.
3. If a fee or group of fees is currently under analysis by a bureau, OMF will support the work and reference, summarize and/or wholly include bureau results rather than duplicate the effort.

Fee Study Components

Several fee study components were developed to ensure that all requirements are taken into account, and to provide structure and data for additional consideration, decision making and/or comprehensive analysis. The following describes the fee study components and their purpose:

1. Fee Characteristics Table. This table provides statistical information for all OMF fees within the scope of the study and includes the following information as of December 31st of the preceding budget year:
    a. Bureau / unit charging the fee
    b. Fee Title and Description
    c. Service Type
    d. Fee Category (above categories designating depth of analysis)
    e. New or expanded fee?
    f. Code or other authorizing source material if applicable
    g. Who pays the fee
    h. Unit or period fee is applied to
    i. Fee amount

2. Fee Category Matrix and Analysis Descriptions. This fee study component categorizes OMF fees and was based upon cost-of-service principals, wherein certain fees are established to recover the full cost of service while others are established to pass costs through to customers or penalize violations, for example. Each of the OMF fees were organized in one of the following categories:

    - Compliance Penalty. This category of fees include penalties charged to the public for a violation. These penalty fees are designed as disincentives for the violation and may or may not recover all costs.

    - Cost Recovery. This category denotes fees that are established to recover the full cost of service, including administration and implementation costs. A fee, or group of fees, categorized as Cost Recovery requires a comprehensive analysis.

    - Internal Service Fund (ISF). The Internal Service Fund category designates a fee that is included in yearly rate-setting analysis by internal service providers and, as such, are set to recover the cost of services and administration. Internal service providers are evaluated annually by the budget process, during which the cost of providing a service, budget resources/constraints to administer each fee and fund balances are approved by Council.

    - Market Rate/Pass Through. Fees established by market rates, or established to pass costs through to the public are categorized as Market Rate/Pass Through fees. A Market Rate/Pass Through fee can also be administered by an internal service provider – this category was established to carve out fees that are not necessarily influenced by the rate-setting process undertaken annually by the internal service funds. Market Rate/Pass Through fees are more influenced by negotiated contractual or market costs, such as contracted security or equipment rental rates.

    - Public Service. Fees that are not established to recover the cost of services provided, administration or operations, but rather are associated with a service that benefits the public, encourages participation or similarly makes a service more widely available are designated Public Service. Like Market Rate/Pass Through fees, a Public Service fee can also be administered by an internal service fund and was established to carve out fees that are not necessarily influenced by the rate-setting process undertaken annually by the internal service funds.

3. Fee Descriptions. Through this component, a narrative description is provided for each Service Type (or grouping of fees), providing additional contextual information and description of how the fee achieves City goals.

4. Fee Study and Analysis Supporting Documentation. This component provides information regarding specific analysis on Cost Recovery fees.

Project Summary Statistics

Bureau	Service Type (to roll-up fees under grouped Services)	Total
BTS	800MHz Access Fees	1
Revenue	Regulatory - Pay and Park Program Fees	2
	Regulatory - Penalty Fees - PFHT	11
	Regulatory - Permit Fees - PFHT	33
	Regulatory - Regulated Business Fees	17
	Regulatory - Special Events Permit Fees	3
	Regulatory - Towing Contract Fees	4
	Regulatory - Towing Private Property Impound Fees	2
BIBS - P&D	P & D - Public Copier Services	15
BIBS-Facilities	Meeting Room Charges - Equipment	9
	Meeting Room Charges - Janitorial	1
	Meeting Room Charges - Room	13
	Meeting Room Charges - Security	5
Grand Total		**116**

Cost Recovery Fee Findings

The Regulatory Division of the Revenue Bureau charges fees to the public with a goal of full cost recovery program-wide.

Pay and Park Fees were last updated in November 2008. An increase to annual registration fee is anticipated in FY 2014-15.

FY 2014-15 will see continued analysis of new fees adopted in FY 2012-13 and FY 2013-14 including Private For-Hire Transportation (PFHT) fees, Special Events fees, and Towing fees. The Regulatory Division will maintain a consistent schedule for evaluation and updating of Codes, Administrative Rules, and fees to keep pace with industry standards and regulatory best practices.

Fee review in Private for Hire Transportation (PFHT) includes potential company and vehicle fee increases for non-taxi industry segments (Limited Passenger Transportation). This industry segment has more varied revenue expectations than the taxi segment, and additional analysis is required prior to proposing specific increase amounts, but some increase is expected, consistent with the recent increases in the taxi segment. A current project to provide City Fleet inspections of all PFHT vehicles may also bring additional inspection fees for each permitted vehicle. Discussion regarding both categories of future increase has begun at the Private For-Hire Transportation Board of Review, which generally reviews fee increases prior to moving the fees to Council.

In the Regulated Business Permit arena, Social Games permit fees are due for evaluation and possible increase in conjunction with a Code update in 2014.

Special Events Fees were updated October 2012. The Revenue Bureau will prepare an assessment of the impact of the new fees in 2014, after one full year of experience with the new fee structure.

The multi-year tow contract was renewed in 2013. Penalty amounts were increased to cover the costs of inflation and increased program costs.

Towing Private Property Impound Fees were updated in 2013. The Bureau will evaluate the necessity for a permit fee for PPI towers.

Applicable Policy and Reference Material

Financial Planning Division Analysis, OMF FY 2012-13 Budget Request
http://www.portlandonline.com/omf/index.cfm?c=58254&a=389692

Comprehensive Financial Management Policies FIN-2.06 – Revenue
http://www.portlandonline.com/auditor/index.cfm?c=47787&a=200836

> **Comprehensive Financial Management Policies FIN-2.06 Roles and responsibilities for revenue**
> http://www.portlandonline.com/auditor/index.cfm?&a=237881&c=47787

OMF Policy 4.01 Financial Reporting
http://www.portlandonline.com/omf/index.cfm?c=54622&a=342100

Office of Management and Finance
FY 2014-15 Fee Review
Fee Category Matrix and Analysis Descriptions

Fee Category Definitions

- Compliance Penalty. This category of fees include penalties charged to the public for a violation. These penalties fees are designed as disincentives for the violation and may or may not recover all costs.

- Cost Recovery. This category denotes fees that are established to recover the full cost of service, including administration and implementation costs. A fee, or group of fees, categorized as Cost Recovery requires a comprehensive analysis.

- Internal Service Fund (ISF). The Internal Service Fund category designates a fee that is included in yearly rate-setting analysis by internal service providers and, as such, are set to recover the cost of services and administration. Internal service providers are evaluated annually by the budget process, during which the cost of providing a service, budget resources/constraints to administer each fee and fund balances are approved by Council.

- Market Rate/Pass Through. Fees established by market rates, or established to pass costs through to the public are categorized as Market Rate/Pass Through fees. A Market Rate/Pass Through fee can also be administered by an internal service provider – this category was established to carve out fees that are not necessarily influenced by the rate-setting process undertaken annually by the internal service funds. Market Rate/Pass Through fees are more influenced by negotiated contractual or market costs, such as contracted security or equipment rental rates.

- Public Service. Fees that are not established to recover the cost of services provided, administration or operations, but rather are associated with a service that benefits the public, encourages participation or similarly makes a service more widely available are designated Public Service. Like Market Rate/Pass Through fees, a Public Service fee can also be administered by an internal service fund and was established to carve out fees that are not necessarily influenced by the rate-setting process undertaken annually by the internal service funds.

Categorization and Analysis Applied

Fee Category	Analysis applied
Cost Recovery i.e. regulatory fees	• Characteristics • Cost of Service • Cost Recovery • Economic Impact • Description, including achievement of City goals
Internal Service i.e. technology services fees, printing, etc.	• Characteristics • Description, including achievement of City goals
Market Rate / Pass-through	• Characteristics • Description, including achievement of City goals

i.e. building security fees	• Market rate environment
Public Service	• Characteristics • Description, including achievement of City goals

Analysis Description

1. Characteristics – OMF Business Operations will record and keep up-to-date a record of all fees charged to the public and include the following information:
    a. Bureau / unit charging the fee
    b. Fee Title and Description
    c. Service Type
    d. Fee Category (above categories designating depth of analysis)
    e. New or expanded fee?
    f. Code or other authorizing source material if applicable
    g. Who pays the fee
    h. Unit or period fee is applied to
    i. Fee amount

2. Description and achievement of City goals – Description and summary of key connections to City objectives.
3. Cost of service – Analysis of the cost to provide service, by grouping strategy if applicable.
4. Cost recovery – Analysis of service type activity.
5. Economic impact – Impact analysis of new or expanded fees.
6. Market rate analysis – " " or methodology/study used to establish fee

Office of Management and Finance
Fee Characteristics Table

Bureau	Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	New or Expanded Fee?	(Authority: Code, ordinance, etc. if applicable)	Who pays fee	Unit or Period Fee applied to	Current or proposed fee
BIBS - P&D	Copier Services - 1900 Bldg. - 11" copies	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.10
BIBS - P&D	Copier Services - 1900 Bldg. - 14" copies	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.15
BIBS - P&D	Copier Services - 1900 Bldg. - 17" copies	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.20
BIBS - P&D	Copier Services - 1900 Bldg. - B/W 30x42 scans	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.25
BIBS - P&D	Copier Services - 1900 Bldg. - B/W production scans	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.15
BIBS - P&D	Copier Services - 1900 Bldg. - B/W scans	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.25
BIBS - P&D	Copier Services - 1900 Bldg. - Color scans	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.54
BIBS - P&D	Copier Services - 1900 Bldg. - Hourly Rate	P & D - Public Copier Services	Public Service	No	N/A	Public	Hourly	$ 77.40
BIBS - P&D	Copier Services - 1900 Bldg. - Large format B/W prints	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.10
BIBS - P&D	Copier Services - 1900 Bldg. - Large format color plots	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 3.00
BIBS - P&D	Copier Services - 1900 Bldg. - Large format color prints	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 5.00
BIBS - P&D	Copier Services - 1900 Bldg. - Large format file set up	P & D - Public Copier Services	Public Service	No	N/A	Public	Set Up	$ 4.30
BIBS - P&D	Copier Services - 1900 Bldg. - Large format production B/W prints	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 0.07
BIBS - P&D	Copier Services - 1900 Bldg. - Long run fiche prints	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 1.65
BIBS - P&D	Copier Services - 1900 Bldg. - Microfiche prints	P & D - Public Copier Services	Public Service	No	N/A	Public	Copy	$ 3.30
BIBS-Facilities	1900 Bldg - 1st Fl. Lobby	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 110.00
BIBS-Facilities	1900 Bldg - 2500	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 28.00
BIBS-Facilities	1900 Bldg - 2500 A	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 23.00
BIBS-Facilities	1900 Bldg - 2500 B	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 18.00
BIBS-Facilities	City Hall - 1st Fl. Public	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 285.00
BIBS-Facilities	City Hall - Chambers	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 249.00
BIBS-Facilities	City Hall - Full Facility	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 446.00
BIBS-Facilities	City Hall - Lovejoy	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 36.00
BIBS-Facilities	City Hall - Pettygrove	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 29.00
BIBS-Facilities	City Hall - Rose	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 57.00
BIBS-Facilities	Equipment Rental - Chart Paks	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 25.00
BIBS-Facilities	Equipment Rental - Easel/tripod	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 5.00
BIBS-Facilities	Equipment Rental - Outdoor Sound Sys	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 25.00
BIBS-Facilities	Equipment Rental - Podium	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 20.00
BIBS-Facilities	Equipment Rental - Speaker Phone	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 25.00
BIBS-Facilities	Equipment Rental - Standing Mics	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 5.00
BIBS-Facilities	Equipment Rental - Table Top Mics	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 5.00
BIBS-Facilities	Equipment Rental - Total	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	
BIBS-Facilities	Equipment Rental - Wireless Mics	Meeting Room Charges - Equipment	Market Rate	No	N/A	Various	Unit	$ 25.00
BIBS-Facilities	Janitorial	Meeting Room Charges - Janitorial	Pass-Through	No	N/A	Various	Rate/Hr	$ 30.00
BIBS-Facilities	Security - 0-50	Meeting Room Charges - Security	Pass-Through	No	N/A	Various	Rate/Hr	$ 45.00
BIBS-Facilities	Security - 100-200	Meeting Room Charges - Security	Pass-Through	No	N/A	Various	Rate/Hr	$ 90.00
BIBS-Facilities	Security - 201+	Meeting Room Charges - Security	Pass-Through	No	N/A	Various	Rate/Hr	$ 135.00
BIBS-Facilities	Security - 50-100	Meeting Room Charges - Security	Pass-Through	No	N/A	Various	Rate/Hr	$ 45.00
BIBS-Facilities	Security - Total	Meeting Room Charges - Security	Pass-Through	No	N/A	Various	Rate/Hr	
BIBS-Facilities	The Portland Bldg - Auditorium	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 37.00
BIBS-Facilities	The Portland Bldg - Room B	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 27.00
BIBS-Facilities	The Portland Bldg - Room C	Meeting Room Charges - Room	Public Service	No	N/A	Various	Event	$ 45.00
BTS	Access Fee	800MHz Access Fees	ISF	No	N/A	Various	Annual	$ 535.47
Revenue	Amusement Device New Application L1 (1-3 devices)	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 50.00
Revenue	Amusement Device New Application L2 (4-6 devices)	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 100.00
Revenue	Amusement Device New Application L3 (7-9 devices)	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 200.00
Revenue	Amusement Device New Application L4 (10-19 devices)	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 500.00
Revenue	Amusement Device New Application L5 (20+ devices)	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 1,000.00
Revenue	Amusement Device Renewals	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Annual	Range: $50 to $1,000
Revenue	LPT Company - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per application	$ 250.00

Office of Management and Finance
Fee Characteristics Table

Bureau	Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	New or Expanded Fee?	(Authority: Code, ordinance, etc. if applicable)	Who pays fee	Unit or Period Fee applied to	Current or proposed fee
Revenue	LPT Company - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	$ 500.00
Revenue	LPT Company - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 500.00
Revenue	LPT Company - Replacement Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 75.00
Revenue	LPT Company Penalties	Regulatory - Penalty Fees - PFHT	Compliance Penalty	No	Code	Violator	Per violation	Range: $50 to $5,000
Revenue	LPT Driver - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per application	$ 100.00
Revenue	LPT Driver - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	Range ($58 - $150 prorated)
Revenue	LPT Driver - Late Renewal Fee - 1-30 days late	Regulatory - Penalty Fees - PFHT	Cost Recovery	No	Code	Violator	Per late payment	$ 25.00
Revenue	LPT Driver - Late Renewal Fee - 31-60 days late	Regulatory - Penalty Fees - PFHT	Cost Recovery	No	Code	Violator	Per late payment	$ 50.00
Revenue	LPT Driver - Late Renewal Fee - 61-90 days late	Regulatory - Penalty Fees - PFHT	Cost Recovery	No	Code	Violator	Per late payment	$ 100.00
Revenue	LPT Driver - OOS Record Fee	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per record request	Approx $20, depends upon State requested
Revenue	LPT Driver - Penalty	Regulatory - Penalty Fees - PFHT	Compliance Penalty	No	Code	Violator	Per violation	Range: $200 to $5,000
Revenue	LPT Driver - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 100.00
Revenue	LPT Driver - Replacement Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per replacement	Range: $10 to $25
Revenue	LPT Driver - Test No Show	Regulatory - Permit Fees - PFHT	Cost Recovery	Yes	Administrative Fee	Permittee	For no show to test appointment	$25.00
Revenue	LPT Vehicle - Initial Permit - per vehicle	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	$ 225.00
Revenue	LPT Vehicle - Renewal Permit - per vehicle	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 180.00
Revenue	LPT Vehicle - Temporary Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per temporary permit	$ 25.00
Revenue	Pay and Park Lot Penalty	Regulatory - Pay and Park Program Fees	Compliance Penalty	No	Code	Violator	Per violation	Range: $100 to $500
Revenue	Pay and Park Lot Registration	Regulatory - Pay and Park Program Fees	Cost Recovery	No	Code	Permittee	Annual	$ 200.00
Revenue	Payday Lender Permit Fee	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Annual	$ 1,500.00
Revenue	Pedicab Company - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per application	$ 100.00
Revenue	Pedicab Company - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	$ 125.00
Revenue	Pedicab Company - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 125.00
Revenue	Pedicab Company Penalties	Regulatory - Penalty Fees - PFHT	Compliance Penalty	No	Code	Permittee	Per violation	Range: $200 to $1,000
Revenue	Pedicab Driver - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per application	$ 25.00
Revenue	Pedicab Driver - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	$ 25.00
Revenue	Pedicab Driver - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 25.00
Revenue	Pedicab Vehicle - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	$ 25.00
Revenue	Pedicab Vehicle - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 25.00
Revenue	Secondhand Dealer Initial Application "Occasional"	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 100.00
Revenue	Secondhand Dealer Initial Application "Regular"	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 500.00
Revenue	Secondhand Dealer Penalty	Regulatory - Regulated Business Fees	Compliance Penalty	No	Code	Violator	Per violation	$ 500.00
Revenue	Secondhand Dealer Renewal "Occasional"	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Annual	$ 50.00
Revenue	Secondhand Dealer Renewal "Regular"	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Annual	$ 450.00
Revenue	Secondhand Upgrade "Occasional" to "Regular" 1st year	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per upgrade	$400.00
Revenue	Social Games Initial Permit Application	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Per application	$ 500.00
Revenue	Social Games Penalty	Regulatory - Regulated Business Fees	Compliance Penalty	No	Code	Violator	Per violation	Range: $100 to $500
Revenue	Social Games Permit Renewal	Regulatory - Regulated Business Fees	Cost Recovery	No	Code	Permittee	Annual	$ 500.00
Revenue	Special Events Application Fee	Regulatory - Regulated Business Fees	Application Fee	No	Code	Permittee	Per application	$25.00
Revenue	Special Events Maintenance	Regulatory - Special Events Permit Fees	Cost Recovery	No	Code	Permittee	Annual event	Actual costs

Office of Management and Finance
Fee Characteristics Table

Bureau	Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	New or Expanded Fee?	(Authority: Code, ordinance, etc. if applicable)	Who pays fee	Unit or Period Fee applied to	Current or proposed fee
Revenue	Special Events Permit	Regulatory - Special Events Permit Fees	Pass-Through	No	Code	Permittee	Annual event	Range: See attached ($150-$3,500 flat fee; for athletic events only add 0.15 per participant, plus 10% of Police/PBOT actual costs)
Revenue	Special Events Police	Regulatory - Special Events Permit Fees	Pass-Through	No	Code	Permittee	Annual event	Actual costs
Revenue	Taxi Company - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per application	$ 250.00
Revenue	Taxi Company - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	$ 1,250.00
Revenue	Taxi Company - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	Range: $500 to $3,000
Revenue	Taxi Company Penalties	Regulatory - Penalty Fees - PFHT	Compliance Penalty	No	Code	Violator	Per violation	Range: $50 to $5,000
Revenue	Taxi Driver - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per application	$ 100.00
Revenue	Taxi Driver - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	One time	Range ($58 - $150 prorated)
Revenue	Taxi Driver - Late Renewal Fee - 1-30 days late	Regulatory - Penalty Fees - PFHT	Cost Recovery	No	Code	Permittee	Per late payment	$ 25.00
Revenue	Taxi Driver - Late Renewal Fee - 31-60 days late	Regulatory - Penalty Fees - PFHT	Cost Recovery	No	Code	Permittee	Per late payment	$ 50.00
Revenue	Taxi Driver - Late Renewal Fee - 61-90 days late	Regulatory - Penalty Fees - PFHT	Cost Recovery	No	Code	Permittee	Per late payment	$ 100.00
Revenue	Taxi Driver - OOS Record Fee	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per request	Approx $20, depends upon State requested
Revenue	Taxi Driver - Penalty	Regulatory - Penalty Fees - PFHT	Compliance Penalty	No	Code	Violator	Per violation	$ 100.00
Revenue	Taxi Driver - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 100.00
Revenue	Taxi Driver - Replacement Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per replacement	$ 25.00
Revenue	Taxi Driver - Test No Show	Regulatory - Permit Fees - PFHT	Cost Recovery	Yes	Administrative Fee	Permittee	For no show to test appointment	$25.00
Revenue	Taxi Vehicle - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 250.00
Revenue	Taxi Vehicle - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Annual	$ 600.00
Revenue	Towing Contract Application Fee	Regulatory - Towing Contract Fees	Cost Recovery	No	Code	Contracted Business	Per application	$ 125.00
Revenue	Towing Contract Penalties	Regulatory - Towing Contract Fees	Compliance Penalty	No	Code	Violator	Per violation	Range: $15 to $500
Revenue	Towing Contract Service Fees	Regulatory - Towing Contract Fees	Cost Recovery	No	Code	Owner of towed vehicle	Per Tow Retrieved	$ 20.00
Revenue	Towing Parking Enforcement Fees	Regulatory - Towing Contract Fees	Pass-Through	No	Code	Owner of towed vehicle	Per Tow Retrieved	$13.00 per tow
Revenue	Towing PPI Penalties	Regulatory - Towing Private Property Impound Fees	Compliance Penalty	No	Code	Violator	Per violation	Range: $50 to $1000
Revenue	Towing PPI Service Fees	Regulatory - Towing Private Property Impound Fees	Cost Recovery	No	Code	Owner of towed vehicle	Per Tow Retrieved	$ 11.00
Revenue	Vehicle Replacement Fee	Regulatory - Permit Fees - PFHT	Cost Recovery	No	Code	Permittee	Per vehicle replacement	$ 150.00

Office of Management and Finance
Fee Review
Fee Description
Bureau of Internal Business Services – Facilities Services

Fee
Meeting Room Charges

Fee Description
Fees charged to entities for the use of meeting rooms at City Hall and the Portland and 1900 buildings.

Service Benefit
Provide meeting rooms for public use.

Fee Category and Rate Formulation
Public Service – The rates have remained unchanged for several years. The fee was originally based on what was charged by other entities in the area for comparable meeting room space.

Economic Impact of New or Expanded Fees
Revenue generated through fee increases would help to offset building operating costs.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
N/A

The overall achievement of City goals.
The fee supports the City goal of promoting economic vitality and opportunity by providing meeting space to for-profit entities.

Fee Detail

Fee Title/Description	Category	Unit or Period Fee applied to	Current or proposed fee
City Hall - Pettygrove	Partial Cost Recovery/Public Service	Rate/Hr	$29.00
City Hall - Lovejoy	Partial Cost Recovery/Public Service	Rate/Hr	$36.00
City Hall - Rose	Partial Cost Recovery/Public Service	Rate/Hr	$57.00
City Hall - Chambers	Partial Cost Recovery/Public Service	Rate/Hr	$249.00
City Hall - 1st Fl. Public	Partial Cost Recovery/Public Service	Rate/Hr	$285.00
City Hall - Full Facility	Partial Cost Recovery/Public Service	Rate/Hr	$446.00
The Portland Bldg - Room B	Partial Cost Recovery/Public Service	Rate/Hr	$27.00
The Portland Bldg - Room C	Partial Cost Recovery/Public Service	Rate/Hr	$45.00
The Portland Bldg - Auditorium	Partial Cost Recovery/Public Service	Rate/Hr	$37.00
1900 Bldg - 2500 A	Partial Cost Recovery/Public Service	Rate/Hr	$23.00
1900 Bldg - 2500 B	Partial Cost Recovery/Public Service	Rate/Hr	$18.00
1900 Bldg - 2500	Partial Cost Recovery/Public Service	Rate/Hr	$28.00
1900 Bldg - 1st Fl. Lobby	Partial Cost Recovery/Public Service	Rate/Hr	$110.00

Subsidized Service Data
N/A

Recommended Actions
None

Office of Management and Finance
Fee Review
Fee Description
Bureau of Internal Business Services – Facilities Services

Fee
Meeting Room Equipment

Fee Description
Fees charged for equipment rental associated with the use of meeting rooms at City Hall, The Portland Building, and the 1900 building.

Service Benefit
Provide meeting rooms for public use.

Fee Category and Rate Formulation
Market Rate – The rates have remained unchanged for several years. The fee was originally based on what was charged by other entities in the area for comparable meeting room equipment rentals.

Economic Impact of New or Expanded Fees
N/A

The impact of imposing or increasing fees on economically at-risk populations and on businesses.

The overall achievement of City goals.
The fee supports the City goal of promoting economic vitality and opportunity by providing meeting space.

Fee Detail

Fee Title/Description	Category	Unit or Period Fee applied to	Current or proposed fee
Podium	Market Rate	Unit	$20.00
Table Top Mics	Market Rate	Unit	$5.00
Standing Mics	Market Rate	Unit	$5.00
Wireless Mics	Market Rate	Unit	$25.00
Easel – tripod	Market Rate	Unit	$5.00
Chart Paks	Market Rate	Unit	$25.00
Speaker Phone	Market Rate	Unit	$25.00
Outdoor Sound Sys	Market Rate	Unit	$25.00

Subsidized Service Data
N/A

Recommended Actions
None

Office of Management and Finance
Fee Review
Fee Description
Bureau of Internal Business Services – Facilities Services

Fee
Meeting Room Janitorial

Fee Description
Fees charged for janitorial services associated with the use of meeting rooms at City Hall and the Portland and 1900 buildings.

Service Benefit
Provide meeting rooms for public use.

Fee Category and Rate Formulation
Pass-Through – Rates are based on the fees currently charged under the City contract for janitorial services.

Economic Impact of New or Expanded Fees
Revenue generated through fees covers the cost of providing the service.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
N/A

The overall achievement of City goals.
The fee supports the City goal of promoting economic vitality and opportunity by providing meeting space.

Fee Detail

Fee Title/Description	Category	Unit or Period Fee applied to	Current or proposed fee
Janitorial Fees	Pass-Through	Rate/Hr	$ 30.00

Subsidized Service Data
N/A

Recommended Actions
N/A

Office of Management and Finance
Fee Review
Fee Description
Bureau of Internal Business Services – Facilities Services

Fee
Meeting Room Security Fees

Fee Description
Fees charged for security services associated with the use of meeting rooms at City Hall and the Portland and 1900 buildings.

Service Benefit
Provide meeting rooms for public use.

Fee Category and Rate Formulation
Pass-Through – Rates are based on the fees currently charged under the City contract for security.

Economic Impact of New or Expanded Fees
Revenue generated through fees covers the cost of providing the service.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
N/A

The overall achievement of City goals.
The fee supports the City goal of promoting economic vitality and opportunity by providing meeting space.

Fee Detail

Fee Title/Description	Category	Unit or Period Fee applied to	Current or proposed fee
Security - 0-50	Pass-Through	Rate/Hr	$ 45.00
Security - 50-100	Pass-Through	Rate/Hr	$ 45.00
Security - 100-200	Pass-Through	Rate/Hr	$ 90.00
Security - 201+	Pass-Through	Rate/Hr	$ 135.00

Subsidized Service Data
N/A

Recommended Actions
None

Office of Management and Finance
Fee Review
Fee Description
Bureau of Internal Business Services – Printing & Distribution

Fee
Public Copy/Print, Microfilm and Large Format Reproduction Services

Fee Description
P&D is charged with managing all copy, print, mail, distribution, and copier services required by City agencies. It is the division's responsibility to ensure City bureaus and all local government customers receive reproduction and mailing services on time, at a quality level which is appropriate to the customers needs, and at a competitive price.

Service Benefit
The fees charged by P&D provide convenient, 'while you wait' services, to customers that require immediate service at the 1900 Building.

Fee Category and Rate Formulation
Public Service - This service is provided for the convenience of the public. The rate and pricing is comparable to commercial alternatives. The pricing difference between internal and external customers is due to external customers' requests, which are based on shorter run lengths.

Economic Impact of New or Expanded Fees
New or expanded fees are unlikely.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
As a general rule, fees are never increased beyond inflation. To do so would risk having current users withdraw from the service and find other more economical means of acquiring the needed products.

The overall achievement of City goals.
This fee helps the City meet its goal to "Deliver efficient, effective, and accountable municipal services."

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Unit or Period Fee applied to	Current or proposed fee
Copier Services - 1900 Bldg. - 11" copies	P & D - Public Copier Services	Copy	$ 0.10
Copier Services - 1900 Bldg. - 14" copies	P & D - Public Copier Services	Copy	$ 0.15
Copier Services - 1900 Bldg. - 17" copies	P & D - Public Copier Services	Copy	$ 0.20
Copier Services - 1900 Bldg. - B/W scans	P & D - Public Copier Services	Copy	$ 0.25
Copier Services - 1900 Bldg. - B/W production scans	P & D - Public Copier Services	Copy	$ 0.15
Copier Services - 1900 Bldg. - B/W 30x42 scans	P & D - Public Copier Services	Copy	$ 0.25
Copier Services - 1900 Bldg. - Color scans	P & D - Public Copier Services	Copy	$ 0.54

Copier Services - 1900 Bldg. - Large format file set up	P & D - Public Copier Services	Set Up	$ 4.30
Copier Services - 1900 Bldg. - Large format B/W prints	P & D - Public Copier Services	Copy	$ 0.10
Copier Services - 1900 Bldg. - Large format production B/W prints	P & D - Public Copier Services	Copy	$ 0.07
Copier Services - 1900 Bldg. - Large format color plots	P & D - Public Copier Services	Copy	$ 3.00
Copier Services - 1900 Bldg. - Large format color prints	P & D - Public Copier Services	Copy	$ 5.00
Copier Services - 1900 Bldg. - Microfiche prints	P & D - Public Copier Services	Copy	$ 3.30
Copier Services - 1900 Bldg. - Long run fiche prints	P & D - Public Copier Services	Copy	$ 1.65

Subsidized Service Data
N/A

Recommended Actions
None

Office of Management and Finance
FY 2014-15 Fee Review
Narrative Description
Bureau of Technology Services

Fee
800 MHz Access Fee
FY 2013-14

Fee Description
Fee charged to radio users for access to the City of Portland's 800 MHz radio system.

Service Benefit
Allows radio users to communicate with each other in the City of Portland and surrounding areas.

Fee Category and Rate Formulation
ISF rate, completed on an annual basis each December, new rate is generally prior year's rate plus inflation, applied on a per-unit basis to all units on 800 MHz system.

Economic Impact of New or Expanded Fees
Any increase in revenues would be applied towards major maintenance projects for the 800 MHz system where the City currently has insufficient funding.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
As a general rule, fees are never increased beyond inflation. To do so would be to risk having current users withdraw from the system and find other more economical means of communicating.

The overall achievement of City goals.
This fee supports the 800 MHz radio system which helps the City achieve its goals of "Ensuring a safe and peaceful community," and "Deliver efficient, effective, and accountable municipal services."

Subsidized Service Data
N/A

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services, i.e. Taxi Regulation. Also used for roll-up comparison of revenue to expenditure)	Unit or Period Fee applied to	Current or proposed fee
Access Fee	800MHz Access Fees	Annual	$ 553.64

Recommended Actions
None

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Regulatory Division Overview

Current Regulatory Division staff allocations include 1 Division Manager; 1 Program Coordinator (Special Events); 3 Program Administrators (covering Private For-Hire Transportation (PFHT), Towing, and one position covering Regulated Business and Pay and Park); and 5 Program Specialists. One Program Specialist is allocated 100% to PFHT and 4 Program Specialists have greater than 50% allocation to PFHT , as well as responsibilities in several other Regulatory Programs. All Program Specialists are increasingly cross-trained and cross-utilized between programs. Program Administrators are also able to cover program duties during vacations, absences or times of high need in particular programs.

Fee

Regulatory Division Fee for Service, Permit and Penalty Fees

Fee Description

The Regulatory Division charges fees for service, permit fees and penalty fees to fund Regulatory Division Program staff and services. The Division also collects and passes through fees to the Portland Police Bureau and Portland Bureau of Transportation.

Service Benefit

The Regulatory program issues permits and enforces regulations for a variety of regulated businesses and events: private for-hire transportation (taxis, executive sedans, limousines, shuttles, tour vehicles, medical transportation), towing (companies, vehicles, drivers, private property impounds and City contracts), pay and park lot inspections, secondhand dealers, social games, amusement devices, payday lenders, and special events. The service benefit for each Regulatory program is described in more detail under the specific fee characteristics sheets for each, but several important community services are shared by Regulatory Division programs:

- Public safety is protected by the background checks, inspections, insurance audits, and monitoring of other requirements for permitted businesses providing service to the public.
- Each program is responsible for investigating complaints, making determinations, and holding regulated businesses accountable for meeting requirements that protect members of the public from unfair charges and unsafe practices.
- Staff analysis and reform of regulations provides ongoing, significant emphasis on increasing equity and promoting resources for vulnerable populations.
- Staff provides essential support and resources for regulated businesses and their employees, and places significant emphasis on input from regulated businesses to improve program services.
- Public access and convenience is protected through management of impacts to the right-of-way and public transport.

- Neighborhood and community goals are protected by the coordination with Police and regulation of potential negative impacts (such as noise, disorderly conduct, and crime).
- Regulatory Division provides coordination, enforcement support, and fee collection for other Bureaus and agencies, and the Business License Tax program.

Performance
Regulatory continues to focus on increasing compliance with City Code requirements that provide important consumer and safety protections. Expanded enforcement activities, including increased field inspections, audits and improved complaint processing have contributed to increased penalty and permit revenue. Regulatory functions collected $1,225,906 in FY 2012-13. The Regulatory Division showed a $21,898 budgetary surplus.

Changes to Services and Activities
The primary services and activities of the Regulatory program are consistent with prior years, but with focus on innovation and current best practices particularly in the larger regulatory programs. Fee changes approved by Council in November 2012 provided funding for two additional positions in the Private For-Hire Transportation program, but collected revenues were insufficient to fill these positions until June 2013. These positions will make it possible to provide adequate enforcement and oversight of regulations, including additional ordinance requirements also approved by Council in November 2012.

Fee changes in the Special Events program became effective at the end of 2012, and are expected to provide full cost recovery of direct costs for that program in FY 2013-14.

Code and rule updates are ongoing in the Regulatory Division programs in order to continue to improve rules consistent with current regulatory best practices. Focused enforcement projects are ongoing. Inspections, audits and field enforcement continue to improve compliance with requirements by permitted companies in all programs. Steady enforcement and education continue to convert unpermitted Private For-Hire transportation operators into permitted companies meeting important standards for insurance, vehicle safety and driver background checks. Several programs have attained increased participation on advisory and review boards as a result of staff outreach, and this participation is expected to increase in FY2013-2014. The Private For-Hire Transportation Board and its subcommittees have seen increased participation from previously underrepresented groups, especially drivers in all industries.

Fee Category and Rate Formulation
The goal of the Regulatory Division has been to eliminate any General Fund subsidy, and provide 100% cost recovery for Regulatory staff and services. Since 2009, the Division has steadily moved toward this goal. Since 2009, along with other Code and Administrative Rule improvements, Permit and Penalty Fee updates have occurred in the following programs: Private For-Hire Transportation, Contract Towing, Private Property Impound Towing, Special Events and Secondhand Dealers. The Pay and Park fees should be updated in 2014-15 in keeping with the findings of the current fee study analysis. The Social Games program is due for a Code update and fee increase.

When indirect costs and additional program needs are included, there is a gap between costs and revenues. The Bureau intends to address this gap over multiple years in a way that is sensitive to stakeholders and the regulatory environment. Revenues have steadily increased year over year for the past 5 years.

Evaluation has been underway of the needs for improved services and oversight in several programs in order to respond to consumer and business demands for enforcement. Code changes designed to bring program requirements up-to-date with current industry and regulatory standards required additional staff and database improvements. Several fee increases in the PFHT program were approved in 2009 and 2012—the increase in dedicated staff in FY 2013-2014 is expected to enable significant improvements to enforcement and implementation of Council-approved reforms. The athletic and special events fee increases approved in October of 2012 will be fully implemented in FY 2013-2014. In addition, the rule changes in this program provide full cost recovery for Police and PBOT services in this area.

Since 2009, Regulatory program staff assignments have been more closely aligned to each program need. Code and rule changes have been planned to allow for each program to meet the actual costs of providing service in that service area. At the same time, cross-training and flexibility in duties, particularly in the area of Regulatory Specialists, allows for greater overall Regulatory performance and efficiency. The expenditure percentages allocated to specific Regulatory programs for several key personnel positions, as well as City Attorney office expenses, vary from year to year in terms of the specific percentage allocated. This is primarily due to the additional work involved for special projects, Code changes, appeals or lawsuits. Program staff time allocated may also vary when staff are reassigned due to absences or workload needs. It is important to recognize that some flexibility of staff allocation is necessary to ensure the most efficient and effective use of City resources.

Economic Impact of New or Expanded Fees
See individual program narratives for details. All fee proposals are carefully assessed for ability of regulated business to absorb increased costs. Fee methodology also considers impacts on other City Bureaus when appropriate, and has provided important cost recovery for Police and PBOT services.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
See individual program narratives for details. Each fee proposal has been carefully evaluated for equity and impact on vulnerable populations.

The overall achievement of City goals.
Regulatory Division programs differ significantly from the "fee for service" model. Regulatory programs do not just benefit a specific user—there are also important community benefits. Regulatory Division programs and policies provide consumer protection, enhance equity, and increase safety, in addition to services provided to the particular businesses or industries regulated.

Although it has been acknowledged that program fees should be in line with program expenses, it is also important to note that the Regulatory Division staff and resources are shared between programs, and allocated for effectiveness. "Fee for service" programs typically collect program fees from the customer; Regulatory Division programs provide important public safety services in addition to the services provided to the regulated businesses.

Fees have been updated to enable the Division to provide quality services; promote attainment of current industry standards and regulatory best practices in regulated areas; increase audits and monitoring of requirements that protect public safety; more effective enforcement of safety and consumer protections; increased equity for permitted individuals and business; and improved responsiveness to neighborhood concerns. See individual program narratives for details.

Fee Detail
See individual narratives.

Subsidized Service Data
No subsidy. Full Regulatory program cost recovery is the goal.

Recommended Actions
Provide analysis and appropriate fee increases in several remaining programs. Provide analysis and reports regarding impacts of new fees in PFHT and Special Events program after one year of experience with new fees (2014). Maintain consistent schedule for evaluation and updating of Codes, Administrative Rules and fees to keep pace with industry standards and regulatory best practices. There is a history since 2009 of closing the gap between expenses and revenues. We will look carefully over the next few years at additional indirect costs and program needs, with an eye towards increasing revenues to cover these additional expenses in order to achieve full cost recovery. This will be done in a way that takes into account the impact on the regulated businesses.

Revenue Bureau - License and Tax Division
Regulatory Revenue Historical Data & Current Year Forecast

	PRIOR YEAR REVENUES									
Program	**Actuals FY07**	**Actuals FY08**	**Actuals FY09**	**Actuals FY10**	**Actuals FY11**	**Actuals FY12**	**Actuals FY13**	**Projections FY14**	**Budgeted Revenue FY14**	**Variance**
Amusement Devices	50,850	52,950	54,330	41,300	52,032	47,950	44,375	40,275	45,000	(4,725)
Payday Lender	91,500	22,500	21,000	24,000	24,000	24,000	22,500	22,500	24,000	(1,500)
Pay & Park	13,300	13,800	22,100	28,570	36,125	34,800	34,200	33,000	33,000	0
Secondhand Dealers	17,550	19,075	27,175	23,275	32,300	29,450	42,400	45,100	40,000	5,100
Special Events	5,140	3,595	13,940	21,426	12,878	13,557	37,614	115,059	110,178	4,881
Social Games	5,000	9,500	10,750	14,000	12,502	13,100	13,000	11,500	14,000	(2,500)
Towing/PPI	328,114	320,166	247,485	248,111	249,192	337,768	329,121	303,662	326,088	(22,426)
Private for Hire Trans	176,200	168,757	189,014	484,718	529,609	534,309	702,696	773,554	896,979	(123,425)
TOTAL REVENUE	**687,654**	**610,343**	**585,794**	**885,399**	**948,638**	**1,034,934**	**1,225,906**	**1,344,649**	**1,489,245**	**(144,596)**

Revenue Bureau - License and Tax Division
Regulatory Revenues and Expenses - FY14 - Forecast

Program	Expenditure Breakdown					FY14 Expenditure Projections	Indirect Costs (see list below)	FY14 Revenue Projections	Projected Deficit
	Regulatory Personnel	External M&S	Internal M&S	Deputy City Attorney	Operations Admin				
Amusement Devices	22,777	3,076	2,380	-	720	28,952	3,611	40,275	**7,712**
Payday Lender	1,089	147	114	-	34	1,384	173	22,500	**20,943**
Pay & Park	56,947	7,691	5,949	-	1,799	72,387	9,028	33,000	**(48,416)**
Secondhand Dealers	30,067	4,061	3,141	1,112	950	39,331	4,767	45,100	**1,002**
Special Events	114,902	15,519	12,004	2,223	3,631	148,279	18,216	115,059	**(51,437)**
Social Games	29,871	4,034	3,121	5,558	944	43,528	4,736	11,500	**(36,764)**
Towing/PPI	172,928	23,356	18,066	27,792	5,464	247,606	27,416	303,662	**28,640**
Private for Hire Trans	639,190	100,795	59,483	74,483	17,819	891,770	89,407	773,554	**(207,623)**
Total	***1,067,770***	***158,679***	***104,258***	***111,169***	***31,361***	***1,473,238***	***157,354***	***1,344,649***	***(285,942)***

1. Expenditures include indirect costs consisting of one-time programming costs and bureau overheard charges.

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Fee
Pay and Park Program Fees

Fee Description
The Pay and Park Lot registration program provides regulations governing notification, signage and penalties that may be issued for unpaid or overtime parking in privately owned and managed Pay to Park lots. The $200 per year lot registration funds the staff that monitors compliance with regulations providing important safety and consumer protections, and investigation and resolution of citizen complaints regarding penalty notices issued.

Service Benefit
Program staff members monitor compliance with standards for notification and lot signage, and monitor documentation of unauthorized parking (photographs). Staff investigates and issues determinations regarding citizen complaints, and provides assistance for refunds of penalties improperly issued. Staff oversight helps ensure that citizens are provided with adequate warning of potential penalty fees, and that penalty amounts are kept within maximum allowed penalty amounts. Staff works with parking lot auditors to facilitate cancellation of penalties improperly issued. Pay and Park lot regulations allow private property owners to minimize unauthorized parking while avoiding the more costly and inconvenient consequence of vehicle towing and impound. City regulation helps to ensure that public safety and convenience are protected.

Fee Category and Rate Formulation
Cost Recovery and Compliance Penalty - Registration fees are charged to the parking management company annually to fund City program services; penalty fees provide disincentives against violations and contribute to cost recovery for complaint investigation.

Economic Impact of New or Expanded Fees
$200 per year lot registration fee charged to parking audit company; low impact in comparison with operating revenues and expenses of this business type.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
Low annual fee; low impact on this business type.

The overall achievement of City goals.
Consumer safety and convenience is protected by monitoring compliance with requirements for notification, signage, documentation and limits on penalties charged to consumers. Complaint investigations and determinations provide appeal paths for consumers; penalties issued for noncompliance provide disincentives against violation of City code requirements.

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	Unit or Period Fee applied to	Current or proposed fee
Pay and Park Lot	Regulatory - Pay and Park Program			
Registration	Fees Regulatory - Pay and Park Program	Cost Recovery Compliance	Annual Per	$ 200.00 Range: $100 to
Pay and Park Lot Penalty	Fees	Penalty	violation	$500

Subsidized Service Data

No subsidy. Full program cost recovery.

Recommended Actions

Fees were last updated in November 2008. Increase to annual registration fee is anticipated in FY 2014-2015.

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Fee
Private For-Hire Transportation (PFHT) penalties.

Fee Description
Penalty fees charged for violation of City Code requirements. This includes penalties for operation of for-hire transportation services without the required City permits, as well as failure to meet operating standards for permitted companies and drivers.

Service Benefit
Penalties provide a significant deterrent against violations that cause a safety risk to the public. Companies and drivers providing service without permits have not had several of the important safety checks provided by the City permitting process: scrutiny of driver criminal and driving records; review of vehicle equipment, age limits, inspection standards and repairs; and monitoring of compliance with liability insurance requirements. For companies with City permits, potential penalties provide a significant disincentive against violation of standards designed to protect customer safety and convenience: limits on the number of hours a driver may work within 24 hours, requirements to provide 24-hour taxi service, requirements to post fares, maximum taxi meter rates, driver knowledge and courtesy requirements, and convenience and security of payment methods. Penalties provide an effective disincentive against violations.

Fee Category and Rate Formulation
Compliance Penalty and Cost Recovery - To be effective, penalty amounts must be high enough to create a significant disincentive against the violation. At the same time, the penalty should be proportional to the seriousness of the violation itself. Compliance is the main goal, so penalties are graduated: a second or subsequent offense during a 36 month period results in a higher penalty amount. In November 2012, Council approved an increase in civil penalties related to public safety violations by drivers or companies, based upon recommendations from the Private For-Hire Transportation Board of Review and the Revenue Bureau. Previous penalty amounts were considered insufficient to act as a deterrent against violations. Penalty rates for comparable cities were also reviewed during the development of the recommendations.

Economic Impact of New or Expanded Fees
Penalties are incurred only for violations of City Code and provide disincentives against unsafe practices. In addition to being an important enforcement tool, penalties are necessary to avoid creating an economic disadvantage to those drivers and companies meeting permitting requirements.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
Penalties are incurred only for violations of City Code and provide disincentives against unsafe practices. Penalties provide equity for companies that pay permit fees and meet safety requirements, by avoiding the economic disadvantage that could result from allowing unpermitted or noncompliant businesses to operate without proportional consequences.

The overall achievement of City goals.
Important public safety and consumer protections are provided to the community through the Private For-Hire Transportation program enforcement activities. Essential safety requirements are promoted, and equity for permitted businesses is promoted. Penalties are a key enforcement tool in the Regulatory Programs.

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	Unit or Period Fee applied to	Current or proposed fee
	Regulatory - Penalty Fees	Compliance		Range: $50 to
LPT Company Penalties LPT Driver - Late Renewal	- PFHT Regulatory - Penalty Fees	Penalty	Per violation	$5,000
Fee - 1-30 days late LPT Driver - Late Renewal	- PFHT Regulatory - Penalty Fees	Cost Recovery	Per late payment	$ 25.00
Fee - 31-60 days late LPT Driver - Late Renewal	- PFHT Regulatory - Penalty Fees	Cost Recovery	Per late payment	$ 50.00
Fee - 61-90 days late	- PFHT Regulatory - Penalty Fees	Cost Recovery Compliance	Per late payment	$ 100.00 Range: $200 to
LPT Driver - Penalty	- PFHT Regulatory - Penalty Fees	Penalty Compliance	Per violation	$5,000 Range: $200 to
Pedicab Company Penalties	- PFHT Regulatory - Penalty Fees	Penalty Compliance	Per violation	$1,000 Range: $50 to
Taxi Company Penalties Taxi Driver - Late Renewal	- PFHT Regulatory - Penalty Fees	Penalty	Per violation	$5,000
Fee - 1-30 days late Taxi Driver - Late Renewal	- PFHT Regulatory - Penalty Fees	Cost Recovery	Per late payment	$ 25.00
Fee - 31-60 days late Taxi Driver - Late Renewal	- PFHT Regulatory - Penalty Fees	Cost Recovery	Per late payment	$ 50.00
Fee - 61-90 days late	- PFHT Regulatory - Penalty Fees	Cost Recovery Compliance	Per late payment	$ 100.00
Taxi Driver - Penalty	- PFHT	Penalty	Per violation	$ 100.00

Subsidized Service Data
No subsidy.

Recommended Actions
Continue to monitor effectiveness of penalty amount issued for each type of violation. Suggest changes to specific penalty amounts as appropriate.

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Fee
Private For-Hire Transportation (PFHT) Permit Fees (application, new permit, yearly permit renewal, replacement vehicle fee.

Fee Description
Fees charged for application, initial permit, and renewal of the required PFHT driver, company and vehicle permits. Permits are reviewed and renewed annually. Each taxi and Limited Passenger Transportation (LPT) company obtains a company permit, and a permit is also required for each vehicle.

Service Benefit
Permit fees fund regulation and oversight of companies, vehicles and drivers providing taxi, executive sedan, limousine, shuttle, tour vehicle, medical transportation, and non-motorized transport for-hire such as pedicabs, and horse-drawn carriages. This division regulates both motorized and non-motorized vehicles carrying passengers for a fee. Permit fees fund the Regulatory staff necessary to monitor and enforce safety standards for vehicles and drivers, and consumer and service standards for companies. The program regulates the fees that may be charged, as well as operational rules for each industry segment.

Program staff review criminal and motor vehicle record background checks on drivers at annual renewal; administer driver knowledge tests; review completion of required remedial classes; review documentation of vehicle inspection and repair; review and conduct periodic audits of company insurance submissions; assess and collect late penalty fees; enforce and issue penalties for company and driver violations, including penalties to non-permitted operators; review regulations, company practices and permit caps for equity and other community service standards. Staff reviews service performance to community standards and in support of the promotion of tourism, and issue reports and recommendations to update regulations, enable industry reforms, improve customer service, and respond to new permit requests.

Fee Category and Rate Formulation
Cost Recovery - As in all Regulatory programs, the focus since 2009 has been to increase program permit fees and penalties as necessary to fully fund the program, and remove any General Fund subsidy.

Economic Impact of New or Expanded Fees
Permit fees were increased in 2009 and taxi permit fees were increased in 2012. Potential revenues for affected business were reviewed during each permit fee increase, and the approved fees were found to be within the range of comparable cities, and reasonable compared to the potential revenue associated with each permit. Taxi permit fees were made more equitable by indexing the company fee to the number of permits (and thus potential revenue) available to each company.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
Taxi driver permit fees were increased in 2009 only after a number of years without an increase. The findings of the Taxi Driver Labor Market Study, issued by the Revenue Bureau in January 2012, indicated that there should be no additional increase to taxi *driver* permit fees. In 2012, taxi driver fees were purposely exempted from additional increases. Significant increases in taxi *company* (including

vehicle) permit fees were approved in November 2012, based upon high company revenues derived from each taxi permit. These increases to the company-paid permit fees will allow the Division to cover the cost of additional dedicated PFHT Regulatory staff in 2013. Two additional staff, required to adequately monitor, enforce and update regulations, were approved by Council in January 2013.

The overall achievement of City goals.
Important public safety and consumer protections are provided to the community through the Private For-Hire Transportation program activities. Essential transportation services are monitored and improved. Equity for those with disabilities or other special transportation needs is monitored and promoted. PFHT staff coordinate with several agencies—including Tri-Met, the Port of Portland, and Travel Portland—to monitor and improve service quality and delivery. Regulations are continuously improved with a view to improving service and equity. During 2013, the Division is charged with implementing the Private For-Hire Transportation Program Recommendations for Taxi Industry Reform, approved by Council in November 2012. These reforms, and associated regulatory changes, will improve service for consumers and equity for taxi drivers.

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	Unit or Period Fee applied to	Current or proposed fee
Vehicle Replacement Fee	Regulatory - Permit Fees - PFHT	Cost Recovery	Per vehicle replacement	$ 150.00
LPT Vehicle - Renewal Permit - per vehicle	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 180.00
LPT Company - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 500.00
LPT Vehicle - Initial Permit - per vehicle	Regulatory - Permit Fees - PFHT	Cost Recovery	One time	$ 225.00
LPT Company - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	One time	$ 500.00
LPT Company - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	Per application	$ 250.00
LPT Vehicle - Temporary Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Per temporary permit	$ 25.00
LPT Company - Replacement Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 75.00
LPT Driver - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 100.00
LPT Driver - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	Per application	$ 100.00
LPT Driver - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	One time	Range ($58 - $150 prorated)
LPT Driver - Replacement Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Per replacement	Range: $10 to $25
LPT Driver - OOS Record Fee	Regulatory - Permit Fees - PFHT	Cost Recovery	Per record request	Approx $20, depends upon State requested
Pedicab Company - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 125.00
Pedicab Company - Initial	Regulatory - Permit Fees -	Cost Recovery	One time	$ 125.00

Permit	PFHT			
Pedicab Company - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	Per application	$ 100.00
Pedicab Driver - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	Per application	$ 25.00
Pedicab Driver - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	One time	$ 25.00
Pedicab Driver - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 25.00
Pedicab Vehicle - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	One time	$ 25.00
Pedicab Vehicle - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 25.00
Taxi Company - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	Per application	$ 250.00
Taxi Company - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	One time	$ 1,250.00
Taxi Company - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	Range: $500 to $3,000
Taxi Driver - Application (nonrefundable)	Regulatory - Permit Fees - PFHT	Cost Recovery	Per application	$ 100.00
Taxi Driver - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	One time	Range ($58 - $150 prorated)
Taxi Driver - OOS Record Fee	Regulatory - Permit Fees - PFHT	Cost Recovery	Per request	Approx $20, depends upon State requested
Taxi Driver - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 100.00
Taxi Driver - Replacement Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Per replacement	$ 25.00
Taxi Vehicle - Initial Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 250.00
Taxi Vehicle - Renewal Permit	Regulatory - Permit Fees - PFHT	Cost Recovery	Annual	$ 600.00

Subsidized Service Data

No subsidy.

Recommended Actions

Remaining areas for fee review include potential company and vehicle fee increases for non-taxi industry segments (LPT). This industry segment has more varied revenue expectations than the taxi segment, and additional analysis is required prior to proposing specific increase amounts, but some increase is expected, consistent with the recent increases in the taxi segment. A current project to provide City Fleet inspections of all PFHT vehicles may also bring additional inspection fees for each permitted vehicle. Discussion regarding both categories of future increase has begun at the Private For-Hire Transportation Board of Review, which generally reviews fee increases prior to moving the fees to Council.

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Fee
Regulated Business Program Fees

Fee Description
The Amusement Location permit, Secondhand Dealer permit, and Social Games permit programs contain City code regulations designed to provide monitoring of business types that present potential neighborhood impacts or require coordination with various Police Bureau activities. Each program includes permit fees that fund initial evaluation and ongoing oversight of regulated business types. Penalty fees provide disincentives to violation of City Code requirements.

Service Benefit
Negative impacts of particular business types are limited by regulation, in coordination with the Portland Police Bureau, of the operating, documentation, inspection, and reporting requirements of particular business types.

Amusement location permits are required of businesses with pool tables, video machines, pinball machines, etc., which have been shown to have potential for adverse impacts. Permitting requirements manage the impacts by such limitations as preventing pool halls from locating too close to schools or providing additional inspection and enforcement opportunities when locations develop problems with noise or disorderly conduct.

The Secondhand Dealer permitting program provides guidelines and requirements for receiving, managing, and reporting of secondhand property acquisitions, thus reducing the likelihood of a Portland store being used as an outlet for stolen property, and facilitating the return of stolen property that can be identified. All acquisitions must be reported to the Police Bureau through the electronic reporting system. Regulatory staff provides assistance with site inspections, reporting and documentation. Employees and principals background checks are reviewed. Regulatory staff provides outreach to new businesses, and assists with the documentation and investigation of complaints.

Social Games permits provide for operation of certain types of games – most commonly poker games – while monitoring compliance with restrictions of the City Code and State law. The application process includes background checks of owners, managers and employees of the regulated business. Regulatory staff assists with inspection and documentation of program requirements, and investigation of complaints. The program provides useful information to the Police Bureau regarding the locations and conduct of games. The permit program facilitates ease of inspection. Players prefer to play at permitted and well-managed locations, and provide information about violations.

City regulation of regulated business types helps to ensure that public safety and convenience are protected.

Fee Category and Rate Formulation
Cost Recovery and Compliance Penalty - Annual permit fees are charged to fund City program services; penalty fees provide disincentives against violations and contribute to cost recovery for complaint investigation. Amusement Device fees range from $50 to $1000 annually, depending upon the number

of devices present. Secondhand Dealer permits are $500 for the initial permit and $450 annually; "occasional" permits for those businesses with very limited annual transactions are offered at the lower rates of $100 and $50 respectively. Penalties are up to $500 per violation incident. Social Games permit fees are $500 per year; penalties are up to $500 per violation incident.

Economic Impact of New or Expanded Fees
Permit fee impacts are reasonable given the revenue potential in these regulated businesses. Amusement Device fees are prorated per device and are reasonable given program service requirements; Secondhand Dealer fees were updated in 2012. Social Games fees are due for review during 2014, in conjunction with a planned Social Games Code rewrite. This Code rewrite may be impacted by changes in State regulation of these Social Games.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
Low annual fee; low impact on this business type.

The overall achievement of City goals.
Regulated business permitting and monitoring programs help prevent negative neighborhood impacts, and support Portland Police Bureau monitoring of certain business types. Complaint investigations and penalties help provide disincentives to violation of City code requirements. Public safety and consumer protections are enhanced by these programs.

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	Unit or Period Fee applied to	Current or proposed fee
Secondhand Upgrade				
"Occasional" to "Regular" 1st year	Regulatory - Regulated Business Fees	Cost Recovery	Per upgrade	$400.00
Amusement Device Renewals	Regulatory - Regulated Business Fees	Cost Recovery Compliance	Annual	Range: $50 to $1,000
Secondhand Dealer Penalty	Regulatory - Regulated Business Fees	Penalty	Per violation	$ 500.00
Payday Lender Permit Fee	Regulatory - Regulated Business Fees	Cost Recovery	Annual	$ 1,500.00
Secondhand Dealer Initial Application "Occasional"	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$ 100.00
Secondhand Dealer Renewal "Occasional"	Regulatory - Regulated Business Fees	Cost Recovery	Annual	$ 50.00
Secondhand Dealer Initial Application "Regular"	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$ 500.00
Secondhand Dealer Renewal "Regular"	Regulatory - Regulated Business Fees	Cost Recovery	Annual	$ 450.00
Social Games Initial Permit Application	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$ 500.00
Social Games Permit Renewal	Regulatory - Regulated Business Fees	Cost Recovery Compliance	Annual	Range: $100
Social Games Penalty	Regulatory - Regulated Business Fees	Penalty	Per violation	to $500
Amusement Device New	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$

Application L1 (1-3 devices)	Business Fees			50.00
Amusement Device New Application L2 (4-6 devices)	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$ 100.00
Amusement Device New Application L3 (7-9 devices)	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$ 200.00
Amusement Device New Application L4 (10-19 devices)	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$ 500.00
Amusement Device New Application L5 (20+ devices)	Regulatory - Regulated Business Fees	Cost Recovery	Per application	$ 1,000.00

Subsidized Service Data

No subsidy. Full program cost recovery.

Recommended Actions

Social Games permit fees are due for evaluation and possible increase in conjunction with Code update in 2014. Indirect costs, needs for additional enforcement resources, and stakeholder impacts will be incorporated into the analysis of appropriate fee levels in this program.

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Fee
Special Events Permit Fees

Fee Description
The Special Events Permit Fees consist of the fees charged to organizers of moving special events (athletic events, parades, marches, walks, or other street processions) for planning and administration of the Special Events permit approval process. The program also administers the billing and collects payments for cost recovery for Portland Police Bureau, Portland Bureau of Transportation, and other agencies (for example TriMet, Streetcar) when appropriate.

Service Benefit
Special Events Permit Fees fund the services of City support staff in several bureaus. The Special Event Coordinator at the Revenue Bureau processes special events applications, coordinates event dates and locations, provides technical coordination with PBOT and Police, and presents suggestions for event modifications to organizers. The Revenue Bureau coordinates planning meetings with Police, PBOT, ODOT, TriMet, Streetcar, and other agency staff as appropriate, and monitors for the completion of all required steps prior to the event. The Coordinator gathers and processes post-event data from agencies and impacted citizens, and provides feedback to organizers regarding changes necessary in future events. The program is designed to allow successful large events in Portland, which often bring significant participation from out-of-town visitors, while maximizing safety of special event participants and others, and minimizing the inconvenience to the general public or disruption of public access services (particularly transit). The program helps to ensure that all event approvals are subject to the capacity of the City and associated agencies to provide the services required to protect the safety and convenience of the public.

Fee Category and Rate Formulation
Cost Recovery and Pass-Through - Prior to 2013, special events permit fees charged to event organizers were kept quite low. Increasing budgetary constraints, and concerns about equity in event approvals and charges, led to the 2009 Revenue Bureau Study: Special Events Program: An Analysis of Costs, Program Development and Recommendations. The City Council directed the Revenue Bureau to propose an alternative permit fee system. An updated fee schedule was effective October 15, 2012. The updated fee schedule provides 100% direct cost recovery for services provided for athletic event planning and execution. This is the largest and most costly category where services are provided for moving events. A fee refresh was also implemented for non-athletic moving events (parades). Recognition of challenges from increased costs to stakeholders led to partial implementation of these changes in FY 2012-2013. FY 2013-2014 will bring full implementation of the fee changes.

Economic Impact of New or Expanded Fees
It had become increasingly difficult for the Revenue Bureau, the Portland Police Bureau, and the Portland Bureau of Transportation to absorb the costs of special events services provided in recent years. Consideration was given to a moratorium on all new event applications because of the lack of resources in affected Bureaus. The risk for deterioration in quality of event planning services increased as resources were stretched to capacity. In addition, an outdated process for calculating fees meant that some event organizers of very costly events paid minimal fees, while newer and less costly events paid

full cost recovery. The new fee structure implemented in October of 2012 is designed to provide equity in cost assessment (fees are based on actual costs). Fees are also calculated using several different factors, in order to avoid inequities in cost structure that arise from different levels of participation or size of events. For example, one component of the new fee structure includes a fee per participant as a part of the permit fee assessment, but a percentage of actual Police and PBOT costs are also used to calculate a portion of the fee, in order to avoid disproportionate impact upon popular events that use relatively fewer City services. While preparing the new fee structure, the potential and actual revenues collected by event organizers from participants were carefully analyzed to assure that fees charged could be absorbed. By assuring the continuation of high quality event support services, and greater equity in fees charged to each event (including new events), the variety, quality and vibrancy of special events are supported. A sufficiently funded program supports the safety of participants and protection of citizen access and transit services. A well-developed special events program supports tourism, community spirit, and economic goals.

The impact of imposing or increasing fees on economically at-risk populations and on businesses. The fee structure was calculated by event type, so that the events more able to recoup permit fees (athletic events that charge a participant fee) are paying full cost recovery. Smaller community events and parade fees received low to modest increases in permit fees, based upon the actual requirements for City services. This difference also is in accord with the ability of each event type to recoup costs – athletic events have relatively high fees for participation and are thus able to recoup the costs of the higher level of actual services required from Revenue, PBOT and Police. An analysis of revenues from event's participant fees showed that most special events in the City of Portland are able to absorb the increased costs with low or moderate increases to participant fees. Increased event participation numbers, despite increased ticket prices, has been documented for several large athletic events. Several event planners found it difficult to pay cost recovery for the actual costs of their events, due to low numbers of participants (low revenues from participant fees) in conjunction with high event costs (high service routes requiring relatively high numbers of Police officers, TriMet staff, or other actual costs). The Special Events Coordinator worked with these event planners to design updated routes and event plans to keep the City services low and proportional to the number of participants (fees collected).

The overall achievement of City goals.
The Special Events permit fee updates provide cost recovery for actual services provided by Police, PBOT and the Revenue Bureau. Cost recovery allows these programs to continue to provide high quality support services to moving events in the City, which attract a significant number of out-of-town visitors. Special events in Portland contribute to the economic vibrancy and community spirit of the City. Changes in the methods for calculating permit fees have significantly increased the equity of fees charged to organizers—fees are now directly related to the actual cost of events. The fee structure was also designed to provide incentives for lower impacts to citizen access and services for lower impacts to transit.

Fee Detail
Each applicant pays a nonrefundable $25 application fee. Permit fees range from a flat fee of $150 to $3500, depending upon the actual size of the event and requirements for City staff services. In additional, athletic events pay a $.15 per participant fee, and a 10% surcharge calculated from actual Police and PBOT costs. Full cost recovery for the actual cost of Police and PBOT services is also collected by the Revenue Bureau and passed through to Police and PBOT.

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	Unit or Period Fee applied to	Current or proposed fee
Special Events Permit	Regulatory - Special Events Permit Fees	Pass-Through	Annual event	Range: See attached ($150-$3,500 flat fee; for athletic events only add 0.15 per participant, plus 10% of Police/PBOT actual costs)
Special Events Police	Regulatory - Special Events Permit Fees	Pass-Through	Annual event	Actual costs
Special Events Maintenance	Regulatory - Special Events Permit Fees	Cost Recovery	Annual event	Actual costs

Subsidized Service Data

No subsidy. Full program cost recovery.

Recommended Actions

Fees were updated October 2012. The Revenue Bureau will prepare an assessment of the impact of the new fees in 2014, after one full year of experience with the new fee structure.

STREET AND SIDEWALK USE ADMINISTRATIVE REGULATIONS

(Pursuant to PCC Chapter 1.07 this document constitutes Administrative Rules.)

Effective Date: October 15, 2012

Sections:

Section 1. Purpose
Section 2. Definitions
Section 3. Application Process
Section 4. Categories of Special Event Permits
Section 5. Other Permits
Section 6. Street and Sidewalk Use Advisory Committee
Section 7. Review Process
Section 8. Monitors
Section 9. Publicity
Section 10. Insurance, Liability Agreement, and Insurance Waivers
Section 11. Participant and Sponsor Acknowledgement
Section 12. Appeals

Section 1. Purpose

The purpose of these Administrative Regulations is to implement the provisions of Portland City Code (PCC) Chapter 7.22. These Administrative Regulations provide for issuance of permits and assessment of fees for walks, marches, parades, athletic events or other processions in streets or on sidewalks based on the need to maximize the safety of Special Event participants and others; to minimize inconvenience to the general public and disruption of public services caused by Special Event permits; and, to provide the public with the opportunity to exercise constitutionally protected rights of assembly and expression.

By issuance of these Administrative Regulations, the City has attempted to provide a clear and complete description of the Special Event Permit process. Sponsors are strongly encouraged to contact the Special Events Coordinator in the Revenue Bureau, as much in advance of the proposed event as possible, for assistance in completing the application and to ensure that the application may be processed in a timely manner. All event approvals are subject to the capacity of the City and associated agencies to provide the services required to protect the safety and convenience of the public.

Section 2. Definitions

A. Annual Special Event: An event retaining the same primary organization from prior years, occurring on or near the same date or within the same week of the year (i.e., 3rd Sunday in January), and retaining the same general geographic area (i.e., downtown) for at least the past two (2) years.

B. Application Fee: Non-refundable fee due with application.

C. Athletic Event: Any sporting event, timed or untimed, comprising all fitness levels, including but not limited to running, jogging, or walking, fun runs, persons using bicycles, wheelchairs, roller blades, roller skates, or other vehicular devices powered by human effort, as opposed to a motorized vehicle.

D. Bureau Director: The Director of the Revenue Bureau.

E. Capacity: The ability of all the service providers (Portland Bureaus of Police, Parks, Fire, and Transportation; Portland Office of Neighborhood Involvement; Portland Streetcar; Tri-Met; Multnomah County and other affected bureaus; Municipal, County or State agencies as needed on a per event basis) to provide the necessary financial, material and personnel resources to support the event, while protecting public safety and freedom of mobility within the public right-of-way.

F. City Resources: Any City service that is required to facilitate safe and orderly conduct of street and sidewalk use as allowed by Special Event Permit.

G. Closed Course: A method of securing a portion of a street for use by the sponsor by the use of traffic control devices.

H. Complete Application: An application received by the Revenue Bureau that fully responds to all questions on the application form, including, but not limited to, routing and descriptions of all event activities, as determined by the Special Events Coordinator, and which includes full payment of the non-refundable application fee.

I. Courtesy Towing: Holders of City permits which reserve specific areas for special events are allowed to remove, by towing, vehicles legally parked in the reserved area. In such instances, the permittee pays the tower based upon the "tow by the hour" rate established in the City of Portland Towing Contract.

J. Monitor: Person pre identified and designated by sponsor who is stationed along the event route to assist in the safe and orderly use of the sidewalks and streets.

K. New Special Event: any event not meeting all factors required to be defined as an Annual Special Event.

L. Organizer: An authorized representative of the sponsor and the primary contact.

M. Per Participant Fee: For all athletic events, the fee, as identified in these Administrative Rules, charged for each registered event participant.

N. Permit: A grant of permission from the City to a sponsor that authorizes the sponsor to use designated portions of the City streets or sidewalks for a use to which is lawful, but not normally allowed. The conditions of the permit are developed by the Special Events Coordinator, in conjunction with the sponsor, based on the sponsor's application and these Administrative Regulations.

O. Regulatory Division Manager: Manager of the Regulatory Division of the Revenue Bureau. The Regulatory Division Manager reviews recommendations to deny permits and may request additional information for reconsideration before ruling on denials.

P. Sidewalk: The portion of a street between the curb or the lateral lines of the roadway and the adjacent property lines, intended for use by pedestrians.

Q. Special Event: Street or sidewalk use (such as processionals, marches, walks, parades, athletic events, or demonstrations) that occupies authorized portions of City street(s) and/or sidewalk(s) for less than 24 hours and are free for the public to watch. Does not include City-sponsored events, festivals, neighborhood block parties, events that charge a fee to spectators, wedding celebrations or processionals, motorcade escorts, or funeral processionals.

R. Special Events Coordinator: The person charged with assisting sponsors with Special Event applications, coordinating with the Street and Sidewalk Use Advisory Committee, facilitating use of City resources and issuing permits.

S. Sponsor: That person, business or organization granted rights for use of the public right-of-way by mechanism of a Special Event Permit. The person or group responsible for all aspects of the approved street or sidewalk use.

T. Street: The entire width between the property lines of every public right-of way when any part thereof is open to the use of the public for purposes of use by vehicular traffic.

U. Street and Sidewalk Use Advisory Committee: The review body charged with assisting the Revenue Bureau with review of Special Event applications, in accordance with these Administrative Regulations, and with reviewing and making recommendations on changes to the Administrative Regulations.

V. Traffic Control Devices: All signs, signals, markings, and devices placed or operated by direction of the City Traffic Engineer for the purpose of guiding, directing, warning, or regulating traffic or parking.

Section 3. Application Process

A. For every type of Special Event for which a permit is required, the sponsor shall complete an application on a form provided by the Revenue Bureau and file the

B. All potential applicants should check with the Special Events Coordinator for determination of permits that may be required.

C. All potential applicants are encouraged to contact the Special Events Coordinator at the Revenue Bureau as soon as possible to discuss the desired date, planning, and conditions for issuance of a permit.

D. Applications should be filed no later than 30 days prior to the date of the Special Event to allow the City and the sponsor sufficient time to plan the Special Event. Applications filed less than 30 days prior to the date of the Special Event may be denied if there is not sufficient time available to the Revenue Bureau to process them.

E. Applications received less than 30 days prior to the proposed Special Event date are excluded from the appeal process.

F. Except for recurring, annual Special Events, no date shall be reserved until a completed application is filed with the Revenue Bureau and confirmation has been received from the Special Events Coordinator.

G. Applications for annual Special Events:

1. Dates for annual Special Events shall be reserved until 9 months prior to event date. Sponsor shall file a completed application with the Revenue Bureau no later than 9 months prior to their annual event date, or the annual Special Event date may be considered open and available.

2. The Special Events Coordinator shall review applications for annual Special Events to determine if the application is in fact for the same use held the prior year. This review shall be based on the following factors: Event name, date, timing, requested route, and sponsor.

3. Annual Special Events that fail to comply with the requirements of PCC Chapter 7.22 and these Administrative Regulations shall be placed on probation for one year. If the annual Special Event meets the requirements in the probationary year, its annual status will be reinstated. If it fails to comply in the probationary year, the use will lose annual status.

H. Application Fees, Permit Fees, Cost Recovery, and Fee Waiver:

1. Application Fees: Application fees shall be submitted with the application.

2. Permit Fees: Are determined by Special Event Coordinator and billed post-event with invoice of any other City charges for service.

3. Cost Recovery Fees: Athletic events permitted under these administrative rules are subject to the recovery of expenses incurred by Portland Police Bureau (PPB) and Portland Bureau of Transportation (PBOT). These fees will be estimated pre-event and billed on actual costs post event. Costs include, but are not limited to, staff planning and mapping hours and event day support.

4. Application and Permit Fees collected by the Revenue Bureau are for the purpose of funding one position and administrative costs associated with the Special Events program.

5. Application, permit, and cost recovery fees shall be reviewed every year. The escalation or de-escalation of application fees shall be based on the percentage increase of the Consumer Price Index for the year preceding review over the then current fee amount. The index to be used shall be the Consumer Price Index, Urban Wage Earners and Clerical Workers; Portland/Salem published by the United States Department of Labor, Bureau of Labor Statistics. The change in fee, if any, shall take effect as of the anniversary of the previous effective date of the fees. The Director may determine that fee escalation is not necessary even if the Consumer Price Index indicates an escalation may be made.

6. Waivers: For the fiscal year 2012-13 ONLY, any event that has become subject to cost recovery for required City services may apply to the Director of the Revenue Bureau for a waiver or reduction of fees. The sponsor must include the specific reasons for the request. Examples of reasons may include; irreversible ticket sales, contracts for services have been executed, or other financial commitments have been made that create a hardship for sponsor to reimburse the City for its services. The decision of the Director shall be final.

I. Modification of Special Event Permit. For Street, Small Parade, or Large Parade events, at least 75% of the minimum number of participants must be present within 15 minutes of the designated start time for the use to proceed as planned. If inadequate participation is present, the Special Events Coordinator or the police supervisor assigned to the event may reasonably modify the permit so the use may proceed in a manner other than as planned which will not unduly require use of City resources and will minimize inconvenience to the public.

Section 4. Categories of Special Event Permits

A. The City has created the following categories of Special Event permits:

1. Small Sidewalk Event;

2. Large Sidewalk Event;

3. Street Event;

4. Public Event;

5. Small Parade Event;

6. Large Parade Event;

7. Small Athletic Event;

8. Medium Athletic Event;

9. Large Athletic Event;

B. The City has based the Special Event categories on the following criteria:

1. The location of the event: on a sidewalk or pedestrian pathway, or on a street.

2. The number of participants.

3. Activities included in the event.

4. Event distances in the right of way.

5. The use of motor vehicles and/or animals.

6. The City resources required to ensure that the event may be conducted in a safe manner that minimizes the inconvenience and disruption of public services caused by the event.

7. The assessment of risk of personal injury or property damage that may occur as a result of the event.

C. Fees are assessed based on the amount of administration, police and transportation support required for the category of Special Event.

D. Summary of permit requirements:

Special Event Permit Categories	**Application Fee**	**Other Fees Required**	**Insurance & Liability Required**
Small Sidewalk Event • Less than 200 people • Held on sidewalk • Obey all traffic regulations • No City support required	$25.00	None	Yes
Large Sidewalk Event • At least 200 people • Held on sidewalk • Obey all traffic regulations • Minimal City support required	$25.00	None	Yes
Street Event • At least 75 people • Held in street • Typically requires participants to obey all traffic regulations • Police and transportation support, if needed, if interference with vehicular traffic	$25.00	None	Yes

Special Event Permit Categories	Application Fee	Other Fees Required	Insurance & Liability Required
Public Event • No event fee is charged to participants. • No vendors allowed sell food, beverages, merchandise or services during the event, nor charge any fee for the use of a float or motorized vehicle on the selected event route. • Requires closure of less than five or more contiguous city blocks and/or does not require the closure of any city block for more than 1 hour • Requires at least 200 participants if the event intends to use the street in the downtown area, requires at least 100 participants elsewhere in the city.	$25.00	None	Yes
Small Parade Event • At least 75 people, and the combination of people, vehicles and/or animals is fewer than 10 blocks in length and the route is less than one mile • Held in street • Limited animals or vehicles allowed • Police Transportation support may be required because of interference with vehicular traffic	$25.00	$150.00 Permit	Yes
Large Parade Event • At least 75 people, and the combination of people, vehicles and/or animals is greater than 10 blocks in length and the route is longer than one mile • Held in street • Animals or vehicles allowed • Police and Transportation support required, including mapping and traffic control devices, because of interference with vehicular traffic	$25.00	$1000.00 Permit	Yes
Small Athletic Event • Fewer than 750 participants • No event distance greater than 10 kilometers on City streets or sidewalks • Held in the street, or combination of street/sidewalk/park • Preapproved route required • Police and Transportation services may be required	$25.00	• $300.00 Flat Fee plus; • $0.15 per participant plus; • actual PPB/PBOT* costs plus; • 10% surcharge of PPB/PBOT costs	Yes
Medium Athletic Event • More than 750 participants • No event distance greater than 10 kilometers on City streets or sidewalks (excludes distances on Parks and private property) • Held in the street, or combination of street/sidewalk/park • Preapproved route required • Police and Transportation services may be required	$25.00	• $2000.00 Flat Fee plus; • $0.15 per participant plus; • actual PPB/PBOT* costs plus; • 10% surcharge of PPB/PBOT costs	Yes
Large Athletic Event • More than 750 participants • Requires greater than 120 City staff hours or includes event distances greater than 10 kilometers on City streets or sidewalks (excludes distance on Parks or private property) • Held in the street, or combination of street/sidewalk/park • Preapproved route required • Police and Transportation services may be required	$25.00	• 3500.00 Flat Fee plus; • $0.15 per participant plus; • actual PPB/PBOT* costs plus; • 10% surcharge of PPB/PBOT costs	Yes

*PPB is the abbreviation of Portland Police Bureau; PBOT is the abbreviation of Portland Bureau of Transportation

E. Special Event requirements:

1. Small Sidewalk Event:

a. Fees, Application and Permit Requirements:

(1) Fees: $25.00 Application Fee

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The small sidewalk event is held on a sidewalk or a pedestrian pathway; and

(2) Number of Participants: It is anticipated that there will be fewer than 200 participants total, or no more than 200 participants starting within any one hour period for the duration of the small sidewalk use; and

(3) Use of Animals and/or Motor Vehicles: No animals and/or motor vehicles will participate; and

(4) City Resources Required: Minimal City resources are required because the small sidewalk event is held on the sidewalk, participants are required to cross streets only at legal crossings, and to obey all traffic regulations; and

2. Large Sidewalk Event

a. Fees, Application and Permit Requirements:

(1) Fees: $25.00 Application Fee.

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The large sidewalk event is held on a sidewalk or pedestrian pathway; and

(2) Number of Participants: It is anticipated that there will be 200 or more participants; and

(3) Use of Animals and/or Motor Vehicles: No animals and/or motor vehicles will participate; and

(4) City resources required: Only minimal use of City resources is required because the large sidewalk event is held on the sidewalk, participants are required to cross streets only at legal crossings, and to obey all traffic regulations along the entire length of the route. However, because the large sidewalk event may interfere with normal pedestrian traffic due to the number of participants, administration support including route review and scheduling is required.

(a) Administration Support:

(i) Route Review: The sponsor in consultation with the Special Events Coordinator shall designate the route. After the route has been approved by the Special Events Coordinator, it may not be changed without prior written approval of the Special Events Coordinator;

(ii) Routes for large sidewalk events shall be designed so that they do not cross streets except at legal crossing points. The City will not divert traffic or permit a closed course for the large sidewalk event;

(iii) The sponsor shall organize the large sidewalk event to ensure that all participants remain on the sidewalk or pedestrian pathway and obey all traffic regulations along the entire length of the route. Sponsor shall submit a plan to the Special Events Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section, including provision of monitors;

(iv) The method of marking the route shall be submitted to the Special Events Coordinator with the application. Painting or other methods that will cause damage to the sidewalk, street or other fixtures is prohibited. All approved route markings shall be removed within 24 hours of the conclusion of the large sidewalk event.

(v) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the large sidewalk event to be scheduled. Scheduling includes picking a date that does not conflict with other permitted events or activities on the route.

3. Street Use Event

a. Fees, Application and Permit Requirements:

(1) Fees: $25.00 Application Fee

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The street use event is held in the street; and

(2) Number of Participants: It is anticipated that there will be 75 participants or more; and

(3) Use of Animals and/or Motor Vehicles: No animals and/or motor vehicles, other than support vehicles, will participate; and

(4) Typically requires participants to obey all laws.

(5) City Resources Required: Use of City resources may be required if the street use interferes with normal vehicular traffic.

(a) Administration Support:

(i) Route Review: The sponsor in consultation with the Special Events Coordinator shall designate the route of at least four blocks. After the route has been approved by the Special Events Coordinator, it may not be changed without prior written approval of the Special Events Coordinator;

(ii) The sponsor shall organize the street use to ensure that all participants remain on the designated route, and obey instructions of police officers and traffic control devices, if any, along the entire length of the route. Sponsor shall submit a plan to the Special Events Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section, including provision of monitors. A closed course may be required;

(iii) No route markings are permitted without prior written approval of the Special Events Coordinator.

(iv) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the street use to be scheduled. Scheduling includes picking a date that does not conflict with other permitted events or other activities on the route and arranging transportation support if needed, and police support.

(b) Police Support: Street events may require police support; and;

(c) Transportation Support:

(i) Maps: Mapping of the route may be required; and;

(ii) Traffic Control Devices: The City may provide traffic control devices or may require sponsor to contract those services from an approved private vendor.

4. Public Event

a. Fees, Application and Permit Requirements

(1) Fees: $25.00 Application Fee

(2) Application and Permit Required: Yes.

b. Criteria

(1) No event fee is charged to participants.

(2) The sponsor does not charge a fee to any vendor for the right to sell food, beverages, merchandise or services during the event, nor charge any fee for the use of a float or motorized vehicle on the selected event route.

(3) The event is open to all members of the public. No payment, pledge, services or fee is required to participate.

(4) The event does not require the closure of five or more contiguous city blocks and/or the event does not require the closure of any city block for more than 1 hour.

(5) The event has at least 200 participants if the event intends to use the street in the downtown area, at least 100 participants required in other areas of the city.

(6) Use of Animals or Motor Vehicles: Small numbers of animals and/or motor vehicles may participate; and

(7) City Resources Required: Use of City resources is required if the event is held in the street and will interfere with normal vehicular traffic.

(a) Administration Support:

(i) Route Review: The sponsor in consultation with the Special Events Coordinator shall designate the route. After the route has been approved by the Special Events Coordinator, it may not be changed without prior written approval of the Special Events Coordinator;

(ii) The sponsor shall organize the public event to ensure that all participants remain on the designated route, and obey instructions of police officers along the entire length of the route. Sponsor shall submit a plan to the Special Events Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section including provision monitors;

(iii) No route markings are permitted without prior written approval of the Special Events Coordinator.

(iv) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the public events to be scheduled. Scheduling includes picking a date that does not conflict with other permitted events or other activities on the route and arranging for police support.

(b) Police Support: Public events in the street require police support.

5. Small Parade Event

a. Fees, application and permit requirements:

(1) Fees:
(a) $25.00 Application Fee
(b) $150.00 Permit Fee

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The small parade is held in the street; and

(2) Number of Participants: It is anticipated that there will be a minimum of 75 participants, and the combination of people, vehicles and/or animals will not exceed ten blocks

in length, and generally the route will be less than one mile; and

(3) Use of Animals or Motor Vehicles: Small numbers of animals and/or motor vehicles may participate; and

(4) City Resources Required: Use of City resources is required because the small parade is held in the street and will interfere with normal vehicular traffic.

(a) Administration Support:

(i) Route Review: The sponsor in consultation with the Special Events Coordinator shall designate the route. After the route has been approved by the Special Events Coordinator, it may not be changed without prior written approval of the Special Events Coordinator;

(ii) The sponsor shall organize the small parade to ensure that all participants remain on the designated route, and obey instructions of police officers along the entire length of the route. Sponsor shall submit a plan to the Special Events Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section including provision monitors;

(iii) No route markings are permitted without prior written approval of the Special Events Coordinator.

(iv) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the small parade to be scheduled. Scheduling includes picking a date that does not conflict with other permitted events or other activities on the route and arranging for police support.

(b) Police Support: Small parades require police support.

6. Large Parade Event

a. Fees, application and permit requirements:

(1) Fees:

(a) $25.00 Application Fee

(b) $1000.00 Permit Fee

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The large parade is held in the street; and

(2) Number of Participants: It is anticipated that there will be a minimum of 75 participants, and the combination of people, vehicles and/or animals will exceed ten blocks in length and generally the route will be longer than one mile; and

(3) Use of Animals or Motor Vehicles: Animals and/or motor vehicles may participate if approved; and

(4) City Resources Required: Use of City resources is required because the large parade is held, at least partially, in the street and will interfere with normal vehicular traffic.

(a) Administration Support:

(i) Route Review: The sponsor in consultation with the Special Events Coordinator shall designate the route. After the route has been approved by the Special Events Coordinator it may not be changed without prior written approval of the Special Events Coordinator;

(ii) The sponsor shall organize the large parade to ensure that all participants remain on the designated route, and obey instructions of police officers and traffic control devices along the entire length of the route. Sponsor shall submit a plan to the Special Events Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section including provision of monitors. A closed course is required;

(iii) No route markings are permitted without the prior written approval of the Special Events Coordinator.

(iv) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the large parade to be scheduled. Scheduling includes picking a date that does not conflict with other

permitted events or other activities on the route, and arranging police and transportation support.

(b) Police Support: Police support is required.

(c) Transportation Support:

(i) Maps: A traffic control plan and maps of intersections may be required for use of police support and monitors.

(ii) Traffic Control Devices: The City may provide traffic control devices.

7. Small Athletic Event

a. Fees, Application and Permit Requirements:

(1) Fees:
- **(a)** $25.00 Application Fee
- **(b)** Permit Fee Consisting of:
  - **(i)** $300.00 Flat Fee
  - **(ii)** $0.15 Per Participant Fee
  - **(iii)** Full Recovery of PPB & PBOT Costs
  - **(iv)** 10% Surcharge of Combined PPB & PBOT Costs

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The small athletic use is held in the street, or combination of street, sidewalk, and/or park; and

(2) Distance: No event distance in the City right-of-way is greater than 10 kilometers; and

(3) Number of Participants: It is anticipated that there will be fewer than 750 participants; and

(4) Use of Animals and/or Motor Vehicles: Animals and/or motor vehicles may participate if approved; and

(5) City Resources Required: Use of City resources may be required for events that utilize City streets; coordination, traffic control planning, police services, and potential use of traffic control devices.

(a) Administration Support:

(i) Route Review: The sponsor, in consultation with the Special Events Coordinator shall propose route. After the route has been reviewed and approved by the Special Events Coordinator, Changes require approval of the Special Event Coordinator, or Designee on day of the event.;

(ii) Compliance and Monitors: The sponsor shall organize the athletic use to ensure that all participants: remain on the designated route, obey instructions of police officers, and comply with traffic control devices along the entire length of the route. Sponsor must submit a plan to the Special Events Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section, including provision of monitors. A closed course is required;

(iii) Route Marking: No route markings are permitted without the prior written approval of the Special Events Coordinator;

(iv) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the small athletic events to be scheduled. Scheduling includes selecting a date that does not conflict with other activities on, or immediately adjacent to, the route, and does not exceed the City's capacity to provide required services.

(b) Police Support: Police support may be required to meet safety standards. The sponsor is required to pay full cost recovery for any required police services.

(c) Transportation Support: May be required to meet safety standards. The sponsor is required to pay full cost recovery for any required services.

(i) Maps: A traffic control plan and intersection diagrams are required. The sponsor is required to pay cost recovery on any traffic engineering services provided by the City.

(ii) Traffic Control Devices: When practical, the sponsor may hire resources from an approved, private traffic control vendor. If

contracted from a private company, controls must meet designated requirements of the City developed traffic control plan. The sponsor is required to pay full cost for traffic control devices and services provided by the City.

(6) Other factors for all athletic events:

(a) Athletic events that close streets shall be held on Sundays or approved holidays; with starting times no later than 9:00 a.m. Exceptions are permitted only with prior written approval of the Special Event Coordinator.

(b) The tail cars for athletic events that consist of road runs shall maintain an overall pace of 12 minutes per mile, and the City will only control the course in front of the tail car. The police supervisor may adjust the pace as necessary for the safety of the runner participants.

8. Medium Athletic Events

a. Fees, permit and application requirements:

(1) Fees:
- **(a)** $25.00 Application Fee
- **(b)** Permit Fee consisting of:
  - **(i)** $2000.00 Flat Fee
  - **(ii)** $0.15 Per Participant Fee
  - **(iii)** Full Recovery of PPB & PBOT Costs
  - **(iv)** 10% Surcharge of PPB & PBOT Costs

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The medium athletic use is held in the street, or combination of street, sidewalk, and/or park; and

(2) Distance: No event distance in the City right-of-way is greater than 10 kilometers; and

(3) Number of Participants: It is anticipated that there will be a minimum of 750 participants; and

(4) Use of Animals and/or Motor Vehicles: Animals and/or motor vehicles may participate if approved; and

(5) City Resources Required: Use of City resources is required because the medium athletic use is held in the street and will interfere with normal vehicular traffic, will have large numbers of participants, and will involve athletic activity.

(a) Administration Support:

(i) Route Review: The sponsor in consultation with the Special Event Coordinator shall designate the route. After the route has been approved by the Special Event Coordinator it may not be changed without prior written approval of the Special Event Coordinator;

(ii) The medium athletic use sponsor shall organize the large athletic use to ensure that all participants remain on the designated route, and obey instructions of police officers and traffic control devices along the entire length of the route. Sponsor shall submit a plan to the Special Event Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section including provision of monitors. A closed course is required;

(iii) No route markings are permitted without the prior written approval of the Special Event Coordinator;

(iv) Routes for special events, held in conjunction with large athletic events, shall be designed so that they do not cross the medium athletic event route or any locations where motor vehicle traffic is allowed to cross the large athletic event route.

(v) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the large athletic event to be scheduled. Scheduling includes picking a date that does not conflict with other permitted events or other activities on the route, and arranging police and transportation support.

(b) Police Support: Police support may be required to meet safety standards. The sponsor is required to pay full cost recovery for any required police services.

(c) Transportation Support: May be required to meet safety standards. The sponsor is required to pay full cost recovery for any required services.

(i) Maps: A traffic control plan and intersection diagrams are required. The sponsor is required to pay cost recovery on any traffic engineering services provided by the City.

(ii) Traffic Control Devices: When practical, the sponsor may hire resources from an approved, private traffic control vendor. If contracted from a private company, controls must meet designated requirements of the City developed traffic control plan. The sponsor is required to pay full cost for traffic control devices and services provided by the City.

(6) Other factors for all athletic events:

(a) Athletic events that close streets shall be held on Sundays or approved holidays; with starting times no later than 9:00 a.m. Exceptions are permitted only with prior written approval of the Special Event Coordinator.

(b) The tail cars for athletic events that consist of road runs shall maintain an overall pace of 12 minutes per mile, and the City will only control the course in front of the tail car. The police supervisor may adjust the pace as necessary for the safety of the runner participants.

9. Large Athletic Events

a. Fees, Application and Permit Requirements:

(1) Fees:
- **(a)** $25.00 Application Fee
- **(b)** Permit Fee Consisting of:
  - **(i)** $3500.00 Flat Fee
  - **(ii)** $0.15 Per Participant Fee
  - **(iii)** Full Recovery of PPB & PBOT Costs
  - **(iv)** 10% Surcharge of PPB & PBOT Costs

(2) Application and Permit Required: Yes.

b. Criteria:

(1) Location: The large athletic event is held in the street; or combination of street, sidewalk, and/or park; and

(2) Number of Participants: It is anticipated that there will be more 750 participants and/or spectators; and

(3) Distance: Event distance is the City right-of-way is greater than 10 kilometers; and

(4) Use of Animals and/or Motor Vehicles: Animals and/or motor vehicles may participate if approved; and

(5) City Resources Required: Use of City resources is required because the large athletic event is held in the street and will interfere with normal vehicular traffic, and because of the large numbers of participants and/or spectators which will require extensive traffic and crowd control measures. Any event that utilizes over 120 hours of City staff time will be included in this category.

(a) Administration Support:

(i) Route Review: The sponsor in consultation with the Special Event Coordinator shall designate the route. After the route has been approved by the Special Event Coordinator it may not be changed without prior written approval of the Special Event Coordinator;

(ii) The sponsor shall organize the large athletic event to ensure that all participants remain on the designated route, and obey instructions of police officers and traffic control devices along the entire length of the route. Sponsor shall submit a plan to the Special Event Coordinator, with the application, describing how the sponsor plans to ensure compliance with this section including provision of monitors. A closed course is required;

(iii) No route markings are permitted without prior written approval of the Special Events Coordinator.

(iv) Scheduling: To avoid conflicts and to minimize public inconvenience, it is necessary for the large athletic event to be scheduled. Scheduling includes picking a date that does not conflict with other

permitted events or other activities on the route, and arranging police and transportation support.

(b) Police Support: Police support may be required to meet safety standards. The sponsor is required to pay full cost recovery for any required police services.

(c) Transportation Support: May be required to meet safety standards. The sponsor is required to pay full cost recovery for any required services.

(i) Maps: A traffic control plan and intersection diagrams are required. The sponsor is required to pay cost recovery on any traffic engineering services provided by the City.

(ii) Traffic Control Devices: When practical, the sponsor may hire resources from an approved, private traffic control vendor. If contracted from a private company, controls must meet designated requirements of the City developed traffic control plan. The sponsor is required to pay full cost for traffic control devices and services provided by the City.

(6) Other factors for all athletic events, including large events that include athletic activity:

(a) Athletic events that close streets shall be held on Sundays or approved holidays; with starting times no later than 9:00 a.m. Exceptions are permitted only with prior written approval of the Special Event Coordinator.

(b) The tail cars for athletic events that consist of road runs shall maintain an overall pace of 12 minutes per mile, and the City will only control the course in front of the tail car. The police supervisor may adjust the pace as necessary for the safety of the runner participants.

Section 5. Other Permits

A. The Special Event Permit covers only activities on a sidewalk or pedestrian pathway or on a street. It is the responsibility of the sponsor to obtain any other

permit that may be required for a particular use. Permits for other uses may be obtained from the following agencies:

1. Parks use:

a. City Parks, Portland Parks and Recreation.

b. Schrunk Plaza, U. S. General Services Administration.

c. Pioneer Courthouse Square, Pioneer Courthouse Square Office.

2. Amplified sound, City Noise Control Officer.

3. Structure erected in or over a street, City Street Systems Division.

4. Use of Bridges, Contact Special Events Coordinator for information regarding specific bridges.

5. Bridge closure (60 day notice required), United States Coast Guard.

6. Food service, Multnomah County Health Division.

7. Alcoholic beverages, Oregon Liquor Control Commission.

8. Light rail or bus routes, TriMet.

9. Block parties, Portland Office of Neighborhood Involvement.

10. Community events, Portland Bureau of Transportation.

B. Telephone numbers and addresses for these agencies are available from the Revenue Bureau or City/County Information.

Section 6. Street and Sidewalk Use Advisory Committee

A. The Street and Sidewalk Use Advisory Committee shall be composed of representatives from the following:

1. Revenue Bureau (Chair);

2. Portland Police Bureau;

3. Portland Fire & Rescue;

4. Portland Bureau of Transportation, Maintenance Division;

5. Tri County Metropolitan Transportation District of Oregon (TriMet);

6. Portland Bureau of Transportation, Traffic Management Division;

7. Portland Streetcar;

8. Portland Parks and Recreation; and

9. Office of Neighborhood Involvement

B. The Street and Sidewalk Use Advisory Committee shall be charged with the following duties:

1. It shall review applications for exceptional uses based on the criteria listed in section 7.A.1 of these Administrative Regulations; and

2. It shall make recommendation at for the level of services required for each special event.

3. It shall review proposed changes to these Administrative Regulations and make recommendations on the changes to the Bureau Director; and

4. It shall determine whether a closed course is required for a category of Special Event; and

5. It shall review and make recommendations on objections to closed course event applications; and

6. It shall assist the Special Events Coordinator in the performance of the Coordinator's duties as needed; and

7. It shall periodically review the effectiveness of City resources provided for permitted events.

Section 7. Review Process

A. Special Events Coordinator

1. In order to make reasonable accommodation for all categories of events, the Special Events Coordinator shall review applications for permits based on the following criteria:

a. The proposed event can function safely; and

b. The proposed event is designed to protect the safety of participants and others; and

c. The required City resources, including administrative, police and transportation support are available to support the proposed event and the proposed event will not deny reasonable City services, including police protection, to the City; and

d. The proposed event will not cause undue interference with previously approved construction, maintenance or other activities, including other approved events; and

e. The proposed event will not cause undue interference with public transit systems or the use of rights-of-way, and will not unduly inconvenience the general public; and

f. The date the application is received by the Revenue Bureau.

2. Closed Course Review

a. The Special Events Coordinator shall determine whether a particular event requires a closed course.

b. For closed course events that restrict access for six hours or more, the sponsor shall obtain permission of property owners and tenants whose property is enclosed by or abuts the closed course, and submit written evidence of permission to the Revenue Bureau.

(1) If there are objections to the closed course, the Special Events Coordinator will review them and attempt to mediate. If concerns remain after mediation, the closed course event application shall be referred back to the Street and Sidewalk Use Advisory Committee for review and recommendation.

(2) If all concerns are resolved, the Special Events Coordinator shall issue a permit for a closed course event.

B. Revenue Bureau

1. Based on the review required by section 7. A. of these Administrative Regulations, the Special Events Coordinator may issue a permit, or if the application for the Special Event does not comply with these Administrative Regulations or PCC Chapter 7.22, the Special Events Coordinator may offer a modification of the requested permit or recommend denial of the permit to the Regulatory Division Manager. The Special Events Coordinator shall notify the sponsor in writing of the disposition of the application. A permit that is denied or modified may be appealed as provided in section 12 of these Administrative Regulations.

2. The Special Events Coordinator may limit the number of Special Events permitted based on the availability of City resources.

3. For small parades, large parades, or athletic events, the Special Events Coordinator may require a sponsor to submit status reports on planning for event and the financial commitment of sponsors at any time after the application is filed and before the event occurs. If the Special Events Coordinator determines, based on the status reports, that the event is underfunded or that planning is insufficient so that the event is likely to fail, the Special Events Coordinator may request denial or revocation of the permit within a reasonable time before the date of the event.

Section 8. Monitors

A. Sponsors of Special Events shall provide monitors and shall instruct the monitors in methods of assisting in staging safe and orderly street and sidewalk use.

B. Monitors must be a minimum of 16 years old, and easily identifiable through a means such as a badge, arm band, bib, shirt or cap.

C. The Portland Bureau of Transportation representative on the Street and Sidewalk Use Advisory Committee shall prepare a traffic control plan for large parades and athletic events. The traffic control plan shall indicate the locations where monitors shall be present and shall provide guidelines on monitor use and barricade locations.

D. The Special Events Coordinator and the Street and Sidewalk Use Advisory Committee shall assist the sponsors of street and small parade events in determining the recommended number of monitors and their function.

E. The Special Events Coordinator may request proof of sufficient numbers of monitors from sponsors of large parade and athletic events. Proof shall consist of names and contact information, and the means of identifying monitors as provided in section 8.B of these Administrative Regulations. Proof shall be provided to the Special Events Coordinator five working days prior to the date of the use.

F. The Special Events Coordinator or the police supervisor assigned to the Special Event permit may request that the sponsor provide proof of sufficient monitors, and the means of identifying the monitors as provided by section 8.B of these Administrative Regulations immediately prior to the start of the use. Proof shall be in the form of a head count of monitors present.

Section 9. Publicity

A. Sponsors are advised not to publicize proposed Special Events until after receipt of the permit from the Revenue Bureau to avoid publication of misinformation. Sponsors who disregard this precaution shall not receive special consideration in determining approval for the proposed event because of advance preparation or the expenditure of money.

B. Sponsors of athletic and large parade events with a closed course, shall notify residential complexes, neighborhood groups, businesses and churches which will be affected by the event closures. The notification shall be made not more than fourteen (14) days before, and not less than 6 days prior to the event date. The notification shall be in writing and shall include the name and telephone number of the appropriate City official to contact in case of questions or concerns. A sample form of notification is available at the Revenue Bureau. A copy of the actual form of notification shall be sent to the Revenue Bureau not less than six (6) days before the event date with a list of those notified.

Section 10. Insurance, Liability Agreement and Insurance Waivers

A. Insurance

1. Proof of public liability and property damage insurance as provided in section 2. below shall accompany applications for small parades, large parades, and athletic events.

2. The sponsor shall maintain public liability and property damage insurance that protects the sponsor and the City and its officers, agents and employees from any and all claims, demands, actions and suits for damage to property or personal injury, including death, arising from the sponsor's event. The insurance shall provide coverage for not less than $1,00,000 for personal injury to each person, $1,000,000 for each occurrence, and $500,000 for each occurrence involving property damage; or a single limit policy of not less than $1,000,000 covering all claims per occurrence. The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the State of Oregon. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds the City and its officers, agents and employees. Notwithstanding the naming of additional insureds, the insurance shall protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The coverage shall apply as to claims between insureds on the policy. The insurance shall provide that the insurance shall not terminate or be cancelled without thirty (30) days written notice first being given to the Special Events Coordinator. If the insurance is cancelled or terminated prior to completion of the event, the sponsor shall provide a new policy with the same terms. The sponsor agrees to maintain continuous, uninterrupted coverage until the completion of the event. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by the sponsor. The sponsor shall maintain on file with the Revenue Bureau a certificate of insurance certifying the coverage required by this section. The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate revocation of sponsor’s Special Event Permit.

B. Liability Agreement: Sponsors of small parades, large parades, and athletic events shall hold harmless, defend and indemnify the City and the City’s officers, agents and employees against all claims, demands, actions and suits (including all attorney fees and costs) brought against any of them arising from sponsor’s activities authorized by a Special Event Permit.

C. Insurance Waivers

1. If an event organizer cannot provide event insurance, the organizer may request an insurance waiver. A request for an insurance waiver must be indicated on the event application. The Event Coordinator will refer all requests for an insurance waiver to the Revenue Bureau Director.

2. The Revenue Bureau Director will review the request for an insurance waiver and issue an approval or denial of the waiver within seven (7) business days of receiving an application that requests an insurance waiver. This timeline may be expedited.

3. Criteria for Insurance Waivers. Events will be eligible for an insurance waiver if:

a. Event is an exercise of rights protected by the First or Fourteenth Amendments to the US Constitution or Article I, Section 8 of the Oregon Constitution.

OR

b. Event is categorized as a Public; Small, or Large Sidewalk Event; and

c. Event organizer can show the cost of insurance would present a financial hardship; and

d. Event organizer does not charge an entry fee to participants, floats or vendors; and

e. Event does not qualify for coverage under a Neighborhood Association or school, or parent organization.

Section 11. Participant and Sponsor Acknowledgement

A. Participants in and sponsors of special events acknowledge and understand that participating in an event includes an element of risk to participants and sponsors. Participants and sponsors also acknowledge and understand that although police support may be provided, motor vehicle traffic and spectators may be present along the route and the route may be in a street that is not designed for pedestrian travel or athletic activity. Therefore participants and sponsors assume the risk of participating under such conditions, and all other risks associated with participating in an event including but not limited to illness, traveling to and from the event, falls, contact with spectators and other participants, animals or motor vehicles, the effects of the weather and the surface condition of streets and sidewalks.

B. The acknowledgement provided in subsection A. of this section applies to all Special Events. However, sponsors of events that require participants to complete an application form to participate shall include the language of subsection A. of this section in the application form.

Section 12. Appeals

Denial of an application for a Special Event Permit may be appealed as provided by this section.

A. A sponsor whose application for a Special Event Permit is denied or modified may appeal the denial or modification by filing a written notice of appeal with the Bureau Director no later than five business days following receipt of written notice from the Revenue Bureau that the application for a permit is denied or modified.

B. The burden of persuasion is on the sponsor. The sponsor may provide written or oral evidence to the Bureau Director in support of the sponsor's appeal. If written evidence is to be presented, it shall accompany the sponsor's notice of appeal. If the sponsor wants to present oral evidence, the sponsor shall request a hearing before the Bureau Director in the sponsor's written notice of appeal.

C. The Bureau Director shall schedule any requested oral presentation as soon as reasonably possible, but no more than five business days, following receipt of the notice of appeal by the Revenue Bureau.

D. The Bureau Director shall make a decision on the appeal as soon as reasonably possible following conclusion of presentation of additional evidence by the sponsor, but no more than five days following conclusion of presentation of evidence.

E. The decision of the Bureau Director may be appealed to City Council, but only after the sponsor has exhausted the administrative remedies provided by this section.

F. In any appeal to City Council, no additional evidence may be presented and City Council will make its decision based on the evidentiary record before the Bureau Director.

STREET AND SIDEWALK USE
INTERIM ADMINISTRATIVE REGULATIONS

Issuance of permits for Special Events shall be in accordance with provisions of Chapter 7.22 of the Code of the City of Portland, Oregon (PCC) and as further outlined in these Administrative Regulations established by the Revenue Bureau.

STREET AND SIDEWALK USE
INTERIM ADMINISTRATIVE REGULATIONS

Issuance of permits for Special Events shall be in accordance with provisions of Chapter 7.22 of the Code of the City of Portland, Oregon (PCC) and as further outlined in these Administrative Regulations established by the Revenue Bureau.

These interim rules are adopted pursuant to PCC 7.22.020(b) 3. Failure to act promptly and without prior public notice may result in serious prejudice to the public interest or the affected parties. There is insufficient time to conduct public hearings for administrative rule proposals, therefore these interim rules are adopted and will remain in effect for a period not to exceed 180 days.

Thomas W. Lannom
Director
Revenue Bureau

8 NOV 2012
Date Adopted*

*These interim rules are effective for a period not to exceed 180 days or until permanent rules are adopted.

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Fee
Towing Contract Fees

Fee Description
The Tow Contract provides vital vehicle towing and storage services for Portland Police, Portland Bureau of Transportation (PBOT), Multnomah County, ODOT, TriMet and Portland Streetcar. This contract provides for the monitoring of standards for reliable, timely and professional agency-requested tows. Through the service fees paid as part of each vehicle tow request, the Program provides dispatch, coordination, documentation, and performance monitoring for agency-ordered vehicle towing, storage and billing services.

Service Benefit
Program staff members monitor performance by contracted tow companies in providing the above-listed services to City Bureaus and other agencies. Regular reports are provided to the Towing Board of Review regarding timeliness and consistency of response to calls for tow service. Driver criminal backgrounds and driving records are examined for disqualifying factors, driver training to City standards is provided monthly, equipment and storage facilities are regularly inspected to provide important consumer and safety protections for citizens and vehicles being towed. When tow companies do not meet performance standards, the program provides guidelines for improvement, or, if no improvement is forthcoming, manages the process to remove noncompliant contractors. Program staff members also manage citizen complaints or requests for assistance, enforcing compliance with requirements for rapid and convenient retrieval of vehicles. Staff members also enforce consumer protection regulations, such as notification requirements and maximum fees. These services ensure that the public safety and convenience are protected.

Fee Category and Rate Formulation
Cost Recovery and Pass-Through - Fees per tow are formulated to cover the cost of providing services. The City Service fee of $20.00 per vehicle tow supports the Regulatory staff required. In addition, separate components of the tow fee provide cost recovery for the tow desk (dispatch and recordkeeping) contract, and the cost of service for the tower. Program contract service fees provide the main program funding; penalty fees provide disincentives against violations and contribute to cost recovery for complaint investigation.

Economic Impact of New or Expanded Fees
Towing service fees are charged per tow and paid by each individual retrieving their towed vehicle. Given that agency-ordered tows are involuntary, every effort is made to maintain the City service fees at actual cost recovery.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
In order to maintain efficient and necessary towing services for City and other government agencies, tow rates must be maintained at a level to adequately fund dispatch, recordkeeping, performance and complaint management services. The necessity for cost recovery must be balanced, however, against the impact upon the citizen who must pay the tow fee in order to retrieve their vehicle. The per tow City Service fee was $6 per tow in 1994, increased to $7 per tow in 1995, $8 per tow in 1998, and $10 per

tow in 2001. In 2011 the fee per tow was increased to $20 per tow. Additional increases will be considered over the next few years in order to cover indirect costs and additional program needs, such as database improvements. Penalty amounts were increased in the new five-year contract that began in September 2013.

The overall achievement of City goals.
Portland Police Bureau, Portland Bureau of Transportation, Oregon Department of Transportation, TriMet, Streetcar and Multnomah County all rely upon the dispatch, recordkeeping, driver review and training, equipment and vehicle inspection services performed and reviewed by Tow Program staff. In addition, consumer safety and convenience is protected by vehicle retrieval services and enforcement of regulations regarding notification, retrieval, safety and maximum fees.

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	Unit or Period Fee applied to	Current or proposed fee
Towing Contract Application Fee	Regulatory - Towing Contract Fees	Cost Recovery	Per application	$ 125.00
Towing Parking Enforcement Fees	Regulatory - Towing Contract Fees	Pass-Through	Per Tow Retrieved	$13.00 per tow
Towing Contract Penalties	Regulatory - Towing Contract Fees	Compliance Penalty	Per violation	Range: $15 to $500
Towing Contract Service Fees	Regulatory - Towing Contract Fees	Cost Recovery	Per Tow Retrieved	$ 20.00

Subsidized Service Data
No subsidy. Full program cost recovery.

Recommended Actions
Fee levels will be assessed annually to see if any updates are needed.

Office of Management and Finance
Fee Review
Fee Description
Revenue Bureau

Fee
Towing Private Property Impound Fees

Fee Description
The Private Property Impound (PPI) Code provides important consumer and safety protections when vehicles are involuntarily towed for parking without permission on private property, including private parking lots. The City service fee funds the staff that monitor tow company and driver compliance with regulations providing important safety and consumer protections, and enabling prompt vehicle retrieval.

Service Benefit
Program staff members monitor tow company compliance with standards for notification and lot signage, requirements for release of the vehicle at the scene and after impound, conditions for vehicle and personal property retrieval, documentation, driver criminal and background checks and training. Staff investigate and issue determinations regarding citizen complaints, and provide assistance when vehicle retrieval is difficult. Maximum tow fee and maximum release the scene amounts are provided via administrative rule. Fee refunds and penalties are issued where appropriate, and provide important disincentives against violation of Code requirements that protect the public. Through the service fees paid as part of each vehicle tow request, the Program provides dispatch, coordination, documentation, and complaint resolution for involuntary tows occurring within Portland on private property. Staff oversight helps ensure that citizens are provided with adequate warning of potential tow from private property, and, when a tow does occur, staff oversight helps ensure that safety and convenience of the public are protected. City regulation prevents abuse by non-compliant or unpermitted tow companies, and helps to ensure that public safety and convenience are protected.

Fee Category and Rate Formulation
Compliance Penalty and Cost Recovery - Fees per tow are formulated to cover the cost of providing services. The City Service fee was increased July 1, 2013 from $10.00 to $11.00 per tow. This fee currently supports the Regulatory staff required. (In addition, separate components of the tow fee provide cost recovery for the tow desk (dispatch and recordkeeping) contract, and the cost of service for the tower.) PPI program City service fees provide the main program funding; penalty fees provide disincentives against violations and contribute to cost recovery for complaint investigation. Recent State of Oregon legislation enables a permit fee to the two companies, which will help defray additional costs to consumers.

Economic Impact of New or Expanded Fees
Towing service fees are charged per tow and paid by each individual retrieving their towed vehicle. Given that private property impound tows are involuntary, City service fees are maintained at actual cost recovery for the services provided.

The impact of imposing or increasing fees on economically at-risk populations and on businesses.
In order to maintain efficient and necessary towing services for City and other government agencies, tow rates must be maintained at a level to adequately fund dispatch, recordkeeping, performance, and complaint management services. The necessity for cost recovery must be balanced, however, against

the impact upon the citizen who must pay the tow fee in order to retrieve their vehicle. The PPI Towing Service Fee was last updated in 2013.

The overall achievement of City goals.
Consumer safety and convenience is protected by vehicle retrieval services and enforcement of regulations regarding notification, retrieval, safety and maximum fees.

Fee Detail

Fee Title/Description	Service Type (to roll-up fees under grouped Services)	Category	Unit or Period Fee applied to	Current or proposed fee
Towing PPI Penalties	Regulatory - Towing Private Property Impound Fees	Compliance Penalty	Per violation	Range: $50 to $1000
Towing PPI Service Fees	Regulatory - Towing Private Property Impound Fees	Cost Recovery	Per Tow Retrieved	$ 11.00

Subsidized Service Data
No subsidy. Full program cost recovery.

Recommended Actions
Fees were last updated in 2013. The Bureau will evaluate the necessity for a permit fee for PPI towers.