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September 9, 2021

TO: Jessica Kinard, City Budget Office
FR: Tom Rinehart, Chief Administrative Officer
CC: OMF Leadership Team
RE: OMF FY 2021-22 Fall Budget Monitoring Process Submission

Attached, please find the Office of Management and Finance's submission for the FY 2021-22 Fall Budget Monitoring Process Report.

If you have any questions about the submission, please contact Aaron Beck or Aaron Rivera in OMF Business Operations. Thank you for your review and consideration of OMF's Fall BMP submission.



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Office of Management and Finance (OMF)
FY 2021-22 Fall BMP

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Office of Management and Finance
Prior Year Performance Report – FY 2020-21

OMF Performance Changes

During FY 2020-21, the Office of Management and Finance made minimal changes to its performance measure portfolio. The Impact Reduction Program added two new metrics to illustrate the performance related to costs of performing campsite assessments and the total number of assessments performed. The Impact Reduction Program expanded the number of Clean Start trucks used to perform clean-ups from eight to 14. As of September 2021, nine of those trucks are operational – all 14 trucks are expected to be operational within the coming months. The Impact Reduction program spent a total of \$666,154 to conduct campsite assessments during FY 2020-21.

COVID-19 Impacts

There were several metrics across OMF’s portfolio that experienced skewed results due to impacts from COVID-19, including the Business License Tax Gap. The Revenue Division was not able to conduct a field survey during 2021, so a main component of the measure’s calculation was not available. The new tax collection software will also require a change in how this measure is calculated. Changes in due dates and changes in compliance procedures stemming from COVID-19 further led to an inability to produce a value for FY 2020-21. Reports are in development to ensure data comparisons are consistent with prior years as we move forward.

Printing and Distribution continues to experience less demand for services due to COVID-19. The Division reported 941 service requests per employee, which is less than half of the value reported pre-pandemic. As a result, positions have been reduced through attrition. Printing and Distribution continuing work to right-size the organization. The Impact Reduction Program experienced an uptick in the number of campsite reports by 18,603 in comparison to the previous fiscal year. The increase in campsite reports is attributed to policy shifts related to cleanup operations and COVID-19.

Equity metrics

The Bureau of Human Resources reported a value in alignment with prior fiscal years for the percentage of protected class applicants. For the percentage of focused outreach participants on an eligible list who are hired, the bureau reported 23% in FY 2020-21, which is a 3% increase in comparison to FY 2019-20. Procurement Services reported a decrease in the number of prime contracts awarded to MWESB contractors. This is partly attributed to this metric being reported as an integer, and not percentage based, and the City saw one third fewer contracts executed in FY 2020-21 as compared to the prior year. Nonetheless, the percentage of contracts awarded to DMW businesses was 8% in FY 2020-21 as compared to 13% in the prior year. At the same time, the average dollar amount awarded to DMW businesses has more than doubled from FY 2016-17 to FY 2020-21.

Notable Key Performance Measure Updates

The Procurement Services Division decreased the average construction invitation to bid cycle time – the process took 63 days in FY 2020-21, in comparison to 85 days in FY 2019-20. A similar decrease was experienced within the Goods and Services Invitation to Bid process.

Risk Management reported a 54% decrease in the change in cost of general liability claims over the prior four-year average.

Climate metrics

The Division of Asset Management reported a decrease of 7.6% in the change in average energy use intensity over the prior year average. Majority of this decrease can be attributed to the pandemic. Over the past two years, the Energy Use Intensity throughout OMF-Facilities' portfolio has fallen 20%. CityFleet reported a slight increase in the amount of hybrid or electric vehicles, and a decrease in the cumulative change in total carbon emissions.

Bureau of Human Resources

Bureau Performance Narrative

Office of Management & Finance

Key Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1178 Percentage of focused outreach program participants on an eligible list who are hired	OUTCOME	40%	20%	40%	23%	40%	50%	<p>There were 70 eligible lists with focused outreach participants and 16 focused eligible list participants were hired from those eligible lists in FY21.</p> <p>The average time to complete a recruitment for FY21 was calculated to include only non-casual recruitments. In years prior to FY20, casual employees were not typically hired by recruitment. In FY20, most casual recruitments were cancelled due to COVID-19. As a result, in prior years, including casual recruitments in the data did not have a significant impact on the average time to complete a recruitment. In FY21, there were many casual recruitments, particularly in Parks, and this had a very significant impact on the average time to complete a recruitment. Note that Police recruitments are also not included because of the very long selection and background check process that skews the Citywide data.</p>
MF_1214 Average time to complete recruitment	EFFICIENCY	94	82	73	81	73	85	

Other Performance Measures	Measure Type Name	FY 2017-18 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
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Office of Management & Finance

Prior Year Performance Reporting

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Other Performance Measures	Measure Type Name	FY 2017-18 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_0004	Percentage of payroll checks direct deposited	95%	96%	98%	99%	98%	98%	This percentage, 98.9%, is an average across all pay periods during the fiscal year. The percentage for the final pay period of the fiscal year is 94%, which is lower due to the large number of summer seasonal employees who chose to be paid by physical check.
MF_1122	Percentage of diverse (protected class) applicants per fiscal year - female	40%	41%	43%	46%	43%	100%	
MF_1123	Percentage of diverse (protected class) applicants per fiscal year - minority	33%	34%	34%	34%	34%	100%	
MF_1174	Number of employees enrolled in health coaching programs	301	427	315	445	350	316	Healthy Foundation had 445 employees enrolled at the end of FY21
MF_1211	Total number of human resource investigations	109	66	103	87	100	104	
MF_1212	Number of days per human resource investigation	60	81	57	49	60	57	
MF_1213	Percentage of merit eligible employees with a completed performance review each fiscal year.	N/A	N/A	80%	N/A	80%	80%	SuccessFactors Performance Review Process implementation was delayed due to COVID-19 – system went live on July 1, 2021.
MF_1224	HR Business Partner customer satisfaction	4.40	N/A	4.00	4.20	4.00	4.00	

Office of Management & Finance

Prior Year Performance Reporting

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Other Performance Measures	Measure Type Name	FY 2017-18 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details	
MF_1247	Completion rate of leadership training.	OUTPUT	0	N/A	35%	N/A	75%	75%	<p>LEAD trainings did not begin until very late in FY21 and all required and elective LEAD courses have not been rolled out yet. As a result, the completion rate has been recorded as N/A, since no managers/supervisors have completed all of the required LEAD courses.</p> <p>To successfully complete the LEAD curriculum, managers and supervisors will need to take 10 required courses plus 2 electives. All required LEAD courses are anticipated to be rolled out by January 2023, though this timeline may be subject to change. To date, two required LEAD courses have been offered. Employee Lifecycle began in April 2021 and Emotional Intelligence began in May 2021. 53 of 736 (7%) managers/supervisors have attended Employee Lifecycle training and 30 of 736 (4%) managers/supervisors have attended Emotional Intelligence training.</p>
MF_1248	Percentage of employees who self-identify as having a disability.	OUTCOME	0	4.40%	4.10%	5.10%	4.30%	5.00%	<p>Percentages are provided based on employees active on 8-31-21. This includes 6045 non-casual employees and 1304 casual employees.</p>

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 3:11:00 PM

Other Performance Measures	Measure Type Name	FY 2017-18 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1249	Percentage of employees who self identify as veterans	0	5.40%	4.50%	5.50%	4.60%	5.00%	Percentages are provided based on employees active on 8-31-21. This includes 6045 non-casual employees and 1304 casual employees.

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12500 -BHR - Health Insurance Operating Fund - Adjust beginning fund balance

Package Description

Adjust the beginning fund balance budget by \$5,127,939 to match the projected CAFR.

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Contingency	5,127,939
Expense	Sum:	\$5,127,939

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	5,127,939
Revenue	Sum:	\$5,127,939

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12501 -BHR - Portland Police Association Health Insurance Fund - Adjust beginning fun

Package Description

Reduce the beginning fund balance budget by \$639,481 to match projected CAFR.

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Contingency	-639,481
Expense	Sum:	(\$639,481)

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	-639,481
Revenue	Sum:	(\$639,481)

MF - Office of Management & Finance

DP Type

Other Adjustments

Request Name: 12519 -BHR Training Fund-Beginning Fund Balance

Package Description

This request recognizes \$47,786.50 from the BHR Training Fund ending fund balance in FY 2020-21 as the FY 2021-22 beginning fund balance for the Training Fund.

Service Impacts

Approving this request will allow BHR to conduct trainings during the course of the fiscal year.

Equity Impacts

N/A

2021-22 FALL Requested Adj

Expense	External Materials and Services	47,787
Expense	Sum:	\$47,787

2021-22 FALL Requested Adj

Revenue	General Fund Discretionary	47,787
Revenue	Sum:	\$47,787

MF - Office of Management & Finance DP Type Encumbrance Carryover

Request Name: 12521 -BHR - Encumbrance Carryover

Package Description

BHR is requesting a total of \$176,581.89 in encumbrance carryover. This amount includes \$95,000 for expert services related to the City's pay equity study from the University of Southern California (PO 22293005); \$64,783 for employee testing services with Bio-Med Testing Services (PO 22280166 and 22292988); \$6,800 for work session training with Western States Center Inc (PO 22273651); \$6,103.89 for transcriptions with Beovich Walter and Friend Inc (PO 22279853); \$3,500 for consulting services for the Deferred Compensation Program with Allison Hall (PO 20009537); and \$395 for recruitment ads with the Asian Reporter Foundation (PO 22281435).

Service Impacts

This request allows service delivery extending past the fiscal year to continue as planned.

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	External Materials and Services	176,582
Expense	Sum:	\$176,582

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	176,582
Revenue	Sum:	\$176,582

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12528 -BHR - Health Fund-Transfer from Health Fund Contingency to ADA Fund

Package Description

This request appropriates the unspent balance from American's with Disabilities Act (ADA) funding seeded in FY 2019-20.

As of June 30, 2021, a total of \$51,147 (34%) of the City of Portland's ADA Title I Accommodation Fund has been approved for purchasing work-related products or services to support City employees, although actual life to date expenditures total approximately \$11,000. The onset of pandemic restrictions in March 2020 and subsequent economic impact have had an outsized impact on the use of the Fund. A months-long hiring freeze in 2020, postponed or delayed Disability Employment programs, and major shifts from onsite to remote work for 60% of the City's workforce either were or still are contributing factors influencing the City workforce's awareness and use of the Fund. For example, two major Disability programs that would have brought in additional employees or interns with disabilities (Access to Work and Project SEARCH internships) were due to launch in 2020. Due to the ongoing pandemic and economic fallout, the programs have been postponed to Summer 2022 and Fall 2022 respectively.

This request recognizes the balance of approximately \$139k that fell to Health Fund contingency at FY 2020-21 year-end as the beginning balance for FY 2021-22.

Service Impacts

This request and carry forward of ADA funds enables the continued operation and service provision.

Equity Impacts

This request support a Citywide accommodations program with centralized funding for a fair and equitable distribution of resources amongst service seekers. Without this funding, resources may be disproportionately available and dependent upon individual bureau cash/budget, or worse, Bureaus would be required to make purchases that they simply do not have the funding to execute resulting in impactful service tradeoffs.

2021-22 FALL Requested Adj		
Expense	Contingency	-138,996
	External Materials and Services	138,996
Expense	Sum:	\$0

MF - Office of Management & Finance DP Type New Revenue**Request Name: 12627 -BHR - Oregon Dept of Education Grant****Package Description**

The City of Portland would collect grant funds from the State of Oregon acting by and through its Department of Education, Youth Development Division from monies available through its U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention (OJJDP) FY 2018 Title II Formula Grants Program. The grant funds collected will support Portland Opportunities Industrialization Center (POIC) + Rosemary Anderson High School (RAHS) Work Opportunities Training Internship Program.

The City of Portland has a history of investing in young people through funding of recreational and after-school activities, youth employment programs, and creating seasonal job training, work experience, internship and job shadow opportunities. City Council previously approved funding for youth employment and career preparation as part of the Summer Youth Employment Program (SYEP) under Ordinance No. 180874, 181765, and 182138, which subsequently Council directed to the Summer Youth Connect/SummerWorks Employment Program coordinated by the Mayor's Office under Ordinance No. 182811, 185998, 186648, 188535 and 190097.

While SummerWorks is one avenue to engage youth and create opportunities, our focus is to create more flexible pathways for youth to access support and opportunities to better accommodate youth that face the more challenging barriers thus leading to successful outcomes. The Community Outreach and At-Risk Youth Intervention Program (Youth Connect) specifically targets the most vulnerable and affected youth population by coordinating with Youth Provider Agencies, Street Level Gang Outreach Program and the Gang Impacted Family Team.

POIC+RAHS has extensive experience managing publicly funded workforce development contracts with adult and youth service providers in our Region; and has developed a Work Opportunities Training Internship Program, a comprehensive work experience program for youth, ages 16-24 with barriers to employment including at-risk of disconnecting from school. POIC+RAHS provides a continuum of education, career, and family services. From reintroducing houseless teens to the classroom, to pairing gang-affected students with meaningful career opportunities, to helping youth experiencing domestic violence find stability and hope through mentorship.

Service Impacts

The grant funds collected will support Portland Opportunities Industrialization Center (POIC) + Rosemary Anderson High School (RAHS) Work Opportunities Training Internship Program, which includes two main types of internships for youth, ages 16-24 with barriers to employment including at-risk of disconnecting from school:

1. Introductory Wage-Based internships (160 hours) – Remote and in-person work experiences. Youth earn an hourly wage at partner work sites in industries such as retail, hospitality, culinary, nonprofit, and more.
2. Advanced Wage-Based Training, Internships, and Job Placements (200+ hours) – Youth earn wages for participation in a training program that links them to career-track employment in industries such as construction, local government, healthcare, IT, and more.

Equity Impacts

The Youth Connect programming supplies pro-social resources and services to communities of color. All Youth Connect Programming is served by the following grantee organizations that provide service to communities of color and those underserved:

- Portland Opportunities Industrialization Center (POIC) is committed to the future success of at-risk youth through the age of 25, providing the highest quality services in education, mentoring, family outreach, employment training and placement. POIC aims to reduce disparities for students of color in graduation rates, health, and exposure to violence, contact with the juvenile justice system, and employment and career success.
- Immigrant and Refugee Community Organization (IRCO) serves the holistic needs of immigrants, refugees, and mainstream community members. As a community-based organization, IRCO empowers children, youth, families and elders from around the world to build new lives and become self-sufficient by providing more than 200 culturally and linguistically specific social services. IRCO's vision is to be a leader of community driven, innovative programs delivered by compassionate staff who create equitable services that empower immigrants, refugees and underserved communities.
- Native American Youth and Family Center (NAYA) offers a wide array of comprehensive services and community-based solutions, including lifelong educational opportunities, cultural identity, leadership development, elders support, homes for families, early childhood programs, and paths to financial security based on traditional tribal values. NAYA is an urban center building strong partnerships and authentic relationships with tribes, organizations, communities of color, and our neighbors throughout the region. Latino Network is a Latino-led education organization, grounded in culturally specific practices and services, which lifts youth and families to reach their full potential.
- Latino Network programming promotes early literacy, encouraging parent involvement, working with gang involved and adjudicated youth and families, and providing academic support and activities to high school aged youth and builds leadership capacity for youth and adults.

F4 - BMP Amendment Request Report (Fall Requested)

Run Date: 9/8/21

BMP Amendment Request Report

Run Time: 4:48:17 PM

Expense	External Materials and Services	82,400
Expense	Sum:	\$82,400

2021-22 FALL Requested Adj

Revenue	Intergovernmental	82,400
Revenue	Sum:	\$82,400

MF - Office of Management & Finance DP Type New GF Request

Request Name: 12633 -BHR - Recruiting Positions

Package Description

The BHR Workforce Recruitment and Team (WRT) exists to effectively attract top diverse talent and engage the existing workforce. WRT collaborates with internal and external stakeholders to market career opportunities. Without BHR recruitment services, City bureaus would be responsible for managing an applicant tracking system and all recruitments, resulting in an inconsistent candidate experience. The recruitment team engages over 1,000 individuals through recruitment events and 'How to Apply' workshops annually (even in a virtual environment). The Disability Resources and Employment program has significantly improved the City's reputation and engagement of people with disabilities.

BHR is severely understaffed to do its existing day to day work given the increased new work required over the past year (e.g. significant increase in labor/employee relations related to letters of agreement, workshare, FFCRA leave administration, Pay Equity, etc.) Based on the cuts required in last years budget, any budget dollars available were used to keep existing personal without adding any new funding to alleviate the pressure on BHR employees. The capacity issues are exacerbated by the added work for WRT staff to stand up the vaccine mandate. There is significant work occurring around candidate and applicant notifications. We have mapped the process and will begin notifying individuals currently in process of being considered for opportunities Citywide in the coming days. We anticipate this will generate a significant volume of inquiries and necessary updates to statuses within NEOGOV to ensure individuals moving forward in selection process meet or will meet the vaccine policy requirements at time of hire. This is occurring while we are already down three recruiters. In addition, we do not know how many positions we will need to backfill as a result of employees being separated from the City as a result of the vaccination policy. Lastly, the Portland Police Bureau recruitment challenges require strategic recruitment initiatives to ensure a diverse candidate profile and pool of potential officers ready and able to adapt to new police accountability and other opportunities for change.

These positions will be part of the overall BHR team. For consistent programs, practices, procedures and policy across the City and for the value BHR places within the employee experience, It is imperative these positions have full integration within BHR and all of its current staff. Costs are listed below:

- General BHR Recruiters: \$245,342 for 2 FTE (HRA2)
- PPB Recruiters: \$245,342 for 2 FTE (HRA2)
- Parks IA Dedicated Recruiter: \$122,671 for 1 FTE (HRA2)

Service Impacts

For FY 2021-22, BHR submitted a constraint package that cut 2 FTE from the program, and although the funding was restored, the position authority was not – creating an operational burden and service impacts Citywide. The expected positions will provide BHR the ability to meet most of its obligations related to the recruitment, selection, onboarding, reporting, outreach and consultation we are not able to meet currently. Without such funding and support, BHR will continue to miss the mark on these important opportunities to ensure the hiring, promotion, retention of black, indigenious and employees of color, and the ability to create a safe, community centered workforce.

Equity Impacts

WRT tracks the number of qualified applicants and hires who self-identify as being members of protected classes. As part of the central accommodation process, accommodation requests and fulfillment are tracked and reported in the HR dashboard. It is the mission of WRT to ensure equal opportunity employment and ADA Title I is a significant focus. All efforts and strategies in WRT focus on equity, belonging, access, inclusion, and diversity.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	50,000
	Personnel	563,355
Expense	Sum:	\$613,355

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	490,684
	Interagency Revenue	122,671
Revenue	Sum:	\$613,355

Position Detail

F4 - BMP Amendment Request Report (Fall Requested)

Run Date: 9/8/21

BMP Amendment Request Report

Run Time: 4:48:17 PM

Job Class - Name	FTE	Salary	Supplemental	Statutory	Benefit	Total
30003064 - Human Resources Analyst II	5.00	375,570	0	28,730	150,545	554,845
Total	5.00	375,570	0		150,545	554,845

Prior Year Fund Reconciliation Report

Office of Management & Finance

100 - General Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	9,152,472	9,104,475	99.48%
External Materials and Services	698,930	381,034	54.52%
Internal Materials and Services	1,296,225	1,268,633	97.87%
TOTAL EXPENDITURES	11,147,627	10,754,143	96.47%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	25,000	12,531	50.13%
Intergovernmental	0	3,556	
General Fund Discretionary	4,963,054	0	0%
General Fund Overhead	5,630,475	0	0%
Miscellaneous	294,098	318,450	108.28%
Interagency Revenue	235,000	235,000	100%
TOTAL REVENUES	11,147,627	569,538	5.11%

Expenditure Discussion

External Materials and Services expenditures were below budget by 45%. BHR is requesting \$177K (25%) of encumbrance carryover for various HR programs. BHR is also requesting to recognize an additional \$48K (7%) of BHRs ending fund balance in FY 20-21 as the FY 21-22 beginning fund balance for the Training Fund.

Revenue Discussion

Charges for Services were 50% below budget due to much lower than anticipated Tri-Met pass revenues, as well as slightly lower than anticipated payroll garnishments, and reimbursements. Due to COVID-19, Tri-Met pass usage by City employees decreased significantly, resulting in the loss of revenue (over \$9K) from monthly Tri-Met administrative fees.

Federal, State, and Local revenue is more than budgeted due to unexpected grant revenue from Clackamas County for training fund resources.

Prior Year Fund Reconciliation Report

Office of Management & Finance

700 - Health Insurance Operating Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	2,423,583	2,120,207	87.48%
External Materials and Services	119,573,593	109,391,120	91.48%
Internal Materials and Services	695,444	645,937	92.88%
Debt Service	47,486	47,486	100%
Contingency	21,926,709	0	0%
Fund Transfers - Expense	289,877	289,877	100%
TOTAL EXPENDITURES	144,956,692	112,494,627	77.61%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	115,752,021	113,950,131	98.44%
Miscellaneous	2,102,061	1,981,539	94.27%
Interagency Revenue	263,154	263,154	100%
Beginning Fund Balance	26,839,456	0	0%
TOTAL REVENUES	144,956,692	116,194,824	80.16%

Expenditure Discussion

Health Insurance Fund Personal Services.

Health insurance operating fund personal services were under budget by \$303K (13%) due to vacancies and delayed staffing positions.

Health Insurance Fund Contingency.

The FY 2020-21 ending fund balance for health insurance operating fund was higher than the budgeted estimate by approximately \$8.6 million. The following factors contributed to higher fund balance: (a) Moving appropriations from contingency to EMS in the Spring BMP (\$5.1 million), in the unforeseen event of sudden surge in medical claims at year end. Such a surge did not occur. (b) Lower-than-expected WageWorks health care flexible spending account expenditures (\$1.8 million) and (c) Higher-than-expected ESI and WageWorks rebates (\$1.4 million).

Revenue Discussion

Prior Year Fund Reconciliation Report

Office of Management & Finance

707 - Portland Police Assoc Health Insurnc Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	19,142,474	17,790,757	92.94%
Contingency	10,395,061	0	0%
TOTAL EXPENDITURES	29,537,535	17,790,757	60.23%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	17,069,398	16,614,759	97.34%
Miscellaneous	217,858	237,193	108.88%
Beginning Fund Balance	12,250,279	0	0%
TOTAL REVENUES	29,537,535	16,851,952	57.05%

Expenditure Discussion

Revenue Discussion

Bureau of Revenue and Financial Services

Bureau Performance Narrative

Office of Management & Finance

Key Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_0033 City's unlimited tax General Obligation bond rating (1=Aaa)	OUTCOME	1	1	1	1	1	1	<p>The Debt Management Division has continued manage City financings to meet rating agency expectations of an Aaa-rated issuer.</p> <p>The tax gap cannot be estimated at this time due to several factors. First, due to COVID-19 Revenue did not conduct a field survey in 2021 so a key component of the computation is unavailable. Second, Revenue recently implemented a new tax collection platform and will be changing the tax gap computation methodology to reflect the availability of new data, such as federal taxpayer information. This change has not been completed yet. Additionally, there were changes in due dates and compliance procedures that would make comparisons between FYE 6/2021 and other years misleading. Reports are being developed that will ensure that data comparisons are consistent moving forward.</p>
MF_0041 Business License Tax Gap estimated difference between business taxes paid/owed (in millions)	EFFICIENCY	\$8.70	\$11.31	\$9.74	N/A	\$9.74	\$4.50	

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 4:28:32 PM

MF_1170	Percentage of all subcontract dollars awarded to Disadvantaged, Minority, Women, and Emerging Small Businesses subs for construction and professional services contracts	OUTCOME	68%	55%	32%	60%	55%	30%	The City nearly double the FY21 target for subcontracting awards to DMWESB businesses. Furthermore, businesses owned by men of color saw 38% of the subcontracting awards for projects initiated in FY21; businesses owned by women of color saw 4% and white woman owned businesses saw 14%.
MF_1186	Change in the cost of general liability claims over the prior four-year average	EFFICIENCY	-45%	-22%	6%	-54%	8%	0	Risk Management performs comprehensive claims management designed to lower exposures and total costs of claims which arise. There is a constant risk of a low amount of high cost claims, stemming from rising litigation from the political environment, which could affect total GL claims costs. A reasonable increase in the target projection is therefore necessary.
MF_1192	Number of CAFR review audit deficiency comments from external auditors	OUTCOME	0	0	0	0	0	0	There were no review audit deficiency comments from external auditors this year.
MF_1215	Cycle-time for construction invitation to bid process	OUTCOME	101	85	101	63	90	160	Construction "invitation to bid" cycle times outperformed the target for FY21 as well as the prior year's performance.
MF_1216	Cycle-time for Goods and Services request for proposals process	OUTCOME	161	354	161	202	250	300	Goods & Services RFP cycle times did not achieve the FY21 target but did outperform the prior year's performance.

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 4:28:32 PM

MF_1217	Cycle-time for Goods and Services invitation to bid process	OUTCOME	27	60	65	42	44	106	Goods & Services "invitation to bid" cycle times outperformed the target for FY21 as well as the prior year's performance.
MF_1218	Cycle-time for Design Services requests	OUTCOME	120	231	120	236	175	240	Design Services RFP cycle times did not meet the FY21 target and were roughly on par with the prior year's performance.
MF_1219	Cycle-time for Construction request for proposals process	OUTCOME	31	183	200	156	163	300	Construction RFP cycle times outperformed the target for FY21. There was, however, only one Construction RFP finalized during FY21.

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
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MF_0022	Percentage of apprenticeship hours worked on City contracts	OUTCOME	21%	20%	22%	18%	22%	20%	The City missed the FY21 apprenticeship goal of 22% with actual apprentice utilization at 18% for that fiscal year. FY19 and FY20 saw significant increases in apprenticeship utilization rates in large part due to the Portland Building rehabilitation, which had an overall apprenticeship utilization of 27% and accounted for one third of all construction workforce hours in those two FY's.
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Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_0024	Percentage of minority and women hours worked on City construction contracts	34%	37%	29%	42%	37%	27%	<p>The overall utilization of people of color and white women on City construction projects continued to increase in FY21. Utilization rates for men of color has increased from 27% to 33% from FY19 to FY21. Utilization rates for women of color and white women, however, have remained relatively flat.</p>
MF_1077	Investment portfolio yield - % of benchmark	89%	335%	100%	555%	100%	100%	<p>The City's investment portfolio performance benchmark (BAML 0-3 Yr. UST / G1QA) reflects real-time market yields. The City's actual portfolio yield normally lags changes to the benchmark. As securities in the City's portfolio mature, proceeds are re-invested in higher or lower yielding securities, and the portfolio yield will adjust over time. Due to this normal lag, the portfolio may underperform or overperform its stated benchmark</p>

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1169	Number of prime contracts awarded to Minority, Women, and Emerging Small Businesses contractors	168	192	285	104	200	277	The City missed the FY21 target by a wide margin. This is partly because this goal is not percentage-based, and the City saw one third fewer contracts executed in FY21 as compared to the prior year. Nonetheless, the percentage of contracts awarded to DMW businesses was 8% in FY21 as compared to 13% in the prior year. At the same time, the average dollar amount awarded to DMW businesses has more than doubled from FY17 to FY21.
MF_1187	Change in the cost of fleet liability claims over the prior four years	-26%	-12%	4%	-13%	4%	0	Fleet claims cost have held steady over 4 years, which allows projection of holding projections constant at this time.
MF_1190	Change in the cost of workers compensation claims over the prior four years	-32%	-1%	3%	2%	3%	0	The number of Worker's Compensation claims typically does not significantly vary in the last 5 years, however increases in both medical treatment and rising costs of health care limit the ability of a significant reduction in overall claims costs. The COVID-19 situation significantly transformed the working environment with telework, reducing the number of claims, however claim are expected to rise to normal levels upon the workforce returning to regular work situations.

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 4:28:32 PM

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1193	Number of days CAFR is completed after fiscal year end	122	120	120	120	120	120	
MF_1194	Cost per dollar collected by Revenue division (all programs)	\$.02	\$.02	\$.02	\$.02	\$.02	\$.02	



Tom Rinehart
Chief Administrative
Officer

Ted Wheeler
Mayor

CITY OF PORTLAND
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Date: 9/9/2021

To: Jessica Kinard

From: Tom Rinehart

Re: Request for FY 2021-22 Ongoing Current Appropriation Level Target Adjustment for the Integrated Tax System

The Revenue Division has agreements with all impacted stakeholders to pay their full allocated share of ITS. A more detailed disposition of each stakeholder is below. The current estimated City contribution for ITS is \$1,940,066.

During the Fall BMP of 2019-20 the Revenue Division estimated the need for \$1,803,697 in Ongoing General Fund resources associated with the ongoing cost of ITS maintenance, debt service and other costs such as replacement reserves. Revenue Division has communicated that the initial estimate would certainly change, and the independent City Budget Office acknowledged at the time that the amount would require further adjustment pending the finalization of ITS cost sharing negotiations estimated to occur in FY 2020-21. While the Revenue Division has communicated the intent to request the final true-up after all cost allocation has been finalized with partners, the ongoing CAL appropriation was reduced by Council from \$1,803,697 to \$1,735,299 based upon the estimated impact of adding Metro income tax.

The Revenue Division is requesting for an ongoing CAL adjustment of \$204,767 to true-up the estimated funding required for the ongoing maintenance, debt service and other costs associated with the Integrated Tax System (ITS) implementation.

- Regional Arts and Culture Council (Arts Tax) – has agreed to pay their share in the form of reduced Arts Tax receipts (\$144,543)
- Portland Clean Energy Fund (Clean Energy Surcharge) – has been informed of their share and no concerns have been shared with Revenue, will be paid from CES receipts (\$751,583/yr.)
- Multnomah County (Business Income Tax, Personal Income Tax and Transient Lodgings Tax); County TLT stakeholders include Metro, PCPA, Regional Arts and Culture Council, Oregon Convention Center, PGE Park, Tri-Met and Visitor Development Fund - (\$2,215,728)



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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.

- Portland Housing Bureau (TLT on Short-Term Rental HIF transfer, Rental Registration and Short-Term Rental Per-Night fees) – has agreed to pay (\$87,110)
- PBOT (Heavy Vehicle Use Tax) – has agreed to pay (\$28,000)
- Travel Portland (Convention and Tourism Lodging Taxes and Tourism Improvement District) – (\$248,454)
- Enhanced Service Districts (Go Lloyd, Central Eastside, Clean and Safe) – have agreed to pay under the current contracts, no amendments needed (\$84,466)
- Metro (Business Income Tax & Personal Income Tax – (\$1,146,031)

MF - Office of Management & Finance DP Type Contingency

Request Name: 12555 -Risk I&C - Beginning Fund Balance

Package Description

This request decreases the beginning fund balance to true up the budgeted beginning fund balance for the Insurance and Claims Fund to match the actual balance at July 1, 2021. The decrease is due to insurance costs and claims coming in higher than estimated.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	-1,867,825
Expense	Sum:	(\$1,867,825)

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	-1,867,825
Revenue	Sum:	(\$1,867,825)

MF - Office of Management & Finance DP Type Contingency

Request Name: 12556 -Risk Worker's Comp - Beginning Fund Balance

Package Description

This request increases the beginning fund balance by \$607,637 to true up the budgeted beginning fund balance for the Workers' Compensation Fund to match the actual balance on July 1, 2021 and place the resulting appropriation in fund's rate stabilization reserve contingency.

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Contingency	607,637
Expense	Sum:	\$607,637

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	607,637
Revenue	Sum:	\$607,637

MF - Office of Management & Finance DP Type Contingency

Request Name: 12563 -Risk WC - Other Adjustments

Package Description

The request moves contingency funds into personnel services for cost of living and health care increases and reclass of two positions to align with class comp.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	-24,286
	Personnel	24,286
Expense	Sum:	\$0

MF - Office of Management & Finance DP Type Contingency

Request Name: 12564 -Risk I&C - Other Adjustments

Package Description

The request moves contingency funds into personnel services for cost of living and health care increases and reclass of two positions to align with class comp.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	-25,323
	Personnel	25,323
Expense	Sum:	\$0

MF - Office of Management & Finance

DP Type

Encumbrance Carryover

Request Name: 12569 -BRS - Encumbrance Carryovers

Package Description

BRS is requesting \$ for different one-time projects. The Procurement Division is requesting \$796,733 in appropriation carryover for different FY2020-21 initiatives. This amount includes \$151,700 to retain Collette Holt and Associates for consulting services related to contract equity (PO 20009028 & 22292915); \$7,500 for website migration services with Delaris (PO 22238072); \$15,580 to retain Green Spectrum Consulting for services related to sustainability (PO 22238081); \$274,698 to retain Kevin Downing Environmental Consulting for services related to Clean Air Construction technical assistance, grant writing support, and implementing cloud based software (PO 22273920, 22278098, 22287719 22291222); \$241,317 to retain Portland Development Commission for services related to COEP and workforce development (PO 22277637); \$45,938 to retain Twirl Advertising And Design for services related to outreach and social media (PO 22291185); and \$60,000 to retain Sustainable Northwest for services related to sustainable wood sourcing (PO 22292606). These requests are one-time, unable to be funded within existing appropriations and critical for operations.

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	External Materials and Services	796,733
Expense	Sum:	\$796,733

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	796,733
Revenue	Sum:	\$796,733

MF - Office of Management & Finance DP Type Contingency**Request Name: 12575 -Risk I&C - Limited Term Analyst I position****Package Description**

This Fall Bump decision package request is for a Limited Term Claims Analyst I, with a future financial plan to modify such position from Limited Term to a Permanent position utilizing the upcoming formal budget cycle. The total cost, including benefits, for this 1 (one) FTE request is of the amount of \$137,407. The position is targeted towards managing the increased claims load which the City has been experiencing.

The limited-term position will be funded through the Insurance & Claims Administration Reserve in the current year. OMF plans to request the conversion of this position to permanent as part of the FY 2022-23 budget process as a result of this need being ongoing. This would be funded by an increase in Insurance & Claims IA rates.

Yearly incoming liability claims (comprised of general, auto, property damage and employment liability matters) has experienced steady and substantial increases, concurrently, the Risk Management Liability Team claims staffing has stayed stagnant. Incoming claims have jumped from the amount of 677 in 2018 to the current amount of 734 in 2021. Law Enforcement Liability claims bear the largest increase driving the overall jump – from 83 in 2018 to 227 claims in 2021. It should be noted that Law Enforcement liability claims are of the most comprehensive and challenging claims to adjust and require an extensive amount of claims staff time for investigation, legal conferences, and attendance at mediations/trials. In addition, with the Governor's Emergency Declaration, the formal legal timeframe to report liability claims has been extended past the typical 180 days, as a result, Risk Management expects a significant number of existing, but not yet reported claims, to arrive upon the expiration of such Emergency Declaration.

The approval of an additional claims analyst FTE will result in re-distribution of claims involving increased complexity and financial severity to Risk Management's senior claims analysts, with the new position handling claims which encompass moderate complexity, smaller financial severity and typically are settled within lesser time frames. The ability of senior claims analysts to fully concentrate on the complex and high-value claims lessens the City's financial exposures overall. Currently, the average claims load held per claims analyst is 171 claims, creating hurdles in overall proper and efficient claims handling.

Service Impacts**Impact:**

Direct results from an approved Limited Term position include lessening of the overall claim load per adjuster, allowing for more comprehensive claims investigations, allowance of claims practices best practices to become deeper implemented, improved claims understanding which leads to better bargaining positions for settlements and thus decreasing the City's overall financial risk. Performance measure which the Liability Team tracks include timelines for claim setup, claimant contact, investigations completed, proper reserving, and creation of comprehensive liability determinations – all required per individual claim. Addition of staffing will increase the time available for such KPI's, leading to increased proper performance of claim handling.

Assumptions:

All overall claims data illustrates the increase in claims entering the City for management, and with the current political environment, this is assumed to continue, rather than slow. As noted prior, it is assumed there exist a large number of claims which have occurred, and have yet to be reported, pending the Governor's Emergency Order stay. Further, the marked increase in Law Enforcement claims carry claim resolution timelines of typically two to 4 years – such claims are litigated in both State and Federal Courts, and current adjusters will be managing these claims for such timeframe, even as new claims are incoming.

Measuring Outcomes:

Risk Management tracks all claims data: new claims, overall existing claims, and closed claims. The financials attached to all claims data sets are reported to bureaus as such are allocated to bureaus from whom the claim arises. Risk Management tracks internally claim closures and timelines required for each claim closure. Such data becomes a KPI set for Risk leadership to view and make internal claims assignment and handling decisions.

Alternatives:

Currently, an existing alternative is to attempt to absorb the increase in claims amongst adjusters and the Liability Team manager. Such option triggers to opportunity for current staff to consider alternative employment options as the workload has reached peak levels. Secondly, the City may consider contracting with an outside claims agency for claims handling. This option is highly expensive, would eliminate current claims staff, and create a situation where the City would lose control and authority over management of its claims book. The extensive relationship which the Liability Team maintains working with City Attorney's Office would be eliminated, such attorneys would rather be in direct contact with unknown claims analysts from an outside company.

Equity Impacts

The efficient, timely and proper management of liability claims has significant equity impacts, noting that the external claimants bringing forth claims to the City arrive from all races, social status, genders and backgrounds. The ability to equitably investigate fully and manage each claim results in fair and reasonable claims resolutions amongst all claimants, and eliminates undue pressure from claimants who may have the resources and means to inappropriately utilize their status to obtain settlements which may be higher than others. Addition of staff will allow the major KPI's of claims management to occur at an increased level, which benefits all claimants.

2021-22 FALL Requested Adj

Expense	Contingency	-137,522
	External Materials and Services	15,000
	Personnel	122,522
Expense	Sum:	\$0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Statutory	Benefit	Total
30003006 - Analyst I	1.00	80,597	0	6,166	35,759	122,522
Total	1.00	80,597	0		35,759	122,522

MF - Office of Management & Finance

DP Type

Other Adjustments

Request Name: 12577 -BRFS - Other Adjustments

Package Description

The following adjustments that are either inter-fund transfers, beginning balance adjustments, City-neutral IA adjustments or otherwise fund-related technical changes: 401 AFF, bond sale adjustments; 311 Bancroft Bond Fund beginning fund balance adjustment and Xfer to ITS project (project re-appropriation from prior fiscal year); 209 Improvement District ITS adjustments; 231003 COEP Subfund adjustments to appropriate beginning fund balance and corresponding transfers to GF appropriations; ITS adjustments related to final cost allocation model, project development in FY 2021-22, line of credit and bonded debt-service related technical adjustments; an IA with PBOT for LCPTTracker support.

Service Impacts

None

Equity Impacts

None

2021-22 FALL Requested Adj		
Expense	Contingency	4,001,669
	Debt Service	8,683,000
	Debt Service Reserves	-4,374,998
	External Materials and Services	4,543,870
	Fund Transfers - Expense	6,349,271
	Internal Materials and Services	-1,030,682
	Personnel	-148,779
Expense	Sum:	\$18,023,351

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	2,330,091
	Bond & Note Proceeds	9,261,472
	Fund Transfers - Revenue	6,000,054
	Interagency Revenue	-624,538
	Intergovernmental	-4,728
	Licenses & Permits	261,000
	Miscellaneous	800,000
Revenue	Sum:	\$18,023,351

MF - Office of Management & Finance DP Type New Revenue

Request Name: 12607 -BRFS - Liquidated Damages

Package Description

The BRFS Procurement Division is requesting Council approval to appropriate \$143,846 of budget associated with liquidated damages from FY 2020-21. Under Procurement Administrative Rules (ADM – 1.20), liquidated damages are assessed when contractors fail to comply with the Workforce Training & Hiring Program; this revenue is then granted to organizations supporting the Workforce Training & Hiring Program goals.

Service Impacts

Approximately \$10K was awarded to organization following a competitive grant application process conducted in FY 2019-20, and funds were paid in FY 2020-21.

The remaining funds have accumulated since our last grant application process. We intend on administering another process to grant out the remaining funds this fiscal year.

Equity Impacts

The funds collected are from construction contracts where contractors have not met the requirements for the City's Subcontractor Equity Program and the Workforce Training and Hiring Program. The associated administrative rules direct Procurement Services to use those funds to support workforce development in the construction industry.

The funds that have not been awarded via a grant application process should be re-invested into providing more opportunities for women and people of color in the construction industry. If not, Procurement Services would be in violation of its own administrative rules.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	143,846
Expense	Sum:	\$143,846

2021-22 FALL Requested Adj		
Revenue	Charges for Services	143,846
Revenue	Sum:	\$143,846

MF - Office of Management & Finance DP Type New GF Request

Request Name: 12615 -BRFS - Integrated Tax System General Fund True-up

Package Description

This request is for \$204,767 in General Fund One-time resources to true-up the estimated funding required for the ongoing maintenance, debt service and other costs associated with the Integrated Tax System (ITS) implementation. A request to adjust the Ongoing CAL associated with ITS is included in the OMF Fall BMP submission.

During the Fall BMP of 2019-20 the Revenue Division estimated the need for \$1,803,697 in Ongoing General Fund resources associated with the ongoing cost of ITS maintenance, debt service and other costs such as replacement reserves. Revenue Division communicated that the initial estimate would certainly change, and the City Budget Office acknowledged at the time that the amount would require further adjustment pending the finalization of ITS cost sharing negotiations estimated to occur in FY 2020-21. While the Revenue Division has communicated the intent to request the final true-up after all cost allocation has been finalized with partners, the ongoing CAL appropriation was reduced by Council from \$1,803,697 to \$1,735,299 based upon the estimated impact of adding Metro income tax.

Ongoing costs associated with the ITS system funded with these resources include maintenance costs, Bonded Debt Service, Non-Bonded Debt Service, and a system upgrade set-aside. Ongoing maintenance

costs include 2.0 FTE Business Systems Analysts and associated supports, and contracted hosting, maintenance, and application support by implementation contractor FAST Enterprises. Non-bonded Debt Service include the repayment of \$9.4 million of City General Fund resources appropriated during implementation.

The ITS project is currently funded with a line of credit and Rollout 1 is scheduled to be complete and converted to bond funding in the late fall of FY 2021-22. Revenue Division has initiated billing partners for their share of ongoing ITS costs. Costs are generally allocated to partners based upon the forecasted revenue collected over a three-year lookback (where applicable). Revenue Division will utilize a methodology similar to the City of Portland General Fund Overhead Methodology including a true-up of forecasted revenue in a future budget cycle. Any over-collected or under-collected costs will be incorporated into budget development during a future budget cycle. Factors impacting the resource needs of ITS are generally twofold: changes associated with the cost share model, and changes to ongoing costs since initial estimates in FY 2019-20. Attached to this request is a summary of changes since FY 2019-20

Service Impacts

This request will fully implement the ITS system, fund ongoing costs and the commitment to collect taxes for the City and on behalf of the City funds and regional partners contributing to ITS. The expected outcome of this request is to contribute the allocated amount due from the City to ITS ongoing costs. If costs are less than the budgeted amount and contribution due from the City of Portland, the variance will be incorporated into a future budget cycle. The City General Fund contribution is pooled with charges from other funds and partners, leveraged nearly 63% by other funds and partner contributions. For every dollar in cost savings, the City realizes approximately 37 cents in savings. There are no conceived alternatives to this request.

Equity Impacts

The Revenue Division's recently implemented Integrated Tax System (ITS) is integral to the collection of a range of taxes and fees for the City of Portland and partner jurisdictions including Multnomah County and Metro regional government; without ITS, taxes could not be collected. ITS will enable the City and other jurisdictions to make data-informed choices about progressive/equitable tax policy. For example, if the Council desires to make the Arts Education and Access Income Tax more progressive as has been discussed over the years, ITS can support that. The population impacted by these policy choices includes all taxpayers both individual and business.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	204,767
Expense	Sum:	\$204,767

2021-22 FALL Requested Adj		
Revenue	Fund Transfers - Revenue	204,767
Revenue	Sum:	\$204,767

MF - Office of Management & Finance

DP Type

New GF Request

Request Name: 12649 -BRFS - Pathways to Contracting - Bonding and Technical Assistance

Package Description

This request is for 1.0 FTE Analyst II (\$105,000) and \$445,000 in program dollars for a new Bonding Assistance Program. The Analyst II will serve as a Program Manager to develop the program and execute a contract for bond program education and technical services to disadvantaged, small and minority firms. The program manager will design and implement a program to provide direct assistance to firms and the collateral needed for the City to support partial performance and payment bonds required of the construction contractors participating in the program. Consultant services include assessing projects and contractors, recommending strategies for project delivery, providing ongoing contractor support and monitoring of their work to project completion, and potentially processing collateral documents. This program is a complex new line of business for the City that requires program development, oversight, program administration, and compliance.

This program is necessary to respond to the systemic and institutional barriers that impede contracting access and the opportunity for smaller diverse firms to bid on and win contracts. Finance and surety services have often been out of reach for businesses owned by Black, Indigenous, and other people of color and women. One of the tools to address these challenges is a bonding assistance program designed to help small contractors obtain bid, payment, and performance bonds and increase bonding capacity. Access to technical assistance, bonding support, short-term financing, and capacity development is a proven investment with compounding returns for the local economy.

Bonding Assistance Programs with contractor development support increase the pool of competition, create the potential for lower contracting costs, and enable greater equitable participation. This proposal includes staff to establish and manage the program and the funds necessary for program start-up. We intend to submit a budget request in the FY 2022-23 budget process and the ARPA project review process to provide ongoing funding for the program and the surety bond program component.

This request funds the start-up phase of a new Bonding Assistance Program. A Bonding Assistance Program utilizes an aligned risk management strategy to increase contractors' capacity and participation in municipal projects as subcontractors and prime contractors. This highly technical business line includes education and technical assistance, bonding, and working capital support.

By providing firms education and technical assistance to grow their firms, this program will build on the lessons learned from the Prime Contractor Development Program, investing in the skills and support needed to compete for and win City contracts. The program will expand the pool of contractors in the program, rightsizing the program to meet the skills of our developing contractors.

The heart of the program is the surety bond component which can be satisfied by an insurance policy or a letter of credit from a financial institution. Many firms lack the capacity to meet the requirements to contract with the City. Having access to a surety bond or letter of credit allows smaller firms to bid and ensures that the City's interests are protected if the contractor does not perform the contracted work. This component of the program will be funded by a Budget Request and not in this BMP request.

We know that small businesses need access to working capital to grow. BRFS will seek American Rescue Plan Act funds to develop a revolving loan fund. This funding source will allow the City to remain in compliance with State and local budget law and provide more flexibility on the part of the City to create tools that benefit contractors. Many firms cannot bid on City contracts because the turnaround time from invoicing to receiving payment from municipal contracts is too long, and the documentation required for payment is labor-intensive. Contractors in the Bonding Assistance Program will use these funds to pay their subcontractors and other expenses such as payroll. Historically, smaller Black, Indigenous and other people of color owned firms have not had access to lines of credit or reserves to float between progress payments.

For this program to succeed, the start-up phase will require program development and management, industry research, oversight and development, and management of a procurement process and contractor selection. Additionally, the program will need funding for working capital. This program will complement reforms to the Prime Contractor Development Program to grow the pool of contractors in the program and actualize the program's goals to diversify the pipeline of contractors available to bid on and win City contracts.

Service Impacts

We have heard repeatedly from City Council, the Fair Contracting Forum, and the contracting community at large that access to education and technical assistance, bonding assistance, and working capital are needed to make meaningful change in diversifying the pool of contractors available to bid on and win contracts. This program is one of the many tools that can improve our success in this area. This investment will seek to address this request and build the foundation for a regional approach to unlock opportunities across the region.

This program is a comprehensive approach to the issues raised by the community and makes new investments that have been successful in other communities, bringing best practices to Portland.

Bonding Assistance Programs have successfully grown the capacity of small firms and diversified the marketplace in Los Angeles, San Francisco, and Alameda. The City of Los Angeles created a program in 2004, providing technical assistance to over 8,000 firms. Since 2016, over 100 contractors have obtained newly established bond lines, the value of which is over \$69M. Hundreds of firms have completed work plans, contract monitoring, and project risk review services, and thousands have received technical assistance, and over the course of the program provided over 60,000 referrals to bid opportunities. This investment translated into almost \$100M in contract awards with the City since the program's inception. Victor Parker, LA's Director of Risk Management, manages the program. He states unequivocally, "The Bonding Assistance Program is the cornerstone of Los Angeles' equity in contracting programs. We have helped firms grow their business, opened new lines of business, and diversified the workforce through these investments." The Small Business Administration (SBA) has a program that works with individual companies. The SBA program is viewed as cumbersome and time-consuming and does not have the overall market impact a local bonding assistance program can create. We are seeking to develop a low barrier to entry program which will significantly impact the local economy.

This program addresses a significant need and supports small vulnerable businesses that employ people in our community at a time when they have been impacted by the pandemic. Funding this program in the Budget Monitoring Process allows us to act now. The risk of waiting for the FY 22/23 Budget is that we lose over 18 months to initiate a program that the Council and community have been demanding. Many of these businesses may not be around to bid on City projects in the future if we delay

Equity Impacts

This program will be focused on assisting underrepresented firms to win prime contracts and gain access to subcontracting opportunities. We seek to invest in best practices that deliver the community and City Council's results. Increasing bonding capacity and removing barriers to sureties are two important elements to growing the pool of firms available to win City contracts. To truly create the needed change, we must remove barriers for firms owned by Black, Indigenous, and other people of color and women.

Procurement reports annually on contract participation by firms owned by Black, Indigenous, and other people of color and women. These year-over-year reports will provide accountability for the investment. While it will take several cycles to see the dividends, progress is reportable through data about firms that access the program and which firms from the program submit bids and wins contracts.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	445,000
	Personnel	105,000
Expense	Sum:	\$550,000

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	550,000
Revenue	Sum:	\$550,000

Position Detail						
Job Class - Name	FTE	Salary	Supplemental	Statutory	Benefit	Total
30003007 - Analyst II	1.00	59,370	0	4,542	25,104	89,016
Total	1.00	59,370	0		25,104	89,016

MF - Office of Management & Finance

DP Type

New GF Request

Request Name: 12650 -BRFS - Equity Goals and Workforce Compliance

Package Description

This request is for \$266,667 to fund 2.0 Analyst II limited-term positions and associated EM&S support in General Fund one-time resources to invest in procurement compliance, develop strategy for Construction Career Pathways Project (C2P2) implementation, improve documentation of exemptions and reporting. Ongoing funding for these positions will be requested during the FY 2022-23 budget development.

A 2020 Equity in Construction Contracting audit found that the City needs to invest more in citywide and project-specific compliance with our existing regulations. Stakeholders have repeatedly expressed the need for Procurement Services to improve outcomes through enforcement. Being able to move the needle on COBID utilization requires collaboration and support as solicitations are developed and through the life of the contract and project delivery. Our compliance staff are partners in the success of our projects. By making this investment, we will increase the capacity of the compliance team and allow them to participate in the change management needed to achieve results. Lack of capacity in compliance is not the only reason the City is not meeting our equity goals, but by not making this strategic investment, we are not making the investments we know will make a difference. We can no longer expect different results in Procurement with the same level of investment.

Service Impacts

To meet the community's expectations and have a tangible impact on the marketplace, we must invest in our compliance programs. Currently, staff in the Compliance Unit handle an average of 40 projects each. This workload does not allow for hands-on collaboration with contractors the community expects. This investment would add two Analyst II positions, as well as provide for enhancements to current software systems. This funding would allow for:

- ? Greater support to bureaus, contractors and subcontractors in achieving requirements
- ? Earlier identification of opportunities to collaborate with contractors to achieve workforce and other targets
- ? Develop workforce and other strategies on City projects
- ? Improved administrative support to associated stakeholder committees on alternative contracts
- ? Greater analysis and evaluation of contractor and subcontractor compliance
- ? Successful implementation of the Construction Career Pathways Project (C2P2)
- ? Inclusion of on and off-site audits for evaluation of contractor compliance
- ? Commercially Useful Function (CUF) reviews in support of City Code 5.34.535
- ? Increased training and education of contractors, internal project management staff and workers regarding social equity requirements
- ? Expansion of compliance into other areas of procurement (i.e., Goods & Services)
- ? Monitoring of enhanced worksite anti-harassment and culture strategies in collaboration with current efforts as part of the Safe From Hate Alliance
- ? Improved tracking of workforce exemptions and contractor performance

This investment will not only strengthen the City's Core Values but will benefit the City by demonstrating to the community that the City is dedicated to improving outcomes and increasing enforcement of current and future programs. This package is a contract compliance service that benefits the City and is allocated citywide.

This package will result in stronger polices related to workforce training and hiring, and a rigorous exemption process. Exemptions from apprenticeship utilization should be rare and when they are granted, they should be fully documented. Contractors who consistently meet apprenticeship goals and especially those projects where apprentices graduate to journey-level, should be acknowledged. Thus, creating incentives to continue to excel.

Equity Impacts

F4 - BMP Amendment Request Report (Fall Requested)

Run Date: 9/9/21

BMP Amendment Request Report

Run Time: 2:17:01 PM

If procurement is viewed as a strategic function of the City, then it can be an effective economic development and equity building tool. Construction careers provide our region's workers with living wages and benefits such as healthcare and a pension which allow them to support themselves and their families. Through these policy strategies, the City has the means to ensure that community members who have largely been excluded from high-wage employment opportunities, including women, low-wage workers, immigrants, and Black, Indigenous and other residents of color, move from poverty to the middle class.

Investing in staff and the Compliance Unit will strengthen and implement Workforce Training and Hiring Programs at the City and will result in more apprenticeship and pre apprenticeship opportunities for women, Black, Indigenous, and other people of color interested in entering the trades.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	10,000
	Personnel	256,667
Expense	Sum:	\$266,667

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	266,667
Revenue	Sum:	\$266,667

Position Detail						
Job Class - Name	FTE	Salary	Supplemental	Statutory	Benefit	Total
30003007 - Analyst II	2.00	118,740	0	9,084	50,208	178,032
Total	2.00	118,740	0		50,208	178,032

FM - Fund & Debt Management

DP Type

Internal Transfer

Request Name: 12618 -Adjustments to Bond Funds for Transfers

Package Description

This decision package makes adjustments to various bond funds to transfer excess bond proceeds to debt service funds in order liquidate bond subfunds; to update the FY2022 budget for transfers of bond proceeds to Prosper Portland made in FY 2021; and to transfer bond proceeds to PBOT to fund Build Portland projects.

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Debt Service	3,032,592
	Debt Service Reserves	2,890
	Ending Fund Balance	6,450
	External Materials and Services	-4,982,402
	Fund Transfers - Expense	8,652,930
Expense	Sum:	\$6,712,460

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	-1,940,470
	Bond & Note Proceeds	8,643,590
	Fund Transfers - Revenue	9,340
Revenue	Sum:	\$6,712,460

FM - Fund & Debt Management

DP Type

Other Adjustments

Request Name: 12647 -Adjust ITS Financing Plan

Package Description

The ITS project has progressed slower than expected and actual draws on the line of credit in FY 2021 were lower than planned. It is expected that project costs will be pushed into FY 2022, including the need for draws on the line of credit. This package adjusts debt financing to conform to the revised project expenditure schedule.

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Debt Service	470,000
Expense	Sum:	\$470,000

2021-22 FALL Requested Adj		
Revenue	Bond & Note Proceeds	970,000
	Fund Transfers - Revenue	-500,000
Revenue	Sum:	\$470,000

Capital Program Status Report

Office of Management & Finance - MFRB

CIP Program Name	2020-21 Adopted Budget	2020-21 Revised Budget	2020-21 Actuals	PY Variance	PY Percent of Actuals to Revised	2021-22 Adopted Budget	2021-22 FALL Requested Total	2021-22 July Actuals	Fall Req. to Adopted Variance	Fall Req. to Adopted % Variance
Revenue	16,138,048	26,580,525	15,940,826	-10,639,699	59.97%	24,752,284	24,752,284	201,821.19	0	0%
Sum:	16,138,048	26,580,525	15,940,826	-10,639,699	-40.03%	24,752,284	24,752,284	201,821.19	0	0%

Prior Year Variance Description

The Integrated Tax System completion was impacted by COVID19 and other factors and was delayed until FY 2021-22. Resources unused in FY 2020-21 will be reappropriated in FY 2021-22 to complete development of the System.

Current Year Variance Description

Capital Program Status Report

Office of Management & Finance

CIP Program Name	Project	2020-21 Adopted Budget	2020-21 Revised Budget	2020-21 Actuals	PY Variance	PY Percent of Actuals to Revised	2021-22 Adopted Budget	2021-22 FALL Requested Total	2021-22 July Actuals
Revenue	S00048	16,138,048	26,580,525	15,940,826	-10,639,699	59.97%	24,752,284	24,752,284	201,821.19
Sum:		16,138,048	26,580,525	15,940,826	-10,639,699	-40.03%	24,752,284	24,752,284	

Prior Year Variance Description

The Integrated Tax System completion was impacted by COVID19 and other factors and was delayed until FY 2021-22. Resources unused in FY 2020-21 will be reappropriat

Current Year Variance Description

Capital Program Status Report

Fall Req. to Adopted Variance	Fall Req. to Adopted % Variance
0	0%
0	0%

Prior Year Fund Reconciliation Report

Office of Management & Finance

100 - General Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	27,210,940	21,387,135	78.6%
External Materials and Services	25,168,106	15,231,958	60.52%
Internal Materials and Services	7,226,795	5,422,440	75.03%
Capital Outlay	0	0	
Debt Service	50,000	13,713	27.43%
Fund Transfers - Expense	347,477	314,163	90.41%
TOTAL EXPENDITURES	60,003,318	42,369,409	70.61%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	452,802	287,371	63.47%
Intergovernmental	20,739,305	11,539,603	55.64%
General Fund Discretionary	10,778,709	0	0%
General Fund Overhead	5,379,202	0	0%
Miscellaneous	1,720,189	1,537,132	89.36%
Interagency Revenue	9,395,446	8,172,902	86.99%
Bond & Note Proceeds	9,053,215	6,251,146	69.05%
Fund Transfers - Revenue	2,334,450	0	0%
Licenses & Permits	150,000	32,500	21.67%
TOTAL REVENUES	60,003,318	27,820,655	46.37%

Expenditure Discussion

The Bureau of Revenue and Financial Services (BRFS) expenditures were within budget in FY 2020-21. Underspending is largely due to the sizable Integrated Tax System that was impacted by COVID19 and related logistical challenges such as recruiting, hiring and other factors. Between the City systems rollout and the Metro and County systems rollout, multiple funding sources and all major expenditure categories were impacted. The project is re-budgeted in the Fall BMP.

The Community Opportunities Enhancement Program (COEP) also realized less than budgeted activity due to less than budgeted contract activity and utility resources paused while the City is engaged in a legal proceeding to review the program against utility use-of-funds considerations. COEP utility resources will are not currently expected to be spent until the legal proceeding has concluded and the City COEP program code and program design is validated as (mostly impacting External Materials and Supplies).

Other underspending is less material overall relative to the magnitude of ITS and COEP, and BRFS utilized approximately \$14.5 million of the \$16.1 million in General Fund resources appropriated in FY 2020-21. Of the \$1.6 million in General Fund resources returned to the City at year end, \$796K will be requested in encumbrance carryforward.

Prior Year Fund Reconciliation Report

Office of Management & Finance

Revenue Discussion

BRFS revenues are under-realized or under-collected due to dynamics and issues similar to expenditure discussion and two large projects delayed in FY 2020-21. The ITS Project budgeted greater than realized project across multiple revenue types associated with the City rollout (Bond and Note Proceeds) and the Metro and County rollout (Intergovernmental revenue). Fund Transfers are associated with Bancroft Bond funds that were not utilized in FY 2020-21 as they are largely a source of ITS project contingency. Bancroft Bond funds are requested in the Fall BMP as the project continues in the current fiscal year and contingency may be needed.

The Community Opportunities Enhancement Program (COEP) realized less than budgeted revenues due largely to high budget estimates of bureau capital project activity, largely budgeted as Interagency Revenue. Other revenues are less material relative to the above noted impacts.

Prior Year Fund Reconciliation Report

Office of Management & Finance

201 - Assessment Collection Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Contingency	86,180	0	0%
TOTAL EXPENDITURES	86,180	0	0.00%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous	950	803	84.52%
Beginning Fund Balance	85,230	0	0%
TOTAL REVENUES	86,180	803	0.93%

Expenditure Discussion

Revenue Discussion

Miscellaneous Revenue is 15% lower than expected due to the down turn in the economy and lower than expected investment interest.

Prior Year Fund Reconciliation Report

Office of Management & Finance

204 - Property Management License Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	7,982,034	7,763,436	97.26%
Internal Materials and Services	110,680	110,433	99.78%
Fund Transfers - Expense	25,000	24,974	99.9%
TOTAL EXPENDITURES	8,117,714	7,898,843	97.30%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous	9,000	8,293	92.14%
Licenses & Permits	8,090,430	7,907,162	97.73%
Beginning Fund Balance	18,284	0	0%
TOTAL REVENUES	8,117,714	7,915,455	97.51%

Expenditure Discussion

There are no discrepancies greater than 10%, nor any significant programmatic changes or impacts.

Revenue Discussion

There are no discrepancies greater than 10%, nor any significant programmatic changes or impacts.

Prior Year Fund Reconciliation Report

Office of Management & Finance

209 - Convention and Tourism Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	9,885,359	5,388,917	54.51%
Internal Materials and Services	313,966	219,935	70.05%
Fund Transfers - Expense	25,000	25,000	100%
TOTAL EXPENDITURES	10,224,325	5,633,851	55.10%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous	14,000	9,200	65.71%
Taxes	9,800,000	5,664,948	57.81%
Beginning Fund Balance	410,325	0	0%
TOTAL REVENUES	10,224,325	5,674,147	55.50%

Expenditure Discussion

External and Internal Materials and Services are both down significantly due to the lower than expected Tax Revenue. Internal M&S is proportional to the revenue and External M&S is limited to the net amount of revenue available to be disbursed to the City's promotional contractor Travel Portland.

Revenue Discussion

This fund is related to the Transient Lodging Tax and was significantly affected by the down turn in the economy. With the lack of travel and hotel stays, etc. due to the pandemic shutdown, the Taxes Revenue is only 58% of the reduced budget amount. Miscellaneous Revenue is 34% lower than expected due to the down turn in the economy and lower than expected investment interest.

Prior Year Fund Reconciliation Report

Office of Management & Finance

223 - Arts Education & Access Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	13,200,000	10,365,077	78.52%
Internal Materials and Services	1,400,000	1,403,048	100.22%
Contingency	6,451,466	0	0%
Fund Transfers - Expense	25,000	25,000	100%
TOTAL EXPENDITURES	21,076,466	11,793,125	55.95%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous	200,000	80,911	40.46%
Taxes	13,875,000	13,057,608	94.11%
Beginning Fund Balance	7,001,466	0	0%
TOTAL REVENUES	21,076,466	13,138,519	62.34%

Expenditure Discussion

External Materials and Services is 21% lower than budgeted due to the pandemic shutdown. Less students enrolled in the school districts lower their disbursement amounts from the previous year. Also in response to the pandemic shutdown less funds were disbursed to Regional Arts & Culture Council due to the uncertainty of tax collections for the upcoming tax year cycle which further lowers the External M&S expenses.

Revenue Discussion

Miscellaneous Revenue is 60% lower than expected due to the down turn in the economy and lower than expected investment interest.

Prior Year Fund Reconciliation Report

Office of Management & Finance

401 - Local Improvement District Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	15,472	4,713	30.46%
Internal Materials and Services	1,756,680	1,591,943	90.62%
Debt Service	10,061,515	11,204,482	111.36%
Contingency	4,174,671	0	0%
Fund Transfers - Expense	12,180,712	9,367,352	76.9%
TOTAL EXPENDITURES	28,189,050	22,168,490	78.64%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	1,289,800	1,368,778	106.12%
Miscellaneous	1,715,000	5,369,247	313.08%
Bond & Note Proceeds	22,059,380	17,075,162	77.41%
Beginning Fund Balance	3,124,870	0	0%
TOTAL REVENUES	28,189,050	23,813,186	84.48%

Expenditure Discussion

External Materials and Services is 70% lower than budgeted due to lower than expected costs for converting to a new line of credit. Debt Service Expenditures were 11% greater than expected due to a record number of lien accounts being paid in full. Fund Transfers-Expense was 23% lower than budget due to PBOT not submitting construction expenditure for the full amount that was budgeted.

Revenue Discussion

Miscellaneous Revenue is 213% higher than expected due to a high volume of Local Improvement District project reaching final assessment and in turn those accounts being paid in full. Bond & Note Proceeds is 23% lower than budget due to PBOT not submitting construction expenditure to draw from the line of credit the full amount that was budgeted.

Prior Year Fund Reconciliation Report

Office of Management & Finance

311 - Bancroft Bond Interest and Sinking Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Debt Service	6,075,000	5,758,239	94.79%
Debt Service Reserves	11,515,550	0	0%
Fund Transfers - Expense	4,334,450	2,000,000	46.14%
TOTAL EXPENDITURES	21,925,000	7,758,239	35.39%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous	6,925,000	6,171,785	89.12%
Beginning Fund Balance	15,000,000	0	0%
TOTAL REVENUES	21,925,000	6,171,785	28.15%

Expenditure Discussion

Fund Transfers-Expense is 54% lower than budget due to ITS contingency not being used within the fiscal period. The remainder will be carried forward to FY 2021-22.

Revenue Discussion

Miscellaneous Revenue is 11% lower than expected due to less than budgeted principal and interest payments on the related assessment lien accounts.

Prior Year Fund Reconciliation Report

Office of Management & Finance

704 - Insurance and Claims Operating Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	1,529,284	1,385,963	90.63%
External Materials and Services	12,588,520	10,326,362	82.03%
Internal Materials and Services	3,443,853	3,406,413	98.91%
Debt Service	112,219	112,219	100%
Contingency	28,570,763	0	0%
Fund Transfers - Expense	206,112	206,112	100%
TOTAL EXPENDITURES	46,450,751	15,437,070	33.23%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous	748,280	442,280	59.11%
Interagency Revenue	10,910,291	10,771,728	98.73%
Beginning Fund Balance	34,792,180	0	0%
TOTAL REVENUES	46,450,751	11,214,008	24.14%

Expenditure Discussion

Variance in external materials and services is due to claims received are less than the worse case scenario projected by OMF and actuary.

Revenue Discussion

Miscellaneous revenue is lower due to unpredictability of interest and subrogation income.

Prior Year Fund Reconciliation Report

Office of Management & Finance

705 - Workers' Comp. Self Insurance Operating Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	1,398,992	1,365,736	97.62%
External Materials and Services	3,532,182	2,857,049	80.89%
Internal Materials and Services	763,570	717,394	93.95%
Debt Service	104,968	104,968	100%
Contingency	13,593,611	0	0%
Fund Transfers - Expense	106,575	106,575	100%
TOTAL EXPENDITURES	19,499,898	5,151,721	26.42%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	0	0	
Miscellaneous	250,336	145,813	58.25%
Interagency Revenue	5,185,703	5,180,597	99.9%
Beginning Fund Balance	14,063,859	0	0%
TOTAL REVENUES	19,499,898	5,326,410	27.32%

Expenditure Discussion

Variance in external materials and services is due to claims received are less than the worse case scenario projected by OMF and actuary.

Revenue Discussion

Miscellaneous revenue is lower due to unpredictability of interest and subrogation income.

Prior Year Fund Reconciliation Report

Office of Management & Finance

231 - Citywide Obligations Reserve Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	2,752,792	0	0%
Internal Materials and Services	0	0	
TOTAL EXPENDITURES	2,752,792	0	0.00%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous	0	44,162	
Interagency Revenue	2,480,315	1,120,315	45.17%
Bond & Note Proceeds	0	0	
Fund Transfers - Revenue	272,477	272,477	100%
TOTAL REVENUES	2,752,792	1,436,954	52.20%

Expenditure Discussion

Fund 231 only contains activity from the Community Enhancement and Opportunities Program (COEP) in FY 2020-21, but will house the Integrated Tax System (ITS) in FY 2021-22.

The first revenues for the COEP ongoing program were realized in FY 2020-21. The COEP Pilot program operated within the General Fund until the ongoing COEP Program rules were adopted by Council in the Fall of 2020, detailing the means and procedure for ongoing budgeting, revenue charges to bureaus and program activity. No outflows were realized in FY 2020-21 for the ongoing COEP Program, revenues are budgeted in the FY 2021-22 Fall BMP as beginning balance adjustments.

The ITS project ongoing revenue contributions and expenditure for maintenance, debt service and system replacement reserves will appear in FY 2021-22. The ITS project is currently in development and debt financed, realizing no activity in this fund in FY 2020-21.

Revenue Discussion

The entirety of revenues realized in Fund 231 by OMF are attributed to the COEP program in FY 2020-21 and are requested in the Fall BMP as beginning fund balance adjustments. Revenues derived from the Water Bureau and the Bureau of Environmental Services are estimated by the bureau during budget development and charged based upon 1% of the actual contracts executed. Budgeted resources derived from utility bureaus were estimated greater than actual contract activity within the fiscal year.

Bureau of Technology Services

Bureau Performance Narrative

Office of Management & Finance

Key Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1140	Percentage availability of network excluding scheduled maintenance	99.98%	99.99%	99.96%	99.98%	99.99%	99.96%	BTS did not experience any citywide network outages in FY 2020-21, but there were a number of smaller outages affecting one or more sites/services (including remote access).
MF_1195	Help Desk satisfaction rating (scale 1 to 5)	4.86	4.89	4.75	4.80	4.75	4.75	A random selection of Support Center customers are offered the option of participating in a survey regarding satisfaction with their support experience. Customers rate each of 5 questions which are averaged to provide a final score. Rating scale is between 1 and 5 with 5 indicating the best performance. There is no widely accepted industry standard for the measurement of customer satisfaction.
MF_1235	Pieces of US mail processed per distribution employee	1,137,500	1,150,300	1,300,000	1,085,349	986,000	986,000	Distribution, like most of P&D, has experienced less demand for offered services.
MF_1239	Basic Copy Center rate per sheet	N/A	\$.0375	\$.0375	\$.0380	\$.0375	\$.0375	The price of copy paper continues to exceed rate of inflation. Copy Center rate also has increased greater than inflation for FY 21-22.
Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 5:12:12 PM

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1005 Percentage of Service Requests shipped on time	OUTPUT	99.00%	99.90%	99.90%	100.00%	99.99%	100.00%	
MF_1013 Percentage uptime for phone switch	OUTPUT	100.00%	99.99%	100.00%	99.99%	99.99%	100.00%	In May, a Session Initiation Protocol trunk (SIP - a signaling protocol used for voice, video and messaging applications) was misconfigured, resulting in failure of all outbound calling for users of those trunks. The 800 MHz Radio System met and exceeded all of its availability goals during this past year. This is in spite of the ice storm which knocked out power to the radio towers. Backup generators kept the radio system operational and in one instance a portable generator was taken to Council Crest.
MF_1016 Percentage of time radio system operated without failure	OUTPUT	99.99%	100.00%	99.99%	99.99%	99.99%	99.99%	The PM represents the percentage of calls resolved by the Help Desk call takers without escalation to other staff. A higher percentage reflects better performance. Standard industry measures (ITIL/ITSM) do not provide a target for this measure, but industry experts generally agree on a range of 65-85%.
MF_1019 First Call Resolution: percentage of problems resolved by Help Desk without escalation to field staff	OUTCOME	73.40%	74.60%	80.00%	72.20%	80.00%	80.00%	

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 5:12:12 PM

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details	
MF_1025	Percentage Internet availability	OUTPUT	99.90%	99.88%	99.99%	99.99%	99.99%	Internet availability was affected by several DDoS attacks and an upstream routing issue affecting Lumen home ISP users. DDoS mitigations were more effective than in FY 2019-20 after tuning configurations with the City's Internet Service Provider, Wave.	
MF_1083	Customer service satisfaction rating number (scale 1 to 5)	OUTCOME	2.78	N/A	3.00	N/A	3.00	The Customer Satisfaction Survey did not go out in FY 2020-21 due to COVID.	
MF_1115	Percentage of customers rating project management service provided as excellent	OUTCOME	100%	100%	75%	75%	75%		
MF_1118	Number of days elapsed from ordering a new desktop PC to installation	OUTPUT	4	4	4	4	4	3	
MF_1141	Percentage of calls answered within 20 seconds	EFFICIENCY	70.20%	77.90%	80.00%	68.20%	80.00%	80.00%	The PM represents the percentage of calls answered by the Help Desk call takers within 20 seconds of the call being placed. A higher percentage reflects better performance. There is no widely accepted industry standard for hold time. Due to increased support demands for remote workers, Help Desk calls took longer to resolve and resulted in a slight decline in the measure during the past year.

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 5:12:12 PM

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details	
MF_1147	Mobile Report Entry (MRE) availability (excluding scheduled maintenance)	OUTPUT	100.0%	100.0%	100.0%	100.0%	100.0%	100%	The RMS system and the availability of Police reporting has met and exceeded its availability goals for the year. This is in spite of the wildfires and ice storms during the year. Backup generators kept critical systems up and operational.
MF_1152	Percentage of computers (workstations and servers) able to accept security patching	OUTPUT	99%	99%	99%	99%	99%	99%	
MF_1153	Percentage of mission critical production system availability for Cayenta	OUTPUT	99.99%	99.98%	99.97%	99.99%	99.97%	99.97%	
MF_1154	Percentage of mission critical production system availability for SAP	OUTPUT	99.98%	99.99%	99.96%	99.99%	99.96%	99.96%	
MF_1155	Percentage of email availability excluding scheduled maintenance	OUTPUT	99.98%	99.98%	99.90%	99.85%	99.90%	99.90%	Due to an email routing issue with Microsoft, an incident occurred in May that delayed receiving external email for 36 hours. Microsoft remediated that issue and put additional safeguards in place. Police email was impacted with a 4-hour event in June. Full remediation will be to move Police email to Office 365.
MF_1156	Percentage of public safety system availability - Bureau of Emergency Communications	OUTPUT	99.93%	99.99%	99.99%	99.99%	99.99%	99.99%	
MF_1157	Public Safety systems availability - Police (excluding scheduled maintenance)	OUTPUT	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%	Police Records Management System was impacted for approximately 15 minutes by human error (technical procedures were updated to prevent future potential for this problem).

Office of Management & Finance

Prior Year Performance Reporting

Run Date: 9/8/21

Run Time: 5:12:12 PM

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details	
MF_1177	Average number of days a SAP Helpdesk customer ticket is open	EFFICIENCY	8.68	8.36	8.25	8.00	8.00	8.00	Process improvements are ongoing to keep improving the efficiency of working on customer tickets, including more online training and less hand-offs to improve response time and increase customer satisfaction.
MF_1205	Citywide Technology Leadership Rating (per customer survey, 1-5 scale)	OUTCOME	3.31	N/A	3.40	N/A	3.40	4.00	Customer survey was cancelled this year due to the BTS operational need to respond to COVID-19.
MF_1206	Portlandoregon.gov uptime percentage	OUTPUT	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%	
MF_1207	PortlandMaps.com uptime percentage	OUTPUT	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%	
MF_1208	Service Requests per FTE	EFFICIENCY	2,302	1,358	2,166	941	1,800	2,700	Printing and Distribution has had a drastic reduction in demand due to COVID. P&D has reduced FTEs through attrition and is continuing to right-size the operation.
MF_1237	Percentage of black and white impressions of total program volume	OUTCOME	72%	69%	71%	65%	71%	70%	Though target was missed, FY 2021 total color volume was at 44% of FY 19-20 volume which is a budget savings due to lower related expenses
MF_1238	Ratio of BTS Admin Team FTE to customer FTE directly served	WORKLOAD	N/A	89	91	96	90	90	Slight increase due to positions added in FY 2020-21.

Capital Program Status Report

Office of Management & Finance - MFTS

CIP Program Name	2020-21 Adopted Budget	2020-21 Revised Budget	2020-21 Actuals	PY Variance	PY Percent of Actuals to Revised	2021-22 Adopted Budget	2021-22 FALL Requested Total	2021-22 July Actuals	Fall Req. to Adopted Variance	Fall Req. to Adopted % Variance
BTS	9,736,608	11,072,390	5,558,095	-5,514,295	50.2%	12,844,060	19,804,951	322,157.51	6,960,891	35.15%
Facilities	0	0	0	0		0	0	0	0	#DIV/0
Revenue	0	0	0	0		0	0	0	0	#DIV/0
Sum:	9,736,608	11,072,390	5,558,095	-5,514,295	-49.8%	12,844,060	19,804,951	322,157.51	6,960,891	35.15%

Prior Year Variance Description

Technology Services - BTS underspent on its capital projects, only spending about 50% of budgeted appropriation. This has been a pattern with BTS for multiple years and they are making a concerted effort to correct this pattern. There's not one single issue for this variance, but a number of issues. Many BTS projects require input and assistance from multiple teams within BTS. Coordinating the work that needs to be done with the limited availability of personnel and time from each of those teams continues to be a challenge. COVID-19 and remote work has only further complicated matters. Lastly, BTS managers tend to set timelines for projects based on what they hope to accomplish rather than what can actually be done. This is a common practice among all project managers, not just those in BTS.

Current Year Variance Description

Technology Services - BTS had projects at year-end where work wasn't completed and ending project balances needed to be carried over into FY 2021-22. Along with these carryover projects, two new projects were added to cover new work BTS was made aware of after approval of the Adopted budget. Lastly, a project to replace the Telecom database application was moved up from FY 2022-23 to FY 2021-22.

Capital Program Status Report

Capital Program Status Report

Office of Management & Finance

CIP Program Name	Project	2020-21 Adopted Budget	2020-21 Revised Budget	2020-21 Actuals	PY Variance	PY Percent of Actuals to Revised	2021-22 Adopted Budget	2021-22 FALL Requested Total	2021-22 July Actuals
BTS	C00025	0	159,638	183,432	23,794	114.91%	0	80,325	7,117.33
BTS	C00044	409,000	100,000	46,698	-53,302	46.7%	0	438,321	0
BTS	C00046	130,000	155,199	36,659	-118,540	23.62%	201,352	319,892	0
BTS	C00047	208,800	150,000	84,215	-65,785	56.14%	237,678	303,981	8,568.84
BTS	C00050	1,000,000	1,122,632	547,328	-575,304	48.75%	221,473	893,024	48,314.74
BTS	C00055	764,738	824,237	437,822	-386,415	53.12%	476,170	870,860	1,163.72
BTS	C00057	159,500	45,273	136,606	91,333	301.74%	178,073	178,073	231.45
BTS	C00060	0	0	0	0		0	0	0
BTS	C00062	0	54,335	2,717	-51,618	5%	0	54,335	0
BTS	C00063	437,800	516,809	562,214	45,405	108.79%	839,312	814,279	13,823.22
BTS	C00082	412,046	384,537	1,332,292	947,755	346.47%	887,652	932,322	81,937.19
BTS	C00083	319,500	204,000	79,562	-124,438	39%	717,164	841,602	0
BTS	C00084	100,000	99,773	87,035	-12,738	87.23%	191,858	209,123	16,050.03
BTS	C00088	2,590,000	3,947,917	955,931	-2,991,986	24.21%	1,175,000	4,122,305	21,530.2
BTS	C00090	671,500	576,000	45,568	-530,432	7.91%	690,026	1,238,533	347.18
BTS	C00091	489,000	120,000	0	-120,000		249,800	249,800	0
BTS	C00099	884,800	1,007,044	248,149	-758,895	24.64%	0	938,759	26,660.43
BTS	C00100	0	100,000	227,516	127,516	227.52%	0	30,000	30,773.06

Capital Program Status Report

Fall Req. to Adopted Variance	Fall Req. to Adopted % Variance
80,325	100%
438,321	100%
118,540	37.06%
66,303	21.81%
671,551	75.2%
394,690	45.32%
0	0%
0	#DIV/0
54,335	100%
-25,033	-3.07%
44,670	4.79%
124,438	14.79%
17,265	8.26%
2,947,305	71.5%
548,507	44.29%
0	0%
938,759	100%
30,000	100%

Capital Program Status Report

BTS	C00103	150,000	200,000	0	-200,000		0	75,000	0
BTS	C00104	107,200	805,996	326,410	-479,586	40.5%	1,217,458	1,742,077	14,264.65
BTS	C00112	422,724	319,000	14,479	-304,521	4.54%	480,348	480,348	704.41
BTS	C00114	0	0	0	0		77,980	6,000	0
BTS	C00124	0	0	0	0		506,169	506,169	0
BTS	C00128	300,000	0	0	0		304,000	304,000	0
BTS	C00138	60,000	60,000	1,033	-58,967	1.72%	84,130	84,130	672.84
BTS	C00139	120,000	120,000	2,792	-117,208	2.33%	128,260	128,260	44,606
BTS	C00148	0	0	0	0		206,140	206,140	0
BTS	C00151	0	0	2,610	2,610		2,500,000	2,500,000	1,388.21
BTS	C00153	0	0	16,724	16,724		1,274,017	1,257,293	4,004.01
BTS	C90099	0	0	5,938	5,938		0	0	0
BTS	C90100	0	0	174,363	174,363		0	0	0
Facilities	B00018	0	0	0	0		0	0	0
Facilities	B00050	0	0	0	0		0	0	0
Facilities	B00056	0	0	0	0		0	0	0
Facilities	B0MM57	0	0	0	0		0	0	0
Revenue	S00048	0	0	0	0		0	0	0
Sum:		9,736,608	11,072,390	5,558,095	-5,514,295	-49.8%	12,844,060	19,804,951	

Prior Year Variance Description

Technology Services - BTS underspent on its capital projects, only spending about 50% of budgeted appropriation. This has been a pattern with BTS for multiple years and th

Capital Program Status Report

75,000	100%
524,619	30.11%
0	0%
-71,980	-1,199.67%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
-16,724	-1.33%
0	#DIV/0
0	#DIV/0
0	#DIV/0
0	#DIV/0
0	#DIV/0
0	#DIV/0
0	#DIV/0
6,960,891	35.15%

Capital Program Status Report

Current Year Variance Description

Technology Services - BTS had projects at year-end where work wasn't completed and ending project balances needed to be carried over into FY 2021-22. Along with these c

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12502 -Printing and Distribution - Adjust beginning Fund Balance

Package Description

This request adjusts P&D beginning fund balance to match the projected ACFR ending fund balance for FY 2020-21.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	596,001
Expense	Sum:	\$596,001

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	596,001
Revenue	Sum:	\$596,001

MF - Office of Management & Finance

DP Type

Technical Adjustments

Request Name: 12503 -Printing and Distribution -technical adjustments

Package Description

To request technical adjustments to the P&D budget, moving appropriation that doesn't involve any drawdowns of contingency funds.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	0
	External Materials and Services	9,468
	Internal Materials and Services	-5,288
Expense	Sum:	\$4,180

2021-22 FALL Requested Adj		
Revenue	Interagency Revenue	4,180
Revenue	Sum:	\$4,180

MF - Office of Management & Finance DP Type Contingency

Request Name: 12517 -BTS - Project Adjustments

Package Description

This request is to add appropriation to the BTS budget primarily for carryover projects. These are projects which were not completed in the prior fiscal year and funding is needed in the current fiscal year in order to complete them. In addition, there are a few new projects which weren't anticipated at the time the budget was being developed.

Service Impacts

None

Equity Impacts

None

2021-22 FALL Requested Adj		
Expense	Contingency	-7,903,699
	External Materials and Services	7,903,699
	Personnel	0
Expense	Sum:	\$0

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12526 -BTS - Other Adjustments

Package Description

This request is for non-project adjustments to the BTS budget that are contingency-related and/or interagency true-ups. Included is recognition of additional beginning fund balance, allocation of salary contingency, minor additions to the operating budget for new items not included in the Adopted budget, and interagency adjustments at the request of the customer bureau.

Service Impacts

None

Equity Impacts

None

2021-22 FALL Requested Adj		
Expense	Contingency	7,426,106
	External Materials and Services	209,887
	Internal Materials and Services	155,288
	Personnel	1,360,787
Expense	Sum:	\$9,152,068

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	8,653,971
	Interagency Revenue	498,097
Revenue	Sum:	\$9,152,068

MF - Office of Management & Finance

DP Type

Technical Adjustments

Request Name: 12531 -BTS - Technical Adjustments

Package Description

To request technical adjustments to the BTS budget, moving appropriation that doesn't involve any drawdowns of contingency funds.

Service Impacts

None

Equity Impacts

None

2021-22 FALL Requested Adj		
Revenue	Charges for Services	0
Revenue	Sum:	\$0

MF - Office of Management & Finance DP Type Contingency

Request Name: 12552 -Printing and Distribution -Other Adjs

Package Description

This request is for non-project adjustments to the P&D budget that are contingency-related. Included allocation of salary contingency.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	-24,029
	Personnel	24,029
Expense	Sum:	\$0

Prior Year Fund Reconciliation Report

Office of Management & Finance

706 - Technology Services Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	38,858,510	36,081,874	92.85%
External Materials and Services	29,831,314	23,822,753	79.86%
Internal Materials and Services	5,788,191	5,465,532	94.43%
Capital Outlay	3,880,296	39,270	1.01%
Debt Service	714,258	714,258	100%
Contingency	30,603,769	0	0%
Fund Transfers - Expense	2,415,358	2,415,358	100%
TOTAL EXPENDITURES	112,091,696	68,539,044	61.15%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	262,069	268,150	102.32%
Intergovernmental	5,159,389	5,119,265	99.22%
Miscellaneous	1,503,048	679,911	45.24%
Interagency Revenue	68,762,767	65,112,720	94.69%
Taxes	0	0	
Beginning Fund Balance	36,404,423	0	0%
TOTAL REVENUES	112,091,696	71,180,046	63.50%

Expenditure Discussion

Technology Services - The variances, both in External Materials & Services and in Capital Outlay, were due to BTS underspending on major maintenance projects. BTS chose not to adjust project appropriation in the Spring BMP to reduce it to levels comparable to anticipated expenses. That resulted in larger than usual variances, with External M&S expenses \$4.7M below budget and Capital expenses \$3.8M below budget.

Revenue Discussion

Technology Services - Variances in Miscellaneous revenues were in two areas, Interest on Investments and Sales Miscellaneous. Budgeted resources in Interest on Investments had been increased after a number of years of budgeting too little. That attempt at balancing resources with anticipated earnings proved ineffectual after unanticipated reductions in the rate of return on the fund balance. The Sales Miscellaneous estimate for resources included about \$300,000 in anticipated Telecom Billable earnings. The BTS Telecom division anticipated a certain level of billable hours/revenue from their personnel. Prior year history couldn't justify including those anticipated resources in the interagency estimates, so they were instead added to the non-city estimates. When the billable work didn't materialize, the result was the variance between budget and actuals.

Prior Year Fund Reconciliation Report

Office of Management & Finance

703 - Printing & Distribution Services Operating Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	2,022,400	1,721,791	85.14%
External Materials and Services	4,584,644	2,336,296	50.96%
Internal Materials and Services	1,044,950	724,460	69.33%
Capital Outlay	325,000	49,495	15.23%
Debt Service	203,654	203,654	100%
Contingency	1,802,519	0	0%
Fund Transfers - Expense	277,574	277,574	100%
TOTAL EXPENDITURES	10,260,741	5,313,269	51.78%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	230,416	15,749	6.84%
Intergovernmental	1,655,409	509,608	30.78%
Miscellaneous	44,392	36,341	81.86%
Interagency Revenue	6,519,694	3,852,144	59.08%
Beginning Fund Balance	1,810,830	0	0%
TOTAL REVENUES	10,260,741	4,413,842	43.02%

Expenditure Discussion

All expense categories were within budget appropriation. Budgeted expenditures were purposely under utilized to offset the reduction in revenue collection.

Revenue Discussion

Intergovernmental revenues were under collected primarily due to the unpredictability of customers' needs for printing and distribution (P&D) services. P&D's services are mostly variable and are provided when the customers specifically request services.

FY2020-21 budgeted revenues were based on pre-pandemic service volumes. Pandemic has proven problematic with consistently lower than expected revenues.

Pandemic has resulted in extended time customer bureaus' offices are closed, largely reduced staffing and/or staff working remotely. This is especially true in the Downtown core. Subsequently, this has created considerably less need for services such as copiers, printing & postage. (i.e. reduced printing & postage by Parks Bureau 2020 Summer-free-for-all and Community Center catalogs)

Office of the CAO

Bureau Performance Narrative

OMF Performance Changes

During FY 2020-21, the Office of Management and Finance made minimal changes to its performance measure portfolio. The Impact Reduction Program added two new metrics to illustrate the performance related to costs of performing campsite assessments and the total number of assessments performed. The Impact Reduction Program expanded the number of Clean Start trucks used to perform clean-ups from eight to 14. As of September 2021, nine of those trucks are operational – all 14 trucks are expected to be operational within the coming months. The Impact Reduction program spent a total of \$666,154 to conduct campsite assessments during FY 2020-21.

COVID-19 Impacts

There were several metrics across OMF's portfolio that experienced skewed results due to impacts from COVID-19, including the Business License Tax Gap. The Revenue Division was not able to conduct a field survey during 2021, so a main component of the measure's calculation was not available. The new tax collection software will also require a change in how this measure is calculated. Changes in due dates and changes in compliance procedures stemming from COVID-19 further led to an inability to produce a value for FY 2020-21. Reports are in development to ensure data comparisons are consistent with prior years as we move forward.

Printing and Distribution continues to experience less demand for services due to COVID-19. The Division reported 941 service requests per employee, which is less than half of the value reported pre-pandemic. As a result, positions have been reduced through attrition. Printing and Distribution continuing work to right-size the organization. The Impact Reduction Program experienced an uptick in the number of campsite reports by 18,603 in comparison to the previous fiscal year. The increase in campsite reports is attributed to policy shifts related to cleanup operations and COVID-19.

Equity metrics

The Bureau of Human Resources reported a value in alignment with prior fiscal years for the percentage of protected class applicants. For the percentage of focused outreach participants on an eligible list who are hired, the bureau reported 23% in FY 2020-21, which is a 3% increase in comparison to FY 2019-20. Procurement Services reported a decrease in the number of prime contracts awarded to MWESB contractors. This is partly attributed to this metric being reported as an integer, and not percentage based, and the City saw one third fewer contracts executed in FY 2020-21 as compared to the prior year. Nonetheless, the percentage of contracts awarded to DMW businesses was 8% in FY 2020-21 as compared to 13% in the prior year. At the same time, the average dollar amount awarded to DMW businesses has more than doubled from FY 2016-17 to FY 2020-21.

Notable Key Performance Measure Updates

The Procurement Services Division decreased the average construction invitation to bid cycle time – the process took 63 days in FY 2020-21, in comparison to 85 days in FY 2019-20. A similar decrease was experienced within the Goods and Services Invitation to Bid process.

Risk Management reported a 54% decrease in the change in cost of general liability claims over the prior four-year average.

Climate metrics

The Division of Asset Management reported a decrease of 7.6% in the change in average energy use intensity over the prior year average. Majority of this decrease can be attributed to the pandemic. Over the past two years, the Energy Use Intensity throughout OMF-Facilities' portfolio has fallen 20%. CityFleet reported a slight increase in the amount of hybrid or electric vehicles, and a decrease in the cumulative change in total carbon emissions.

Key Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
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Office of Management & Finance
 Prior Year Performance Reporting

Run Date: 9/9/21
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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1180	Percentage of sedans that are electric or plug-in hybrid	41%	43%	50%	45%	50%	100%	The city's fleet has 155 EVs or plug-in hybrids out of a total of 348 sedans (excluding police patrol). Efforts are ongoing to increase vehicle charging infrastructure to allow for additional EV purchases.
MF_1196	Percent of Accounts Payable within 30 days	83%	79%	80%	74%	95%	90%	Invoices paid within 30 days were 6% below target due to changes in workflow because of COVID-19 protocols. Vendors sending invoices late, mail not being checked as frequently as pre-covid, and a general adjustment in work style all contributed to an increase in invoice payment time. The hope moving forward, now that we have been working remotely for almost 18 months is that these processes have been refined which will result in faster invoice payment within the 30-day constraint.

Office of Management & Finance
 Prior Year Performance Reporting

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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1220	Number of campsite reports received and processed	35,005	41,717	40,000	60,320	40,000	50,000	Demand for program services has increased since the start of the pandemic due to a multitude of factors including policy shifts relative to campsite cleanup operations and COVID-19. Additionally, regionally, we are seeing an increase in illegal dumping as well which has also contributed to the increase in demand for program services for garbage removal.
MF_1221	Number of campsite cleanups performed	2,828	2,104	3,000	248	300	4,000	Due to COVID-19 and guidance from the CDC and Public Health, campsite removal operations slowed down to accommodate sheltering in place during the pandemic.
MF_1222	Total cleanup costs	\$2,155,030	\$3,424,524	\$2,500,000	\$4,173,582	\$4,250,000	\$4,250,000	The Impact Reduction Program has received additional funds to accommodate a substantial increase in demand for program services.
MF_1223	Tons of garbage collected	1,954	3,275	2,000	3,965	3,900	3,900	Program has added the number of Clean Start trucks to assist in the removal of more garbage/debris from encampments throughout the community.

Office of Management & Finance
 Prior Year Performance Reporting

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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details	
MF_1225	Change in average energy use intensity over the prior year average	EFFICIENCY	159.0%	-12.5%	-1.0%	-760.0%	20.5%	-1%	Pending receipt of a backlog of energy bills for May and June, it is estimated that the annualized Energy Use Intensity (the amount of energy used per square foot of space) was down 7.6% year over year. Most of this is attributable to the impact of the pandemic, which spanned all of FY20-21 but only a portion of FY19-20. Cumulatively, over both years, the EUI has fallen 20%.
MF_1226	Average customer demand workorder turnaround time	OUTPUT	27.70	23.90	22.50	22.20	19.00	10.00	Average turnaround time for customer demand workorders dropped for the third year in a row and improved by a day and a half over the prior year, reflecting management's commitment to improved customer service for routine repairs.
MF_1227	Percent of on-time preventive maintenance compliance	OUTPUT	53%	63%	55%	4,680%	63%	80%	Reopening the Portland Building added 1100 pm tasks, an increase of 56%. However, most of the reason for the decline in on-time PM completions is due to the impact of the pandemic.

Office of Management & Finance
 Prior Year Performance Reporting

Run Date: 9/9/21
 Run Time: 4:38:06 PM

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1228	Average maintenance and operations cost per square foot	\$14.99	\$10.79	\$11.50	\$7.06	\$11.79	\$12.51	<p>The pandemic has reduced energy, water, and disposal bills, reduced loads and wear and tear on building fixtures, furnishings, and equipment. Furthermore, the addition of the newly recommissioned Portland Building has also reduced average operating and maintenance costs for city office buildings as a practically new office building featuring new mechanical, electrical, plumbing and other systems requires less maintenance – especially at low occupancy. The building also did not experience a true building shakeout period at full occupancy due to the onset of the pandemic with six months of commissioning.</p> <p>Significant capital projects completed on time (after change orders and amendments) include construction of the Vanport Memorial Building, several projects at Police facilities, and mechanical work at the PCC.</p>
MF_1229	Percentage of construction projects completed on-time	8,000%	80%	84%	8,000%	80%	90%	

Office of Management & Finance
 Prior Year Performance Reporting

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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1230	Percentage of construction projects completed under budget	80%	80%	84%	8,000%	80%	90%	Significant capital projects completed within budget (after change orders and amendments) include construction of the Vanport Memorial Building, several projects at Police facilities, and mechanical work at the PCC.
MF_1231	Average occupancy rate	75%	75%	75%	8,200%	75%	98%	There were 19 vacancies out of 104 available units – 17 at Union Station due to the location and lack of modern amenities, and two at 3rd & Alder first story retail due to general retail conditions during the pandemic as well as recent social unrest in the area.
MF_1236	Percentage of minimum Spectator Venue & Visitor Activities Fund operating reserved maintained	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
MF_1240	Average cost per mile (\$)	0	\$.96	\$.97	\$.99	\$1.02	\$1.12	Among active vehicles, lifetime. Retirement of costlier older vehicles kept the cost per mile increase to 3% or less than average annual inflation.
MF_1241	Cumulative percentage change in total carbon emissions from FY 2006-07 levels	0	-41%	-41%	-43%	-43%	-100%	Pending validation by BPS, estimating a 2.75 ppt reduction in fleet emissions in 20-21 vs. 19-20 due to reduced fuel usage driven primarily by the pandemic.

Office of Management & Finance
 Prior Year Performance Reporting

Run Date: 9/9/21
 Run Time: 4:38:06 PM

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1242 Average Fleet Availability (%)	OUTPUT	0	95%	94%	95%	95%	98%	Availability was down slightly, most likely due to multiple unexpected closures (smoke, civil unrest) that delayed maintenance on vehicles delivered for service.
MF_1243 Business Operations operational budget served	WORKLOAD	0	\$530,458,328	\$456,311,063	\$491,734,652	\$575,000,000	N/A	
MF_1244 Business Operations budget as a percentage of OMF bureau operational budget served.	EFFICIENCY	0	1.1%	1.1%	1.2%	1.1%	1%	
MF_1245 FTE served by the OMF Business Operations Administrative Team	WORKLOAD	0	217	209	311	225	N/A	The following bureaus were added to service delivery, were not previously reported or otherwise represent metric increases: the Mayor's Office, DAM Facilities, and Risk Division.
MF_1246 Ratio of CAO Admin Team FTE to customer FTE directly served (i.e. 1:10 entered as 10)	EFFICIENCY	0	54	50	62	50	50	The Administrative Team increased to 5.0 FTE as a result of contributions from multiple prior interagency agreements reaching a level to fund an additional FTE.
MF_1251 Percentage of professional services consultant contracts awarded to Oregon certified COBID firms	OUTCOME	0	60.00%	32.00%	62.00%	30.00%	30.00%	
MF_1252 Number of phone calls and emails responded to	WORKLOAD	84,112	91,736	0	94,837	110,000	N/A	
MF_1253 One call resolution rate	OUTCOME	22.00%	26.08%	0	26.30%	33.00%	N/A	
MF_1254 Percentage of calls answered in less than 25 seconds	EFFICIENCY	91.00%	89.42%	0	90.00%	89.56%	N/A	
MF_1255 % of City staff with a "good" or "very good" awareness of security procedures	OUTCOME	0	0	0	N/A	N/A	75.00%	

Office of Management & Finance
 Prior Year Performance Reporting

Run Date: 9/9/21
 Run Time: 4:38:06 PM

Other Performance Measures		Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
MF_1256	Total campsite assessment costs	OUTPUT	0	0	0		0	0	The Impact Reduction Program received additional funds to add to the fleet of Clean Start trucks—going from 8 Clean Start crews to 14 throughout the course of this next fiscal?year.?
MF_1257	Total number of assessments performed	OUTPUT	0	0	0		0	0	Program has received funding to expand number of trucks in Clean Start fleet from 8 to 14. Currently there are 9 trucks in the field, and we expect to have all 14 operationalized in the coming months. These?crews have allowed the program to respond to more reports received and conduct more assessments.?

MF - Office of Management & Finance DP Type Contingency

Request Name: 12499 -Spectator Venues - Adjust Beginning Fund Balance

Package Description

This request adjusts the beginning fund balance to match the projected ACFR ending fund balance for FY 2020-21.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	1,994,024
Expense	Sum:	\$1,994,024

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	1,994,024
Revenue	Sum:	\$1,994,024

MF - Office of Management & Finance

DP Type

Technical Adjustments

Request Name: 12518 -CAO's Office - Technical Adjustments

Package Description

This package includes the following technical adjustments:

- Increase Spectator Venues bonded debt interest to reconcile with Debt Service
- Redirect ARP funded 311 CSR I position to the correct cost center and functional area

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	-29
	Debt Service	29
	External Materials and Services	0
	Personnel	0
Expense	Sum:	\$0

2021-22 FALL Requested Adj		
Revenue	Intergovernmental	0
Revenue	Sum:	\$0

MF - Office of Management & Finance DP Type Encumbrance Carryover

Request Name: 12549 -CAO's Office - Encumbrance Carryovers

Package Description

This request is to carry forward the following encumbrances: \$25,000 for emergency COVID-19 vaccination promotion costs paid to Portland Business Alliance (PO 20009547); \$60,674 for Synergy software implementation (PO 22284345 0020); \$158,000 with Makers Architecture and Urban Design for the Facilities Master Plan (PO 22292574); \$32,435 with Irish Enterprises LLC for the OMF fee study (PO 22292822); \$7805 with Turning Point Initiatives LLC to complete equity training (PO 22259305).

Service Impacts

Funding the encumbrance carryover requests listed above will allow the CAO's Office to complete the work under these contracts. All these requests are 1x in nature and are not for routine, ongoing work.

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	External Materials and Services	283,914
Expense	Sum:	\$283,914

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	283,914
Revenue	Sum:	\$283,914

MF - Office of Management & Finance DP Type Internal Transfer

Request Name: 12551 -CAO's Office - Move Coordinator II Positions to HUCIRP

Package Description

This package moves \$300,000 and 2.0 FTE from OMF-CAO to the HUCIRP program.

Service Impacts

None.

Equity Impacts

None.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	0
	Personnel	0
Expense	Sum:	\$0

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	0
Revenue	Sum:	\$0

MF - Office of Management & Finance DP Type Contingency

Request Name: 12554 -CityFleet - Beginning Fund Balance

Package Description

The purpose of this request to true up City Fleet beginning fund balance to match actuals. The \$4,612,008 will be appropriated to contingency.

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Contingency	4,612,008
Expense	Sum:	\$4,612,008

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	4,612,008
Revenue	Sum:	\$4,612,008

MF - Office of Management & Finance DP Type Contingency

Request Name: 12557 -CityFleet - Other Adjustments

Package Description

The purpose of this request is to allocate salary contingency into personnel services to be used for living increase and health care cost increases.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Contingency	-96,563
	Personnel	96,563
Expense	Sum:	\$0

MF - Office of Management & Finance

DP Type

Other Adjustments

Request Name: 12567 -CAO-Transfer 2 FTE Funding to SA

Package Description

In the FY 2021-22 budget, OMF CAO's Office received \$300,000 in General Fund resources for 2 positions: one to serve as the permit process improvement coordinator and the other to serve as the streets to stability coordinator. After passage of the budget, discussions between Commissioner Ryan's office and the Chief Administrative Officer resulted in direction to move the positions under the Commissioner of Public Works budget with the funding residing in Special Appropriation. This package executes that direction by removing \$300,000 in OMF while a package in Special Appropriations recognizes the \$300,000. The positions were already created via P4 and have been filled by the Commissioner, so they will display under the Commissioner's org structure in the FY 2022-23 budget. The \$300,000 will now be used exclusively for costs for the permit coordinator with the streets to stability funding coming out of the ARP funding. The homeless services coordinator position will continue to be housed on the Commissioner's Office despite the change in funding source.

Service Impacts

This package, when combined with the Special Appropriations request, aligns management of the programs under the Commissioner of Public Works while retaining the budget equalization direction for Council Offices by having the budget reside within Special Appropriations. Since the addition of these positions were at the request of Commissioner Ryan's Office, it helps streamline the management of these positions by moving them out of OMF and into the Commissioner's Office.

Equity Impacts

NA

2021-22 FALL Requested Adj		
Expense	Personnel	-300,000
Expense	Sum:	(\$300,000)

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	-300,000
Revenue	Sum:	(\$300,000)

MF - Office of Management & Finance DP Type Contingency

Request Name: 12570 -CityFleet - Purchase Order Carryover

Package Description

CityFleet is requesting \$3,635,998 in appropriation carryover of FY 2020-21 projects. These funds represent the remaining balances for FY 2020-21 replacement of vehicles and equipment.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	Capital Outlay	3,635,998
	Contingency	-3,635,998
Expense	Sum:	\$0

MF - Office of Management & Finance DP Type Technical Adjustments

Request Name: 12571 -CityFleet - Coordinator II Position

Package Description

This request moves EMS funds into personnel services for a new full-time permanent Coordinator II position. These funds are savings from the closure of the Graham garage to be used for a new position in Fleet that will focus on the quality of vehicle maintenance & repair, autobody restoration, upfitting & after-market accessory installation, detailing, and other work performed by CityFleet's vendors.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj		
Expense	External Materials and Services	-122,119
	Personnel	122,119
Expense	Sum:	\$0

Position Detail						
Job Class - Name	FTE	Salary	Supplemental	Statutory	Benefit	Total
30003028 - Coordinator II	1.00	80,288	0	6,142	35,689	122,119
Total	1.00	80,288	0		35,689	122,119

MF - Office of Management & Finance DP Type Contingency**Request Name: 12579 -Facilities - Move Housing to 1900 Building project****Package Description**

The purpose of this budget adjustment request is to budget for a project to move the Housing Bureau into the 7th floor of the 1900 Building from their current leased space at the Commonwealth Building.

The project has two funding sources. \$2.2 million is funded by amortizing the cost over a period of 3 years. This amortization will be funded by continuing to include the amount of the Commonwealth Building lease in the downtown blended office space rates after the costs go away. Initial funding will be out of the Facilities Fund's Portland Building major maintenance account, which has a significant balance and no planned projects, and it will be repaid thru these lease savings.

This will allow Housing to move in at no cost and the blended rates program participants to not have to bear the burden of the costs. After 3 years the lease savings will be available for other uses or could be returned to bureaus of the program.

The second source for \$211,000 is the 1900 Building major maintenance account. This funds the painting and carpeting component of the project, plus some updates to electrical systems.

The space was vacated when BPS moved to the Vanport Building this fiscal year.

Service Impacts

The project will also create shared space on the 7th floor that will be modeled after the 15th floor of the Portland Building to give Housing and other tenants of the 1900 Building more space use options.

Equity Impacts

None

F4 - BMP Amendment Request Report (Fall Requested)

Run Date: 9/9/21

BMP Amendment Request Report

Run Time: 2:18:04 PM

2021-22 FALL Requested Adj		
Expense	Contingency	-2,127,236
	External Materials and Services	2,127,236
	Personnel	0
Expense	Sum:	\$0

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12580 -Security - Implement Genetec security system in three buildings

Package Description

The purpose of this budget adjustment request is to budget for the implementation of the Genetec security system in City Hall, Portland Communications Center, and the Emergency Coordination Center. These are the first implementations after the system was included in the reconstructed Portland Building.

Funding is from each building's major maintenance account.

Service Impacts

Genetec is an enterprise security system that integrates video surveillance and access controls together where they can be monitored and managed from the City's security operations center.

Equity Impacts

None

		2021-22 FALL Requested Adj
Expense	Capital Outlay	935,484
	Contingency	-935,484
Expense	Sum:	\$0

MF - Office of Management & Finance DP Type Contingency

Request Name: 12581 -HUCIRP - Increase IA with BES for space rent

Package Description

The purpose of this budget adjustment request is to increase the IA with BES as provider so they can bill the HUCIRP for space rent at 2420 N. Columbia for the Kenton Women’s Village. This IA was not billed by BES for FY 2018-19 to FY 2020-21 and so needs to be billed in FY 2021-22. HUCIRP has been carrying over this money in the Facilities Fund and so this is just a transfer out of fund balance/contingency account to the IA account.

Service Impacts

None

Equity Impacts

None

2021-22 FALL Requested Adj		
Expense	Contingency	-24,583
	Internal Materials and Services	24,583
Expense	Sum:	\$0

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12582 -Facilities - Portland Building post reconstruction projects

Package Description

The main Portland Building reconstruction project and contract with Howard S. Wright was completed in June and retainage will be shortly released. A list of post project items, funded with remaining project funds, has been developed and approved by the CAO. However, these have not been budgeted for in the City budget. The purpose this budget adjustment request is to appropriate Portland Building reconstruction project resources for these post project costs.

Service Impacts

The post reconstruction projects will further enhance services to tenants and visitors of the Portland Building.

Equity Impacts

None

2021-22 FALL Requested Adj		
Expense	Capital Outlay	426,000
	Contingency	-2,139,753
	External Materials and Services	1,557,753
	Internal Materials and Services	156,000
	Personnel	0
Expense	Sum:	\$0

MF - Office of Management & Finance

DP Type

New Revenue

Request Name: 12583 -Security - Increase IA with BES for additional security services

Package Description

The purpose of this budget adjustment request is to increase the IA with BES as receiver by \$300,000 for additional contract security services at various BES locations at the request of BES.

Service Impacts

BES will receive additional security services at its various locations.

Equity Impacts

None

2021-22 FALL Requested Adj

Expense	External Materials and Services	300,000
Expense	Sum:	\$300,000

2021-22 FALL Requested Adj

Revenue	Interagency Revenue	300,000
Revenue	Sum:	\$300,000

MF - Office of Management & Finance

DP Type

Contingency

Request Name: 12584 -Security - Carryover Council security requests money

Package Description

The purpose of this budget adjustment request is to appropriate the balance of the Council security money set up in the FY 2020-21 budget process. Only a little over \$5,000 was spent for Council requests. The full amount of the funding was billed to provide the Security program with further flexibility in responding to Council requests. Requests cannot be projected and when they happen they need to be responded to quickly. This budget adjustment request appropriates the balance of this funding in FY 2021-22.

Service Impacts

The Security program will have more flexibility in responding to Council requests for security services or improvements.

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Contingency	-44,942
	External Materials and Services	44,942
Expense	Sum:	\$0

MF - Office of Management & Finance DP Type New Revenue

Request Name: 12585 -Facilities - Increase beginning fund balance

Package Description

The purpose of this budget adjustment request is to increase beginning fund balance by \$8.6 million and place the resulting appropriation in a fund contingency account. In separate Fall BMP budget adjustment requests this appropriation will be move to accounts where it can be used for carryover projects and services. This need was projected in the Spring BMP.

Service Impacts

None

Equity Impacts

None

2021-22 FALL Requested Adj		
Expense	Contingency	8,604,435
Expense	Sum:	\$8,604,435

2021-22 FALL Requested Adj		
Revenue	Beginning Fund Balance	8,604,435
Revenue	Sum:	\$8,604,435

MF - Office of Management & Finance

DP Type

New Revenue

Request Name: 12599 -CityFleet - IA Adjustment with Parks Bureau

Package Description

Portland Parks and Rec is adding capacity to operations, funded by Portland voters passing the Local Option Levy in November 2020. The increased budget in the interagency agreement will fund the necessary vehicles and equipment to accommodate that operational capacity. This request matches their IA adjustment.

Service Impacts

N/A

Equity Impacts

N/A

2021-22 FALL Requested Adj

Expense	Capital Outlay	8,233,175
	External Materials and Services	353,495
Expense	Sum:	\$8,586,670

2021-22 FALL Requested Adj

Revenue	Interagency Revenue	8,586,670
Revenue	Sum:	\$8,586,670

MF - Office of Management & Finance

DP Type

Internal Transfer

Request Name: 12606 -DAM - Convert limited-term position to permanent

Package Description

This decision package is the first phase of a reorganization of DAM that will continue on in the FY 2022-23 Requested Budget. There is an immediate need to convert a limited-term Coordinator 1 in DAM Administration to a full-time permanent Coordinator 2 in Fleet and so is being submitted now in the Fall BMP. For this conversion we are assuming a November 1 start to base costs and budget adjustments on. The package has three components: The first is for DAM Administration to reduce its Personnel Services budget for the amount it budgeted for 8 months of the limited-term Coordinator 1. DAM will then go and reduce IA's with Fleet and Facilities for management and administrative support. In FY 2022-23 DAM's target will be reduced for the full year cost of the limited-term Coordinator 1. The second component is for Fleet and Facilities to match the IA reduction by DAM. Each has a 50% share. Facilities will put the money in contingency and Fleet will put in Personnel Services. The third component is creating the full-time permanent Coordinator 2 position in Fleet. It is anticipated that further reorganization changes in the FY 2022-23 budget process will make this cost neutral for Fleet. In FY 2021-22 Fleet will cover the difference between the DAM IA savings and the additional costs of the new position. Fleet has long needed an Operations Coordinator to be the primary, on-the-ground implementer of strategic initiatives, particularly for process improvements in the garage that will benefit customers from an efficiency and customer experience standpoint; one already-existing example of how this position benefited this work is leading all of the implementation work associated with closing the Graham Garage and moving the Vehicle Processing Center to an underutilized area of the Kerby Garage. This position has also proved invaluable for providing back-up staffing services for key functions for which there is limited to no organizational redundancy (e.g., rentals support, safety projects administration, etc.).

Service Impacts

Services to be provided by the position include:

- On-the-ground process improvement support for garage operations (e.g., space/use analytics, physically moving/redesigning garage operations, implementation of Teams/Lanes at the Kerby Garage)
- Support for performance management initiatives initiated by the Garage Operations Supervisor (primarily, development, implementation, and culture change support associated with the development and implementation of performance scorecards for Vehicle Maintenance Technicians)
- Support for process improvement initiatives in the acquisitions department, including the final elimination of Vehicle Processing Center activities and supporting garage supervisors at migrating staff into "regular" Vehicle Maintenance Technician functions
- Support for green fleet initiatives, including organizing "green fleet rodeos" to introduce bureau customers to new green fleet vehicles
- Miscellaneous staff backup support, including support for safety and acquisitions functions

Equity Impacts

None

2021-22 FALL Requested Adj		
Expense	Contingency	-8,029
	Internal Materials and Services	-73,382
	Personnel	8,029
Expense	Sum:	(\$73,382)

2021-22 FALL Requested Adj		
Revenue	Interagency Revenue	-73,382
Revenue	Sum:	(\$73,382)

Position Detail						
Job Class - Name	FTE	Salary	Supplemental	Statutory	Benefit	Total
30003028 - Coordinator II	1.00	53,525	0	4,095	23,791	81,411
Total	1.00	53,525	0		23,791	81,411

MF - Office of Management & Finance

DP Type

Request Name: 12639 -Facilities - Major Maintenance FY 21 Carryover

Package Description

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Contingency	-3,301,962
	External Materials and Services	3,301,962
	Personnel	0
Expense	Sum:	\$0

MF - Office of Management & Finance

DP Type

Request Name: 12640 -Facilities - IA changes

Package Description

Service Impacts

Equity Impacts

2021-22 FALL Requested Adj		
Expense	Contingency	409,193
Expense	Sum:	\$409,193

2021-22 FALL Requested Adj		
Revenue	Interagency Revenue	409,193
Revenue	Sum:	\$409,193

MF - Office of Management & Finance

DP Type

New Revenue

Request Name: 12643 -CAO - ReThink Police Oversight Committee support resources

Package Description

This package supports the needs of the newly appointed Rethink Police Oversight Commission (POC). The commission is tasked with recommending code changes to City Council that will effectuate the new police oversight system as was approved by the voters in Measure 26-217 and added to the City’s Charter accordingly. The Commission will determine the powers of the new system, define terms & roles, and create a transition plan. City Council appointed the volunteer commissioners to the POC in late July. This package is needed to cover the cost of ancillary items for the commission, including email addresses, Office 365 accounts, VPNs and other incidental expenses.

Service Impacts

This package will enable the ReThink Police Oversight Committee to begin its work and abide by City regulations and protect the privacy of the volunteer commissioners. The operation of this commission is necessary to enact the charter amendment that was overwhelmingly approved by voters.

Equity Impacts

Funding this package enables safe participation of volunteers in the POC. Supporting volunteer commissioners generally promotes diverse participation on the commissions, which furthers the City’s equity goals by having decision-making bodies representative of the population they serve. Additionally, this particular commission’s charge is to make recommendations for a new police oversight system, which is intended to hold police accountable to serving their community equitably and with integrity.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	10,263
Expense	Sum:	\$10,263

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	10,263
Revenue	Sum:	\$10,263

MF - Office of Management & Finance DP Type New Revenue

Request Name: 12645 -CAO - Hearings Office IA with Parks Bureau

Package Description

This request recognizes interagency revenue from Parks Bureau for Hearings Office service. The Hearings Office is providing service to the Parks Bureau for tow appeal hearings. The Hearings Office hears the appeals of people who believe their vehicle was wrongly towed. This service includes scheduling, notice of administration of the hearings, conducting the hearings and rendering written decisions, maintaining records and files associated with the hearings in accordance with retention schedules, and providing for public access to records.

The primary purpose of this interagency agreement is to ensure stable, adequate funding for the Hearings Office to provide tow services. The office is very small and cannot absorb large fluctuations from year to year. This interagency agreement establishes a minimum level of service and cost recovery that should be adequate to cover the number of cases brought to the hearings office, based on historical workload figures provided by Parks Bureau. Parks Bureau estimates one to three cases, and an interagency agreement for \$600 per case.

Service Impacts

This request recognizes agreement by the bureaus to provide tow appeal hearings service in a timely and cost-efficient manner, utilizing an existing centralized service and avoiding the necessity to create one-off services. If this request is not approved, the Parks Bureau would need to analyze and identify alternatives, considerate of the code requirements and deadlines.

Equity Impacts

This request has no material equity impacts. The Hearings Office is a part of the Office of Management and Finance having an equity plan and forthcoming Equity Manager that reinforce City Equity goals and initiatives.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	1,800
Expense	Sum:	\$1,800

2021-22 FALL Requested Adj		
Revenue	Interagency Revenue	1,800
Revenue	Sum:	\$1,800

MF - Office of Management & Finance DP Type New Revenue

Request Name: 12646 -SPOT - Project Manager Funding

Package Description

This request is for \$40,000 in General Fund One-time resources to fund a Strategic Projects Manager (Analyst III) given forecasted IA shortfall within the fiscal year. The Strategic Projects Manager position is expected to receive approximately \$20,000 in IA revenue in the current fiscal year for the projects discussed herein. To fully fund the Strategic Projects Manager on an ongoing basis OMF expects to request \$60,000 during FY 2022-23 budget development.

The Chief Administrative Officer established The Project Management for Citywide Initiatives (PMCI) workgroup within the Strategic Projects and Opportunities Team. Team members provide project management for complex citywide projects, inter bureau and intergovernmental matters, policy development, and strategic planning. Over the last 24 months, the SPO Team managed critical projects, including the City's response to COVID-19, the Charter Commission, the transition to a Community Safety model, and ARPA and CARES funding allocations.

There is an on-going funding shortfall in the unit. Historically, this position has been funded in part with General Fund revenue and the remaining with funds from interagency revenue from sponsoring/stakeholder bureaus. This practice requires negotiation for interagency revenue on an ongoing project-by-project basis. For example, in FY 2018/19, SPOT entered into a Project Management agreement for the City's response to the FEMA Biological Opinion related to the flood hazards included funding for project management. Additionally, in FY2019/20 and FY 2020/21, Public Safety bureaus contributed to the funding for project management of the Public Safety Workgroup, which then became the Community Safety Transition.

The City established the Community Safety Division under the Office of the CAO and is in the process of hiring Community Safety staff to do the work previously managed by a PMCI analyst. As a result, PMCI is without stable funding for one of the Analyst III positions. We project that on-boarding of the Community Safety Director and the Community Safety staff is winding down. This situation creates a hole in the SPOT budget that was unanticipated at the time of our budget submission.

Despite the lack of funding, demand for project management of priority projects continues to rise. The renegotiation of the City/County IGA with the Joint Office on Homeless Services, is an unanticipated priority project for the City, Council, and the CAO. The Commissioner in Charge, Chief Administrative Officer, and Housing Director have sponsored this project. The CAO intends to redirect a project manager to manage these negotiations. Currently, we do not have funding to work on this effort or other projects not associated with the community safety transition.

If funding is not secured OMF will return in the Spring BMP to request resources sufficient to prevent over expenditure. As noted above OMF also communicates the intent to submit a request during FY 2022-23 budget development to fully fund this position, considerate of projects and assignments described herein that do not come fully funded with interagency revenue.

Service Impacts

SPOT projects align with the City's Core Values and a one-city approach. A value of the SPO Team is that PMCI's project management is not rooted in a single bureau's perspective, instead as a function of the Chief Administrator's Office, PMCI brokers conversations, change management, and strategic initiatives that benefit the City's operations and systems.

Equity Impacts

The PMCI program is connected to the broader equity vision of the City to benefit communities by implementing components of OMF's Racial Equity Plan. PMCI participated in training through the Office of Equity and Human Rights program and has sought additional training opportunities. Members of the team serve on various committees to advance Racial Equity at the City and throughout Oregon. The PMCI's work requires staff to collaborate with employees and leadership throughout City government, with elected officials, and community stakeholders to develop and implement equitable and effective policies, projects, and programs. We strive to lift up the City's Core Values in project scopes, deliverables, and outcomes.

2021-22 FALL Requested Adj		
Expense	Personnel	40,000
Expense	Sum:	\$40,000

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	40,000
Revenue	Sum:	\$40,000

MF - Office of Management & Finance

DP Type

Other Adjustments

Request Name: 12648 -CAO - Community Safety Budget and Finance Centralization

Package Description

This package is the first step in implementing a centralized business operations team within the Community Safety Division. The Community Safety Division within OMF is expected to be a transitional home for these centralized services. The purpose of this centralization is to support citywide administration and planning of the community safety transition, drive innovation within the existing public safety bureaus, create opportunities for administrative efficiencies, and improve transparency and accountability in community safety budget planning.

The Fall BMP package includes moving 2 FTE – one Manager III from PPB (\$194,750) and one Manager I from PF&R (\$165,000) – to the Community Safety Division who will then work on a budget request to move additional staff from the four public safety bureaus (PPB, PF&R, BOEC, and PBEM) to the Community Safety Division during FY 2022-23 budget development. These positions will represent the finance and budgeting functions for the four bureaus. The two positions that are proposed to move during the Fall BMP will manage the finance and budgeting functions, and work with OMF and the City Budget Office to implement a consolidated budget for the four public safety bureaus. They will leverage opportunities across the four bureaus to cross-train staff, create more consistency and continuity of operations, and provide opportunities for employee development.

Organizationally, the staff will report up through the Community Safety Transition Director for the next two years, while the longer-term organizational structure for community safety is established.

Service Impacts

The short-term impacts of this package will be improved budget planning and coordination across the four public safety bureaus, with the possibility to identify efficiencies that enable redirecting funding to front-line public safety services. The positions that are being proposed to move to the Community Safety Division will continue to provide services directly to the Police Bureau and Fire Bureau, as well as PBEM and BOEC. They will embed within the bureaus, and establish or maintain working relationships with leadership and staff within the public safety bureaus. Therefore, there will not be a direct reduction in services to those bureaus. The centralization will create opportunities to leverage learnings, efficiencies and staff across bureaus that will potentially free up resources within the public safety bureaus to focus on other work.

Equity Impacts

This package primarily impacts the administrative functions within the public safety bureaus, rather than the client-facing functions. However, one of the goals of this package is to create efficiencies that will enable each bureau to spend less staff resources focused on finance, which could enable more equity work within each bureau. Additionally, the Community Safety Division is focused on providing a modern, community-centered model of safety that is more responsive to the emergency response needs in our community . By creating the Community Safety Division, and centralizing budget planning, the City will be better able to create alternative emergency response models, and reduce or shift emergency call responses in a way that is both more equitable and financially sustainable.

2021-22 FALL Requested Adj		
Expense	External Materials and Services	20,000
	Personnel	339,750
Expense	Sum:	\$359,750

2021-22 FALL Requested Adj		
Revenue	General Fund Discretionary	359,750
Revenue	Sum:	\$359,750

Capital Program Status Report

Office of Management & Finance - MFDR

CIP Program Name	2020-21 Adopted Budget	2020-21 Revised Budget	2020-21 Actuals	PY Variance	PY Percent of Actuals to Revised	2021-22 Adopted Budget	2021-22 FALL Requested Total	2021-22 July Actuals	Fall Req. to Adopted Variance	Fall Req. to Adopted % Variance
CityFleet	15,763,241	21,949,824	10,691,767	-11,258,057	48.71%	18,332,083	21,968,081	269,219.12	3,635,998	16.55%
Facilities	11,689,460	35,831,224	10,404,435	-25,426,789	29.04%	16,110,724	25,128,187	-1,173,112.11	9,017,463	35.89%
Sum:	27,452,701	57,781,048	21,096,202	-36,684,846	-63.49%	34,442,807	47,096,268	-903,892.99	12,653,461	26.87%

Prior Year Variance Description

CityFleet - CityFleet's capital budget was underspent due to the timing of the receipt of vehicles and equipment that are on order and will be carried over into FY 2022.

Facilities - Facilities CIP was under spent for three reasons. First, the Portland Building project showed budget savings. This was the result of overall project savings and some cost being deferred to the current fiscal year, and maybe beyond, due to the pandemic and its impact on building usage. Second, the Fourth and Montgomery/Vanport building project had project savings. Third, four buildings had major maintenance spending much less than budget. The 1900 Building's generator replacement project was delayed to this FY and this BMP includes a request to carryover this project appropriation. City Hall's council chambers AV replacement project and all user restroom project were delayed. This BMP includes a request to carryover these project's appropriation. The scope of all user restroom has also been reduced. Exterior improvements for North Precinct and the adjacent Walnut Park commercial space projects were put on hold with no new timeframe in place. So we have no carryover request for this. For Justice Center we relied on the County for the budget of condominium projects. They were not able to complete the projects they planned.

Current Year Variance Description

Prior Year Fund Reconciliation Report

Office of Management & Finance

100 - General Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	7,754,430	7,275,220	93.82%
External Materials and Services	959,209	390,084	40.67%
Internal Materials and Services	1,907,358	1,519,984	79.69%
TOTAL EXPENDITURES	10,620,997	9,185,289	86.48%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	0	5,685	
Intergovernmental	352,498	354,175	100.48%
General Fund Discretionary	2,257,676	0	0%
General Fund Overhead	2,541,295	0	0%
Miscellaneous	0	209	
Interagency Revenue	5,469,528	5,023,649	91.85%
TOTAL REVENUES	10,620,997	5,383,718	50.69%

Expenditure Discussion

PS-Within 10% of budget appropriation.

EMS-The \$570,000 in unspent appropriation is offset in part by the encumbrance carryover requests in the Fall Bump. In addition, \$121,000 was provided to MFDR for the Cal Partnership Contract. That contract will now be funded out of current appropriation and the \$121K fell to General Fund balance.

IMS-20% of Internal Materials and Services was unspent largely due to lower than anticipated Portland Building costs and the postponement of software analyst work for the 311 program. In addition, working from home induced a sharp reduction in costs to items such as printing, fleet vehicle rental, and other discretionary charges.

Revenue Discussion

Charges for Services and Miscellaneous Revenue represent small unbudgeted revenue items such as public records revenue and miscellaneous reimbursements. Historically these are not budgeted in OMF unless the budget is so tight that the appropriation is needed.

All other revenues were within 10% of budget appropriation, with General Fund Overhead and Discretionary being added at a later date based on total expenditures.

Prior Year Fund Reconciliation Report

Office of Management & Finance

702 - CityFleet Operating Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	9,893,932	8,725,000	88.19%
External Materials and Services	15,204,530	11,956,649	78.64%
Internal Materials and Services	2,893,647	2,712,852	93.75%
Capital Outlay	24,217,640	9,571,265	39.52%
Debt Service	623,793	619,569	99.32%
Contingency	13,325,815	0	0%
Fund Transfers - Expense	2,336,467	2,336,467	100%
TOTAL EXPENDITURES	68,495,824	35,921,802	52.44%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Intergovernmental	1,137,277	644,024	56.63%
Miscellaneous	1,483,993	1,876,881	126.48%
Interagency Revenue	39,408,277	37,830,912	96%
Bond & Note Proceeds	2,325,072	1,178,422	50.68%
Beginning Fund Balance	24,141,205	0	0%
TOTAL REVENUES	68,495,824	41,530,238	60.63%

Expenditure Discussion

CityFleet Capital Outlay was under spent due to the timing of the receipt of vehicles and equipment that are on order are carried over into the next fiscal year.

Revenue Discussion

Intergovernmental Revenues are under collected due to the unpredictability of customers' need for services. Auction proceeds and interest revenues contribute to the higher amount in miscellaneous revenue.

Prior Year Fund Reconciliation Report

Office of Management & Finance

701 - Facilities Services Operating Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	6,338,998	5,411,821	85.37%
External Materials and Services	36,660,705	31,579,117	86.14%
Internal Materials and Services	8,731,424	6,698,583	76.72%
Capital Outlay	15,349,289	1,019,981	6.65%
Debt Service	22,813,381	31,868,779	139.69%
Contingency	34,137,708	0	0%
Fund Transfers - Expense	2,056,111	2,056,111	100%
TOTAL EXPENDITURES	126,087,616	78,634,393	62.36%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	1,069,366	1,622,297	151.71%
Intergovernmental	2,000,000	1,354,389	67.72%
Miscellaneous	16,005,822	13,184,126	82.37%
Interagency Revenue	52,322,281	49,613,844	94.82%
Bond & Note Proceeds	1,186,558	8,825,847	743.82%
Fund Transfers - Revenue	4,351,542	4,351,542	100%
Beginning Fund Balance	49,152,047	0	0%
TOTAL REVENUES	126,087,616	78,952,046	62.62%

Expenditure Discussion

Prior Year Fund Reconciliation Report

Office of Management & Finance

Personnel Services

The fund had a number of vacant positions during the year, primarily in the newly created Facilities Worker job class, plus in Facilities Maintenance Technician, Construction Project Manager, and Dispatch job classes. Getting the Facilities Worker positions set up and recruited for took longer than anticipated.

EMS

EMS spending was less than budget for two reasons. First, the Portland Building reconstruction project is seeing overall savings and is also seeing costs delayed to FY 2021-22. Second, service requests from customers for Operations and Maintenance and Project Management program work was greatly reduced as bureaus cut back to address revenue shortfalls and reduced budgets.

IMS

The fund budgeted for the services of its maintenance technicians to its owned buildings in IMS account 651307. This is where the cost posts to when the fund's work order system interfaces with SAP. We had budgeted the corresponding revenue in account 641307. We have found out that instead it shows up in SAP as a negative 651307 amount. So we had budget in 651307 that was not needed and this contributed to saving in IMS.

Capital

Capital spending was less than budget for two reasons. First, the Portland Building reconstruction project and the Vanport Building construction project are seeing overall savings, and are also seeing costs delayed to FY 2021-22. Second, major maintenance projects at the Portland Communications Center, 1900 Building, Justice Center, North Precinct, and Kelly Building were either delayed, put on hold, or are taking longer to do than originally planned.

Debt Service

This is showing over budget because BFM is including budget exempt transactions associated with refinancing debt and replacing notes with bonds.

Revenue Discussion

Service Charges

A few revenues were not included in the budget and this was addressed in the current year budget. These offset pandemic related rent abatements at a few locations. Revenue from PSU for their share of security costs was not included in the budget. Rental revenue from the White Stag block was not budgeted. Rental revenue from the Multnomah County Sheriff at the Kelly Building was not included in the budget (but was factored into rates charged to the Police at the building). Revenue for Union Station was based on the budget for expenses and not on revenues from leases and pass through costs.

IGA

Services to ODOT by the HUCIRP program have not yet met the budgeted amount of \$2 million but are increasing. Services were impacted due to restrictions on cleaning up camps as a result of the pandemic.

Miscellaneous

Since costs for the Portland Building reconstruction project were less than budgeted this fiscal year, the sales amounts to BES and Water for their shares were also down (\$2.9 million less than budgeted).

Bond and Note Proceeds

This is showing over budget because BFM is including budget exempt transactions associated with refinancing debt and replacing notes with bonds.

Prior Year Fund Reconciliation Report

Office of Management & Finance

607 - Spectator Venues & Visitor Activities Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Personnel	452,177	440,047	97.32%
External Materials and Services	5,455,819	3,731,873	68.4%
Internal Materials and Services	508,095	439,516	86.5%
Capital Outlay	1,720,000	572,076	33.26%
Debt Service	3,442,347	3,442,346	100%
Contingency	8,630,065	0	0%
Fund Transfers - Expense	224,248	224,248	100%
TOTAL EXPENDITURES	20,432,751	8,850,106	43.31%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Charges for Services	350,000	769,820	219.95%
Intergovernmental	1,269,824	1,241,839	97.8%
Miscellaneous	141,000	160,544	113.86%
Beginning Fund Balance	18,671,927	0	0%
TOTAL REVENUES	20,432,751	2,172,204	10.63%

Expenditure Discussion

All expenditures were within budgeted appropriation.

Revenue Discussion

Although COVID-19 negatively impacted the number of venue events, Charges for Services exceeded budget by 119% due to unforeseen parking and user fees from late season Blazer basketball games.

Interest earnings were higher than anticipated prompting Miscellaneous Revenue to exceed budget by 13%.

Prior Year Fund Reconciliation Report

Office of Management & Finance

217 - Grants Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	22,250	20,203	90.8%
Internal Materials and Services	12,750	12,730	99.84%
TOTAL EXPENDITURES	35,000	32,933	94.09%

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Intergovernmental	35,000	48,481	138.52%
TOTAL REVENUES	35,000	48,481	138.52%

Expenditure Discussion

Expenses were within budget.

Revenue Discussion

Revenues greater than budget are due to receiving grant reimbursement revenues for expenses incurred in the prior year.

FY 2020-21 Budget Note Updates

Office of Management and Finance – Division of Asset Management

Date of Budget Note: July 1, 2020 in the FY 2020-21 Adopted Budget

Budget Note Title: Reporting on Climate Action Investments

Budget Note Language:

The Bureau of Planning and Sustainability and the Office of Management and Finance Division of Asset Management will report annually on the outcomes of the investments in climate action associated with green fleet and carbon reduction efforts for the next three years. Both bureaus will set clear definitions of success, including benchmarking performance measures for program evaluation prior to implementation of the initiatives. It is understood that the efforts underway will take time to implement, including the build-out of Green Fleet infrastructure and changes to consumption and use patterns. As the FY 2020-21 budget only includes limited resources for program expansion, it is critical to Council and the community that measurable results are achieved to warrant continued investments.

Summary Status: Underway

Budget Note Update: March 25th, 2021

CityFleet's goal for green fleet conversion is to help the City reduce its carbon emissions to 50% of 1990 levels (or lower) by 2030, and achieve net zero carbon emissions before 2050, while ensuring that the measures adopted to create this outcome are economically beneficial and cost-effective for impacted bureaus, the City, and taxpayers.

Designing and implementing the City's green fleet transition plan is a multi-year process. First, the organizational resources and methodologies to do this work need to be developed, which is the focus of FY 2020-21. Second, the physical infrastructure to support a converted green fleet – specifically access to affordable charging – needs to be developed, which will most likely happen in FY 2021-22. Finally, fleet conversion must occur, which is already in flight for certain asset classes, but will likely accelerate as charging becomes more routinely available and harder-to-convert vehicle classes come to market.

In FY 2020-21, CityFleet and the Bureau of Planning and Sustainability have:

- Hired the City's first Green Fleet Analyst, who is developing and institutionalizing analytical methods that are key to cost-effective green fleet conversion, including fleet/bureau utilization analysis; vehicle total cost of ownership/lifecycle analysis; and a concept sketch of what an economically beneficial multi-year conversion plan might look like. Design of these analytical tools began in January 2021 and is in process now.
- Engaged bureaus in discussions related to vehicle standardization, particularly for new green vehicles; this includes "rodeos" to introduce bureau partners and users to new types of electric vehicles, such as the Global Environmental electric sweeper, the Lordstown Endurance truck, and the Electrameccanica Solo. The first "rodeo" was held February 3, 2021 and this type of

change management work will need to happen routinely henceforth to help bureaus understand and embrace the changes that will come with fleet conversion.

- Engaged in significant advocacy with the Oregon Public Utility Commission (OPUC) regarding changes that the City would like to occur to electric utility regulation - allowing for the at-scale, cost-effective development of “make ready” infrastructure (*i.e., infrastructure that will connect the existing utility-owned electric distribution system to on-site charging equipment*). These discussions are happening with the OPUC, focusing on City support for a docket that Portland General Electric (PGE) brought before the Commission that would enable a reasonable credit for fleet line extension build-outs. A decision on PGE’s docket is anticipated by Spring 2021.
- Developed a Charging as a Service Request for Proposal, which will go hand-in-hand with make ready infrastructure to support the cost-effective provision of charging equipment access, “fuel” administration for bureau customers, and CityFleet via a per-port charging subscription service. Issuance of this RFP is anticipated in Spring 2021.
- Worked with PGE to do a preliminary assessment of the City’s fleet to identify which vehicles have a positive economic case for conversion already. From this assessment, it appears that approximately 720 vehicles could be cost-effectively converted over the next 10 years depending on the cost of charging (make ready costs plus the charging subscription). This work was originally completed in Fall 2020 – but is ongoing as business case assumptions are refined.

Summary Status: Underway

Budget Note Update: September 9th, 2021

Since March 25, 2021, CityFleet and the Bureau of Planning and Sustainability have:

- Completed the development of a fleet/bureau utilization analytical methodology; completed the development of a vehicle total cost of ownership/lifecycle analysis methodology; and developed the concept sketch of what an economically beneficial (*i.e., fiscally and socially responsible*) multi-year conversion plan might look like.
- Continued to host green fleet presentations to help bureaus develop more comfort with electric vehicles; standardization discussions are anticipated to happen starting in Spring 2022.
- Successfully supported Portland General Electric in getting approval with the Oregon Public Utility Commission for development of a fleet charging pilot program; the City now has three pilot projects in flight with PGE under this program, with savings (compared to had the program not been approved) estimated at \$194,000 so far.
- Issued a Charging as a Service RFP, which will close September 15.
- Continued to refine our perceptions of what vehicles are viable for economic conversion to a green fleet model, based on the analysis originally done by PGE, with more detailed information on charging requirements and charging access (which were not originally included in the analysis).

Office of Management and Finance – CAO/SPOT

Date of Budget Note: July 1, 2020 in the FY 2020-21 Adopted Budget

Budget Note Title: Public Safety Governance and Integrated Budgets

Budget Note Language:

Council directs the Chief Administrative Officer (CAO) and the Public Safety Workgroup (PSWG) to identify changes that will improve public safety, increase equity, and address systematic challenges at a citywide level. Specifically, the CAO shall work with the PSWG Executive Committee to develop the following by October 1, 2020:

- Models for housing shared administrative services for the public safety bureaus in the Office of the CAO. These models should clearly identify which services should be centralized and include an analysis of the impacts each proposed change would have on bureau operations.
- A strategy for integrating public safety bureau budgets for FY 2021-22 in time for the Fall Budget Monitoring Process and FY 2021-22 budget development. The budget proposals should be aligned with a public safety strategic plan and contribute to any required savings requested as part of the FY 2021-22 budget guidance. Council also requests guidance regarding a long-term governance and accountability structure for public safety as a citywide system.

Summary Status: Underway

Budget Note Update: March 25th, 2021

This work will be complete by June 30, 2021. As directed by the Mayor, the Chief Administrative Officer has provided recommendations regarding the public safety bureau budgets to the Mayor to inform the Mayor's Proposed Budget for FY 2021-22. The budget recommendations aim to coordinate the budgets and align them with the vision for community safety transformation that Council outlined in the February 2, 2021 work session on community safety.

One of the recommendations included in the budget memo is to propose an enterprise leadership team that includes shared public safety administrative services. The positions identified will report to the Community Safety Transition Director and manage work including project management, budget and finance, strategic communications, and data analysis. These shared administrative services will provide some client services to the public safety bureaus and support the goals that will be developed in a community safety strategic plan.

Summary Status: Complete

Budget Note Update: September 9th, 2021

This item is structurally complete. The Division of Community Safety was formally established when the Community Safety Transition Director (CSTD) began on April 1st, 2021. A small team of staff are working to fill full-time staff positions. The Division is currently working to advance four action areas related to community safety transformation. Action areas include:

1. Reduce Calls for Service – shrink the pool of emergency calls by supporting vibrant communities and investing in solutions that reduce reliance on emergency services.
2. Right Responder, Right Call – triage emergency calls so that we send the right responder to the incident.
3. Alternative Emergency Service Models – create emergency service models that are more differentiated and responsive to community needs.
4. Governance – align the City’s internal governance and staffing to support a modernized community safety system.

The charge within this budget note most heavily correlates with the division’s “governance” action area. The new Community Safety Transition Director is currently working to integrate and or consolidate, several public safety bureau finance and budget operations into the Community Safety Division framework. Additionally, this Fall BMP includes a request to adopt efficiencies across public safety finance departments.

Office of Management and Finance – Business Operations

Date of Budget Note: July 1, 2020 in the FY 2020-21 Adopted Budget

Budget Note Title: Limiting Non-Essential Materials and Services Spending

Budget Note Language:

To mitigate the impacts of the anticipated sudden, dramatic decline in resources as a result of the COVID-19 crisis, the FY 2020-21 Adopted Budget eliminates inflationary growth for General-Fund backed materials and services spending. Non-General Fund bureaus and programs are similarly directed to limit discretionary and non-essential spending, where possible reducing inflationary spending to adjust to the lower level of resources.

Summary Status: Underway

Budget Note Update: March 25th, 2021

This directive will be complete at the end of the fiscal year, June 30, 2021. In addition to generally limited non-essential spending considerate of COVID-19, the following measures were implemented by OMF General Fund bureaus in FY 2020-21:

- Hold vacant the Deputy Controller position in the Accounting Division
- Hold vacant the Deputy Chief Human Resources Officers in the Bureau of Human Resources
- Hold vacant one Financial Analyst position

The internal service funds have limited External Materials and Services spending to the best of their abilities given the burdens of the pandemic and civil unrest which required additional services to bureaus. Some funds had further reductions because of the pandemic – reducing service levels as requested by bureau customers.

Summary Status: Complete

Budget Note Update: September 9th, 2021

This directive was completed in FY 2020-21. The Deputy Controller position in the Accounting Division was held vacant, as was the Financial Analyst position in the Office of the CAO. The Deputy Chief Human Resources Officer position was hired in the latter part of the fiscal year although OMF limited spending as directed and was one of few bureaus that returned General Fund resources in the FY 2020-21 Spring BMP as well as year-end General Fund underspending.

Prior Year
FY 2019-20 Budget Note Updates

Office of Management and Finance – BHR

Date of Budget Note: July 1, 2019 in the Prior Year FY 2019-20 Adopted Budget

Budget Note Title: Central Accommodations Fund Tracking

Budget Note Language: Council directs the Bureau of Human Resources to develop a system by which funds being used out of the central ADA Title I Accommodation Fund can be tracked in order to determine the appropriate level of General Fund support for this fund on an annual basis. The bureau shall also develop a process for how bureaus should access the resources in order to best achieve the City's accommodation goals. The bureau will annually true-up expenses to resources in the Over Expenditure Ordinance, and excess funds will fall to the General Fund balance.

Summary Status: Underway

Budget Note Update: March 25th, 2021

City bureaus continue to use the ADA Title I Accommodation Fund to equitably support job applicants, interns, and employees with disabilities, and to fulfill the City's legal obligation to provide reasonable employment accommodations for people with disabilities.

As of March 2021, there are 329 employees who self-identify as having a disability out of 6,805 employees, or 4.8% of the City's workforce. In FY 2019-20, the Bureau of Human Resources (BHR) approved funding requests to support nine (9) employees from eight (8) bureaus. In FY 2020-21, as of March, additional funding requests have been approved by BHR to support nine (9) employees and one (1) job applicant from eight (8) bureaus.

At the start of FY 2019-20, the City of Portland began its ADA Title I Accommodation Fund with \$150,000. As of March 22, 2021, \$50,437 (34%) of the City of Portland's ADA Fund has been approved by BHR for purchasing work-related products or services to support City employees. Overall, \$10,116 has been charged to the ADA Fund since its creation in July 2019. The onset and impact of the COVID-19 pandemic likely accounts for the significant difference between approved and actual charges. For example, new safety requirements in mid-March 2020 resulted in an immediate halt of in-person services, which comprised approximately 87% of the approved funding requests for FY 2019-20. A Citywide hiring freeze for most of 2020 and postponement of major disability employment initiatives (such as the Access to Work program) also significantly reduced opportunities to proactively include people with disabilities into the City's talent pools and workforce, in turn leading to fewer opportunities to fund reasonable disability-related employment accommodations.

The unspent balance in the ADA Fund (approximately \$139,000) will be carried forward.

Summary Status: Underway

Budget Note Update: September 9th, 2021

City bureaus continue to use the ADA Title I Accommodation Fund to equitably support job applicants, interns, and employees with disabilities, and to fulfill the City's legal obligation to provide reasonable employment accommodations for people with disabilities. No additional funds are required during the Fall BMP, but BHR will continue to monitor the account and plan to seek additional funds during the FY 2022-23 Budget to replenish the Fund back to original funded levels of \$150,000.

As of August 31, 2021, there are 372 employees who self-identify as having a disability out of 7,349 employees (including casual employees), or 5.1% of the City's workforce. In FY 2019-20, the Bureau of Human Resources (BHR) approved funding requests to support nine (9) employees from eight (8) bureaus. In FY 2020-21, additional funding requests have been approved by BHR to support nine (9) employees and one (1) job applicant from eight (8) bureaus. For FY 2021-22 to date, three (3) new requests have been approved for two (2) employees from two (2) bureaus. Since its creation, a total of twelve (12) City bureaus, nineteen (19) employees, and one (1) job applicant have benefited from the Fund.

Office of Management and Finance – CAO/SPOT

Date of Budget Note: July 1, 2019 in the FY 2019-20 Adopted Budget

Budget Note Title: Program Support for Build Portland

Budget Note Language: Council directs the City Budget Office to reallocate \$100,000 from Build Portland resources on an ongoing basis to fund Build Portland program administration and service costs within the Office of Management & Finance. These costs include internal and external costs related to branding, outreach, coordination and costs related to the administration of the program.

Summary Status: Underway

Budget Note Update: March 25th, 2021

Initiation of this work requires clarity on returning revenue and priorities for those dollars. OMF intends to provide a Build Portland overview, including an update on Phase 1 projects, the status of the Phase I line of credit and approved bond, and advocate for the need to allocate returning tax revenue for future Build Portland phases to City Council in late April.

Summary Status: Underway

Budget Note Update: September 9th, 2021

Build Portland was established with the intention to utilize the returning revenue from expiring Urban Renewal Areas which were expected to be available in substantial amounts in 2022-23. In addition, when the program was established, while Phase I was secured, future phases of Build Portland require Council to approve the funding and projects in each phase, with consideration of the highest- and best use at that time for the returning revenue and general fund debt capacity. It is not possible to initiate the future Build Portland phases until there is clarity on returning revenues and priorities for those dollars, which is anticipated to have some clarity with the initiations of the following FY 2021-22 Budget Note:

[FY 2021-22 Budget Note: Expiring Tax Increment Finance Districts and Returning Property Tax Revenue](#)

The anticipated completion of 13 current Tax Increment Finance (TIF) Districts will result in increased resources returning to the assessment rolls and the City's General Fund, beginning in FY 2021-22. The City Economist has begun assuming these resources as part of the balanced five-year forecast. The City Economist and Debt Management are directed to provide an updated forecast of anticipated revenues over the next ten-years and the relationship of those resources to projected expenditures under current service levels and General Fund commitments. The City Budget Office and the Chief Administrative Officer are directed to provide this information to Council Offices and subsequently lead a work session to discuss potential investment options for any anticipated excess available resource.

Office of Management and Finance – CAO/DAM

Date of Budget Note: July 1, 2019 in the FY 2019-20 Adopted Budget

Budget Note Title: Phase-in Major Maintenance Rate Increase

Budget Note Language: Council directs OMF to work with CBO and customer bureaus to develop a plan to phase-in increases to the major maintenance component of rental rates for Facilities Services-owned buildings. OMF will present the phase-in plan to customer bureaus in the Business Operations Leadership Team for vetting. Based on the outcome of that discussion, a plan to increase the major maintenance component of the rental rate should be submitted with OMF's FY 2020-21 Requested Budget. The plan should include recommendations and supporting analysis for a phase-in timeline, analysis of the major maintenance backlog, and analysis of rental rate and tenant impacts.

Summary Status: Underway

Budget Note Update: March 25th, 2021

Shortly after planning work began on the original budget note for phasing in major maintenance, it became apparent that before OMF Facilities could propose a plan to phase in major maintenance rate increases, an asset management program needed to be developed to ground and justify proposed increases. An asset management program will routinely assess facility conditions and anticipate future facility needs to articulate a plan for each site in our organization's facility portfolio (along with a broader facility disposal and acquisition plan).

A software system that houses condition data on facility assets, helps Facilities design value-driven maintenance plans, and enables Facilities to implement those plans via work management tools is central to the development of a comprehensive asset management program. Similarly, there is an enduring need for the resources to conduct routine facility condition assessments, which are key for informing thoughtful short-and long-range capital planning.

Because of COVID-19, OMF Facilities' budget request for a new asset management software system and facility condition assessment support was pushed from FY 2020-21 to FY 2021-22. This was submitted with OMF's requested budget and has been recommended for funding by CBO in FY 2021-22. As these resources come online, OMF Facilities will leverage them to assess the health of its facility asset base and advocate for major maintenance strategies and funding levels that are appropriate given facility conditions and plans.

Summary Status: Underway

Budget Note Update: September 9th, 2021

Much progress has been made regarding implementation of an Enterprise Asset Management system. A decision package to fund the one-time and ongoing costs of a EAM system and Facilities Condition Assessment program was approved as part of the FY 2021-22 budget process. Defining requirements for the EAM implementation project are proceeding and have been sent to vendors the City can contract with for an EAM system. The Division hopes to select vendor in December and begin contract negotiations. This will allow for implementation to begin in 2022. The Facilities Conditions Assessment program will start up in 2022 too as a position is brought onboard.

However, in this last year we have found that the conditions of many facilities have deteriorated significantly, and a few need significant repairs. At the same time, costs resulting from repairs due to civil unrest have decreased some major maintenance accounts. City Hall and Police are in the worst shape with unfunded projects of \$7.2 million and \$11.9 million respectively. As a result, the Division is yearning for the EAM system and FCA program abilities to build the case for major maintenance rate increases. The need is real and now. The Division intends to request major maintenance rate increases in the FY 2022-23 budget process and possibly a General Fund capital set aside request for a Justice Center condominium project.