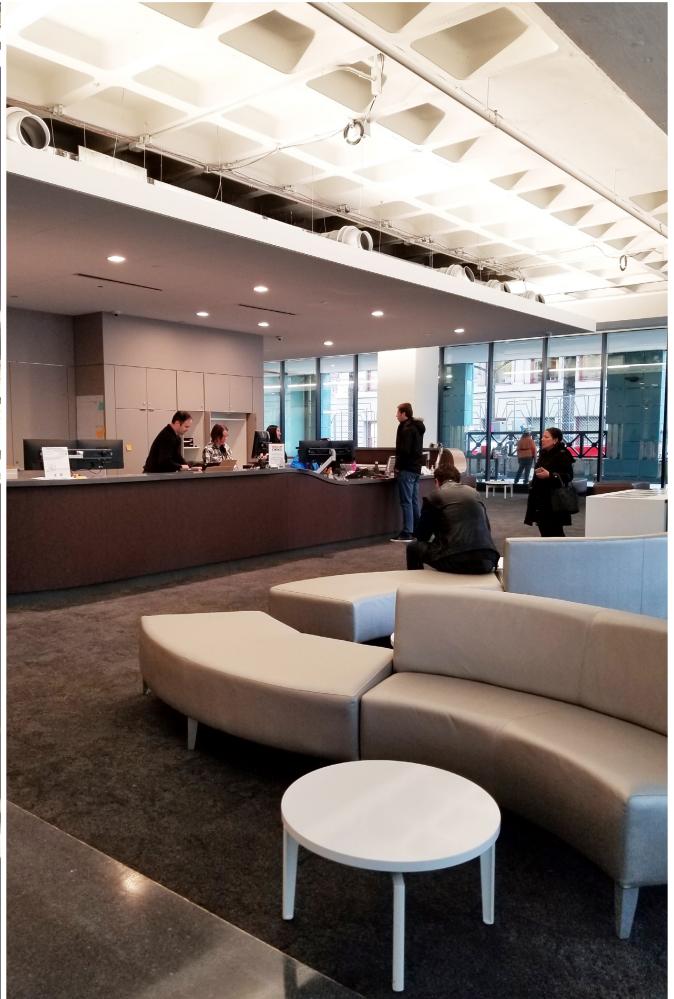


City of Portland, Oregon

Office of Management & Finance

FY 2020-21 Requested Budget



Mayor Ted Wheeler
Commissioner in Charge

Tom Rinehart
Chief Administrative Officer

January 2020



Office of Mayor Ted Wheeler
City of Portland

January 29, 2020

To: Commissioner Chloe Eudaly
Commissioner Amanda Fritz
Commissioner Jo Ann Hardesty
Auditor Mary Hull Caballero

From: Mayor Ted Wheeler

Subject: FY 2020-21 Office of Management & Finance Requested Budget

I am pleased to present the Office of Management & Finance (OMF) Requested Budget for FY 2020-21.

The City's FY 2020-21 budget will operate as a stabilization budget to identify long-term implementation strategies for the City's most persistent issues.

In December 2019, I provided additional budgetary guidance which requested bureaus to reduce carbon emissions and prepare for the impacts of climate change in their FY 2020-21 Requested Budget submissions. OMF is a central support provider for the City and has responded to this request by seeking resources to administer regional oversight of the Clean Air Construction Standard, enhance the City's climate action goals for facility asset and vehicle asset management, and maintain existing resources to continue collecting revenues for City funds.

OMF's FY 2020-21 Requested Budget represents OMF's ongoing pursuit of enterprise solutions on behalf of City bureaus and our community members.

Thank you for your consideration.


Mayor Ted Wheeler



Tom Rinehart
Chief Administrative
Officer

Ted Wheeler
Mayor

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January 29, 2020

TO: Mayor Ted Wheeler
Commissioner Chloe Eudaly
Commissioner Amanda Fritz
Commissioner Jo Ann Hardesty
Auditor Mary Hull Caballero

FR: Tom Rinehart, CAO 

CC: OMF Leadership Team

RE: OMF FY 2020-21 Requested Budget

I am pleased to provide you with OMF's FY 2020-21 Requested Budget. I look forward to discussing our program offers and decision packages submitted consistent with the Mayor's direction and answering any questions you and your staff have about our work.

Mayor Wheeler's FY 2020-21 budget guidance directed City bureaus to collaborate and create long-term strategies for efficient and effective service delivery in seven key priority areas. The Mayor's guidance directed OMF to work with bureaus to create enterprise solutions for the following priority service areas:

- Priority Issue Area 1: Homeless Crisis
- Priority Issue Area 4: Leadership Action on Climate Change
- Priority Issue Area 5: Ratepayer Affordability
- Priority Issue Area 7: Long-Term Liabilities

Priority Issue Area 1: Homeless Crisis

Homelessness is a persistent issue in Portland. In FY 2020-21, OMF's Homelessness and Urban Camping Impact Reduction Program (HUCIRP) will increase support for the Clean Start PDX teams. This service improvement is expected to decrease response times to campsite reports, allowing impact reduction services to increase throughout the City.

Priority Issue Area 4: Leadership Action on Climate Change

To help the City achieve 100% clean renewable energy and net-zero building and transportation goals, OMF is submitting two proposals to mitigate the effects of climate change throughout the City's facility and vehicle/equipment portfolio.



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Priority Issue Area 5: Ratepayer Affordability

The Requested Budget submissions for the OMF internal service funds follow the Mayor's supplemental budget guidance.

The Risk Management and Health Insurance funds built their requested budgets based on the rate levels articulated for FY 2020-21 as part of last year's five-year plan and in alignment with updated data from external consultants. Risk Management funds include the draw-down of rate stabilization reserves over a five-year period, in alignment with actuary recommendations.

Rate budgets for Internal Service Funds, Debt Management, and Treasury have been limited to the standard inflationary factors provided by the City Economist, plus systemic cost changes. The cost changes include adjustments in debt service costs, decision packages approved by Council, and the costs of servicing additional equipment and building space.

Additionally,

- Debt Management has incorporated the cost of the limited-term double fill position approved by Council during the FY 2019-20 Fall BMP in OMF's FY 2020-21 Requested Budget.
- OMF internal service budgets did not reduce replacement funding or major maintenance funding.
- All changes to pass-through costs have been approved by customer bureaus in their FY 2020-21 Requested Budgets.
- Target rate budget calculations are included in this Requested Budget.
- Each fund has submitted an analysis of the trends, sufficiency, and intended use of any contingency.
- Each Internal Service Fund has included a list of all individual rates, and corresponding rate budgets, that are increasing by more than a percentage point above internal service inflation factors provided by the City Economist, along with an explanation of the cost drivers.
- Each fund has also provided electronic copies of each fund's FY 2020-21 rate structure.

Priority Issue Area 7: Long-Term Liabilities

In coming years, the City will make large financial commitments for several long-term liabilities. OMF will work with the City Budget Office and City Attorney's Office to build an enterprise Long-Range Financial Plan and develop sustainable funding options for the City's liabilities – including payments for the Portland Harbor Superfund and Columbia River Levee.

In conjunction with the Mayor's priorities outlined above, the following provides analysis of OMF's most significant issues as an enterprise service provider.

OMF Significant/Major Issues

Addressing Homelessness and Livability Issues

Portland continues to face a homelessness crisis and a need for more support services for people experiencing homelessness, mental illness, and addiction issues. In last year's community survey, 88% of respondents cited homelessness as the top issue facing the city.

The investment of resources for the Joint Office of Homeless Services (JOHS) is yielding positive results. JOHS, and local non-profit partners are now helping a record number of people

stay in transitional and permanent housing. An ongoing, sustainable source of funding for JOHS is essential as mental illness and substance addiction continue to burden our most vulnerable communities. Advancing the development of innovative programs such as the Portland Street Response Team is a start, but these issues must be prioritized throughout local jurisdictions for the day-to-day situation to improve. In partnership with local jurisdictions and non-profits, the City must continue supporting programs that improve livability for communities throughout the region.

Prioritizing Financial Sustainability

Eight consecutive record years of Business License Tax revenue now contributes to 33 percent of General Fund reserves, yet projected expenditures are rising faster than projected revenues. The City must continue to take proactive steps to prioritize financial sustainability and implement a long-term financial plan to ensure limited General Fund resources are available to support core City services. To optimize the City's fiscal health, the Bureau of Revenue and Financial Services (BRFS) is developing a Long-Range Financial Plan to mitigate the impacts of financial commitments in years 2021–2030 by expanding the City's fiscal decision-making to a multi-year horizon. A comprehensive Long-Range Financial Plan will help clarify financial context for policy options, programs, and goals over the long term; and identify risks to achieving the City's desired outcomes.

Implementing the Climate Action Plan

The City's Climate Action Plan outlines bold steps needed to reduce carbon emissions in our existing and future day-to-day operations. In addition to transitioning to a fully electrified fleet of sedans, OMF will prioritize resources to improve the energy efficiency of City-owned and managed buildings and conduct energy efficiency audits of the City's largest buildings.

Building a Talented and Inclusive Workplace

The City continues to invest in its most valuable asset: our employees. Specific equity goals have been established to end racial disparities within City government and promote fairness in employee hiring, promotional, and contractual opportunities. Consistent with the City's equity goals, the Bureau of Human Resources is pursuing an accountable and equitable approach in assessing employee performance. Council adopted a resolution to establish a Citywide performance management system, as well as a new-hire resource known as SuccessFactors. SuccessFactors provides a platform to set equitable and consistent pay practices for employees. OMF has convened a Citywide Performance Review Committee to steer the rollout of online performance reviews for non-represented staff. Bureau representatives will help review the current pilot process, adjust for Citywide roll-out, and ensure tools and training systems are established before system go-live in July 2020.

Modernizing City Operations – Maximizing Revenue Collection through Integrated Tax System

Aging and outdated technology has hindered Portland's ability to fully administer revenue collection. The new Integrated Tax System (ITS) will replace several outdated platforms that cannot be integrated with new security requirements for taxpayer information data. The new ITS goes live during the first quarter of FY 2020-21 and introduces several efficiencies including self-serve portals, improved ability to collect revenue, and more effective tax administration.

Modernizing City Operations – Creating a 311 Program

One in three Portlanders report it is difficult to obtain information from the City. Community members with a disability, limited knowledge of English, or without regular internet access report a higher level of difficulty. In addition to the obstacles for community members, the City's policy makers lack consistent data and information about community interests and needs.

In FY 2017-18, Council approved a decision package for “311 project management and implementation” and directed OMF to oversee the planning effort. The project team, led by OMF’s Strategic Projects & Opportunities Team, recommended creating a Citywide 311 Program through a multi-year implementation process. The first phase of the process, which includes the replacement of PortlandOregon.gov with a service-focused website (Portland.gov) and a “One City” customer service center in the Portland Building, is nearing completion. Next phases include implementing a technology solution for tracking community member requests and transitioning the City’s information and referral intake line at (503) 823-4000 to 3-1-1.

Modernizing City Operations – Developing Asset Management Strategy

It is imperative that the City establish a long-range plan for how facilities are used, managed, and provide value for Portlanders. A Long-Range Facilities Master Plan is underway and will be used as an enterprise tool to ensure facilities are positioned to provide the most value to the community. Concurrently, the Division of Asset Management plans to perform a condition assessment of the City’s existing facilities portfolio to develop data-informed strategies for improving deferred maintenance. An enterprise asset management strategy will benefit Portlanders by streamlining civic services, limiting service disruptions, enhancing life safety and resilience measures throughout City facilities, and identifying unexpected capital costs.



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OMF Budget Advisory Committee Report

FY 2020-21 Budget Process

About the OMF Budget Advisory Committee

The Office of Management & Finance (OMF) implemented an Advisory Committee in 2006 comprised of customers and stakeholders. The committee includes two community members, six non-OMF bureau directors, two Mayor/Commissioner staff members, and one labor representatives (membership list follows). Chaired by OMF's Chief Administrative Officer, the committee advises OMF on projects and programs, customer service issues, and budget decisions. The Advisory Committee convenes as OMF's Budget Advisory Committee (BAC) during the budget process.

Committee Process

The OMF Advisory Committee began its FY 2019-20 campaign in September 2019. The committee serves as an enterprise advising body to OMF and convenes as OMF's BAC during the budget development process. Mayor Wheeler released FY 2020-21 budget guidance in October 2019, directing bureaus to work collaboratively to identify long-term multi-bureau programmatic and operational efficiencies. Additionally, Mayor Wheeler asked bureaus to incorporate Climate Policy Commitments throughout base budgets and to reduce carbon emissions to prepare for the impacts of climate change in FY 2020-21 budget proposals. OMF shared initial budgetary challenges with OMF's BAC during the November 2019 meeting. In January 2019, the OMF BAC was presented with summaries and costs for five decision packages that OMF will submit as part of its FY 2020-21 Requested Budget. As the City's ongoing funds are severely constrained, OMF's FY 2020-21 requests address the City's ability to continue current levels of revenue collections, ensure the prudent operations and management of City facilities, and mitigate climate change impacts.

The following contains feedback from the OMF BAC to OMF regarding decision packages proposed for OMF's FY 2020-21 Requested Budget.

Committee Feedback

The Office of Management & Finance is submitting five decision packages in its FY 2020-21 Requested Budget. OMF's decision packages address the following areas:

- Clean Air Construction (oversight of the regional program)



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- Maintain Current General Fund Revenue Collection Levels
- Facilities Services Core Operating and Climate Investments
- CityFleet Climate Investments
- Long-Range Facilities Master Planning

Notably, the OMF BAC recognizes OMF has been disadvantaged in its effort to collect taxes due to inadequate staffing and technology. Appropriate levels of tax resources are critical to collect City funds. In recent years, the Revenue Division tax gap has steadily risen – resulting in under collection of millions of dollars that cannot be recovered at this point. The City's new Integrated Tax System is a step in the right direction, but it will take time to realize the system's full capabilities. To provide optimal government services to Portlanders, the City of Portland is obligated to collect every dollar owed.

OMF provides asset management oversight for over 3,600 vehicles and 16 facilities. Having accurate data and systems to track and report on service delivery, costs, and preventive maintenance are important for a growing enterprise. OMF's climate action packages advance the Mayor's budget directive for FY 2020-21. The OMF BAC advises OMF to reexamine the workload and position classifications associated with these decision packages to identify potential savings.

Lastly, the OMF BAC notes that OMF's requests include a mix of one-time and ongoing resources for service provisions. There are some concerns with approving ongoing decision packages at this time, as the City's economic forecast has limited ongoing resources.

OMF Advisory Committee members

Sara Boone, Chief, Portland Fire & Rescue
Lois Cohen/Kristen Bishop, Public Member
Kristin Dennis, Chief of Staff, Mayor Wheeler
Rebecca Esau, Director, Bureau of Development Services
Michael Jordan, Director, Bureau of Environmental Services
Robert McCullough, Public Member
Jami Resch, Chief, Portland Police Bureau
Suk Rhee, Director, Office of Community & Civic Life
Sonia Schmanski, Chief of Staff, Commissioner Fish
Chris Warner, Director, Portland Bureau of Transportation
Rachel Whiteside, PROTEC17

OMF Leadership

Carmen Merlo, Deputy Chief Administrative Officer, Office of Management & Finance
Tom Rinehart, Chief Administrative Officer, Office of Management & Finance



Michelle Kirby
Interim Chief Financial Officer

Tom Rinehart
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Ted Wheeler
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Long Term Financial Liabilities and Recommended Solutions

Responding to Mayor's Budget Guidance

January 28, 2020

Jessica Kinard, Budget Director

Michelle Kirby, Interim Chief Financial Officer

Tracy Reeve, City Attorney

Introduction

Binding City Financial Policy states that “[t]he City shall plan for the types and levels of investment necessary to ensure the sustained and equitable delivery of public services to the residents, businesses, visitors and customers of the City.” The City of Portland has several notable citywide financial liabilities looming over the next several decades that may threaten sustained and equitable service level delivery.

As directed by the Mayor’s Budget Guidance, the City Budget Director, the Chief Financial Officer, and the City Attorney have conducted an initial assessment of the major citywide liabilities facing the City. This assessment functions as a starting point for future conversations and more detailed analysis; many of these liabilities have elements of uncertainty around the likelihood and magnitude of cost risk. Additionally, the Chief Financial Officer is in the process of generating the City’s first long-term financial plan, expected to be completed in the spring of 2020. This initial assessment memo is intended to be the starting point and will be expanded upon in the Long-Term Financial Plan.

Summary of Liabilities

The below categorization reflects initial estimates based on available information at this time. None of the liabilities discussed have precisely known costs and timelines for impact.



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Liability	Estimated \$ Impact	Estimated Urgency	Confidence Level of Risk
	Restrictive (>\$30M) Significant (\$5M-\$30M) Notable (<\$5M)	Near (1-3 yrs) Medium (3-7 yrs) Long-term (7+ yrs)	Certain \$ and timeline Certain \$ or timeline Uncertain \$ and timeline
Major Maintenance & Infrastructure Backlog	●	●	●
PERS Liability	●	●	●
Personnel Cost Mandates	●	●	●
Portland Harbor	●	●	●
Citywide Legal Liabilities	●	●	●
Technology & Equipment Replacement	●	●	●
Technology & Equipment Replacement	●	●	●
Columbia Levee	●	●	●

Summary of Recommendations

FY 2020-21:

- Deposit up to \$5 million in City resources into the General Obligations Reserve, for transfer to a Side Account for **PERS rate buy-down**. The \$5 million would consist of **\$1.5 million in one-time General Fund resources**, and the remainder from other City funds. If this contribution could be leveraged by the State Employer Incentive Fund, an additional \$1.2 million would be granted by

the State. This total side account balance of \$6.2 million invested in buying down our PERS rates would yield an estimated \$10.8 million in savings over 20 years. This proposal is scalable.

- Prioritize **asset management systems and operations** by supporting requests for software systems, condition assessments, and operational staff essential to ensuring project investment is maximized.
- Consider depositing up to **\$2 million** of discretionary resource in the General Obligations reserve to fund likely future costs such as Portland Harbor, Columbia Levee, mandated personnel costs and unforeseen legal costs.
- Continue supporting **data governance policy development** as a precursor to supporting a technology and equipment replacement fund and allocation process.

Future years:

- Create and adhere to a **funding plan** for liabilities once costs are known for Portland Harbor, Columbia Levee, and personnel mandated costs.
- Plan for and incentivize bureau investment in needed technology replacement needs by establishing a **technology and equipment replacement reserve**. Allocations from the reserve will be determined by agreed-upon City policies around data governance and technology plans.

Long-Term Liabilities & Recommended Action Detail

1. Major Maintenance and Infrastructure Backlog

The City's most significant and urgent financial and service-level risk is the unfunded major maintenance and infrastructure backlog. The latest report estimated that the City would need to increase its investment by \$568 million annually to close our current major maintenance funding gap. City Council, bureaus, and voters have approved significant resource investments in our asset base in recent years, and bureaus have also individually taken measures to address this issue. While the funding gap has continued to grow, the rate of growth in recent years has decreased¹ and the City has made notable progress in our understanding of asset condition,² which is an essential precursor to effectively addressing asset needs.

However, it is clear that more must be done. While this issue has been consistently presented as essential to preserving intergenerational service level equity, it has become increasingly apparent that the risk presented by this issue is more near-term. For example, the Parks bureau anticipates that, without a significant influx of new resources, it will need to retire 1 out of 5 Parks assets in the next fifteen years. Parks is not alone in this: the requests for urgent capital projects via the General Fund Capital Set Aside process is typically four times the amount of available Set Aside resources.

Funding Plan Recommendation: City financial policy mandates that at least 50% of one-time available discretionary resources be dedicated to major maintenance and infrastructure projects; Council should consider increasing the annual allocation to these efforts beyond the 50% requirement. Additionally, it

¹ During the five-year period between 2008 and 2013, the annual average growth rate of the major maintenance funding gap was 28%. In the five years following (2013 to 2018), the average growth rate slowed by 18 percentage points to 10%.

² In 2007, the condition of nearly one-third of the City's assets was unknown. In 2018, the condition of approximately 8% of the City's assets is unknown.

has become clear that many bureaus require asset management operational support to ensure project funds are effectively spent. Providing resources for condition assessment, adequate data and asset management systems is essential to addressing this backlog. In addition to the capital set aside project funds, we recommend establishing an asset management improvement fund to invest in the infrastructure management systems and operations to ensure project funding is deployed in a way that maximizes impact. Beyond annual allocations, we recommend dedicating a significant portion of returning URA resources towards preserving these assets and service levels.

2. PERS Liability

As with other public entities, the City will experience steadily rising Public Employee Retirement System (PERS) costs over the next several years. The actual amount of the City's required PERS contributions depends upon a variety of factors, but the actuary's estimated cost to the City grows significantly over the next nine years, and then begins to decline slowly to the current amount by year 2036. This increase is estimated to be an additional \$543 million in total resource needs over the 16-year period, with approximately 42% being General Fund resources.

Funding Plan Recommendation: As part of the City's strong financial management policies, the City budget includes expected costs associated with personnel salary and benefits – including retirement contribution costs – as part of the balanced five-year budget each year. This practice ensures that reasonably expected near-term changes in personnel costs are accommodated before other allocation decisions are made. This practice adequately plans for these costs but also restricts budget flexibility for other City service needs. The City may take additional action to both lessen the actuarial liability and smooth the anticipated cost over a longer time horizon.

PERS side accounts are designed to reduce the employer's contribution rates through a "rate credit" by utilizing the account deposit and earnings over 20 years. Side accounts earn actual PERS returns. Currently the assumed rate is 7.2%; however, the fund may earn more or less. In addition, through Oregon State Bill 1049, the state has created an Employer Incentive Fund to provide a 25% match for cash funded side accounts through an application process as monies are available. Although the original Incentive Fund was quickly used by other state government employers, it is important to get on the "wait list" as it is expected that additional funds will become available over the next year. If the City invests \$1.5 million in one-time General Fund resources, we can leverage investments of \$3.5 million from other City funds and potentially gain \$1.2 million in State resources for a total set-aside account balance of \$6.2 million. This investment would yield an estimated \$10.8 million in City savings over the next 20 years. This proposal is entirely scalable depending on the availability of General Fund resource.

3. Personnel Cost Mandates

The City's five-year balanced discretionary budget assumes personnel cost increases for inflationary factors, benefit cost growth, and approved wage growth. However, decisions that require subsequent authorization by Council – such as future labor contract agreements or new or supplementary employee benefits – are not included and funded in the forecast. Additionally, changes in policy or regulation affecting personnel costs can disrupt service levels if inadequately planned for. One specific liability currently facing the City comes with the state's passage of a new Paid Family Leave Act that will result in an increased cost to the City beginning in FY 2021-22. CBO is currently assessing the estimated cost to the City of different options to implement this policy. These options include the City developing its own plan or simply using the state's plan.

Funding Plan Recommendation: Proactively reserving some level of resource for mandated changes in personnel costs can smooth the cost impact of significant changes over a longer timeframe. We recommend that the City set aside resources early for known, distinct mandates – such as implementation of the Paid Family Leave Act – to smooth costs over a longer time horizon. For liabilities that have an unknown timeframe or magnitude, the City can deposit discretionary resources into a General Obligations reserve for the purpose of addressing many of the major cost liabilities described in this memo rather than one issue specifically.

4. Portland Harbor Clean-Up

Environmental cleanup of the Portland Harbor Superfund Site is an ongoing financial liability for the City. It is not currently quantifiable but is likely to be significant. The City is one of more than 100 parties participating in a confidential, non-judicial process to reach an allocation of more than \$1B of cleanup costs among the parties.

Simultaneously with the settlement process, the City has entered into Administrative Orders with the U.S. Environmental Protection Agency to perform projects that move the site towards cleanup. Pursuant to these Orders, the City has funded work to investigate and design certain portions of the remedy. The City's expenditures under these EPA Orders are costs that will be eventually allocated among the parties participating in the negotiated settlement, or the expenditures will be credited towards the City's ultimately liability if negotiations fail. As discussed below, these costs by the City for work under the EPA Orders are currently being budgeted for by the City.

However, the City's ultimate share of the total liability for Portland Harbor clean up is not known and cannot be reasonably predicted at this time. In addition, it is difficult to predict whether the City will fund its share of the ultimate liability through a cash payment, through an agreement to perform certain work, or a combination of both. If the City settles its share of the liability by making a cash payment, then the payment would likely occur over a shorter time frame. On the other hand, if the City agrees to settle the case by performing certain work, the City's expenses for the work could be spread out over a much longer time period.

Funding Plan Recommendation:

There are two types of funding reserves needed for Portland Harbor:

1. Project work being conducted under EPA Orders over the next three to five years which can be estimated over 5-year budget planning cycles; and
2. Addressing ultimate liability and planning for implementing a site-wide settlement agreement(s) which cannot be reasonably quantified yet.

Funds for the first type of costs are being addressed beginning in this year's budget and will be held within a Portland Harbor subfund of Fund 231 (The Citywide Obligation Fund).

However, since the second type of costs cannot be reasonably quantified yet, we recommend that the funds needed for the ultimate settlement simply be accrued in a General Obligations reserve fund. Importantly, of course, to the extent funds accrue from ratepayer bureaus, those ratepayer funds would have to be tracked so that they were not used for other purposes.

5. Citywide Legal Liabilities:

Occasionally, the City experiences unforeseen legal costs with multi-fund or citywide responsibility. These costs may arise as a result of a legal suit against the City or as a result of Council's desire to proactively pursue a legal, regulatory, or policy change. There is no current practice or method to proactively plan for these types of costs.

Funding Plan Recommendation: Proactively reserving some level of resource for Citywide legal liabilities may empower the City to respond effectively and with minimal service disruption when issues arise. However, as the amount of funding required and the timeline of the need is unknown, it is difficult to recommend a specific funding level for this purpose. One solution would be for the City to deposit discretionary resources into the General Obligations reserve for the purpose of addressing many of the major cost liabilities described in this memo rather than one issue specifically.

6. Technology and Equipment Replacement:

Strategically planning for and funding equipment and technology needs not only mitigates the financial risk posed by these large and urgent requests, but it protects and preserves core service levels and goals across the City. The improvements to financial policy that Council approved in April 2019 bolstered reporting and reserve requirements, providing a foundation for planning and strategizing around equipment and technology replacement needs. Planning for equipment replacement costs is now a core principle of existing City financial policy, but adherence is spotty and bureaus need better tools to plan for and fund these costs. Often, large one-time requests for needed replacement costs surface when the situation is critical. Recent examples include \$3M to replace the Fire Bureau's SCBAs and \$24M to replace Revenue Division's tax collection software. On the horizon are costly enterprise asset management software systems for OMF and Parks, and many others that are unknown.

Funding Plan Recommendation: Council should consider establishing a technology and equipment set aside account which could function similarly to the Capital Set Aside account. Resources from this account could be used to incentivize bureau investment and match bureau's existing resources for needed replacements. Setting up a matching fund could both smooth these costs over time and create an incentive for bureaus to develop more robust technology and equipment replacement plans.

As a precursor to consistently and effectively evaluating technology needs, we need agreement on key elements around data governance. This includes agreement on questions such as who has the authority to make data management decisions, and who is accountable for the data.

7. Columbia River Levee

For much of the last decade, several bureaus in the City have participated in the Levee Ready Columbia workgroup. This group was brought together for two purposes: first and foremost, following Hurricane Katrina, the Army Corp of Engineers has reevaluated and wants to recertify existing levees; secondly, there has been an effort to consolidate the drainage districts that oversee the levee. The City has participated in and supported funding studies and staffing related to these goals, and is expected to continue to partially fund these efforts.

Funding Plan Recommendation: In the FY 2019-20 Fall BMP, the City set aside one-time discretionary funds to cover all *existing* agreements. However, there will likely be more costs in the future. The Army Corp of Engineers has just completed their study of the levee and the next steps are being considered currently. Similar to the Portland Harbor, there will likely be multiple partners and even multiple funds within the City – the largest land owners in the western part of the levee are the Golf Fund and Portland

International Raceway. The appropriate level of funding, and which entities in the City are responsible, will become clear over the next several months. Once these costs are identified, the City should begin setting aside resources in the General Obligations reserve for this purpose.

Leadership Action on Climate Change

Mayor's Budget Directive #4: Citywide proposal to maximize carbon emission reductions and prepare for the impacts of climate change.

Our climate is in crisis. The science is indisputable, and we see the effects of climate change every day—from the devastating extreme weather events happening all around the world to the impacts we feel close to home, like choking wildfire smoke in the summertime. However, climate change doesn't impact us all in the same way. Our frontline communities, including Portland's Black, Indigenous and communities of color, are being hit first and worst by the impacts of the climate crisis and Portland's youth will be facing the consequences of today's decisions for the rest of their lives.

Around the world, communities and governments are waking up to the reality: the time to act is now. Experts agree that we need to limit global temperature rises to 1.5 degrees to avoid irreversible, devastating impacts. But what does that mean? The sobering fact is this: global carbon emissions must peak in 2020. Next year could not be more important. We must make the right decisions now to bend the curve and protect our communities and save our planet.

Climate Actions in Bureau Base Budgets

Over the next decade, Portland must halve our community-wide carbon emissions. For comparison, over the last almost 30 years, we've only managed to drop emissions about 15%. We need to more than triple our rate of change. Bureaus across the city are working together to achieve this goal. What will that look like?

1. **Shifting at least 250,000 car trips to other, more sustainable modes over the next decade, while measurably improving transportation options for frontline communities.** Bureau budgets contain several efforts to make this a reality. For example, the visionary Rose Lane Project will help more Portlanders choose transit, and the expansion of the Transportation Wallet program makes going car-free doable for hundreds of people. We'll be having tough, but crucial, conversations about how we should more intentionally value our road space to achieve the equitable mobility future we all want. We'll be developing requirements for newly constructed buildings to make it easy and affordable for tenants to install electric vehicle chargers and will seek opportunities to ensure low-income communities are able to benefit from the electrification of the transportation system. We'll continue to seek sustainable funding sources for a youth transit pass and to support the accelerated decarbonization of the transit system.
2. **Centering the priorities and following the leadership of Portland's frontline communities including Black, Indigenous and communities of color, and youth from those communities.** In the coming year the City will award community partners the first round of grant funds from the Portland Clean Energy Community Benefits Fund, helping to make the vision of community-led clean energy projects and jobs that benefit low-income populations and communities of color a

reality. We'll support the capacity building of frontline communities to fully engage in energy and climate policy development through the continuation of the Zero Cities initiative, with a specific focus on reducing the energy cost burden experienced by many low-income renters. The 2020 update of the City's Climate Action Plan will center the priorities and leadership of Portland's frontline communities and youth.

3. **Expanding community ownership of renewables and driving down emissions from commercial and multifamily residential buildings.** Bureau budgets contain actions such as having the City become an anchor tenant in at least one large-scale community solar project and reducing the time, cost and complexity of solar and energy efficiency permitting processes. Market transformation policies like the Home Energy Score and commercial building energy performance reporting will continue to be enforced. The Portland Clean Energy Community Benefits Fund will begin investing millions of dollars in clean energy projects in the building sector and bureaus will be working to identify and remove permitting and code barriers that could slow those projects down. Policy efforts to decarbonize the building sector will follow the lead of communities of color and will emphasize improved comfort and utility savings for renters and protections for low-income tenants.
4. **Building our community resilience to the impacts of climate change such as flooding, landslides, heatwaves and wildfire smoke so that we can be better on a good day and rebound faster on a bad day.** Bureaus will be tackling this by making capital investments to reduce risks to Portland's businesses and residents, as well as critical natural, drinking water, wastewater, stormwater and transportation systems and community centers, particularly related to drought, flooding and landslides. Bureaus will assess the exposure and vulnerability of critical built and natural infrastructure systems and outdoor workforce personnel to episodes of extreme heat and will implement actions to reduce health and safety risks and costs. Infrastructure bureaus will continue to collaborate on the development of a citywide resilience and recovery strategy and governance structure to establish resilience investment priorities and enable a faster recovery after an event.
5. **Protecting, restoring and managing our urban natural resources to sequester carbon and build resilience to the impacts of climate change.** Portland's natural systems provide benefits to human physical and mental health and we must protect the intrinsic value of natural ecosystems and biodiversity. In the coming year the City will be prioritizing tree protection, tree planting, and forest and natural area restoration and expansion. Bureaus will continue to seek funding for the maintenance of trees on park properties in ways that support job creation and workforce development opportunities for frontline communities and will reduce barriers to street tree planting in East Portland. Bureaus will work to increase natural flood storage on Portland's rivers and streams, including the Willamette and Columbia Rivers, within the city limits and will continue to take steps to protect threatened species such as Coho salmon, Chinook salmon, and steelhead trout.
6. **Making all City-owned buildings, fleets and operations carbon neutral in the next 10 years.** Bureau budgets include advancing various policies to ensure more climate-friendly operational decisions. For example, adopting a suite of policies requiring bureaus to buy electric vehicles

instead of gas- or diesel-powered vehicles whenever possible and requiring carbon offsets be purchased for City air travel. Bureaus will be developing a strategy to accelerate the greening of the City's fleet, which will include powering some of our trucks with the renewable natural gas that will be produced from treating Portland's sewage. Bureaus will develop a climate test or carbon budget to guide decision-makers toward lower-carbon choices like purchasing more biofuels instead of fossil fuels or using cement with lower embodied-carbon. We'll continue to purchase 100% renewable energy for City operations and seek opportunities to expand the installation of solar panels on City facilities. We will begin implementing an Energy Action Plan for city buildings and will continue improving the efficiency of our operations, pumps and other infrastructure systems.

Climate Action-Related Decision Packages

Although much work on climate is already underway, as highlighted above, we need to do more in order to accelerate carbon reductions. To that end, some City bureaus have identified additional resources that are needed beyond their FY2020-21 base budgets in order to accelerate key initiatives and make strategic investments that will unlock additional carbon reductions and put Portland on path to meeting the City's 2030 carbon reduction goals.

- A. **Bureau of Planning and Sustainability:** BPS has submitted a decision package that will add two staff positions and program dollars to accelerate climate action policy and plan development that have the potential to reduce total community-wide carbon emissions by an additional 25% by 2030. This funding will jump-start key policy initiatives such as the development of building performance standards for existing commercial and multifamily residential buildings, with an emphasis on minimum energy efficiency standards for rentals and protections for low-income tenants. This policy work will advance key priorities identified by the frontline community-led Zero Cities initiative focused on the twin goals of advancing racial equity and decarbonizing the building sector. In addition, this funding will enable work to begin on updating and expanding the City's existing Renewable Fuel Standard to reduce the transportation sector's share of local carbon emissions by increasing the volume of renewable fuels sold in Portland. This decision package will result in more expedited and effective community informed climate plan and policy development, including robust data analysis to enable evidence-based decision-making. (*Request: \$450,000 in one-time funding; Source: General Fund*)
- B. **Portland Bureau of Transportation:** Users of our transportation system consume significant amounts of polluting fuels. One key strategy for reducing consumption within the transportation system involves shifting trips from single-occupancy vehicles to more sustainable modes, in alignment with targets in our Transportation System Plan. PBOT is actively developing innovative tools and strategies to help catalyze action, including significant transit and bike infrastructure improvements, including through the Rose Lane Project; impactful behavioral nudging and incentive strategies through the TDM Action Plan; price signals through the Pricing Options for Equitable Mobility; and many more climate action mobility initiatives. PBOT has made significant advancements in these areas over the last year through the American Cities Climate Challenge. But while these infrastructure, policy and programmatic investments set us up for success, we need to

inspire an individual and organizational commitment to change for these efforts to be fully impactful.

PBOT has submitted a decision package to develop a Climate Mobility Campaign focused on individual and organizational action and accountability. The multiyear campaign will help individuals and businesses understand their role within the City's climate mobility strategy and the measurable actions that individuals can take to help significantly reduce carbon emissions. Based on similar campaigns in other cities, this effort is anticipated to reduce transportation emissions by up to 15%, on top of other efforts underway. The first six months will be dedicated to developing campaign tools and collateral and piloting communication strategies with different audiences. The second phase of work will be dedicated to refining the campaign materials and scaling-up strategies based on evaluation from the piloting phase. (*Request: \$350,000 in one-time funding; Source: General Fund*)

C. Office of Management and Finance:

- a. **Facilities Services**: If the City is going to ask private building owners to improve the efficiency of their buildings, we must be willing to do so ourselves. Today, many City buildings underperform when compared to similar building types in Portland. Facilities Services' rate model has greatly constrained its ability over time to fund core operational needs and to keep pace with evolving priorities, including around climate, resilience and equity. OMF has submitted a decision package to support facility condition and energy performance assessments, and for an asset management software system that will house the resulting data and enable the City to act on the findings of the assessments. This software system, along with the condition and energy performance assessments, is foundational to the City's ability to cost effectively and strategically advance energy efficiency in the OMF's facility asset base. (*Request: \$1.6 million in one-time funding and \$456,000 in ongoing funding; Source: Interagency Rate Agreements*)
- b. **CityFleet**: In 2015, CityFleet developed a trajectory to transition its sedan fleet to electric and plug-in hybrid vehicles, which the organization has done well at implementing. To do more, however, CityFleet needs to be able to conduct analysis of market trends for non-sedan vehicle purchases, develop green vehicle/equipment specifications, enhance long-range vehicle acquisition planning practices, participate in regional discussions about electric vehicle charging infrastructure, and apply for grants and other funding resources. Additionally, CityFleet needs a facility that can support green fleet conversion at scale -- one that can handle additional electrical loads and accommodate renewable natural gas and compressed natural gas operations (both fueling and maintenance). CityFleet is well positioned to be a strong contributor to the City's climate goals but needs investment in the form of sustained analytical and coordination support. CityFleet has submitted a decision package that requests that support in the form of two ongoing positions, one to manage the analytical and data management tasks, and one to support all green-fleet coordination activities. (*Request: \$302,000 in ongoing funding; Source: Interagency Rate Agreements*)

D. Portland Parks and Recreation: Despite a solid history of innovative investment in efficiency, Parks utility expenses hit new highs every year and are expected to top \$6M in FY2020-21. To contain that trend while making progress on the Climate Action Plan, Council unanimously approved (2017) a pilot procurement approach for Parks to deliver energy efficiency investments at-scale using an Energy Savings Performance Contract covering analysis at 50 locations. Phase 1 seeded the resulting identified \$1M efficiency investment at nine of these locations. Parks has submitted a capital set aside funding request to implement Phase 2 of the pilot at 23 additional locations (selected using an equity lens) including: East Portland Community Center, Peninsula Park & Community Center, three zone maintenance facilities and eighteen parks.

The proposed scope of work includes lighting, HVAC, irrigation and other energy improvements. This request supports the Mayor's Priority Issue Area #3 – Parks Financial Sustainability and Priority Issue Area #4 – Leadership Action on Climate Change with a shovel-ready, impactful project. Some example benefits of this project, if funded, include: reduces over 1 million pounds of carbon emissions per year, reduces the capital cost required to meet 100% renewable energy goal, avoids future utility costs and reduces the maintenance gap by over \$400,000 per year and improves service reliability for an estimated 200,000 Portlanders, and transitions park exterior lighting to DarkSky-compliant / bird-friendly LED fixtures which have no up-lighting. (*Request: \$6.7 million; Source: Capital Set Aside*)

The climate crisis is a significant threat to our community and economy and combatting it will require us to challenge many elements of the status quo. The City of Portland has always been a trailblazer, and in the midst of challenge, we seize opportunity. Through this bold transition, we can unleash a new era of advancement around social justice and equity; innovation and technology; economic development and job creation; community health; all while cutting costs and saving money. This isn't easy, but it is doable. Our community is calling for bold action and we hear you. Portlanders never shy away from a challenge, and this climate crisis is no different. The time is now. Our future can't wait.

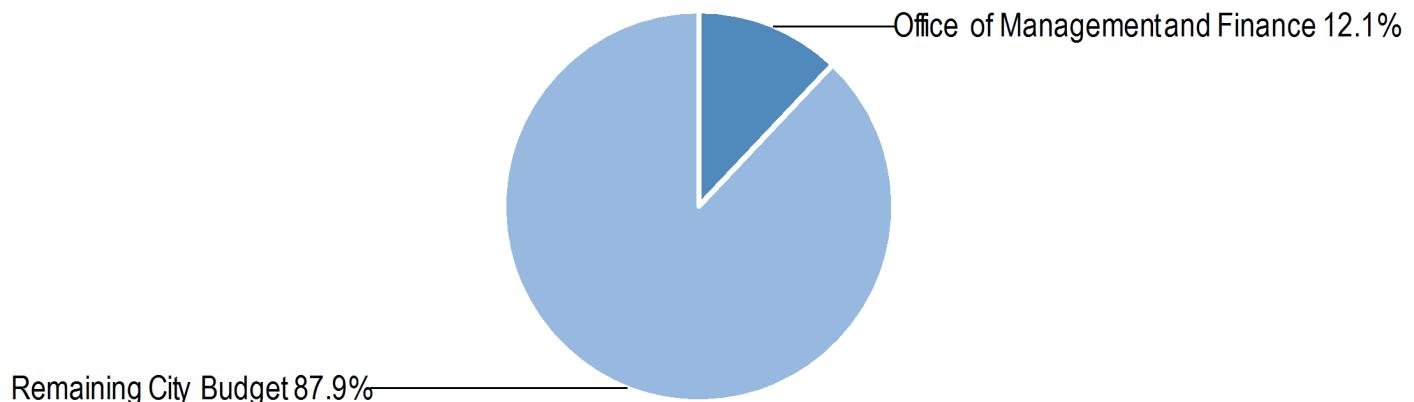
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Office of Management and Finance

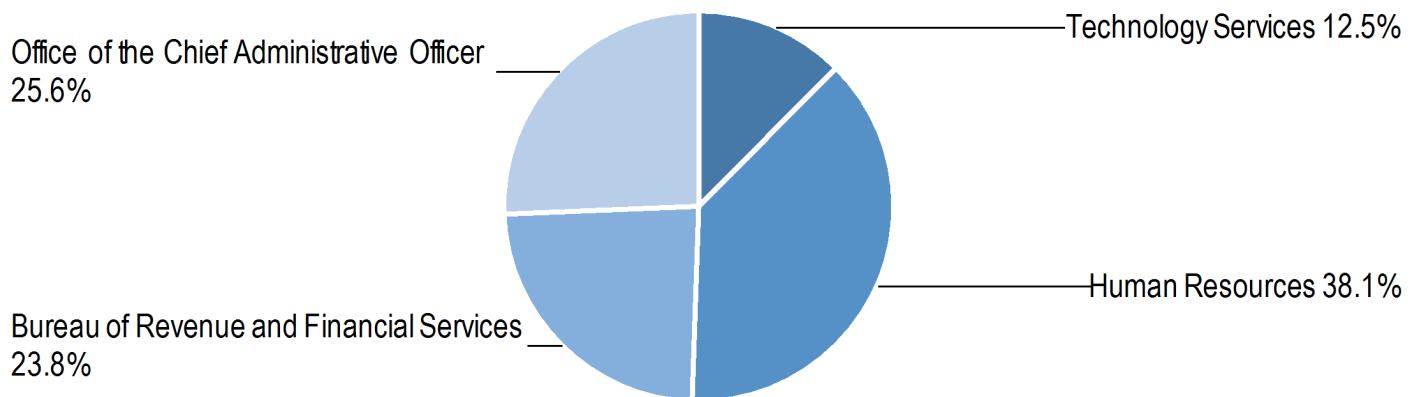
City Support Services Service Area

Mayor Ted Wheeler, Commissioner-in-Charge
Tom Rinehart, Chief Administrative Officer

Percent of City Budget Graph



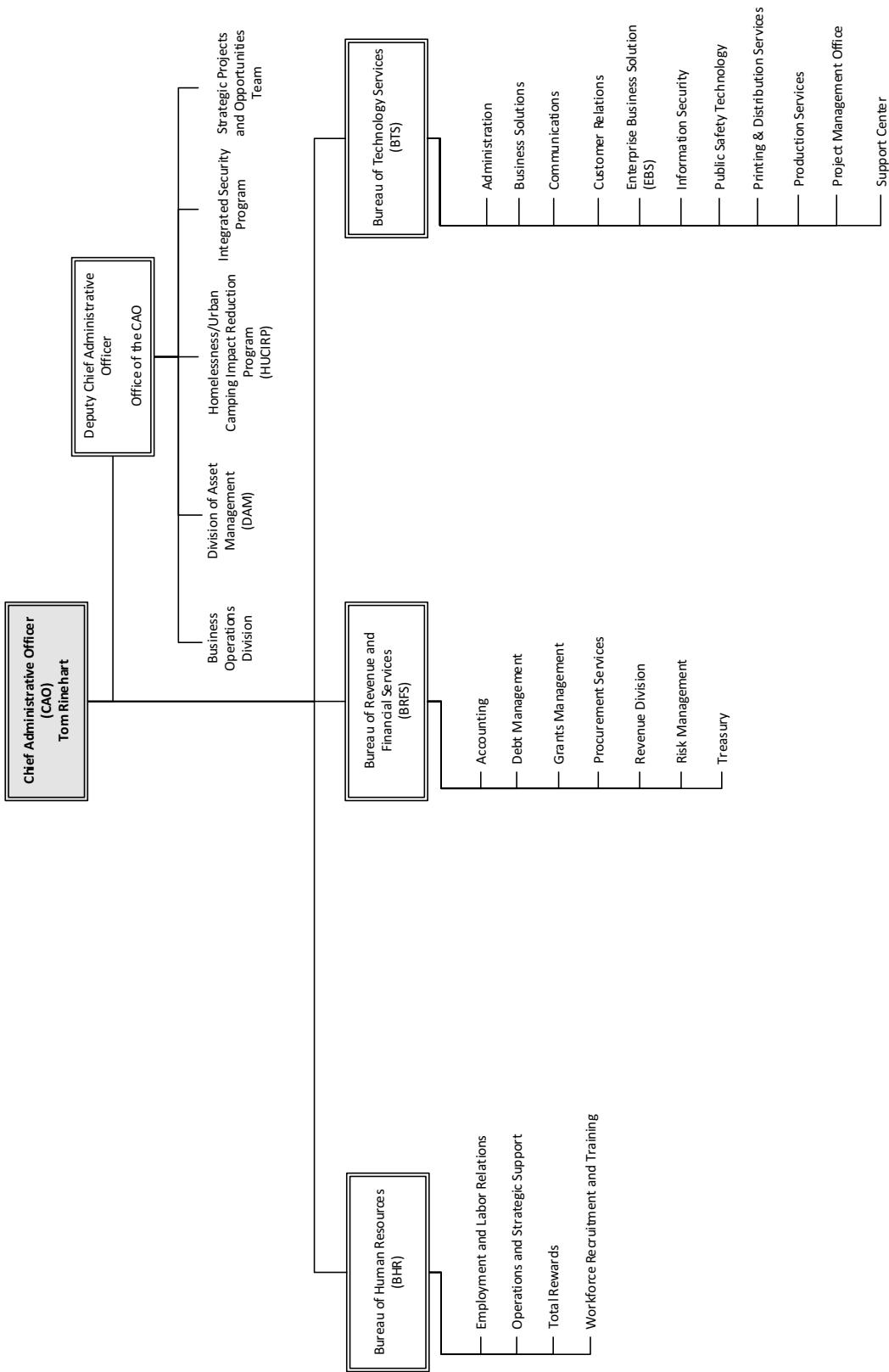
Bureau Programs



Bureau Overview

Requirements	Revised FY 2019-20	Requested FY 2020-21	Change from Prior Year	Percent Change
Operating	\$650,287,578	\$635,727,117	\$(14,560,461)	(2)%
Capital	\$130,414,423	\$54,027,079	\$(76,387,344)	(59)%
Total	\$780,702,001	\$689,754,196	\$(90,947,805)	(12)%
Authorized Positions	706.86	726.86	20.00	0%

Office of Management & Finance



Bureau Summary

Bureau Mission

To deliver excellent services through our leadership, expertise, and innovation.

Bureau Overview

Services to the City

The Office of Management & Finance (OMF) is overseen by the City's Chief Administrative Officer (CAO) and provides core central services necessary for the operation of the City of Portland government. OMF consists of the bureaus of Human Resources, Revenue & Financial Services, and Technology Services. It also includes the Office of the Chief Administrative Officer, which includes the Business Operations Division, Division of Asset Management, Strategic Projects and Opportunities Team, Spectator Venues and Visitor Activities, Homelessness and Urban Camping Impact Reduction Program, and the Integrated Security Program. OMF also provides services to other government agencies including the public safety radio system, Integrated Regional Network Enterprise (IRNE), Regional Justice Information Network (RegJIN), Multnomah County Business Income Tax collection, and Printing & Distribution. Additionally, Printing & Distribution provides services for Multnomah County, State of Oregon, Metro, Prosper Portland, Home Forward, and local Neighborhood Associations. The bureau is guided by the 2018-2020 Strategic Plan which identifies organizational strategies and tactics to focus OMF efforts, provides customers and partners a way to see the organization's priorities, and acts as a tool to hold OMF accountable.

Summary of Resources

The office is funded through a combination of resources. Just under half of its funding is from interagency charges to other City bureaus. Interagency revenue primarily includes charges from Technology Services, CityFleet, Facilities Services, Printing & Distribution, and Risk Management. In FY 2020-21, 3.8% of the office's budget is funded through General Fund discretionary resources, mainly to fund portions of the Bureau of Human Resources, Revenue & Financial Services, and the Office of the CAO. Other resources include user fees for the Spectator Venues and Visitor Activities Fund, and payroll charges for the Health Insurance Fund. The Bureau of Revenue & Financial Services receives some interagency revenues for Debt Management and recovers costs for Treasury through a reduction in interest earnings distributed to bureaus. Many internal service funds also serve outside agency customers.

Strategic Direction

OMF Strategic Plan strategies include the following:

- ◆ **Developing an inclusive, talented workforce:** Diversity and equity initiatives, continuity of operations planning, and succession planning all point to a need for robust cross-training and professional development opportunities among our OMF employees. In 2019, the online onboarding project reached its final phase of implementation and SuccessFactors Onboarding went live in early November. Pilot participants entered the final phase of the SuccessFactors online performance management process, and the program is expected to be implemented Citywide in July 2020.
- ◆ **Leading Citywide initiatives:** City Council and bureau directors rely on OMF to share its enterprise perspective and serve as a convener to lead projects and work teams that have Citywide benefit. Some of these projects include the 311/Customer Service Improvement Project, the Long-Range Facilities Master Plan, and the Portland Oregon Website Replacement. OMF, the Office of Community and Civic Life, and partner bureaus worked together to obtain City Council approval for the first phase of the 311 Project in November 2019. In December 2019, the 311 Citywide Customer Service Desk opened in the Portland Building. The Long-Range Facilities Master Plan is now underway with the project team working to identify future facility needs and options.
- ◆ **Adopting 21st century business solutions:** Portland is a growing community, and bureaus are growing and changing to meet the community's needs. OMF will work with stakeholders to innovate and adapt our business processes and systems to better serve the City. Projects include the Portland Online Permitting System (POPS) and cybersecurity measures. The POPS project Development Hub PDX (DevHub) was launched on July 1, 2019 and the legacy system Permits Online was retired on August 2, 2019. Production Parallel testing for Inspection Scheduling (commercial and residential inspection services) is ongoing. After a spike in worldwide ransomware and malware attacks, the City has made progress in reducing the number and severity of malware and phishing incidents. The City has also secured Cybersecurity Insurance to mitigate Citywide cyber risks.

The OMF 2018-20 Strategic Plan can be found at <https://www.portlandoregon.gov/omf/75548>.

Major Issues

OMF has cross-bureau responsibilities, an enterprise perspective and will continue to lead with recommended solutions to make the City work better. The following issues must be addressed to minimize operational and financial risks to the City.

Addressing Homelessness and Livability Issues: Portland continues to face a homelessness crisis and a need for more support services for people experiencing homelessness, mental illness, and addiction issues. In last year's community survey, 88% of respondents cited homelessness as the top issue facing the city.

The investment of resources for the Joint Office of Homeless Services (JOHS) is yielding positive results. JOHS, and local non-profit partners are now helping a record number of people stay in transitional and permanent housing. An ongoing, sustainable source of funding for JOHS is essential as mental illness and substance addiction continue to burden our most vulnerable communities. Advancing the development of innovative programs such as the Portland Street Response Team is a start, but these issues must be prioritized throughout local jurisdictions for the day-to-day situation to improve. In partnership with local jurisdictions and non-profits, the City must continue supporting programs that improve livability for communities throughout the region.

Prioritizing Financial Sustainability: Eight consecutive record years of Business License Tax revenue now contributes to 33 percent of General Fund reserves, yet projected expenditures are rising faster than projected revenues. The City must continue to take proactive steps to prioritize financial sustainability and implement a long-term financial plan to ensure limited General Fund resources are available to support core City services. To optimize the City's fiscal health, the Bureau of Revenue and Financial Services (BRFS) is developing a Long-Range Financial Plan to mitigate the impacts of financial commitments in years 2021–2030 by expanding the City's fiscal decision-making to a multi-year horizon. A comprehensive Long-Range Financial Plan will help clarify financial context for policy options, programs, and goals over the long term; and identify risks to achieving the City's desired outcomes.

Implementing Climate Action Plan: The City's Climate Action Plan outlines bold steps needed to reduce carbon emissions in our existing and future day-to-day operations. In addition to transitioning to a fully electrified fleet of sedans, OMF will prioritize resources to improve the energy efficiency of City-owned and managed buildings and conduct energy efficiency audits of the City's largest buildings.

Building a Talented and Inclusive Workplace: The City continues to invest in its most valuable asset: our employees. Specific equity goals have been established to end racial disparities within City government and promote fairness in employee hiring, promotional, and contractual opportunities. Consistent with the City's equity goals, the Bureau of Human Resources is pursuing an accountable and equitable approach in assessing employee performance. Council adopted a resolution to establish a Citywide performance management system, as well as a new-hire resource known as SuccessFactors. SuccessFactors provides a platform to set equitable and consistent pay practices for employees. OMF has convened a Citywide Performance Review Committee to steer the rollout of online performance reviews for non-represented staff. Bureau representatives will help review the current pilot process, adjust for Citywide roll-out, and ensure tools and training systems are established before system go-live in July 2020.

Modernizing City Operations – Maximizing Revenue Collection through Integrated Tax System: Aging and outdated technology has hindered Portland's ability to fully administer revenue collection. The new Integrated Tax System (ITS) will replace several outdated platforms that cannot be integrated with new security requirements for taxpayer information data. The new ITS goes live during the first quarter of FY 2020-21 and introduces several efficiencies including self-serve portals, improved ability to collect revenue, and more effective tax administration.

Modernizing City Operations – Creating a 311 Program: One in three Portlanders report it is difficult to obtain information from the City. Community members with a disability, limited knowledge of English, or without regular internet access report a higher level of difficulty. In addition to the obstacles for community members, the City's policy makers lack consistent data and information about community interests and needs.

In FY 2017-18, Council approved a decision package for '311 project management and implementation" and directed OMF to oversee the planning effort. The project team, led by OMF's Strategic Projects & Opportunities Team, recommended creating a Citywide 311 Program through a multi-year implementation process. The first phase of the process, which includes the replacement of PortlandOregon.gov with a service-focused website (Portland.gov) and a 'One City" customer service center in the Portland Building, is nearing completion. Next phases include implementing a technology solution for tracking community member requests and transitioning the City's information and referral intake line at (503) 823-4000 to 3-1-1.

Modernizing City Operations – Developing an Asset Management Strategy: It is imperative that the City establish a long-range plan for how facilities are used, managed, and provide value for Portlanders. A Long-Range Facilities Master Plan is underway and will be used as an enterprise tool to ensure facilities are positioned to provide the most value to the community. Concurrently, the Division of Asset Management plans to perform a condition assessment of the City's existing facilities portfolio to develop data-informed strategies for improving deferred maintenance. An enterprise asset management strategy will benefit Portlanders by streamlining civic services, limiting service disruptions, enhancing life safety and resilience measures throughout City facilities, and identifying unexpected capital costs.

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Taxes	35,256,314	39,284,569	37,081,000	38,175,000	38,175,000
Miscellaneous Fund Allocations	0	(4,856,624)	0	0	0
Licenses & Permits	5,641,089	6,559,032	7,736,066	7,780,000	7,780,000
Charges for Services	127,909,430	136,361,134	139,561,930	142,617,670	142,617,670
Intergovernmental	10,277,777	10,952,810	13,796,098	13,978,611	14,170,209
Bond & Note	46,632,364	153,097,524	33,073,300	21,841,542	21,841,542
Miscellaneous	9,188,769	11,973,606	86,488,378	15,398,158	15,398,158
External Revenues Total	234,905,744	353,372,051	317,736,772	239,790,981	239,982,579
Internal Revenues					
General Fund Discretionary	14,650,563	13,969,318	27,530,007	16,031,531	17,450,839
General Fund Overhead	11,139,615	11,257,092	11,335,034	13,067,880	13,141,974
Fund Transfers - Revenue	4,050,576	5,400,399	12,926,108	8,093,814	9,828,622
Interagency Revenue	168,275,279	165,908,970	179,057,973	200,646,205	201,400,399
Internal Revenues Total	198,116,033	196,535,779	230,849,122	237,839,430	241,821,834
Beginning Fund Balance	186,851,474	237,114,495	232,116,107	207,949,783	207,949,783
Resources Total	619,873,251	787,022,325	780,702,001	685,580,194	689,754,196
Requirements					
Bureau Expenditures					
Personnel Services	81,476,036	82,660,562	101,379,218	103,201,256	105,284,984
External Materials and Services	245,446,012	261,467,358	303,584,066	279,862,072	282,241,386
Internal Materials and Services	28,796,590	26,326,993	28,554,282	37,827,098	37,960,698
Capital Outlay	26,906,788	98,052,752	96,696,282	30,824,331	30,824,331
Bureau Expenditures Total	382,625,426	468,507,665	530,213,848	451,714,757	456,311,399
Fund Expenditures					
Debt Service	9,900,012	64,663,561	21,431,178	26,674,698	26,674,698
Contingency	0	0	191,420,836	175,987,733	175,565,093
Fund Transfers - Expense	7,473,515	10,824,100	22,136,139	21,137,456	21,137,456
Debt Service Reserves	0	0	15,500,000	10,065,550	10,065,550
Fund Expenditures Total	17,373,527	75,487,661	250,488,153	233,865,437	233,442,797
Ending Fund Balance	218,783,000	243,026,989	0	0	0
Requirements Total	618,781,953	787,022,315	780,702,001	685,580,194	689,754,196
Programs					
Bureau of Revenue & Financial Services	76,119,980	76,405,888	105,167,254	108,506,186	108,506,186

Office of Management and Finance

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Citywide Projects	—	10	—	—	—
Human Resources	124,296,111	135,193,802	141,972,561	146,372,032	146,372,032
Office of the Chief Administrative Officer	114,711,882	184,416,474	195,233,626	113,125,592	113,125,592
Technology Services	67,497,454	72,491,490	87,840,407	83,710,947	83,710,947
Total Programs	382,625,426	468,507,665	530,213,848	451,714,757	451,714,757

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000063	Accountant II	54,912	79,556	8.00	588,053	8.00	595,346	8.00	595,346
30000064	Accountant III	60,466	87,496	10.00	736,829	10.00	789,322	10.00	789,322
30002283	Accountant IV	65,000	94,088	3.00	241,879	3.00	250,381	3.00	250,381
30003001	Accounting Supervisor	63,336	109,491	3.00	289,557	3.00	289,557	3.00	289,557
30000061	Accounting Technician	34,798	57,510	2.00	101,133	2.00	103,637	2.00	103,637
30003002	Administrative Specialist I	44,075	68,682	2.00	109,221	2.00	109,221	2.00	109,221
30003003	Administrative Specialist II	48,277	93,018	12.33	885,636	14.33	1,018,923	14.33	1,018,923
30003004	Administrative Specialist III	53,290	102,648	6.00	456,310	6.50	492,866	6.50	492,866
30003006	Analyst I	53,290	102,648	11.00	900,616	11.00	951,901	11.00	951,901
30003007	Analyst II	63,336	109,491	14.00	1,215,539	15.00	1,436,578	15.00	1,436,578
30003008	Analyst III	69,805	131,248	11.00	1,059,677	10.00	1,139,178	11.00	1,244,436
30003009	Analyst IV	80,205	145,808	0.90	114,098	0.90	114,098	0.90	114,098
30002023	Applications Analyst II-Generalist	63,419	95,715	1.00	93,018	1.00	93,018	1.00	93,018
30002024	Applications Analyst III-Generalist	69,971	105,732	13.00	1,220,683	14.00	1,310,550	14.00	1,310,550
30002027	Applications Analyst IV-Generalist	73,528	111,339	11.00	1,135,600	13.00	1,324,694	13.00	1,324,694
30002026	Applications Analyst IV-GIS,Enterprise	73,528	111,339	2.00	216,404	2.00	216,404	2.00	216,404
30001234	Applications Analyst IV-Web Developer	73,528	111,339	2.00	203,008	2.00	203,008	2.00	203,008
30000125	Auto Body Restorer	57,346	73,905	2.00	143,644	2.00	143,644	2.00	143,644
30003010	Business Systems Analyst I	53,290	102,648	1.00	78,520	1.00	78,520	1.00	78,520
30003011	Business Systems Analyst II	63,336	109,491	3.00	282,631	4.00	370,283	4.00	370,283
30003012	Business Systems Analyst III	69,805	131,248	16.00	1,719,682	16.00	1,783,485	16.00	1,783,485
30000449	Business Systems Analyst, Sr	69,971	102,752	0.00	0	0.00	0	1.00	93,709
30003013	Capital Project Manager II	63,336	109,491	2.00	176,155	2.00	180,369	2.00	180,369
30003014	Capital Project Manager III	69,805	131,248	3.00	297,003	3.00	302,271	3.00	302,271
30003015	Capital Project Manager IV	80,205	145,808	1.00	112,424	1.00	109,349	1.00	109,349
30003016	Chief Administrative Officer	147,035	244,400	1.00	219,315	1.00	219,315	1.00	219,315
30003023	City Treasurer	92,851	168,834	1.00	161,678	1.00	161,678	1.00	161,678
30000066	Claims Technician	45,885	69,967	2.00	135,990	2.00	135,990	2.00	135,990
30000065	Claims Technician, Assistant	35,610	59,073	1.00	48,916	1.00	52,598	1.00	52,598
30000700	Communications Engineer	73,528	111,339	1.00	108,202	1.00	108,202	1.00	108,202
30003024	Communications Engineer II	69,805	131,248	2.00	234,707	2.00	234,707	2.00	234,707
30000238	Communications Switch Technician	61,818	86,233	1.00	83,803	1.00	83,803	1.00	83,803
30003025	Communications System Administrator	80,205	145,808	1.00	125,029	1.00	125,029	1.00	125,029
30003026	Controller	92,851	168,834	1.00	96,471	1.00	132,654	1.00	132,654

Office of Management and Finance

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30003235	Coordinator I - E	48,277	93,018	2.00	135,637	2.00	134,947	2.00	134,947
30003027	Coordinator I - NE	48,277	93,018	5.00	310,348	5.00	363,772	6.00	435,365
30003028	Coordinator II	53,290	102,648	8.00	729,020	9.00	813,675	10.00	895,298
30003029	Coordinator III	63,336	109,491	6.00	587,941	7.00	691,478	7.00	691,478
30003030	Coordinator IV	69,805	131,248	1.00	104,499	1.00	104,500	1.00	104,500
30000017	Customer Accounts Specialist I	37,336	61,962	0.00	0	2.00	140,338	2.00	140,338
30000018	Customer Accounts Specialist II	44,512	67,870	0.00	0	1.00	54,101	1.00	54,101
30003031	Debt Manager	80,205	145,808	1.00	138,070	1.00	138,070	1.00	138,070
30003032	Deputy Chief Administrative Officer	111,696	197,246	1.00	178,776	1.00	178,776	1.00	178,776
30003035	Deputy Director II	92,851	168,834	1.00	96,471	1.00	132,652	1.00	132,652
30003038	Director II	130,478	216,902	3.00	556,528	3.00	556,528	3.00	556,528
30000041	Distribution Technician	42,432	59,865	3.00	174,534	3.00	174,534	3.00	174,534
30000042	Distribution Technician, Lead	44,574	62,797	1.00	61,027	1.00	61,027	1.00	61,027
30000234	Electronics Technician I: Communications	52,790	73,755	3.00	215,031	3.00	215,031	3.00	215,031
30000236	Electronics Technician II: Commun	61,818	86,233	6.00	473,448	6.00	482,934	6.00	482,934
30002610	Electronics Technician III: Commun	73,632	92,291	3.00	255,882	3.00	260,854	3.00	260,854
30000368	Engineer-Mechanical	89,357	122,940	2.00	229,271	2.00	230,895	2.00	230,895
30000718	Facilities Construction Project Manager	69,971	102,752	0.00	0	0.00	0	1.00	107,308
30000711	Facilities Maint Dispatch/Scheduler	46,342	78,478	3.00	167,357	3.00	190,655	3.00	190,655
30000070	Facilities Maintenance Tech Apprentice	41,413	75,446	1.00	54,018	1.00	57,790	1.00	57,790
30000071	Facilities Maintenance Technician	62,026	79,406	15.00	1,121,590	15.00	1,150,605	15.00	1,150,605
30003053	Facilities Project Specialist	53,290	102,648	1.00	84,157	1.00	86,170	1.00	86,170
30003377	Facilities Worker	44,491	55,670	6.00	332,717	6.00	313,022	6.00	313,022
30003054	Financial Analyst I	53,290	102,648	5.00	437,154	4.00	349,856	4.00	349,856
30003055	Financial Analyst II	63,336	109,491	13.00	1,206,656	14.00	1,323,087	14.00	1,323,087
30003056	Financial Analyst III	69,805	131,248	9.00	981,143	10.00	1,143,231	10.00	1,143,231
30000341	GIS Technician I	41,766	63,353	1.00	61,568	1.00	61,568	1.00	61,568
30003063	Human Resources Analyst I	53,290	102,648	13.00	1,008,990	14.00	1,064,360	14.00	1,064,360
30003064	Human Resources Analyst II	63,336	109,491	15.00	1,310,872	15.00	1,340,685	15.00	1,340,685
30003065	Human Resources Analyst III	69,805	131,248	7.00	650,375	7.00	679,734	7.00	679,734
30003066	Human Resources Generalist	69,805	131,248	13.00	1,175,324	13.00	1,306,872	13.00	1,306,872
30003067	Human Resources Systems Specialist	53,290	102,648	7.00	607,318	7.00	629,158	7.00	629,158

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000218	Inf Syst Analyst, Principal-Gen	82,909	125,016	27.00	3,129,629	28.00	3,282,537	28.00	3,282,537
30000217	Inf Syst Analyst, Principal-GIS Enterprs	82,909	125,016	4.00	485,972	4.00	485,972	4.00	485,972
30000880	Inf Syst Analyst, Principal-GIS,Vertical	82,909	125,016	2.00	212,722	2.00	220,288	2.00	220,288
30000219	Inf Syst Analyst, Principal-Proj Mgmt	82,909	125,016	6.00	633,075	6.00	679,802	6.00	679,802
30000198	Inf Syst Tech Analyst I-Generalist	46,342	80,754	5.00	274,811	6.00	339,540	6.00	339,540
30000199	Inf Syst Tech Analyst II-Generalist	49,774	86,769	7.00	473,424	7.00	488,302	7.00	488,302
30000200	Inf Syst Tech Analyst III-Generalist	60,403	91,135	3.00	235,393	3.00	235,393	3.00	235,393
30000210	Inf Syst Tech Analyst IV-Generalist	63,419	95,715	16.00	1,408,028	17.00	1,502,369	17.00	1,502,369
30000211	Inf Syst Tech Analyst IV-Telecomm	63,419	95,715	4.00	361,027	4.00	361,027	4.00	361,027
30000212	Inf Syst Tech Analyst IV-Vertical GIS	63,419	95,715	1.00	85,800	1.00	85,800	1.00	85,800
30000213	Inf Syst Tech Analyst V-Generalist	69,971	105,732	22.00	2,151,651	22.00	2,165,031	22.00	2,165,031
30002608	Inf Syst Tech Analyst V-Telecomm	69,971	105,732	1.00	76,981	1.00	89,866	1.00	89,866
30000214	Inf Syst Tech Analyst V-Vertical GIS	69,971	105,732	2.00	204,402	2.00	204,402	2.00	204,402
30000215	Inf Syst Tech Analyst VI-Generalist	73,528	111,339	18.00	1,826,220	18.00	1,867,813	18.00	1,867,813
30000216	Inf Syst Tech Analyst VI-Proj Mgmt	73,528	111,339	1.00	91,978	1.00	91,978	1.00	91,978
30000016	Information & Referral Specialist	34,798	57,510	0.00	0	5.00	272,173	5.00	272,173
30002108	Information Security Architect	86,237	130,046	3.00	379,143	3.00	379,143	3.00	379,143
30003068	Information Security Manager	92,851	168,834	1.00	164,674	1.00	164,674	1.00	164,674
30003069	Information Systems Manager I	80,205	145,808	7.00	914,316	7.00	935,230	7.00	935,230
30003070	Information Systems Manager II	91,728	158,226	7.00	1,042,747	7.00	1,042,747	7.00	1,042,747
30003071	Information Systems Manager III	92,851	168,834	4.00	553,970	4.00	603,169	4.00	603,169
30003072	Information Systems Supervisor	69,805	131,248	10.00	1,133,436	10.00	1,192,154	10.00	1,192,154
30003073	Investment Officer	80,205	145,808	1.00	135,346	1.00	135,346	1.00	135,346
30003079	Maintenance Supervisor I - E	63,336	109,491	1.00	87,298	0.00	0	0.00	0
30003081	Manager I	80,205	145,808	10.00	1,156,007	10.00	1,219,544	10.00	1,219,544
30003082	Manager II	92,851	168,834	7.00	939,495	7.00	942,704	7.00	942,704
30003083	Manager III	111,696	197,246	4.00	652,080	4.00	652,636	4.00	652,636
30003086	Occupational Health Specialist	69,805	131,248	1.00	142,168	1.00	142,168	1.00	142,168
30000011	Office Support Specialist I	31,678	52,074	1.00	50,606	1.00	50,606	1.00	50,606
30000012	Office Support Specialist II	34,798	57,510	3.00	116,212	3.00	153,424	3.00	153,424
30000013	Office Support Specialist III	44,512	67,870	3.00	164,980	3.00	173,215	3.00	173,215

Office of Management and Finance

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000044	Printing & Distrib Custmr Svc Rep, Lead	52,208	75,232	1.00	73,112	1.00	73,112	1.00	73,112
30000043	Printing & Distrib Customer Svc Rep	45,406	65,344	3.00	165,091	3.00	169,562	3.00	169,562
30000059	Procurement Specialist	52,478	78,250	6.00	383,161	6.00	410,671	6.00	410,671
30000058	Procurement Specialist, Assistant	43,826	65,216	4.00	242,205	4.00	248,147	4.00	248,147
30000060	Procurement Specialist, Sr	61,797	94,987	9.00	697,707	9.00	746,199	9.00	746,199
30000464	Program Coordinator	66,622	97,718	0.00	0	1.00	79,323	1.00	79,323
30003096	Public Information Manager	80,205	145,808	1.00	113,942	1.00	113,942	1.00	113,942
30000190	Regulatory Program Administrator	67,163	95,587	1.00	80,309	1.00	84,516	1.00	84,516
30000047	Reprographic Operator I	37,482	55,284	5.00	260,814	5.00	263,525	5.00	263,525
30000048	Reprographic Operator II	45,406	65,344	2.00	114,296	2.00	116,532	2.00	116,532
30000049	Reprographic Operator III	52,208	75,232	2.00	146,224	2.00	146,224	2.00	146,224
30000191	Revenue & Tax Specialist I	37,336	57,510	3.00	159,997	3.00	163,738	3.00	163,738
30000192	Revenue & Tax Specialist II	44,699	63,503	12.00	647,508	12.00	692,165	12.00	692,165
30000193	Revenue & Tax Specialist III	46,717	71,187	6.00	372,145	3.00	187,754	6.00	338,576
30000194	Revenue & Tax Specialist IV	50,731	75,917	13.00	877,024	11.00	777,395	13.00	886,595
30000196	Revenue & Tax Specialist V	54,725	81,568	5.00	388,680	5.00	395,218	5.00	395,218
30000404	Revenue Auditor	63,419	95,715	3.00	204,084	3.00	242,995	3.00	242,995
30000405	Revenue Auditor, Sr	69,971	105,732	3.00	282,485	7.00	646,591	7.00	646,591
30003098	Risk Manager	91,728	158,226	1.00	158,226	1.00	158,226	1.00	158,226
30003099	Risk Specialist I	53,290	102,648	2.00	167,752	2.00	167,752	2.00	167,752
30003100	Risk Specialist II	63,336	109,491	3.00	298,045	3.00	298,045	3.00	298,045
30003101	Risk Specialist III	69,805	131,248	3.00	366,329	3.00	366,329	3.00	366,329
30000053	Storekeeper/Acquisition Specialist I	45,302	63,824	2.00	112,674	2.00	121,857	2.00	121,857
30000054	Storekeeper/Acquisition Specialist II	47,611	67,013	1.00	65,125	1.00	65,125	1.00	65,125
30000056	Storekeeper/Acquisition Specialist III	53,789	76,923	1.00	74,755	1.00	74,755	1.00	74,755
30000055	Storekeepr/Acquisition II:Auto Part Spec	48,651	67,013	4.00	248,623	4.00	252,232	4.00	252,232
30003103	Supervisor I - E	63,336	109,491	6.00	546,084	7.00	642,263	7.00	642,263
30003104	Supervisor II	69,805	131,248	16.00	1,624,832	16.00	1,658,042	16.00	1,658,042
30003107	Technology Business Representative	80,205	145,808	5.00	609,544	5.00	640,785	5.00	640,785
30003108	Technology Capital Project Manager	91,728	158,226	2.00	291,699	2.00	291,699	2.00	291,699
30000077	Utility Worker II	48,381	59,865	1.00	54,101	0.00	0	0.00	0

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000131	Vehicle & Equipment Mechanic	57,346	73,905	51.00	3,635,320	51.00	3,648,198	51.00	3,648,198
30000132	Vehicle & Equipment Mechanic, Lead	60,154	77,501	2.00	150,634	2.00	150,634	2.00	150,634
30000123	Welder	58,053	73,092	2.00	124,561	2.00	137,831	2.00	137,831
Total Full-Time Positions				669.23	60,057,832	689.73	63,481,919	699.73	64,201,432
30003002	Administrative Specialist I	44,075	68,682	1.00	51,268	0.00	0	0.00	0
30003003	Administrative Specialist II	96,554	186,036	3.00	142,225	1.00	63,024	1.00	63,024
30003006	Analyst I	53,290	102,648	3.00	262,226	3.00	262,226	3.00	262,226
30003007	Analyst II	63,336	109,491	1.00	94,120	1.00	94,120	1.00	94,120
30003008	Analyst III	69,805	131,248	1.00	107,744	1.00	107,744	1.00	107,744
30000203	Applications Analyst II-Generalist	63,419	95,715	1.00	69,763	0.00	0	0.00	0
30003011	Business Systems Analyst II	63,336	109,491	6.00	449,543	5.00	437,632	5.00	437,632
30003012	Business Systems Analyst III	69,805	131,248	2.00	189,779	2.00	189,779	2.00	189,779
30000449	Business Systems Analyst, Sr	69,971	102,752	0.00	0	0.00	0	1.00	93,709
30003013	Capital Project Manager II	63,336	109,491	1.00	70,566	0.00	0	0.00	0
30003027	Coordinator I - NE	48,277	93,018	1.00	50,170	0.00	0	0.00	0
30003028	Coordinator II	53,290	102,648	2.00	106,078	2.00	164,552	2.00	164,552
30003029	Coordinator III	63,336	109,491	1.00	103,251	1.00	74,085	1.00	74,085
30003300	Electronics Technician, Assistant	44,491	55,670	1.00	54,084	0.00	0	0.00	0
30000718	Facilities Construction Project Manager	69,971	102,752	0.00	0	0.00	0	1.00	107,308
30003053	Facilities Project Specialist	53,290	102,648	1.00	80,850	0.00	0	0.00	0
30003063	Human Resources Analyst I	53,290	102,648	1.00	43,835	0.00	0	0.00	0
30003064	Human Resources Analyst II	63,336	109,491	1.00	83,803	0.00	0	0.00	0
30003081	Manager I	80,205	145,808	0.00	0	1.00	126,235	1.00	126,235
30000193	Revenue & Tax Specialist III	46,717	71,187	1.00	58,008	0.00	0	1.00	50,274
30000194	Revenue & Tax Specialist IV	50,731	75,917	2.00	105,802	0.00	0	2.00	109,200
30000196	Revenue & Tax Specialist V	54,725	81,568	1.00	76,981	1.00	19,817	1.00	19,817
30000055	Storekeeper/Acquisition II:Auto Part Spec	48,651	67,013	1.00	65,125	1.00	23,188	1.00	23,188
30003107	Technology Business Representative	80,205	145,808	1.00	78,906	0.00	0	0.00	0
30003108	Technology Capital Project Manager	91,728	158,226	3.00	418,600	1.00	126,901	1.00	126,901
Total Limited Term Positions				36.00	2,762,727	20.00	1,689,303	25.00	2,049,794
30003002	Administrative Specialist I	44,075	68,682	0.00	0	0.50	55,089	0.50	55,089

Office of Management and Finance

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000207	Applications Analyst IV-Generalist	73,528	111,339	0.63	65,091	0.63	65,091	0.63	65,091
30000194	Revenue & Tax Specialist IV	50,731	75,917	0.50	36,889	0.50	36,889	0.50	36,889
30000404	Revenue Auditor	63,419	95,715	0.50	38,449	0.50	39,766	0.50	39,766
Total Part-Time Positions				1.63	140,429	2.13	196,835	2.13	196,835
Grand Total				706.86	62,960,988	711.86	65,368,057	726.86	66,448,061

CIP Summary

Bureau Capital Program Project	Prior Years	Revised FY 2019-20	Requested FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	5-Year Total
BTS								
Cherwell Capability Expansion	1,218,528	521,932	437,800	490,000	309,000	182,400	182,400	1,601,600
Communications Building Construction	0	0	891,625	340,000	0	0	0	1,231,625
DWDM System Lifecycle Replacement	0	0	0	1,308,000	1,008,000	0	0	2,316,000
Enterprise Network Technology Refresh	3,040,698	426,106	764,738	222,819	192,640	209,750	200,000	1,589,947
Enterprise Service Management Implementation	0	0	422,724	697,165	629,076	0	0	1,748,965
Firewall Technology Refresh	628,462	1,070,458	107,200	107,200	66,000	66,000	66,000	412,400
Goat Mountain IR Site Move	0	300,000	150,000	0	0	0	0	150,000
IRNE Fiber Expansion Program	0	1,250,000	1,940,000	2,350,000	1,500,000	1,500,000	1,500,000	8,790,000
IRNE Network Technology Refresh	608,737	1,885,927	1,000,000	1,000,000	0	0	0	2,000,000
Office 365 Implementation	1,630,017	230,759	159,500	270,000	60,000	60,000	60,000	609,500
Police Cisco DNA Center Appliance	0	0	190,000	0	0	0	0	190,000
Police Exchange Infrastructure Refresh	11	0	0	303,355	11,700	0	0	315,055
Police SharePoint Server Farm	0	0	0	396,000	150,000	0	0	546,000
Public Safety Data Center	0	429,000	671,500	623,750	0	0	0	1,295,250
Radio Site Maintenance & Enhancements	0	0	0	0	0	200,000	200,000	400,000
Replace HVAC Units	0	0	60,000	80,000	80,000	0	0	220,000
Replace Telecomm Management System	247,294	693,324	409,000	0	0	0	0	409,000
SAN Storage Expansion	3,917,551	620,839	208,800	511,200	980,113	995,809	796,800	3,492,722
SAP S4 HANA	0	0	0	0	505,500	155,500	0	661,000
SAP SuccessFactors Aspire Cloud Benefits	0	0	0	0	0	298,200	59,900	358,100
SAP SuccessFactors Compensation Module	0	0	0	0	0	0	144,200	144,200
SAP SuccessFactors Emp. Central Payroll	0	0	0	0	522,150	0	0	522,150
SAP SuccessFactors Emp. Time & Att.	0	0	0	704,500	0	0	0	704,500
SAP Suite on HANA	0	1,952,400	484,800	0	0	0	0	484,800
Secondary Data Center	0	609,000	264,000	0	0	0	0	264,000
Telecom Lab Systems Implementation	0	0	0	372,423	0	0	0	372,423
Upgrade Microwave Links	0	0	120,000	120,000	120,000	0	0	360,000
Web Site Replacement	1,283,961	599,580	412,046	75,285	79,049	0	0	566,380
Wireless Network Expansion	758,598	34,400	130,000	65,000	71,500	100,000	100,000	466,500

Office of Management and Finance

CIP Summary

Bureau Capital Program Project	Prior Years	Revised FY 2019-20	Requested FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	5-Year Total
Workflow Application	0	195,500	224,000	0	0	0	0	224,000
Worksoft Testing Automation Tool for SAP	0	0	300,000	0	0	0	0	300,000
Total BTS	13,333,857	10,819,225	9,347,733	10,036,697	6,284,728	3,767,659	3,309,300	32,746,117
CityFleet								
FY 2020-21 Vehicle replacement for Bureau of Transportation	0	0	4,779,248	0	0	0	0	4,779,248
FY 2020-21 Vehicle Replacement for CityFleet	0	0	248,907	0	0	0	0	248,907
FY 2020-21 Vehicle replacement for Fire Bureau	0	0	679,060	0	0	0	0	679,060
FY 2020-21 Vehicle Replacement for Golf Fund	0	0	350,040	0	0	0	0	350,040
FY 2020-21 Vehicle replacement for Parks Bureau	0	0	1,203,288	0	0	0	0	1,203,288
FY 2020-21 Vehicle replacement for Police Bureau	0	0	6,177,626	0	0	0	0	6,177,626
Replace and Construct Fueling Stations	1,252,502	7,019,662	2,325,072	0	0	0	6,090,139	8,415,211
Total CityFleet	1,252,502	7,019,662	15,763,241	0	0	0	6,090,139	21,853,380
Facilities								
1900 Building Major Maintenance	0	0	2,687,299	1,267,339	1,878,434	0	0	5,833,072
City Hall Audio and Visual Upgrades	0	468,206	351,155	0	0	0	0	351,155
Construct Building at SW 4th and Montgomery	18,357,467	5,017,062	2,242,910	0	0	0	0	2,242,910
East Precinct Major Maintenance	0	0	79,508	0	0	350,000	150,000	579,508
Facilities Services Core Operating & Climate Investments	0	0	1,857,312	0	0	0	0	1,857,312
Justice Center Major Maintenance	0	0	2,528,701	561,636	556,896	1,080,440	0	4,727,673
Kelly Building Major Maintenance	0	0	413,218	504,171	241,245	0	0	1,158,634
Kerby Garage Major Maintenance	0	0	200,000	0	0	0	0	200,000
North Precinct and Walnut Park Major Maintenance	0	0	1,582,667	0	0	135,000	0	1,717,667
Portland Communications Center Major Maintenance	0	0	296,319	0	0	0	0	296,319
Portland Community College HVAC Centralization	0	0	0	0	0	0	0	0
Rivergate Vehicle Storage Major Maintenance	0	0	0	372,197	0	0	0	372,197
Total Facilities	18,357,467	5,485,268	12,239,089	2,705,343	2,676,575	1,565,440	150,000	19,336,447

CIP Summary

Bureau Capital Program Project	Prior Years	Revised FY 2019-20	Requested FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	5-Year Total
Accounting								
CAFR Software Replacement	0	0	0	0	0	0	0	0
Total Accounting	0	0	0	0	0	0	0	0
Public Finance and Treasury								
DBC Finance	14,500	14,500	0	0	0	0	0	0
GovInvest	34,248	34,248	0	0	0	0	0	0
Total Public Finance and Treasury	48,748	48,748	0	0	0	0	0	0
Procurement								
B2G / LCP Tracker	0	32,692	0	0	0	0	0	0
Total Procurement	0	32,692	0	0	0	0	0	0
Revenue								
Integrated Tax System	0	11,296,066	15,086,548	0	0	0	0	15,086,548
Total Revenue	0	11,296,066	15,086,548	0	0	0	0	15,086,548
Total Requirements	32,992,574	34,701,661	52,436,611	12,742,040	8,961,303	5,333,099	9,549,439	89,022,492

BUREAU OF HUMAN RESOURCES

Human Resources

Overview

The Bureau of Human Resources (BHR) provides strategic leadership and management for Citywide human resources systems. These systems link to the overall business strategies of City Council and bureaus as they relate to operations and strategic support, total rewards, employment and labor relations, and workforce recruitment and training. The bureau is responsible for developing and maintaining the City's Human Resources Administrative Rules, maintaining equitable pay to all employees, providing administrative support to the Civil Service Board, and ensuring compliance with the Health Insurance Portability and Accountability Act, as well as state and federally mandated leave laws (e.g., Family Medical Leave Act and Oregon Family Leave Act). The bureau is the SAP Human Capital Management business process owner.

- ◆ Employment and Labor Relations
- ◆ Operations and Strategic Support
- ◆ Total Rewards
- ◆ Workforce Recruitment and Training

Through Workforce Recruitment and Training, Total Rewards, and Employee and Labor Relations, Human Resources is responsible for helping bureaus recruit, develop, and retain a competent and highly qualified workforce that is representative of the communities the City serves. The bureau manages the City's healthcare and deferred compensation programs. Additionally, the bureau provides leadership and expertise to City Council and the Labor Management Benefit Committee in developing strategic direction for the City's self-funded and insured benefits and wellness programs. The Bureau of Human Resources also sets the strategic direction for the City's classification and compensation systems ensuring pay equity compliance with the Pay Equity Act of 2017.

Employer Branding

The Bureau of Human Resources leads the Employer of Choice Initiative, which identifies the City as a values-based employer to attract, develop, and retain a diverse, culturally competent, fully engaged workforce. The Bureau of Human Resources is also responsible for the following Citywide initiatives that support employer branding: Citywide onboarding, performance management, occupational health and well-being, centralized training opportunities (both web-based and classroom), talent development, and mentorship.

Equity Initiatives

In addition to pay equity, Human Resources leads the following initiatives in support of the City's equity goals: workplace harassment and discrimination training, manager and supervisor core competency training, cultural competency training, bias reduction training, annual InCight job fair focused on individuals who identify as having a disability, annual Northwest Public Employees Diversity Conference in collaboration with Multnomah, Clackamas, Clark, and Washington Counties, Metro, and Prosper Portland, and strategic plan implementation of Council's resolution to become a model employer for persons with disabilities. In

FY 2019-20 Council supported BHR's request for a Central Accommodations Fund to finance approved workplace accommodations for job applicants, interns, employees, elected officials, and persons living with disabilities. The fund facilitates the City's compliance with its legal obligations under Title I of the Americans with Disabilities Act (ADA) and Oregon State law.

Human Resources

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	115,613,684	123,632,364	129,460,095	132,846,419	132,846,419
Miscellaneous	2,113,645	1,287,811	1,238,180	1,207,253	1,207,253
External Revenues Total	117,727,329	124,920,175	130,698,275	134,053,672	134,053,672
Internal Revenues					
General Fund Discretionary	4,068,201	4,221,787	4,807,859	4,679,341	4,679,341
General Fund Overhead	4,719,602	4,901,691	5,653,246	5,853,243	5,853,243
Fund Transfers - Revenue	0	0	150,000	0	0
Interagency Revenue	375,922	491,953	577,450	498,154	498,154
Internal Revenues Total	9,163,725	9,615,431	11,188,555	11,030,738	11,030,738
Beginning Fund Balance	31,873,968	34,166,623	33,196,737	31,768,434	31,768,434
Resources Total	158,765,022	168,702,229	175,083,567	176,852,844	176,852,844
Requirements					
Bureau Expenditures					
Personnel Services	9,936,382	10,483,719	11,392,934	11,938,154	11,938,154
External Materials and Services	113,125,262	123,401,485	129,299,798	132,370,153	132,370,153
Internal Materials and Services	1,234,467	1,308,599	1,279,829	2,063,725	2,063,725
Bureau Expenditures Total	124,296,111	135,193,802	141,972,561	146,372,032	146,372,032
Fund Expenditures					
Debt Service	39,574	42,797	45,660	47,486	47,486
Contingency	0	0	32,778,392	30,052,079	30,052,079
Fund Transfers - Expense	318,157	321,396	286,954	381,247	381,247
Fund Expenditures Total	357,731	364,193	33,111,006	30,480,812	30,480,812
Ending Fund Balance	34,166,623	33,196,738	0	0	0
Requirements Total	158,820,465	168,754,734	175,083,567	176,852,844	176,852,844
Programs					
Americans with Disabilities Act Fund	—	—	150,000	—	—
BHR - Occupational Health	688	24,779	256,683	410,655	410,655
City Self Insured Plans	98,546,729	107,177,389	109,501,343	113,226,659	113,226,659
Classification Compensation	539,623	622,063	641,044	624,537	624,537
Deferred Compensation	299,347	283,227	318,963	294,098	294,098
Diversity and Affirmative Action	352,177	468,734	627,887	—	—
Employment & Development	996,888	1,448,652	1,742,528	1,859,369	1,859,369
Human Resources Police Bureau	562,989	660,099	589,285	599,954	599,954
Labor Relations	907,609	615,974	861,183	911,601	911,601
Operations	3,757,132	3,262,965	3,869,084	4,161,031	4,161,031
PPA Self Insured Plan Internal Admin	7,048,675	9,015,752	—	5,586,702	5,586,702
PPA Self Insured Plans	6,179,334	5,593,719	17,420,895	12,055,772	12,055,772

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Self Insured Plan Internal Admin	3,033,679	3,650,546	3,518,805	4,005,562	4,005,562
Site Team - Comm Svcs / Admin	514,553	159,952	225,940	472	472
Site Team - Public Safety	1,017,174	1,861,794	1,931,643	2,194,360	2,194,360
Site Team - Public Utilities	502,426	34,778	82,579	—	—
Training Fund program exp & rev account	37,089	313,382	234,699	441,260	441,260
Total Programs	124,296,111	135,193,802	141,972,561	146,372,032	146,372,032

Human Resources

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000063	Accountant II	54,912	79,556	1.00	77,314	1.00	77,314	1.00	77,314
30003001	Accounting Supervisor	63,336	109,491	1.00	100,402	1.00	100,402	1.00	100,402
30003002	Administrative Specialist I	44,075	68,682	2.00	109,221	2.00	109,221	2.00	109,221
30003003	Administrative Specialist II	48,277	93,018	2.00	149,615	3.00	200,596	3.00	200,596
30003004	Administrative Specialist III	53,290	102,648	4.00	282,755	4.00	282,755	4.00	282,755
30003012	Business Systems Analyst III	69,805	131,248	1.00	105,643	1.00	105,643	1.00	105,643
30003029	Coordinator III	63,336	109,491	1.00	92,997	1.00	92,997	1.00	92,997
30003035	Deputy Director II	92,851	168,834	1.00	96,471	1.00	132,652	1.00	132,652
30003038	Director II	130,478	216,902	1.00	173,056	1.00	173,056	1.00	173,056
30003055	Financial Analyst II	63,336	109,491	1.00	104,291	1.00	104,291	1.00	104,291
30003056	Financial Analyst III	69,805	131,248	1.00	131,248	1.00	131,248	1.00	131,248
30003063	Human Resources Analyst I	53,290	102,648	13.00	1,008,990	14.00	1,064,360	14.00	1,064,360
30003064	Human Resources Analyst II	63,336	109,491	15.00	1,310,872	15.00	1,340,685	15.00	1,340,685
30003065	Human Resources Analyst III	69,805	131,248	7.00	650,375	7.00	679,734	7.00	679,734
30003066	Human Resources Generalist	69,805	131,248	13.00	1,175,324	13.00	1,306,872	13.00	1,306,872
30003067	Human Resources Systems Specialist	53,290	102,648	7.00	607,318	7.00	629,158	7.00	629,158
30003081	Manager I	80,205	145,808	2.00	237,007	2.00	274,560	2.00	274,560
30003082	Manager II	92,851	168,834	4.00	570,545	4.00	570,545	4.00	570,545
30003086	Occupational Health Specialist	69,805	131,248	1.00	142,168	1.00	142,168	1.00	142,168
30000011	Office Support Specialist I	31,678	52,074	1.00	50,606	1.00	50,606	1.00	50,606
30000012	Office Support Specialist II	34,798	57,510	1.00	40,274	1.00	55,466	1.00	55,466
30003104	Supervisor II	69,805	131,248	3.00	357,302	3.00	357,302	3.00	357,302
Total Full-Time Positions				83.00	7,573,794	85.00	7,981,631	85.00	7,981,631
30003003	Administrative Specialist II	48,277	93,018	1.00	50,981	0.00	0	0.00	0
30003028	Coordinator II	53,290	102,648	1.00	61,620	1.00	82,160	1.00	82,160
30003063	Human Resources Analyst I	53,290	102,648	1.00	43,835	0.00	0	0.00	0
30003064	Human Resources Analyst II	63,336	109,491	1.00	83,803	0.00	0	0.00	0
Total Limited Term Positions				4.00	240,239	1.00	82,160	1.00	82,160
Grand Total				87.00	7,814,033	86.00	8,063,791	86.00	8,063,791

BHR - Employee and Labor Relations

Program Description & Goals

Employee Relations provides strategic advice and support to assigned bureaus to achieve excellence in employee performance and organizational effectiveness Citywide. Employee Relations and Police Human Resources assist bureaus in reviewing business processes through a lens that promotes more equitable outcomes for staff, customers, and stakeholders. Labor Relations strategically prepares for negotiations, responds to grievances, and is a collaborative partner to nine employee bargaining units. Labor Relations helps bureaus comply with the City's labor agreements through management training and guidance on contract provisions.

Employee and Labor Relations support City Council's goal to deliver efficient, effective, and accountable municipal services. Support is demonstrated by planning thoughtful labor negotiation strategies, providing targeted management training, and increasing workforce productivity through performance management efforts.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Total number of human resource investigations	165	109	157	103	98
Number of days per human resource investigation	54	60	51	57	54
Percentage of merit eligible employees with a completed performance review each fiscal year.	N/A	N/A	80%	80%	80%
HR Business Partner customer satisfaction	N/A	4	4	4	4

Explanation of Services

The Employee and Labor Relations team fosters excellence in employee performance, organizational effectiveness, and change management throughout the City by providing strategic consultation and support to improve systems, as well as the quality of decisions impacting the workforce. Key services include delivering employee and manager training, workplace accommodations, performance management, investigations, mediation, policy and contract interpretation and administration, negotiating interim and successor labor agreements. Employee and Labor Relations also provides training to management on new successor agreements, interim bargaining, and the Public Employee Collective Bargaining Act in preparation for bargaining.

The Employee and Labor Relations program area supports the City's climate policy commitments by embracing and encouraging a paperless approach to our work and actively encouraging telework within our team to reduce carbon emissions, resulting in a smaller overall impact on the environment.

Equity Impacts

The efforts and strategies within Employee and Labor Relations focus on diversity, equity, and inclusion, benefiting communities of color and persons with disabilities by working to provide access to employment, resources, and opportunity. The team also assists with identifying accommodations for City employees in accordance with ADA Title I.

This program area is responsible for providing bias awareness training for all interview panels, the equitable development of interview questions, anti-harassment training for every City employee, as well as serving as the City's decision-making authority for all workplace accommodations. In addition, HR Business Partners are tasked with investigating all claims of discrimination, harassment, and retaliation that are brought forward ensuring that all City staff work in a safe, supportive, and inclusive environment.

Changes to Program

Over the course of the 2019 calendar year, the Employee Relations team designed and delivered a pilot for an online performance review process with five participating bureaus and approximately 400 merit-eligible employees. In FY 2020-21, the team will ensure the effective roll out of the SuccessFactors performance review system across the entire City with a go-live date of July 15th, 2020. This project will ensure every employee in the City has clarity on job and role expectations, a regular cadence of feedback and support, and transparency and equity on how they are assessed and rewarded for performance.

Labor Relations' charge to action has changed under new leadership within BHR. The team has adopted three goals to enhance relations with customers and stakeholders: improve relationships with union leadership, elected officials, and City bureaus, improve collaboration within the Bureau of Human Resources, and provide effective labor training.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	11,684	23,000	0
Internal Materials and Services	0	3,088	5,053	4,544
Personnel	0	550,333	3,662,577	3,701,843
Sum:	0	565,105	3,690,630	3,706,387
	FTE	0	0	24
				24

Resources: This program is funded solely by General Fund discretionary resources.

Expenses: Most costs associated with this program area are in personnel.

Staffing: This program area has a total of 24 FTE. Staffing trends within the HR generalist field are reflective of a tight labor market. The Employee Relations team has seen approximately 40% turnover in the last 12 months. As the Portland Metro area continues to grow, Human Resources Business Partner turnover could continue to increase as a result of additional opportunities in the market. Staffing trends within Labor Relations continue to be stable due to the competitive, specialized nature of this profession.

Assets and Liabilities: N/A

Program Information

Bureau: Office of Management & Finance

Program Contact: Ron Zito

Website: [https://www.portlandoregon.gov/
bhr/59984](https://www.portlandoregon.gov/bhr/59984)

Contact Phone 503-823-8910

BHR - Total Rewards

Program Description & Goals

The City of Portland's Total Rewards program encompasses three groups that improve employee recruitment, satisfaction, and retention: Occupational Health and Well-being, Benefits Administration, and Classification and Compensation (Class/Comp).

Occupational Health and Well-being provides services including immunizations, bloodborne pathogen training, exposure management, respiratory protection, tobacco cessation, healthcare advocacy, screenings, and consultative services for the Healthy Foundations disease management and CityStrong wellness programs. Citywide wellness offerings include education, manager training, coaching, fitness challenges, fitness center coordination, mental health resources, and live events.

Benefits Administration includes healthcare, life and disability coverage, leave, deferred compensation, and management of the City's Health Insurance Funds. The Health Insurance Funds collect revenue and pay expenses incurred for all medical, dental, vision, prescription drug claims, claims administration, chronic disease management, and stop-loss insurance for the self-funded CityCore, CityBasic, High Deductible and CityNet plans as well as premium payments to insured vendors (e.g., Kaiser and The Standard). Administration also includes determining and managing eligibility for all employees and their eligible dependents, COBRA enrollees, retirees, and casual employees who gain access to coverage through the Affordable Care Act or a collective bargaining agreement.

Class/Comp develops and manages the City's job classification and compensation plans and system by ensuring the City has a consistent methodology for classifying jobs from an enterprise perspective. Proper alignment of job classifications provides a competitive advantage in marketing the City as an employer and allows the City to recruit and retain employees by offering competitive wages and opportunities for career advancement. Class/Comp serves to create equity in compensation and ensures market competitiveness.

A key goal of the Total Rewards program is to solidify the City of Portland as a destination employer by creating necessary frameworks to improve employee satisfaction and attract new talent that will enhance the City's commitment to diversity, equity, and inclusion. In order to accomplish this goal, Total Rewards will focus on three major initiatives:

- System and Data structure - Maximizing use of current and new systems that will allow BHR to collect and analyze data to better support decision-making processes regarding merit increases, pay philosophy, grade structure, and benefit plan design.
- Communication – Exploring and using all communication outlets such as social media, web sites, and physical postings, which will allow current and new employees access and opportunity to better understand all offerings related to well-being, benefits, and compensation.
- Policy Design - Fortifying the City of Portland with policies around Total Rewards programs that will offer transparency and clarity while complying with federal, state, and City laws.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Number of employees enrolled in health coaching programs	612	301	838	315	879

Explanation of Services

The Total Rewards Program provides support to Council, bureaus, and employees in all issues around Occupational Health and Well-being, Benefits, and Class/Comp. The program administers all software systems and communications supporting benefit plan participants, job architecture, and classification systems. The program also provides Citywide training for all Total Rewards offerings. To combat climate change, Total Rewards supports workforce teleworking and demonstrates its success with multiple team members working remotely. The team is also committed to reducing paper usage.

Equity Impacts

As part of the Employer Branding Initiative, the Total Rewards Program works to benefit all employees, specifically those within communities of color and persons living with disabilities. Healthcare vendor partners are encouraged to establish comprehensive information on network providers, ensuring employees can find healthcare providers by gender, race, and other identifiers (e.g., LGBTQ, language). BHR vendor partners work to recruit and contract with a diverse provider network to improve access.

Changes to Program

Class/Comp, healthcare, employee wellness, and leave programs reside within the Total Rewards program. New state and federal laws, such as Oregon's Pay Equity Law and Paid Family Leave Law directly affect current and future needs of the department.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	23,473,136	128,355,467	126,558,035
Internal Materials and Services	0	144,152	444,272	719,187
Personnel	0	414,316	3,007,994	3,339,645
Fund Expense				
Contingency	0	0	32,778,392	30,052,079
Debt Service	0	4,731	45,660	47,486
Fund Transfers - Expense	0	0	286,954	381,247
Ending Fund Balance	0	33,196,738	0	0
Sum:	0	57,233,073	164,918,739	161,097,679
FTE	0	0	23.95	23.43

- Resources:** The healthcare programs are overseen by separate operating funds. For FY 2020-21, the City anticipates an aggregated increase to healthcare costs of 5%.
- Expenses:** The primary expenses of this program are medical claims expenses. Expenses are paid for employees through premium costs paid to Kaiser for insured plans and through claims use under the self-funded plans. Expenses are fixed each fiscal year through a rate setting process based upon prior years' experience, enrollment, utilization, trend, and inflation. Secondary expenses of the program are wellness offerings (e.g., flu shot clinics).
- Staffing:** The Total Rewards program has 23.43 funded positions. 1.74 FTE are within the Deferred Compensation program, 2.0 FTE supports the Occupational Health and Well-being program. 2.0 FTE support the Citywide leave program. Additional positions support Health Benefits and Classification and Compensation. Program costs unrelated to healthcare administration are funded through General Fund resources and the Deferred Compensation budget.
- Assets and Liabilities:** N/A

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Kostas Giannopoulos
Website:	portlandoregon.gov/bhr	Contact Phone	503-823-3507

BHR - Operations and Strategic Support

Program Description & Goals

Operations and Strategic Support contains two functional areas: the Human Resources (HR) and Payroll Services group, and the HR Strategic Support group. The Operations and Strategic Support program supports the City's goal of delivering efficient, effective, and accountable municipal and human resource services to support the development and retention of an inclusive, talented workforce, leading Citywide initiatives, adopting 21st century business solutions all while remaining in compliance with internal as well as external mandates.

- HR and Payroll Services manages, administers, and coordinates the City's human resources and payroll systems. Program tasks include oversight of position management (the process by which bureaus determine how jobs are defined, how many positions are needed, and what the organizational structure should look like), personnel administration, payroll, time administration programs, the contract for the child development center (CityKids), and payments to third party fund recipients.
- HR and Payroll Services comply with federal, state, local wage and hour laws, labor contracts, administrative rules, and business requirements. Emerging case law, collective bargaining agreements, and legislative changes are incorporated into system requirements as needed.
- HR Strategic Support provides bureau oversight and direction, maintains systematic compliance of the City's Administrative Rules and policies, provides consultation to bureau directors and City Council, manages the bureau's budget, administers pre-employment medical programs, coordinates inner-bureau functions, and assists with new employee onboarding.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of payroll checks direct deposited	94%	95%	100%	98%	100%

Explanation of Services

Operations and Strategic Support administers pay practice and compensation provisions of the City's nine collective bargaining agreements and administrative rules, legal agreements affecting employee compensation, settlement agreements, and arbitrator awards. Additional service provisions include employee time entry management and processing administration which involves quota adjustments, settlement agreements, administering the catastrophic leave donation process, and coordinating the off-cycle check request.

Operations and Strategic Support provides guidance for SAP end-users, responses to public records requests, information requests, and is working to develop new performance measures that illustrate program efficiency and effectiveness. To combat climate change, Operations and Strategic Support has instituted e-fax in place of paper fax. On the Payroll Services side, teleworking has been increased. Meanwhile, Strategic Support continues to encourage the implementation of e-signatures Citywide, in hopes of eliminating multiple pages to multiple contracts that need to be signed.

Equity Impacts

BHR incorporates an equity lens in all facets of business through programs that reach communities of color and persons living with disabilities. BHR serves as the central hub for collecting and reporting all Equal Opportunity Employer data. Operations and Strategic Support aligns with all other human resource program specific areas to ensure equitable outcomes.

Changes to Program

Over the past several years, declining resources have resulted in streamlined processes. The number of staff has remained static in the HR and Payroll Services program while the total number of City employees (regular and casual) requiring services from the program has continued to grow. In addition, there is an ongoing need to make more information and processes functional and accessible to our customers on a variety of devices. BHR reallocated two positions to create a dedicated communications specialist and an HR Systems Specialist /Personnel Administrator.

Operations and Strategic Support continually reassesses and streamlines processes to maintain an efficient and effective HR system. In the past year, HR and Payroll Services have held multiple stakeholder feedback meetings, conducted a customer service survey, implemented transaction service metrics, and made process improvements. In addition, BHR has started to train external and internal staff on process improvement fundamentals.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	-279,667	209,531	225,000
Internal Materials and Services	0	186,694	795,644	1,330,186
Personnel	0	336,587	2,863,909	2,605,845
Sum:	0	243,615	3,869,084	4,161,031
	FTE	0	0	18.08
				20.6

Resources: The primary resource for this program is General Fund discretionary and overhead.

Expenses: Most of the expenses from this program are for personnel services.

Staffing: Operations and Strategic Support program staffing includes 20.6 allocated FTE. Program staff includes the Chief Human Resources Officer, Deputy Chief Human Resources Officer, HR Finance team, payroll services, and bureau support staff.

Assets and Liabilities: N/A

Program Information

Bureau: Office of Management & Finance

Program Contact: Cathy Bless

Website: www.portlandoregon.gov/bhr

Contact Phone 503-823-5207

BHR - Workforce Recruitment and Training

Program Description & Goals

Workforce Recruitment and Training (WRT) provides a holistic portfolio of services to attract, develop, and retain an inclusive and talented workforce. The WRT program administers recruitments, facilitates monthly Citywide New Employee Orientation, oversees CityLearner (the Citywide Learning Management System) and manager/supervisor training, conducts qualitative research internally and externally regarding recruitment, selection, engagement and training, monitors and updates Human Resources Administrative Rules, and develops and publishes Citywide HR analytics on a monthly basis. WRT is responsible for administering the Affirmative Action Plan and progress reports along with the Disability Resources and Employment program.

Key performance indicators for WRT include:

- Time to fill: In FY 2018-19, average time to fill was 85 days (excluding Police Bureau). Average time to fill including Police was 94 days. FY 2019-20, average to date is 77 days (excluding Police Bureau) and 84 days including Police. NEOGOV, the applicant tracking system, utilized by 6,000 public sector organizations and educational institutions recently published a report highlighting the average days to hire as 73 days. BHR has contacted NEOGOV to determine how this figure was calculated in an effort to establish an industry baseline.
- Time to post: FY 2018-19, average was six business days. FY 2019-20, average to date is five business days.
- Closing to list: FY 2018-19, average timeframe was 11 business days. FY 2019-20, average to date is seven business days (six days for BHR reviews).
- Required training completion: FY 2018-19, training coordinated the completion of 6,443 courses through City Learner. As of January 2020, 2,987 courses have been coordinated for FY 2019-20.

The launch of a Citywide electronic onboarding system through SuccessFactors will result in reduced use of paper and increased engagement for new hires. After completion of BHR's Citywide disability and veteran survey, the number of employees self-identifying as having a disability, or previously having a disability, increased from 148 to 332 – or 3.9% of the City's total workforce. The number of employees self-identifying as a veteran rose from 282 employees to 367 – or 4.3% of the City's workforce. The Focused Outreach Program's efforts resulted in 40% of participant hires in FY 2018-19. A Focused Outreach dashboard is currently in development for release in FY 2020-21. A comprehensive overview of recruitment/training activity and performance is available on the HR Analytics dashboard.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of diverse (protected class) applicants per fiscal year - female	44%	40%	50%	43%	100%
Percentage of diverse (protected class) applicants per fiscal year - minority	32%	33%	35%	34%	100%
Percentage of focused outreach program participants on an eligible list who are hired	30%	40%	35%	40%	50%
Average time to complete recruitment	96	94	100	73	85
Completion rate of leadership training.	0	0	0	35%	75%
Percentage of employees who self-identify as having a disability.	0	0	0	4%	5%
Percentage of employees who self identify as veterans	0	0	0	5%	5%

Explanation of Services

WRT exists to effectively attract top talent and engage the existing workforce. WRT collaborates with internal and external stakeholders to market career opportunities. During FY 2018-19 a total of 1,131 new requisitions were submitted and 23 status grant requests completed. 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 has engaged over 1,000 individuals through recruitment events and "How to Apply" workshops. The Disability Resources and Employment program has significantly improved the City's reputation and engagement of people with disabilities. The training function continues to seek opportunities to expand impact through apprenticeships, succession planning, and management training.

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. In addition, WRT is responsible for the Affirmative Action Plan and reporting to the Office of Federal Contract Compliance Programs. All efforts and strategies in WRT focus on equity, inclusion, and diversity.

Changes to Program

WRT implemented electronic onboarding through Success Factors in December 2019. This system significantly reduces the use of paper Citywide and thus positively impacts climate priorities. In FY 2020-21 WRT established a Citywide Engineering and Trades Recruiter to provide the opportunity to build talent pipelines and increase the City's visibility as a desired employer, locally and nationally. During FY 2021-22 WRT will shift to classification-based assignments for all recruiters. WRT is preparing to relaunch Citywide manager/supervisor training through the Leadership Engagement and Development collaboration program. During FY 2020-21 the Access to Work program will be implemented to expand employment opportunities for people living with disabilities. In preparation for this launch, Office Support Specialist Assistant and Maintenance Worker Assistant classifications were adopted earlier this year, resulting in two hires from the Project Search (a nationally acclaimed nine-month, unpaid internship program providing employability training for individuals with intellectual and developmental disabilities).

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	42,421	711,800	0
Internal Materials and Services	0	16,033	34,860	9,808
Personnel	0	299,832	1,858,454	2,290,821
Sum:	0	358,286	2,605,114	2,300,629
	FTE	0	0	18.3
				17.3

Resources: This program is mainly supported by General Fund Resources. However, the training program receives minimal revenue through registration fees to vendor-sponsored trainings such as PCC Climb courses. A centralized training budget would ensure that all trainings provide an equitable, culturally inclusive message and delivery, eliminate duplicative processes, and create a process of collaboration and shared resources.

Expenses: Nearly all expenses for this program are for personnel services. The rest of the expenses are related to professional services for contracts and materials and services needed for recruitments and trainings.

Staffing: WRT has a total 17.3 employees allocated to the program.

Assets and Liabilities: This program does not have major assets or liabilities.

Program Information

Bureau: Office of Management & Finance

Program Contact: Ashlie Grundy

Website: portlandoregon.gov.bhr

Contact Phone 503-823-3514

	Performance Measure	KPM	Measure Type Name	FY 2016-17 Actuals	FY 2018-19 Actuals	FY 2019-20 YTD Actuals	FY 2020-21 Target	Strategic Target
MF_0004	Percentage of payroll checks direct deposited	NO	OUTCOME	94%	95%	0	98%	100%
MF_0022	Percentage of apprenticeship hours worked on City contracts	NO	OUTCOME	17%	21%	0	22%	20%
MF_1122	Percentage of diverse (protected class) applicants per fiscal year - female	NO	OUTCOME	44%	40%	0	43%	100%
MF_1123	Percentage of diverse (protected class) applicants per fiscal year - minority	NO	OUTCOME	32%	33%	0	34%	100%
MF_1174	Number of employees enrolled in health coaching programs	NO	WORKLOAD	612	301	0	315	879
MF_1178	Percentage of focused outreach program participants on an eligible list who are hired	YES	OUTCOME	30%	40%	0	40%	50%
MF_1211	Total number of human resource investigations	NO	OUTCOME	165	109	0	103	98
MF_1212	Number of days per human resource investigation	NO	EFFICIENCY	54	60	0	57	54
MF_1213	Percentage of merit eligible employees with a completed performance review each fiscal year.	NO	OUTCOME	N/A	N/A	0	80%	80%
MF_1214	Average time to complete recruitment	YES	EFFICIENCY	96	94	0	73	85
MF_1224	HR Business Partner customer satisfaction	NO	OUTCOME	N/A	4	0	4	4
MF_1247	Completion rate of leadership training.	NO	EFFECTIVE	0	0		35%	75%
MF_1248	Percentage of employees who self-identify as having a disability.	NO	OUTCOME	0	0		4%	5%
MF_1249	Percentage of employees who self-identify as veterans	NO	OUTCOME	0	0		5%	5%

City of Portland
Requested Budget Equity Report

Office of Management & Finance

Requested Budget & Racial Equity Plan Update:

The base budget of the Bureau of Human Resources (BHR) ensures equity is embedded into each program area. For example, within Employee and Labor Relations, data is regularly reviewed to assess whether people of color are being disproportionately disciplined. In addition, Workforce Recruitment and Training has created a dashboard to track qualified applicant diversity as well as diversity of hires. The Total Rewards Program ensures equity pay practices across the City and employees have equitable access to medical benefits and preferred providers. BHR established a Title I ADA accommodation fund to provide equitable access to reasonable accommodations. The bureau also established a centralized process to identify and approve accommodation requests.

Racial Equity Plan Link: <https://www.portlandoregon.gov/bhr/article/751115>

Requested Budget Community Engagement:

The Bureau of Human Resources conducted internal and external stakeholder engagement group meetings for eight executive recruitments. Qualitative data was gathered from focus groups and individual meetings with Portland leadership, employees, DEEP affinity groups, community-based organizations, community members, and public and private sector businesses.

As a result of the stakeholder feedback, the following recommendations were made: Continue stakeholder engagement, implement internal recruitment processes, and improve diversity, equity and inclusion best practices. The Bureau of Human Resources has incorporated these recommendations into the FY 2020-21 Requested Budget to improve diversity recruitment and retention, ensure an equitable and transparent hiring process, and develop trust among residents. In addition, the research identified four core values: equity, transparency, communication, and collaboration. These values are the bedrock for the new manager/supervisor training, which is highlighted in the Workforce Recruitment & Training decision package.

Base Budget Constraints:

BHR has had ongoing difficulty keeping pace with the growth of the City's workforce and corresponding bureau service requests with the number of FTEs available to perform core functions. BHR has also been unsuccessful in acquiring sustained resources for manager and supervisor training, a centralized Citywide training program, or a centralized advertisement and recruitment budget—all of which impact BHR's ability to reach the goals outlined in its Racial Equity Plan. Lastly, BHR will have to consider if the current funding methodology is appropriate for the Citywide services it provides.

City of Portland
Requested Budget Equity Report

Notable Changes:

Not applicable this year.

Equity Manager Role in Budget Development

Not applicable.

Equity Manager:	N/A	Contact Phone:	N/A
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ADA Title II Transition Plan:

Not applicable.

Accommodations:

The Bureau of Human Resources has a designated coordinator to address any potential ADA Title II requests.

Capital Assets & Intergenerational Equity

Not Applicable.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 YTD Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
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Data Tracking Methodology:

BHR has created an HR Data Analytics dashboard for City bureaus to track progress in hiring and recruitment practice outcomes for different populations. Additionally, BHR employs an HR Analyst that continually updates information regarding equity impacts in different populations.

City of Portland
Requested Budget Equity Report

Hiring, Retention, & Employment Outreach:

BHR's Workforce Recruitment & Training Program works with all City bureaus on recruitment plans for each listed demographic area. However, as mentioned earlier, BHR is not keeping pace with the growth of other City bureaus.

The manager/supervisor training and training fund request is directly tied to employee experience. Through impactful training the workforce will receive relevant information pertaining to each stage of an employee's lifecycle, which begins with effective recruitment and onboarding.

Contracting Opportunities

Whenever possible BHR, in coordination with Procurement, uses focused outreach to create contracting opportunities for disadvantaged, minority, women, and emerging small businesses. A recent example of this process is the Path to Leadership training program curriculum design which is advised by an MWBE consultant.

Engaging Communities Most Impacted by Inequities

The Bureau of Human Resources has limited resources and this budget maintains the bureau's ability to continue focused outreach for candidates and employees impacted by inequities. However, unless there is dedicated funding for specific projects, BHR is unable to expand the bureau's capacity.

Empowering Communities Most Impacted by Inequities

The funding will support holistic training that is not driven by a bureau's ability to pay for courses. This budget provides the support needed to continue funding Title I accommodations through a central and consistent approach, as well as position BHR to continue extensive recruitment related outreach to historically marginalized communities.

Health Insurance Operating Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	96,266,834	106,108,711	110,638,843	115,752,021	115,752,021
Miscellaneous	514,045	753,990	661,029	695,297	695,297
External Revenues Total	96,780,878	106,862,701	111,299,872	116,447,318	116,447,318
Internal Revenues					
Fund Transfers - Revenue	0	0	150,000	0	0
Interagency Revenue	0	237,467	256,236	263,154	263,154
Internal Revenues Total	0	237,467	406,236	263,154	263,154
Beginning Fund Balance	24,696,917	22,940,720	21,405,760	20,015,684	20,015,684
Resources Total	121,477,795	130,040,888	133,111,868	136,726,156	136,726,156
Requirements					
Bureau Expenditures					
Personnel Services	1,746,530	2,023,236	2,134,186	2,499,700	2,499,700
External Materials and Services	96,034,628	105,802,370	110,854,572	114,427,679	114,427,679
Internal Materials and Services	398,186	445,327	437,626	715,497	715,497
Bureau Expenditures Total	98,179,344	108,270,934	113,426,384	117,642,876	117,642,876
Fund Expenditures					
Debt Service	39,574	42,797	45,660	47,486	47,486
Contingency	0	0	19,352,870	18,654,547	18,654,547
Fund Transfers - Expense	318,157	321,396	286,954	381,247	381,247
Fund Expenditures Total	357,731	364,193	19,685,484	19,083,280	19,083,280
Ending Fund Balance	22,940,720	21,405,761	0	0	0
Requirements Total	121,477,795	130,040,889	133,111,868	136,726,156	136,726,156

Fund Overview

The Health Insurance Operating Fund collects revenue and pays expenses incurred for medical, dental, vision and prescription drug claims, claims administration, internal administration, chronic disease management, and stop-loss insurance for the insured programs (e.g. Kaiser medical/dental/vision, life insurance and disability programs) and self-funded CityCore, CityBasic and dental programs elected by most City employees, COBRA enrollees, retirees and other casual employees who gain access to coverage through the Affordable Care Act or collective bargaining agreements.

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

Portland Police Association Health Insurance Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	19,325,243	17,509,863	18,797,252	17,069,398	17,069,398
Miscellaneous	1,352,682	246,064	258,188	217,858	217,858
External Revenues Total	20,677,925	17,755,927	19,055,440	17,287,256	17,287,256
Beginning Fund Balance	7,177,051	11,225,903	11,790,977	11,752,750	11,752,750
Resources Total	27,854,976	28,981,830	30,846,417	29,040,006	29,040,006
Requirements					
Bureau Expenditures					
External Materials and Services	16,629,073	17,190,853	17,420,895	17,642,474	17,642,474
Bureau Expenditures Total	16,629,073	17,190,853	17,420,895	17,642,474	17,642,474
Fund Expenditures					
Contingency	0	0	13,425,522	11,397,532	11,397,532
Fund Expenditures Total	0	0	13,425,522	11,397,532	11,397,532
Ending Fund Balance	11,225,903	11,790,977	0	0	0
Requirements Total	27,854,976	28,981,830	30,846,417	29,040,006	29,040,006

Fund Overview

The Portland Police Association (PPA) Health Insurance Fund collects revenue and pays expenses incurred for medical, dental, vision, prescription drug claims, claims administration, internal administration, and chronic disease management for the self-funded CityNet medical and dental/vision programs and the insured programs (e.g. Kaiser medical/dental and vision).

Sworn employees of the Police Bureau who are members of the PPA, retirees of the PPA, and COBRA participants who are eligible employees or dependents of a PPA members have their claims and premiums managed and paid within this fund. To manage the risk of this plan, large claims above \$100,000 are paid through stop loss insurance, which is purchased through a third-party administrator.

Managing Agency

Office of Management & Finance, Bureau of Human Resources

BUREAU OF REVENUE AND FINANCIAL SERVICES

Bureau of Revenue and Financial Services

Overview

The Bureau of Revenue and Financial Services (BRFS) is comprised of seven divisions: Accounting, Debt Management, Grants Management, Procurement Services, Treasury, Risk Management, and Revenue. Through the business income and transient lodging taxes, the Revenue Division collects approximately 33% of all General Fund revenues.

Under the direction of the Chief Financial Officer (CFO), BRFS provides Citywide financial management services to City bureaus in addition to collecting City General Fund and other revenues that support a wide range of City programs and funding initiatives. BRFS also serves as the SAP finance and logistics business process owner.

In addition to the financial management services described above, BRFS, through its CFO, provides strategic financial advice to the City Council on a wide range of financial issues, with specific focus on long-term financial health, fiscal indicators, and sustainability.

Capital Summary

CIP Highlights

The Bureau of Revenue and Financial Services (BRFS) FY 2021-25 Capital Improvement Plan (CIP) includes \$28.7 million in technology infrastructure investments over the five-year period starting in FY 2019-20. The CIP budget is estimated to exceed \$13 million in FY 2020-21.

The most significant project in the CIP is the Integrated Tax System (ITS), which replaces the Revenue Division's aging tax administration systems with a single system that can administer existing and future tax programs, improves reliability of our technical support structure, allows the secure integration of federal tax information (FTI), and increases customer service levels to meet modern expectations for accessibility and self-service. The cost is expected to be \$11.2 million in FY 2019-20 and \$13 million in FY 2020-21 for a total of \$24.3 million over two years.

Revenue and Financial Services

Major Issues	<p>The cost of ITS represents the most significant component in the BRFS Capital Improvement Project Plan. The ITS project budget is already inclusive of the following budgetary considerations:</p> <ul style="list-style-type: none">◆ Installation choice – The bureau has chosen to implement a hosted ITS to ensure a disaster recovery capability.◆ Application support model – The bureau has opted to rely on vendor developers for the ongoing support strategy and has options for various support levels.◆ Funding model – The bureau has chosen traditional funding (City-financed) with bonds backing. Benefits-based funding was also considered, and discarded, as it results in a 10-15% premium in total cost over traditional funding. <p>The ITS project is also expected to address and improve the following:</p> <ul style="list-style-type: none">◆ Service Delivery – tax preparers and tax filers should see a significant improvement in service delivery, as the project will enable self-serve portals for all users.◆ Sustainability – there will be a significant decrease in paper filings as users adopt eFile.◆ Economic – With significant increases expected in compliance, revenue collection is expected to increase with the new ITS system.
Changes from Prior Year	<p>The ITS project secured two-year project funding through a FY 2019-20 decision package. The project is in full progress with a projected go-live planned in FY 2020-21. Final ongoing costs to the General Fund have not yet been determined. OMF is in continued discussions with Multnomah County and other stakeholders about cost sharing.</p>
Connection to Goals, Priorities, and Plans	<p>The BRFS CIP connects to the Comprehensive Plan by supporting the City's tax revenue collections to keep pace with residential demand for municipal services. It also improves economic resilience through future-modeling software, consolidated and modernized revenue collection, and an equitable procurement process. Software assets also support bureaus in their community-facing work such as providing housing and maintaining public facilities and services. The BRFS CIP also connects to the Office of Management and Finance (OMF) Strategic Plan via the adoption of 21st century business solutions. It maximizes revenue collection to meet the needs of residents, adopts new shared technology platforms, and reduces administrative workload on bureaus by streamlining business processes.</p>
Criteria	<p>To the extent possible, BRFS sets aside resources for the maintenance and replacement of existing technology assets. The bureau has been successful in doing so for all but one project in its CIP – the Integrated Tax System. The cost of this project represents 93% of the entire five-year CIP resource need.</p>

Capital Planning and Budgeting

Capital Planning Process

The inaugural BRFS CIP was compiled through the initiative of the CFO working with division managers and OMF analysts to identify, record, and project present and future capital projects. Working with the CFO, BRFS managers identified all current and future capital projects as well as possible funding sources. Program managers documented project descriptions, key benefits, alignment with critical business needs and various goals and strategies, five-year financial forecasts, and estimated five years of ongoing maintenance impact. This information was compiled, vetted by leadership, and ultimately submitted with the OMF FY 2020-21 Requested Budget.

Asset Management and Replacement Plan

BRFS currently uses several software tools whose costs are supported by the General Fund and interagency agreements. BRFS has also established a technology replacement within BTS for CIP projects using one-time budget savings. Aside from the ITS project, ongoing maintenance costs are generally low for software subscription services, though more options need to be explored to fund maintenance and upgrades to Procurement's recent software upgrades. As more systems move to the cloud, financial costs for maintenance and customer support go down.

Capital Programs and Projects

Funding Sources

Funding sources for the BRFS CIP include General Fund discretionary, GO bonds, interagency and contractual agreements, City investment pool earnings, and draws upon the technology replacement set aside.

Net Operating and Maintenance Costs

Operating and maintenance costs have been established with options for various levels in conjunction with the vendor. These are included in the ITS budget as well as ongoing. Aside from the ITS project, the future impact of operating and maintenance costs on revenue sources is projected to be minimal given that these costs are included within ongoing operations budgets.

Revenue and Financial Services

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Taxes	35,256,314	39,284,569	37,081,000	38,175,000	38,175,000
Miscellaneous Fund Allocations	0	(4,856,624)	0	0	0
Licenses & Permits	5,641,039	6,559,032	7,736,066	7,780,000	7,780,000
Charges for Services	197,651	432,424	1,686,800	1,659,400	1,659,400
Intergovernmental	2,408,004	1,851,942	1,906,156	1,938,575	2,130,173
Bond & Note	10,000,000	9,846,718	13,451,097	18,329,912	18,329,912
Miscellaneous	2,764,488	5,602,872	10,118,260	10,139,819	10,139,819
External Revenues Total	56,267,496	58,720,932	71,979,379	78,022,706	78,214,304
Internal Revenues					
General Fund Discretionary	9,807,637	8,830,484	21,225,671	9,405,712	10,650,020
General Fund Overhead	4,879,419	5,076,012	4,299,628	4,984,606	5,058,700
Fund Transfers - Revenue	0	0	1,207,190	4,334,450	4,334,450
Interagency Revenue	21,812,951	20,194,019	23,905,804	26,432,106	26,432,106
Internal Revenues Total	36,500,007	34,100,515	50,638,293	45,156,874	46,475,276
Beginning Fund Balance	53,931,011	78,077,698	76,925,465	75,025,201	75,025,201
Resources Total	146,698,514	170,899,145	199,543,137	198,204,781	199,714,781
Requirements					
Bureau Expenditures					
Personnel Services	18,897,399	18,645,712	26,362,345	26,225,717	27,146,027
External Materials and Services	47,507,183	49,606,093	67,702,584	68,279,944	68,736,034
Internal Materials and Services	9,715,398	8,154,083	11,102,325	13,965,250	14,098,850
Capital Outlay	0	0	0	35,275	35,275
Bureau Expenditures Total	76,119,980	76,405,888	105,167,254	108,506,186	110,016,186
Fund Expenditures					
Debt Service	181,002	10,195,744	6,771,774	7,834,237	7,834,237
Contingency	0	0	58,072,019	57,402,450	57,402,450
Fund Transfers - Expense	370,482	400,513	14,032,090	14,396,358	14,396,358
Debt Service Reserves	0	0	15,500,000	10,065,550	10,065,550
Fund Expenditures Total	551,484	10,596,257	94,375,883	89,698,595	89,698,595
Ending Fund Balance	59,114,504	85,472,412	0	0	0
Requirements Total	135,785,967	172,474,556	199,543,137	198,204,781	199,714,781
Programs					
INAC Regulatory Division	—	—	—	—	—
Accounting - Administration/Operations	2,489,941	2,379,946	2,684,977	2,881,755	2,881,755
Accounting - Financial Reporting	—	—	11,610	35,000	35,000
Audit & Accounting Division	1,867,854	2,230,944	37,928,761	37,501,408	37,501,408
Business Solutions Division	3,325,645	959,264	11,651,332	13,206,117	13,206,117

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Debt Management	512,001	634,051	1,042,874	1,124,501	1,124,501
Director's Office	17,332	2,872	921,000	—	—
Grants Management	767,669	861,897	1,011,024	1,932,276	1,932,276
Liability	9,510,132	10,085,337	11,262,363	12,237,161	12,237,161
License and Tax Division	42,996,256	46,503,221	23,002,019	24,321,801	24,321,801
Loss Prevention & Commercial Insurance	1,159	906	—	—	—
Loss Prevention-WC	(2)	—	—	—	—
Occupational Health & Infectious Disease	164,017	11,760	—	—	—
Office for Community Technology	2,644,599	397,796	—	—	—
Operational Accounting	—	—	—	—	—
Outside Services	691,264	1,166,306	62,632	—	—
Procurement Division Equity Programs	—	—	11,560	—	—
Procurement Services	4,968,981	4,737,575	8,340,512	7,933,754	7,933,754
Risk Management Administration	3,593	19,905	—	—	—
Treasury Services	1,219,947	1,331,115	1,514,233	1,623,979	1,623,979
Workers Compensation	4,939,591	5,082,993	5,722,357	5,708,434	5,708,434
Total Programs	76,119,980	76,405,888	105,167,254	108,506,186	108,506,186

Revenue and Financial Services

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000063	Accountant II	54,912	79,556	2.00	154,628	2.00	154,628	2.00	154,628
30000064	Accountant III	60,466	87,496	10.00	736,829	10.00	789,322	10.00	789,322
30002283	Accountant IV	65,000	94,088	3.00	241,879	3.00	250,381	3.00	250,381
30003001	Accounting Supervisor	63,336	109,491	2.00	189,155	2.00	189,155	2.00	189,155
30000061	Accounting Technician	34,798	57,510	2.00	101,133	2.00	103,637	2.00	103,637
30003003	Administrative Specialist II	48,277	93,018	6.00	456,352	6.00	456,352	6.00	456,352
30003006	Analyst I	53,290	102,648	8.00	627,553	8.00	678,838	8.00	678,838
30003007	Analyst II	63,336	109,491	11.00	962,694	11.00	1,061,901	11.00	1,061,901
30003010	Business Systems Analyst I	53,290	102,648	1.00	78,520	1.00	78,520	1.00	78,520
30003011	Business Systems Analyst II	63,336	109,491	1.00	93,621	1.00	93,621	1.00	93,621
30003012	Business Systems Analyst III	69,805	131,248	1.00	72,530	1.00	101,889	1.00	101,889
30003023	City Treasurer	92,851	168,834	1.00	161,678	1.00	161,678	1.00	161,678
30000066	Claims Technician	45,885	69,967	2.00	135,990	2.00	135,990	2.00	135,990
30000065	Claims Technician, Assistant	35,610	59,073	1.00	48,916	1.00	52,598	1.00	52,598
30003026	Controller	92,851	168,834	1.00	96,471	1.00	132,654	1.00	132,654
30003027	Coordinator I - NE	48,277	93,018	2.00	136,740	2.00	158,164	2.00	158,164
30003028	Coordinator II	53,290	102,648	4.00	389,854	4.00	389,854	4.00	389,854
30003029	Coordinator III	63,336	109,491	2.00	198,066	2.00	206,731	2.00	206,731
30003030	Coordinator IV	69,805	131,248	1.00	104,499	1.00	104,500	1.00	104,500
30003031	Debt Manager	80,205	145,808	1.00	138,070	1.00	138,070	1.00	138,070
30003038	Director II	130,478	216,902	1.00	175,014	1.00	175,014	1.00	175,014
30003054	Financial Analyst I	53,290	102,648	4.00	344,136	3.00	256,838	3.00	256,838
30003055	Financial Analyst II	63,336	109,491	7.00	649,607	8.00	758,741	8.00	758,741
30003056	Financial Analyst III	69,805	131,248	4.00	445,640	4.00	482,956	4.00	482,956
30003073	Investment Officer	80,205	145,808	1.00	135,346	1.00	135,346	1.00	135,346
30003081	Manager I	80,205	145,808	4.00	439,457	4.00	468,852	4.00	468,852
30003082	Manager II	92,851	168,834	1.00	106,101	1.00	106,101	1.00	106,101
30003083	Manager III	111,696	197,246	2.00	329,181	2.00	329,181	2.00	329,181
30000013	Office Support Specialist III	44,512	67,870	2.00	115,206	2.00	121,277	2.00	121,277
30000059	Procurement Specialist	52,478	78,250	6.00	383,161	6.00	410,671	6.00	410,671
30000058	Procurement Specialist, Assistant	43,826	65,216	4.00	242,205	4.00	248,147	4.00	248,147
30000060	Procurement Specialist, Sr	61,797	94,987	9.00	697,707	9.00	746,199	9.00	746,199
30000190	Regulatory Program Administrator	67,163	95,587	1.00	80,309	1.00	84,516	1.00	84,516
30000191	Revenue & Tax Specialist I	37,336	57,510	3.00	159,997	3.00	163,738	3.00	163,738
30000192	Revenue & Tax Specialist II	44,699	63,503	12.00	647,508	12.00	692,165	12.00	692,165
30000193	Revenue & Tax Specialist III	46,717	71,187	6.00	372,145	3.00	187,754	3.00	187,754
30000194	Revenue & Tax Specialist IV	50,731	75,917	13.00	877,024	11.00	777,395	11.00	777,395
30000196	Revenue & Tax Specialist V	54,725	81,568	5.00	388,680	5.00	395,218	5.00	395,218

Revenue and Financial Services

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000404	Revenue Auditor	63,419	95,715	3.00	204,084	3.00	242,995	3.00	242,995
30000405	Revenue Auditor, Sr	69,971	105,732	3.00	282,485	7.00	646,591	7.00	646,591
30003098	Risk Manager	91,728	158,226	1.00	158,226	1.00	158,226	1.00	158,226
30003099	Risk Specialist I	53,290	102,648	2.00	167,752	2.00	167,752	2.00	167,752
30003100	Risk Specialist II	63,336	109,491	3.00	298,045	3.00	298,045	3.00	298,045
30003101	Risk Specialist III	69,805	131,248	3.00	366,329	3.00	366,329	3.00	366,329
30003103	Supervisor I - E	63,336	109,491	1.00	79,269	1.00	79,269	1.00	79,269
30003104	Supervisor II	69,805	131,248	9.00	890,613	9.00	894,463	9.00	894,463
Total Full-Time Positions				172.00	14,160,405	171.00	14,832,262	171.00	14,832,262
30003003	Administrative Specialist II	48,277	93,018	1.00	63,024	1.00	63,024	1.00	63,024
30003006	Analyst I	53,290	102,648	3.00	262,226	3.00	262,226	3.00	262,226
30003007	Analyst II	63,336	109,491	1.00	94,120	1.00	94,120	1.00	94,120
30003008	Analyst III	69,805	131,248	1.00	107,744	1.00	107,744	1.00	107,744
30003011	Business Systems Analyst II	63,336	109,491	6.00	449,543	5.00	437,632	5.00	437,632
30003012	Business Systems Analyst III	69,805	131,248	2.00	189,779	2.00	189,779	2.00	189,779
30000193	Revenue & Tax Specialist III	46,717	71,187	1.00	58,008	0.00	0	0.00	0
30000194	Revenue & Tax Specialist IV	50,731	75,917	2.00	105,802	0.00	0	0.00	0
30000196	Revenue & Tax Specialist V	54,725	81,568	1.00	76,981	1.00	19,817	1.00	19,817
30003108	Technology Capital Project Manager	91,728	158,226	1.00	126,901	1.00	126,901	1.00	126,901
Total Limited Term Positions				19.00	1,534,128	15.00	1,301,243	15.00	1,301,243
30000194	Revenue & Tax Specialist IV	50,731	75,917	0.50	36,889	0.50	36,889	0.50	36,889
30000404	Revenue Auditor	63,419	95,715	0.50	38,449	0.50	39,766	0.50	39,766
Total Part-Time Positions				1.00	75,338	1.00	76,655	1.00	76,655
Grand Total				192.00	15,769,871	187.00	16,210,160	187.00	16,210,160

BRFS - Accounting Division

Program Description & Goals

The Accounting Division provides centralized accounting operations, financial reporting services, and manages the City's accounting policies, systems, and processes. By maintaining the financial health and sustainability of the City, the Accounting Division supports the City's goal to deliver efficient, effective, and accountable municipal services, and supports the Office of Management & Finance strategies of developing an inclusive, talented workforce, leading Citywide initiatives, and adopting 21st century business solutions. One of the Accounting Division's performance measures highlights the number of Comprehensive Annual Financial Report (CAFR) review audit deficiency comments from external auditors. Over the past several years, the CAFR has received a clean audit opinion from the City's independent financial auditors, with zero deficiencies. Zero audit deficiencies is the goal, as it indicates that the City's systems and processes meet best practices. Another performance measure highlights the number of days the CAFR is completed after fiscal year end. The FY 2019 CAFR report was submitted to the State of Oregon Audits Division and the Government Finance Officers Association (GFOA) on October 30, 2019, far in advance of the December 31 deadline. This 120 days to completion goal was set in 2015, steady process was made over several years to achieve the goal and it will continue to be the goal for CAFR production going forward. This accomplishment establishes the City of Portland as a leader in timely financial reporting, compared to other local governments across the country.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Number of CAFR review audit deficiency comments from external auditors	0	0	0	0	0
Number of days CAFR is completed after fiscal year end	124	122	120	120	120

Explanation of Services

The Accounting Division provides accounting services and financial support to the City by ensuring transparency in the City's financial transactions and compliance with City policies, while also providing centralized support to all City bureaus.

Program activities include:

- Preparing financial reports, including the CAFR and the Popular Annual Financial Report (PAFR) that comply with current accounting principles and regulatory requirements
- Processing vendor payments, employee reimbursements, accounting journal entries, and general ledger adjustments
- Ensuring City accounting operations result in accurate, complete, and timely information
- Establishing and maintaining Citywide accounting standards, policies, and associated administrative rules

The Accounting Division is addressing the Mayor's Climate Policy initiative by offering employees the opportunity to telework one or two days per week to reduce commuting pollution and by exploring web training and other non-travel options, such as peer-to-peer training, on-line self study and Skype.

Equity Impacts

Three years ago, the Accounting Division developed the City's first PAFR. This report summarizes financial information in a straightforward, easy-to-read manner. It is meant to engage the community in the financial condition of the City by discussing this complex topic in a way that is both interesting and informative. In addition, the report has been translated into Chinese, Russian, Spanish, and Vietnamese for improved access to community members.

Changes to Program

Government accounting standards continually evolve and require analysis and implementation as appropriate. Cyberthefts and financial fraud schemes require vigilant review of controls over the City's financial operations.

In the past year, the total number of positions in the accounting division has remained consistent. Process efficiencies in the reporting section have allowed for one position to be reclassified and moved to another section to create a needed compliance program within the division.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	63,838	146,122	94,252	115,168
Internal Materials and Services	465,418	304,570	243,116	409,149
Personnel	1,960,695	1,911,965	2,359,219	2,392,438
Fund Expense				
Debt Service	0	10,000,000	0	0
Sum:	2,489,950	12,362,657	2,696,587	2,916,755
	FTE	18.17	18.17	17.85

Resources: Primary resources are from the General Fund discretionary and overhead. In addition, several small interagency agreements are in place, which pay for accounting services beyond baseline levels.

Expenses: Approximately 80% of the Division's expenses are personnel services. All of the approved FTE positions are critical to the success of the division. External and internal materials and services expenses are needed to support the program, including training for career development and professional certifications

Staffing: The Accounting Division maintains a staff of 17.85 FTE. Staffing is not expected to change at this time. The Division's current staff include the Controller/Deputy CFO, an Assistant Controller/Accounting Manager, Accounting Supervisors, a Financial Analyst II, a Financial Analyst, Accountant IVs, Accountant IIIIs, and an Accounting Technician.

Assets and Liabilities: Computer hardware is part of the BTS lifecycle replacement plan. The Division recently procured a new cloud based CAFR preparation software solution, which was successfully implemented last fiscal year.

Program Information

Bureau: Office of Management & Finance
Website: portlandoregon.gov/brfs

Program Contact: Michelle Kirby
Contact Phone 503-823-4358

BRFS - Grants Management

Program Description & Goals

The Grants Management Division is responsible for the management and oversight of all awarded federal, state, private grants, Special Appropriations, Minority Evaluator, We Are Better Together, and the Supplier Diversity Programs.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Number of grant audit findings	N/A	0	0	0	0

Explanation of Services

The Grants Management Division services include:

- Providing oversight of all federal, state, and private grants received by the City of Portland
- Maintaining Citywide compliance of federal regulations
- Providing financial support services to bureau staff for incoming grants and internal Special Appropriations Programs
- Providing project management for outgoing grants funded by Special Appropriations
- Identifying and introducing Certification Office for Business Inclusion and Diversity (COBID) firms' bureau directors, staff, and project managers to discuss how their business, products, or services can be utilized by the City
- Assisting City bureaus with creating a tailored outreach plan and hosting outreach events for contracting opportunities targeting Minority, Women and Emerging Small Business (MWESB) participation
- Teaching annual Social Equity Contracting Training offered to City staff
- Managing relationships with our community partners by serving, attending meetings, and chairing several boards and organizations that are aligned with initiatives and missions of the City's work
- Developing, planning, implementing, and managing the Minority Evaluator Program (MEP), managing over 400 MEP volunteers and conducting community outreach and program training to diverse communities to recruit MEP volunteers

The Accounting Division is addressing the Mayor's Climate Policy initiative by offering employees the opportunity to telework one or two days per week to reduce commuting pollution and by exploring web training and other non-travel options, such as peer-to-peer training, on-line self study and Skype.

Equity Impacts

The Division's programs target and support COBID firms, serve under-represented communities, and culturally specific organizations with the goal of increasing economic opportunities for marginalized communities, and increasing financial support to organizations that help the City enhance its commitment to social equity initiatives.

Changes to Program

In FY 2019-20, the Minority Evaluator, We Are Better Together, and the Supplier Diversity Program were transferred from the Procurement Services Division to the Grants Management Division. The transition will allow BRFS to better align outward-facing programs.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	20,186	78,275	29,555	685,303
Internal Materials and Services	64,034	69,785	75,052	126,983
Personnel	683,450	713,614	906,417	964,581
Sum:	767,669	861,674	1,011,024	1,776,867
	FTE	5.82	6.17	6.35

Resources: This program offer is funded through General Fund resources.

Expenses: A sizable percentage of the budget supports staff with a small percentage of external and internal materials & services, which includes a training allocation for staff and support for the Minority Evaluator, We Are Better Together, and the Supplier Diversity Programs.

Staffing: The Grants Management Division maintains a staff of 6.35 FTE. The net result of the “Changes to Resources” described above is that staffing levels will increase this program by 1.0 FTE to 7.35 with funding transferred from the Procurement Services Division budget, to the Grants Management Division budget. This position supports the Minority Evaluator program, We Are Better Together, and the Supplier Diversity Programs.

Assets and Liabilities: N/A

Program Information

Bureau: Office of Management & Finance

Program Contact: Sheila Craig

Website: portlandoregon.gov;brfs

Contact Phone 503-823-6863

BRFS - Debt Management

Program Description & Goals

The City of Portland issues a variety of debt instruments to raise capital for construction projects, acquire equipment and facilities, and refinance existing debt. Within the Bureau of Revenue and Financial Services (BRFS), the Debt Management Division directs the City's debt finance program to ensure access to both public and private capital markets in a timely manner that address bureau needs. The City's debt consists of publicly issued long-term bond issues, private placements of debt obligations, and credit facilities.

The goal of the Debt Management Division is to administer the City's debt program in a manner that achieves the lowest borrowing cost and least financial risk. A primary driver of the City's borrowing cost and measurement of risk to its investors is a credit rating. Most of the City's public bond issues are assigned a credit rating by one or more national rating agencies, including Moody's Investors Service and S&P Global Ratings. Credit ratings are based on an independent analysis by financial market professionals and indicate the credit-worthiness of the City's debt obligations. For more than 40 years, the City's unlimited tax general obligation debt has been rated "Aaa," the highest possible rating by Moody's Investors Service. In February 2017, Moody's upgraded the rating on the City's limited tax revenue bonds to "Aaa."

Since May 2010, the City's First Lien Water System Revenue Bonds have been rated "Aaa" by Moody's. The underlying ratings for most other types of City revenue bonds range from "Aa1" to "Aa2" by Moody's and "AA+" to "AA" by S&P Global Ratings. The City's revenue bonds secured solely by urban renewal area tax increment are rated "A1" by Moody's.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
City's unlimited tax General Obligation bond rating (1=Aaa)	1	1	1	1	1

Explanation of Services

Debt Management's daily activities are critical to achievement of the City's financial, capital investment, and infrastructure maintenance goals. Through informed financing decisions, Debt Management supports the City by delivering efficient, effective, and accountable municipal services through:

- Conservatively managing the issuance of new borrowings in accordance with the City's Debt Policies
- Acquiring up-to-date information on financial markets to capitalize on savings opportunities within existing borrowings
- Providing financial expertise and innovative solutions to analyze bureau projects and meet bureau business needs
- Maintaining communications with the City's credit rating agencies and existing investor base
- Complying with State of Oregon and federal laws regarding debt, including IRS arbitrage rebate and other tax-exempt regulatory requirements

Equity Impacts

Equity is impacted by providing the necessary capital to cost-effectively fund numerous social-based investments across the City. In FY 2020-21, the Debt Management Division anticipates assisting the Portland Housing Bureau in ongoing project planning related issuance of general obligation bonds for affordable housing. Additionally, the Debt Management Division will be working closely with the Portland Bureau of Transportation on the Build Portland program, which includes numerous ADA-compliant sidewalk improvement projects throughout the City.

Changes to Program

Debt Management is undertaking a staffing transition of the Analyst III position (Principal Debt Analyst). The Analyst III position will be double-filled temporarily through FY 2020-21 to ensure continuity of the Division's operations.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	0	0	0
External Materials and Services	47,381	81,378	232,452	198,831
Internal Materials and Services	55,217	78,009	87,637	99,805
Personnel	409,402	465,496	722,785	825,865
Sum:	512,001	624,884	1,042,874	1,124,501
	FTE	3.17	3.17	2.85
				2.85

Resources: Debt Management is funded through interagency charges, 25% of which are direct costs to the General Fund. All unspent interagency charges are returned to customer bureaus at year-end.

Expenses: Debt Management deploys its resources diligently to provide the most value to City bureaus in the most cost-effective manner. Expenditures primarily include personnel costs, office space, specialized debt modeling software, and financial market information services.

Staffing: Debt Management maintains a staff of 2.85 FTE. As mentioned above, the Analyst III position is currently undertaking a “double-fill” during a staffing transition.

Assets and Liabilities: The Debt Management program uses a software subscription service named DBC Finance amounting to approximately \$15,000 a year. The subscription is funded through interagency charges.

Program Information

Bureau: Office of Management & Finance

Program Contact: Matthew Gierach

Website: <https://www.portlandoregon.gov/btrfs/69869>

Contact Phone 503-823-6822

BRFS - Procurement Services

Program Description & Goals

Procurement Services strategically supports City bureaus through the acquisition of high-quality, outsourced supplies, materials, equipment and services in a timely, efficient, and effective manner to advance the City's social, environmental, and economic goals. Procurement Services has established service level agreements (SLAs) in the form of expected timeframes and roles and responsibilities for commonly used procurement approaches and has laid the framework to be able to consistently track and report its performance relative to the SLAs.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of apprenticeship hours worked on City contracts	17%	21%	20%	22%	20%
Percentage of minority and women hours worked on City construction contracts	24%	34%	27%	29%	27%
Number of prime contracts awarded to Minority, Women, and Emerging Small Businesses contractors	242	168	242	285	277
Percentage of all subcontract dollars awarded to Minority, Women, and Emerging Small Businesses subs for construction and professional services contracts	51%	68%	30%	32%	30%
Cycle-time for construction invitation to bid process	N/A	101	160	101	160
Cycle-time for Goods and Services request for proposals process	N/A	161	300	161	300
Cycle-time for Goods and Services invitation to bid process	N/A	27	106	65	106
Cycle-time for Design Services requests	N/A	120	240	120	240
Cycle-time for Construction request for proposals process	N/A	31	300	200	300

Explanation of Services

Procurement Services is comprised of seven teams and programs: Design & Construction Services, Goods & Services, Compliance Services, Social Equity in Contracting, Sustainable Procurement Program, Procurement Card Program, and the Project Management Procurement Related Training Program.

The Design & Construction Services Team is dedicated to bureaus that contract out for architectural, engineering, and other related design services in addition to construction services. This program contains a separate design team and construction team that work collaboratively to provide bureaus with seamless procurement support from the design phase of a project through the award of the construction contract.

The Goods & Services Team supports bureaus in the acquisition of outsourced goods and services that are not construction-related. The team works collaboratively to maintain inventories and provides centralized procurement support.

Compliance Services includes two programs:

- 1) Subcontractor Equity Program (SEP) that requires contractors on specified projects to make subcontracting opportunities available to Disadvantaged Business Enterprises (DBE), Minority-owned Business Enterprises (MBE), Woman-owned Business Enterprises (WBE) and Emerging Small Businesses (ESB) when subcontracting portions of a project. Procurement Services collects and tracks information on contractors as outlined in the SEP requirements.
- 2) Workforce Training and Hiring Program (WTHP) – that requires contractors working on certain construction projects to make efforts to hire and train a diverse workforce, including apprentices, under specified circumstances.

The Social Equity in Contracting Team consists of two programs:

- 1) The Prime Contractor Development Program (PCDP) creates opportunities for State of Oregon certified firms to obtain prime contracts with the City for construction projects.
- 2) In conjunction with the City's major infrastructure bureaus, the Community Opportunities and Enhancements Program (COEP) was established by City Council in November 2017 to establish a fund that collects 1% of all City contracted construction services for diversifying the construction and trade workforce in the Portland Metro region. Additionally, the program provides technical assistance to certified firms for subcontracting opportunities on City construction projects.

The Sustainable Procurement Program provides the framework for City employees to integrate sustainability principles (balancing environmental, social, and economic factors) into procurement decisions. This program received one-time funding in FY 2019-20 to explore developing and establishing a regional clean air construction standard. It is anticipated that the City will receive funding from other regional government agencies via intergovernmental agreements to establish a regional framework to implement the clean air construction requirements.

The Procurement Card Program allows City employees to acquire goods and services up to a certain threshold without having to go through traditional procurement procedures. The City is the leader of a procurement card consortium that consists of several other local government agencies. The program reduces nearly two-thirds of the cost of other payment processing methods, helping the City realize significant cost savings in the manual processing of small purchases.

The Project Manager Training Program provides training for bureau project managers and their staff on procurement-related activities. Specific courses align with project manager job responsibilities for construction; goods and services; and professional, technical, expert areas of procurement.

Equity Impacts

The division leads and supports several programs and initiatives to advance the City's equity goals. Among those are the SEP, WTHP, PCDP and COEP. The core objectives of all four programs are to help diversify the regional construction workforce by attracting more women and people of color into the construction trades; and to support D/M/W/ESB/SDBVE firms with technical assistance to help grow their capacity. Additionally, the City's Sustainable Procurement Manager has led a regional effort to create a clean air construction standard that all local government agencies will adopt and implement. The standard sets emissions requirements for non-road construction equipment, which will impact smaller firms that typically own and operate older equipment. Procurement Services is exploring ways to mitigate the impact on D/M/W/ESB/SDVBE firms while the State Department of Environmental Quality goes through a rulemaking process to grant out the VW settlement funds that the legislature appropriated for that purpose.

Procurement Services has hired the COEP Manager and has been working with the Office of Equity and Human Rights and Prosper Portland to establish City Code, Administrative Rules, and an intergovernmental agreement for administration of the program.

Changes to Program

The Sustainable Procurement Program will receive funding from other regional government agencies via intergovernmental agreements to establish a regional framework to implement the clean air construction requirements. However, this requires ongoing funding for its share of the regional program cost.

A funding analysis has been conducted to determine the most effective way to administer the COEP and ensure that maximum funds are allocated to the community to achieve outcomes set forth by City Council in 2017. Procurement Services is also looking into other City programs that have similar outcomes and will explore opportunities to collaborate with those bureaus.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	0	0	0
External Materials and Services	122,375	719,880	1,797,540	725,799
Internal Materials and Services	878,067	585,690	537,797	909,928
Personnel	3,796,485	4,027,606	6,937,735	6,781,218
Sum:	4,796,927	5,333,175	9,273,072	8,416,945
	FTE	36.17	37.16	49.35
				50.35

Resources: Procurement Services is funded primarily by General Fund overhead resources and interagency funding from infrastructure bureaus. The division also receives a smaller proportion of its funding from interagency and intergovernmental partners.

Expenses: The primary expense of the program is staffing. The remainder supports the materials and services associated with program operations, including IT systems licensing and maintenance fees, facilities, rent, and technology support. Expenditures are predictable and scale up and down with staffing.

- Staffing:** Procurement Services maintains a staff of 49.35 FTE. Design & Construction workload volume fluctuations will require bureau staffing levels to scale up or down.
- Assets and Liabilities:** The only assets maintained by this division are software-based. The division completed implementation of its B2G system in FY 2018-19, and the Buy Speed System is in the middle of its anticipated useful life.

Program Information

Bureau: Office of Management & Finance **Program Contact:** Lester Spitler
Website: portlandoregon.gov/brfs **Contact Phone** 503-823-1095

BRFS - Revenue Collection

Program Description & Goals

Revenue Division provides centralized revenue collection and administrative support for the City and County business income tax, City and County transient lodgings tax, tourism improvement and enhanced service districts, special assessment liens, central accounts receivable and other programs. In FY 2018-19, the business income and transient lodging taxes collected approximately 28% of all General Fund revenues. In FY 2020-21, the Division will collect more than \$600 million, including the voter-approved clean energy initiative.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Business License Tax Gap estimated difference between business taxes paid/owed (in millions)	\$8.55	\$8.70	\$10.00	\$9.74	\$5.00
Cost per dollar collected by Revenue division (all programs)	\$.02	\$.02	\$.03	\$.02	\$.02

Explanation of Services

The Revenue Collection program is tasked with maximizing City and partner agency revenue sources with a policy of firm and fair enforcement of tax and fee codes. Primary functions include tax return processing, non-filer and under-filer identification, and debt collection using a range of tools up to and including collection agencies and litigation. The program tracks cost per dollar collected, as well as the estimated business tax gap (the difference between estimated taxes owed and taxes paid) to ensure that collection efforts remain focused on maximizing the revenue yield.

Equity Impacts

The Revenue Collection program has Arts Tax forms and instructions available in 11 languages. Translation services are also available for phone calls and in-person communications. Revenue collected by the Revenue Collection program helps to fund equity efforts in all General Fund bureaus. An example of this is the General Fund budget for the Office of Equity and Human Rights, which was \$1.9 million in FY 2018-19; 2.8% of this budget was collected by the Revenue Collection program.

Changes to Program

The Revenue Collection program continues to face unpredictability and a potential shortfall in funding as serial one-time funds are being used to fund eight positions that are tasked with ongoing tax collections. The Division continues to use \$1.2 million of General Fund one-time money to maintain current revenue collection staffing levels. If these eight positions do not receive funding, the Division estimates that approximately \$4.8 million in revenue will go uncollected.

Revenue Division's Integrated Tax System (ITS) project is ongoing and expected to complete phase I, cutover, in August 2020. The Division continues to work with Multnomah County and other partner agencies to complete a cost allocation model to spread the costs of ITS appropriately.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	10,044	54,743,566	55,893,437
Internal Materials and Services	0	25,785	6,295,219	8,185,621
Personnel	0	0	11,543,327	12,132,486
Fund Expense				
Contingency	0	0	10,068,931	10,929,351
Debt Service	0	0	102,935	157,050
Fund Transfers - Expense	0	0	818,256	368,604
Sum:	0	35,829	83,572,234	87,666,549
	FTE	0	0	89.35
				92.35

Resources: Primarily General Fund discretionary funds along with some revenue collected from certain set program fees.

Expenses: Primarily fixed expenses for personnel services, and internal materials & services.

Staffing: Majority of the staff are tax collection and auditor positions who work directly with taxpayers to ensure tax returns are timely and reflect the full amount due to local jurisdictions.

Assets and Liabilities: N/A

Program Information

Bureau: Office of Management & Finance
Website: <https://www.portlandoregon.gov/revenue/>

Program Contact: Thomas Lannom
Contact Phone 503-823-5154

BRFS - Insurance and Claims

Program Description & Goals

Risk Management is the City's centralized, operational risk management function, responsible for risk financing, claims administration, related statutory compliance, and advising on loss prevention and employee safety.

The City is insured through a combination of self-insured retentions and excess insurance, except in areas where the purchase of commercial insurance protects the City's financial interest. Risk Management influences risk-adjusted business decisions through its expert advice and consultation and loss-related data and analysis.

The City retains almost all cost for general liability, auto liability, law enforcement, and employment practice losses. The claims are centrally administered in City Risk. Retained claims tend to be frequent, low cost occurrences. Active claims management and expert adjusting help keep claim costs low. Over the past five years, claims with incurred costs under \$5,000 (Risk's statutory authority under Charter and City Code) comprise 90% of all general liability claims and 84% of all auto liability claims.

The primary goal of Risk Management's programs is to minimize and reduce the financial risk to the City, which is accomplished through proper and effective claims management with bureau's and legal counsel, focused quarterly claims reviews, and application of loss prevention and risk management activities to lessen loss impacts and avoid future losses.

Risk Management measures the cost of general liability claims over the prior four-year average per industry standard, and the change in cost of fleet liability claims over the prior four-year average. General liability claims are slightly increasing in average cost per claim, while fleet liability costs have consistently decreased each year. Success is assessed by reductions in tort liability claims and costs, as well as reductions in overall claim counts.

Risk Management's portfolio of clients include City employees, community members, bureau leadership, and City Council. Risk Management serves a diverse population in Portland and treats all clients with the utmost respect and courtesy through prompt return of calls, training, proactive claims management, and reporting. Risk Management uses relay services for claimants with hearing or speech impairments and has access to the City's language bank to assist with translation needs.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Change in the cost of general liability claims over the prior four-year average	-51%	-45%	7%	6%	0
Change in the cost of fleet liability claims over the prior four years	-3%	-26%	4%	4%	0

Explanation of Services

Under City Code 3.12.020 G, Risk Management is responsible for administering, coordinating, and controlling all activities related to commercial and self-insurance including, but not limited to property and casualty insurance, workers' compensation insurance, liability insurance, and the City's right to subrogation on these insurance programs. Risk Management is responsible for protecting the City, its officers, agents, and employees against liability imposed on municipalities of the State of Oregon. Risk Management monitors and coordinates a Citywide loss control and prevention program to minimize potential property, liability, fidelity, and personnel losses, maintain records relating to commercial and self-insurance losses or claims filed against the City, and execute any claim or proof of loss for damage to City property.

Risk Management has self-administered its tort liability claims since 1978 when the City became self-insured. Self-administration of claims reduces the City's total cost of risk and allows the City to be in control of how the claims are administered without the reliance on a contracted Third-Party Administrator. Risk Management has cultivated long-term relationships with bureau clients and holds strong institutional knowledge – allowing Risk to accurately set reserves and reach proper settlements. Savings are returned to the services Risk Management offers its clients, as is the potential of a reduction of excess insurance premium costs.

Purchase of commercial insurance allows the City to transfer certain risk to an insurance company. These risks are much easier to quantify. The transfer of risk places less of a financial burden on the City versus the exposure present and offer the City extensive risk management and prevention resources to be obtained from the commercial insurance carriers.

Services provided are outlined in City Code. Program outcomes are intended to reduce the City's liability and place less of a burden on the City's financial interests, which include its capital assets, human capital, reputation, and its financial, strategic, and operational programs.

Prompt and fair claims administration, coordination with bureaus in the claim's management process, client training, guidance, and consultation all lead to reduction in the City's liability exposure and ensure regulatory compliance. Ensuring regulatory compliance as a self-insured employer reduces potential fines and penalties.

Equity Impacts

Risk Management does not track disaggregated quantitative data or collect qualitative information about how communities of color and people with disabilities access and experience services.

Risk Management uses relay services for claimants with hearing or speech impairments and has access to the City's language bank to aid with translation needs. City employees are required to attend City sponsored equity and diversity trainings.

Risk Management's clients are internal and external. Risk services affect clients of all backgrounds and abilities either directly or indirectly.

Changes to Program

A Cybersecurity commercial insurance policy has been added to the City's insurance program to transfer this significant and increasing organizational risk to an external carrier. Risk also is expanding its core risk management activities, with provision of risk assessments and risk registers to its customers, injection of collaborative loss prevention activities, and increased risk identification materials and data output from its risk management information system.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	5,247	6,182	6,708,033	7,294,895
Internal Materials and Services	146,027	41,630	3,055,438	3,390,252
Personnel	771	58,645	1,498,892	1,552,014
Fund Expense				
Contingency	0	0	35,397,482	34,015,749
Debt Service	11,181	22,361	107,906	112,219
Fund Transfers - Expense	172,780	199,204	219,359	214,006
Ending Fund Balance	0	34,929,869	0	0
Sum:	336,006	35,257,891	46,987,110	46,579,135
	FTE	1	0.5	0.7
				10.7

Resources: The Liability Fund is funded primarily from interagency agreements (IA) with City bureaus. The IA charges to bureaus are for self-insurance premiums, commercial insurance, and property insurance. The self-insurance premium for each bureau is based on a rate model that projects costs over the next five years and determines the amount to charge bureaus based on forecasted claims payments, actuarial reserve targets, commercial insurance costs, and administrative costs to manage and administer the program. Costs are allocated to bureaus based on experience (a four-year average of claims costs) and exposure (prior year payroll costs).

Expenses: Fund expenditures are primarily for claims-related payments. Projected claims are based on an independent actuarial study. Other significant expenses are for commercial insurance and property insurance, and the management and administration of the program.

Staffing: Risk Management includes 10.7 employees, split across the Workers' Compensation and the Insurance and Claims funds. Staffing has been nearly flat over the last five years.

Assets and Liabilities: The program has no significant assets or liabilities other than its cloud-based risk management information system for managing, administering, tracking, and reporting on claims. The program's budget includes appropriation to maintain and improve the system.

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Patrick Hughes
Website:	portlandoregon.gov;brfs	Contact Phone	503-823-5277

BRFS - Risk Management

Program Description & Goals

Risk Management is the City's centralized, operational risk management function, responsible for risk financing, claims administration, related statutory compliance, and advising on loss prevention and employee safety. Risk Management oversees the City's Workers' Compensation program.

The City is insured through a combination of self-insured retentions and excess insurance, except in areas where the purchase of commercial insurance protects the City's financial interest. Risk Management influences risk-adjusted business decisions through its expert advice and consultation and loss-related data and analysis.

The City retains almost all cost for workers' compensation claims. The claims are centrally administered in Risk Management. Retained claims tend to be frequent, low cost occurrences. Risk Management investigates every claim. Active management and expert adjusting help keep claim costs low. Over the past five years, claims with incurred costs under \$5,000 (Risk's statutory authority under Charter and City Code) comprise 26% of all claims, and 38% of all claims are finalized with incurred costs less than \$10,000.

The primary goal of Risk Management's programs is to minimize and reduce the financial risk to the City, which is accomplished through coordinated claims management with bureaus and legal counsel, proper job analysis completions, the Employer-at-Injury Program (EAIP), focused quarterly claims reviews and annual workers' compensation audits completed by the State of Oregon.

Workers' compensation claims counts have remained relatively flat for the past 10 years, while both indemnity and medical benefits cost have witnessed increases due to inflation.

The policy of the Risk Workers' Compensation (WC) Team is to ensure that employees injured on the job are provided benefits in accordance with Oregon Workers' Compensation Statute under ORS Chapter 656 and the City's HR Administrative Rules. Risk's RMIS software system tracks all claims, including financials. The goal of the Workers' Compensation program is maintaining compliance with state timelines and accuracy requirements. The State of Oregon's annual audit has continued to produce optimal results.

Risk Management's portfolio of clients include City employees, community members, bureau leadership, and City Council. Risk Management serves a diverse population in Portland and treats all clients with the utmost respect and courtesy through prompt customer service, training, proactive claims management, and reporting. Risk Management uses relay services for claimants with hearing or speech impairments and has access to the City's language bank to assist with translation needs.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Change in the cost of workers compensation claims over the prior four years	-16%	-32%	4%	3%	0

Explanation of Services

Under City Code 3.12.020 G, Risk Management is responsible for administering, coordinating, and controlling all activities related to commercial and self-insurance including, but not limited to, property and casualty insurance, workers' compensation insurance, liability insurance, and the City's right to subrogation on these insurance programs. Risk Management is responsible for protecting the City, its officers, agents, and employees against liability imposed on municipalities of the State of Oregon. Risk Management monitors and coordinates a Citywide loss prevention and control program to minimize potential property, liability, fidelity, and personnel losses, maintain records relating to commercial and self-insurance losses or claims filed against the City, and execute any claim or proof of loss for damage to City property.

Risk Management has self-administered its tort liability claims since 1978 when the City became self-insured. Self-administration of claims reduces the City's total cost of risk and allows the City to be in control of how the claims are administered without the reliance on a contracted Third-Party Administrator. Risk Management has cultivated long-term relationships with bureau clients and holds strong institutional knowledge – allowing Risk to accurately set reserves. Savings are returned to the services Risk Management offers its clients, as is the potential of a reduction of excess insurance premium costs.

Services provided are outlined in City Code. Program outcomes are intended to reduce the City's liability and place less of a burden on the City's financial interests, which include its capital assets, human capital, reputation, and its financial, strategic, and operational programs.

Prompt and fair claims administration, coordination with bureaus in the claims management process, client training, guidance, and consultation all lead to reduction in the City's liability exposure and ensure regulatory compliance. Ensuring regulatory compliance as a self-insured employer reduces potential fines and penalties.

Equity Impacts

Risk Management does not track disaggregated quantitative data or collect qualitative information about how communities of color and people with disabilities access and experience services.

Risk Management uses relay services for claimants with hearing or speech impairments and has access to the City's language bank to aid with translation needs. City employees are required to attend City sponsored equity and diversity training.

Risk Management's clients are internal and external. Risk services affect clients of all backgrounds and abilities either directly or indirectly.

Changes to Program

Legislative actions which may affect and amend Oregon Workers' Compensation rules and statutes may necessitate modification of the Risk Workers' Compensation program. Risk staff perform ongoing review and strategic planning activities to monitor any such possible legislative actions, while planning for any required compliance needs which may require implementation. Other external factors which may necessitate programmatic changes include health care cost increases (e.g., inclusion of experimental treatments and diagnostic methods), unforeseen shortages in available health care providers, and catastrophic disaster incidents.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	6,510	9,882	3,727,402	3,544,712
Internal Materials and Services	149,579	31,852	631,737	749,708
Personnel	41,611	30,492	1,363,218	1,414,014
Fund Expense				
Contingency	0	0	12,605,606	12,457,350
Debt Service	20,916	20,916	100,933	104,968
Fund Transfers - Expense	90,937	102,293	133,975	112,004
Ending Fund Balance	0	13,249,349	0	0
Sum:	309,552	13,444,783	18,562,871	18,382,756
FTE	1	0.5	0.7	9.7

Resources: The Workers Compensation fund is funded primarily from interagency agreements (IA) with City bureaus. The IA charges to bureaus are for self-insurance premiums. The premium for each bureau is based on a rate model that projects costs over the next five years and determines the amount to charge bureaus based on forecasted claims payments, actuarial reserve targets, commercial insurance costs, and administrative costs to manage and administer the program. Costs are allocated to bureaus based on experience (a four-year average of claims costs, per industry standard) and exposure (prior year payroll costs).

Resources:

Expenses: Fund expenditures are primarily for claims-related payments. Projected claims are based on an independent actuarial study. Other significant expenses are for the management and administration of the program, excess insurance policy premium, and State Workers' Compensation payments.

Expenses:

Staffing: Risk Management includes 9.7 employees, split across the Workers' Compensation and the Insurance and Claims funds. Staffing has been nearly flat over the last five years.

Staffing:

Assets and Liabilities: The program has no significant assets or liabilities other than its cloud-based risk management information system for managing, administering, tracking, and reporting on claims. The program's budget includes appropriation to maintain and improve the system.

Assets and Liabilities:

Program Information

Bureau: Office of Management & Finance
Website: portlandoregon.gov/brfs
Bureau: Office of Management & Finance
Website:

Program Contact: Patrick Hughes
Contact Phone 503-823-5277
Program Contact:
Contact Phone

BRFS - Treasury

Program Description & Goals

The Treasury Division provides centralized banking, merchant card acceptance, and investment services to all City bureaus. The functions of Treasury include managing the City's daily cash position, maintaining custody of all City funds, and ensuring excess funds are conservatively invested to earn a market return.

Treasury's daily activities are critical to achievement of the City's corporate financial strategies, compliance with City policies, industry best practices, legal and regulatory requirements on the state and federal level, including Payment Card Industry data security standards. Treasury is a net revenue producing operation to the City, distributing investment portfolio earnings (net of an administrative fee) to all City funds with balances – including the General Fund. Treasury is also the administrator of the City's foreclosure sale process as mandated under City Code.

The primary objectives for the Treasury Division are to preserve principal, ensure that adequate liquidity is available to meet our operating needs and to earn a market return on the City's balances.

Treasury's performance is evaluated against a market benchmark known as the Bank of America Merrill Lynch 0-3 Year U.S. Treasury Index (BofAML 0-3). Fiscal year to date October 2019, the City's investment portfolio's gross yield is 2.240% against a benchmark of 1.646%.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Investment portfolio yield - % of benchmark	82%	89%	90%	100%	100%

Explanation of Services

The Treasury Division provides centralized banking services for all City bureaus and to Prosper Portland (via intergovernmental agreement). The program develops and executes the City's investment program, coordinates and reconciles all City cash deposits and disbursements, and provides cash and investment accounting. Treasury is responsible for negotiating and managing all banking, trust, and merchant (credit/debit card) service contracts and managing the interface between the City's financial institutions and all City bureaus. Treasury's daily activities are critical to executing the City's investment policy and strategies, and for compliance with applicable Internal Revenue Service arbitrage rebate requirements. Treasury supports Citywide cash management operations and serves as the primary resource for reconciliation of cash for central accounting, outside audit, and investment purposes.

Equity Impacts

When implementing or reviewing programs for bureaus, the Treasury Division employs an equity lens to ensure a broad array of payment methods (including cash) are available to provide equitable access to services for all constituents.

Changes to Program

In December 2018, City Council approved a select list of high-quality Corporate Securities issuers in which Treasury may invest the City's cash. Corporate securities provide diversification and an opportunity to earn additional yield over alternative investment types, such as U.S. Treasury and U.S. Agency securities. While Treasury has been able to obtain some marginal yield pick-up, we are restricted to only 12 Corporate Securities issuers which have limited inventory available in the market.

Financial market indicators are signaling that interest rates will continue to edge lower in 2019-2020. For the first time in more than a decade, the Treasury Division has reduced the City's the Interest Rate Forecast on the Investment Portfolio to by 25 basis points to 2.05% for FY 2019-20 and by 50 basis points to 1.85% for FY 2020-21. City Bureaus should prepare for declining interest earnings over the next fiscal budget cycle.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	0	0	35,275
External Materials and Services	233,261	218,325	307,152	277,889
Internal Materials and Services	146,179	151,816	176,329	227,404
Personnel	840,506	960,974	1,030,752	1,083,411
Sum:	1,219,947	1,331,115	1,514,233	1,623,979
	FTE	6.17	6.17	5.85

Resources: Treasury Division operations are self-funded through administrative fees that are netted out of the investment portfolio's interest earnings. At the end of each fiscal year, Treasury's budget is netted to zero with all earnings distributed to the various bureau funds under management.

Expenses: The Treasury Division deploys resources diligently to provide the most value to City bureaus at the least cost. Expenditures primarily include personnel costs, office space, specialized investment software, financial market information services, and pass-through costs from financial institutions who provide services.

Staffing: The Treasury Division maintains a staff of 5.85 FTE. Staffing is not expected to change at this time.

Assets and Liabilities: The Treasury division has a software subscription service named GovInvest amounting to approximately \$35,000 a year for the next two years. The subscription serves multiple bureaus and is partially funded by interagency agreements.

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Brigid O' Callaghan
Website:	https://www.portlandoregon.gov/btrfs/69868	Contact Phone	503-823-3104

Office of Management & Finance – Bureau of Revenue & Financial Services

Monday, January 27, 2020

PM1. Report for FY 2020-21 Requested Budget

11:17:10 PM

OUTCOME MEASURES

	Performance Measure	KPM	FY 2016-17 Actuals	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Target	FY 2019-20 YTD Actuals	FY 2020-21 Target	Strategic Target
MF_0033	City's unlimited tax General Obligation bond rating (1=Aaa)		1	1	1	1	0	1	1
MF_1170	Percentage of all subcontract dollars awarded to Minority, Women, and Emerging Small Businesses subs for construction and professional services		43%	51%	68%	30%	0	32%	30%
MF_1192	Number of CAFR review audit deficiency comments from external auditors		0	0	0		0	0	0
MF_1215	Cycle-time for construction invitation to bid process		N/A	N/A	101	160	0	101	160
MF_1216	Cycle-time for Goods and Services request for proposals process		N/A	N/A	161	300	0	161	300
MF_1217	Cycle-time for Goods and Services invitation to bid process		N/A	N/A	27	106	0	65	106
MF_1218	Cycle-time for Design Services requests		N/A	N/A	120	240	0	120	240
MF_1219	Cycle-time for Construction request for proposals process		N/A	N/A	31	300	0	200	300
MF_0024	Percentage of minority and women hours worked on City construction contracts		27%	24%	34%	27%	0	29%	27%
MF_1077	Investment portfolio yield - % of benchmark		114%	82%	89%	90%	0	100%	100%

EFFICIENCY MEASURES

City of Portland
Office of Management & Finance – Bureau of Revenue & Financial Services

Run Date & Time

Monday, January 27, 2020

PM1. Report for FY 2020-21 Requested Budget

11:17:10 PM

	Performance Measure	KPM	FY 2016-17 Actuals	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Target	FY 2019-20 YTD Actuals	FY 2020-21 Target	Strategic Target
MF_0041	Business License Tax Gap – estimated difference between business taxes paid/owed (in millions)		\$6.88	\$8.55	\$8.70	\$10.00	0	\$9.74	\$5.00
MF_1186	Change in the cost of general liability claims over the prior four-year average		2%	-51%	-45%	7%	0	6%	0
MF_1187	Change in the cost of fleet liability claims over the prior four years		0	-3%	-26%	4%	0	4%	0
MF_1190	Change in the cost of workers compensation claims over the prior four years		2%	-16%	-32%	4%	0	3%	0
MF_1194	Cost per dollar collected by Revenue division (all programs)		\$.02	\$.02	\$.02	\$.03	0	\$.02	\$.02

OUTPUT MEASURES

	Performance Measure	KPM	FY 2016-17 Actuals	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Target	FY 2019-20 YTD Actuals	FY 2020-21 Target	Strategic Target
MF_1169	Number of prime contracts awarded to Minority, Women, and Emerging Small Businesses contractors		277	242	168	242	0	285	277

WORKLOAD MEASURES

	Performance Measure	KPM	FY 2016-17 Actuals	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Target	FY 2019-20 YTD Actuals	FY 2020-21 Target	Strategic Target
MF_1193	Number of days CAFR is completed after fiscal year end		135	124	122	120	0	120	120

DP: 9596 - Revenue - Maintain Current General Fund**DP Type****Priority****New**

ADD

0

No

Package Description

In FY 2016-17, City Council reduced the ongoing CAL target for the Business License Tax/Multnomah County Business Income Tax collection group and replaced it with one-time backfill. The stated goal was to encourage Multnomah County to contribute a higher proportion of the expenditures for collection of the combined tax (to increase their proportion of program expenses based on proportional revenue and to thereby recapture and reallocate General Fund appropriation). Over the course of three years of negotiations, the County has not agreed to increase its share of program costs beyond inflation. The Division would need to eliminate five FTE to offset this reduction. Because the City and County's tax codes are in conformity and 95% of tax accounts are joint (in both jurisdictions), there is no potential for savings from not enforcing the County's tax code. If the five positions are laid off, it will impact both jurisdictions in terms of both revenue loss and poor customer service.

In addition to the five positions above, in FY 2018-19 City Council allocated one-time funding for three FTE Business License Tax collection positions to handle the increased workload related to a 50% increase in the number of tax accounts over the past few years. At the time of approval, compliance with the Business License Tax was at a 14-year low. These positions have helped restore the compliance rate to historical norms (above 90%) and have mitigated the loss of enforcement revenue. The Division's original request was for three years and one-time funding has been approved for the last two fiscal years (FY 2018-19 and FY 2019-20).

Service Impacts

Combined, the Division needs \$1.1 million (\$733,200 ongoing and \$400,400 one-time for one more year) to maintain current revenue collection staffing levels. The eight employees that will be laid off without funding comprise 27% of the staffing for the Business License Tax program (30 FTE total). If funding is not provided for these positions, the Division estimates that approximately \$4.8 million in revenue will be lost (\$2.9 million for the City and \$1.9 for the County) following a scaling back of enforcement activities.

Equity Impacts

Any program with General Fund backing related to equity will be impacted if these packages are not approved as the resulting decrease in collection activities will result in lower overall General Fund resources.

Budget Detail

Fund	Major Object Name	2020-21 Request - V52 with DP	2020-21 CBO Recommended- V53	2020-21 Proposed-V54	2020-21 Approved - V55	2020-21 Adopted - V56
		Expense				
100000	External Materials and Servi	238,400	0	0	0	0
100000	Internal Materials and Servic	133,600	0	0	0	0
100000	Personnel	810,218	0	0	0	0
	Sum:	1,182,218	0	0	0	0

Major Object Name Revenue

100000	General Fund Discretionary	1,182,218	0	0	0	0
	Sum:	1,182,218	0	0	0	0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30000193 - Revenue & Tax Specialist III	4.00	201,096	0	112,896	329,376
30000194 - Revenue & Tax Specialist IV	4.00	218,400	0	116,792	351,900
Total	8.00	419,496	0	229,688	681,276

DP: 9597 - Procurement - Clean Air Construction	DP Type	Priority	New
	ADD	0	No

Package Description

In the Portland metro area, the air is unhealthy to breathe because of the presence of ultra-fine particulate matter (PM) from older dirty diesel engines. Diesel PM is a known human carcinogen and contributes to a wide variety of respiratory and other chronic health conditions. Clackamas, Multnomah, and Washington counties in the Portland metro area rank in the top five percent of all counties nationwide for diesel particulate concentrations. In areas such as freight corridors, rail yards, or construction sites, levels of diesel pollution are over 10 times Oregon health benchmarks. Heavy-duty trucks and construction equipment are responsible for most diesel emissions. Clean Air Construction lacks leadership at the state level and the only option available to Portland Metro area jurisdictions is to reduce diesel PM at scale through a set of common construction contracting requirements that require cleaner diesel or alternative-fuel construction equipment. The U.S. EPA reports that every dollar invested in reducing diesel pollution has a \$10 return on investment.

This package establishes the Clean Air Construction Program within the Bureau of Revenue and Financial Services – Procurement Services. The Clean Air Construction Program is intended to be a regional, collaborative effort among regional government agencies that have adopted the Clean Air Construction Standard, with the City serving as the lead agency to administer the program. The City elected to take a lead role due to the City's large volume and variety of construction projects (more so than our regional partners) and Procurement Services' history of serving as a regional leader on construction-related programming through various intergovernmental agreements. Procurement has received signed Memorandums of Understanding (MOUs) from the regional partners (Multnomah County, Port of Portland, Metro, and Washington County) indicating their commitment to supporting and participating in the Clean Air Construction Program. Procurement is currently circulating the final draft of the IGA that will formalize those commitments, expected to be signed by all parties in February 2020.

The Clean Air Construction Program involves three core program elements: administration, compliance/enforcement, and support for certified DMWESB and SDVB firms (aka COBID-certified firms). This package is for a new FTE within Procurement Services to administer the program on behalf of the City and regional partners and for program funds to contract out the development and/or ongoing performance of other program elements. There are two funding streams planned to support the regional CAC Program: 1) City General Fund, and 2) financial contributions from participating regional partners through an intergovernmental agreement (IGA). There is also the potential that the program will generate some revenue from vehicle/equipment registration fees, but due to low confidence in estimates of how many pieces of equipment/vehicles will be registered through the program, BRFS is not including this revenue as part of this budget request. Rather, any potential program fund surplus is addressed through the IGA, with priority given to investing any revenue in assistance programs for COBID firms. The attachment outlines the program costs and agency cost shares as defined by the final draft of the IGA. Note that this program budget assumes any current FY 2019-20 CAC development and COBID grant funds remaining at the end of FY 2019-20 are carried over into FY 2020-21.

The CAC Regional Program IGA provides the details of how the CAC Program will be administered, including an interagency oversight committee to review program activities and costs and maintain agency commitments.

Performance measures will include: 1) percent of applicable equipment on City (and regional partner) construction projects that meet the Clean Air Construction requirements, and 2) estimated diesel PM emission reductions based on the use of equipment replaced or upgraded with emission controls to comply with the Clean Air Construction requirements.

Service Impacts

The overall outcome of this request is the reduction in harmful diesel PM pollution in the Portland Metro area. According to the U.S. EPA, every dollar invested in reducing diesel pollution has a \$10 return on the investment (due to savings in health care costs, lost work time, etc.). By taking a regional approach, establishing a common Clean Air Construction Standard, and establishing a successful model, we also allow the concept to be adopted by private entities, universities, and others in the Portland Metro area that do construction work. Also, every piece of equipment that is retrofitted or replaced to reduce diesel PM stays cleaner for all future projects, whether a City project or not.

In terms of measuring the outcomes, the online contractor equipment registration currently in development as part of the CAC Program will enable applicable tracking and reporting.

Over the past decade, the City and its regional partners have lobbied the state legislature to regulate dirty on-road and non-road diesel equipment. The State legislature has repeatedly failed to move such legislation out of committee. In the absence of State action, the only option available to the City and its regional partners to reduce diesel PM at scale is by establishing common construction contracting requirements that require cleaner diesel or alternative-fuel construction equipment. The City and its regional partners spent over two years developing the Clean Air Construction Standard, after much research into similar models across the nation and gathering stakeholder input. The adopted Standard, and the proposed regional programming, was determined to be the best approach. Due to the nature of the regional program approach, a lead-agency model and subsequent intergovernmental support was determined to be the most appropriate funding model. If funding is not approved, the Clean Air Construction Standard will not be implemented and/or implementation will be significantly delayed until another agency assumes the lead agency role. The risk of a significant delay includes:

- 1) dissatisfied climate action stakeholders who, during the Council session on December 13, 2018, expressed significant concerns over the long implementation timeframe for the Standard;
- 2) continued health and associated cost burdens on society due to unhealthy levels of diesel particulate matter in the Portland Metro area
- 3) prolonged poor air quality impacts on the community.

Equity Impacts

From the beginning, the City and its regional partners in this effort have recognized the disproportionate impact the Clean Air Construction Standard could potentially have on smaller businesses with less capital to make equipment investments to comply with the Standard. To address this, the City and its regional partners have:

1. Crafted more flexibility within the Standard for COBID-certified firms (MWESB and SDVB firms certified by the state) to comply with the engine requirements over the course of the program's phase-in period.
2. Successfully lobbied the state legislature during the 2019 legislative session for Volkswagen settlement funds to be allocated via a DEQ grant program, with preference given to COBID-certified firms retrofitting or replacing dirty diesel engines as well as firms seeking to comply with related local requirements.
3. City FY 2019-20 CAC development funds include \$30,000 for technical assistance that is targeted towards supporting COBID firms. That technical assistance program is expected to launch in February 2020. Metro is also planning on providing COBID-specific technical assistance.
4. FY 2019-20 spring BMP request of \$200,000 to support a CAC City grant program to help COBID firms retrofit Tier 0 diesel equipment. The Environmental Protection Agency (EPA) acknowledges Tier 0 equipment as the oldest and most pollutant diesel engine. Nonroad diesel Tier 0 equipment will be restricted for use on City construction projects beginning January 1, 2021. Metro is also considering a grant program to help COBID firms transition to cleaner fleets.
5. The CAC regional partners also continue to work with Oregon DEQ in recognizing and seizing opportunities of any available funding (such as the state's allocation of EPA Diesel Emissions Reduction Act funds) to support COBID firms' transition to cleaner fleets.
6. Investing any revenue generated from the proposed CAC Program contractor equipment/vehicle registration fee in supporting COBID firms' transition to cleaner fleets.

Through the technical assistance work that will launch in February, Procurement will have a better idea of the age and compliance level of COBID firms' diesel fleets. Fleet metrics combined with an in-development online registration system will inform performance metrics, such as number of COBID firm equipment and fleet retrofitted, repowered, or replaced and the associated costs.

Budget Detail

Fund	Major Object Name	2020-21 Request - V52 with DP	2020-21 CBO Recommended- V53	2020-21 Proposed-V54	2020-21 Approved - V55	2020-21 Adopted - V56
		Expense				
100000	External Materials and Servi	217,690	0	0	0	0
100000	Internal Materials and Servic	0	0	0	0	0
100000	Personnel	110,092	0	0	0	0
	Sum:	327,782	0	0	0	0

Major Object Name Revenue

100000	General Fund Discretionary	136,184	0	0	0	0
100000	Intergovernmental	191,598	0	0	0	0
	Sum:	327,782	0	0	0	0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30003027 - Coordinator I - NE	1.00	71,593	0	33,022	110,092
Total	1.00	71,593	0	33,022	110,092

City of Portland
Requested Budget Equity Report

Office of Management & Finance

Requested Budget & Racial Equity Plan Update:

Responsibility for implementation of the Bureau of Revenue and Financial Services' (BRFS) Racial Equity Plan rests on BRFS division managers and designees, who provide mandates and guidance for their employees. The hiring for all positions in BRFS follows City guidelines for inclusion and fairness. BRFS recognizes the critical nature of diversity in its hiring and placement of employees. Additionally, all BRFS employees receive mandatory equity training and are encouraged to attend events that promote understanding of societal and institutional factors related to diversity and the remediation of exclusive practices.

Procurement Services has responded to Council mandates to increase the participation of Disadvantaged, Minority-owned, Women-owned, Emerging Small Businesses and Service-Disabled Veteran Business enterprises (D/M/W/ESB/SDVBE) in City contracting. The division has successfully implemented a variety of programs and business practices to ensure inclusion and equity, to promote transparency and good will, and to empower the diverse community of contractors and suppliers in the region.

The Procurement Services budget allows the division to hire dedicated employees to develop, manage, and support social equity contracting programs, as well as to use specialized software to track adherence to program requirements by City bureaus and contractors. The budget supports the advancement of all equity programs and goals, which are now indelibly linked to citywide procurement activities.

The Revenue Division's collection activities provide financial support for all General Fund programs that impact the City's equity initiatives. Revenue ensures that all tax programs are accessible to non-English speaking taxpayers by translating documents into multiple languages.

Debt Management ensures access to the capital markets to fund the City's capital projects. Debt Management keeps City services accessible to all users by delivering low-cost capital financing alternatives to City bureaus.

Treasury keeps City services accessible to all users by ensuring that bureaus accept cash in addition to accepting payment (credit/debit) cards and online payments.

Accounting publishes the City's Popular Annual Financial Report (PAFR) and has each year's PAFR translated into Chinese, Russian, Spanish, and Vietnamese. Accounting uses the IRS accessible W-9 form, in alignment with the City's ADA Title II Non-discrimination policy ADM 18.21.

Racial Equity Plan Link: <https://www.portlandoregon.gov/oehr/article/636643>

City of Portland
Requested Budget Equity Report

Requested Budget Community Engagement:

As BRFS is primarily an internally-focused provider of services to City Council and City bureaus, community members do not directly engage with OMF in the development of the Requested Budget.

Base Budget Constraints:

No deficiencies. City Council, the Budget Office, and BRFS management have been supportive of both the social equity contracting programs and BRFS's efforts to develop a diverse and equity-focused workforce.

Notable Changes:

There have been no significant realignments or changes that impact the community. However, any alignments to the base budget are always done with the equity lens and the BRFS Five-Year Racial Equity Plan in mind.

Equity Manager Role in Budget Development

N/A

Equity Manager:	N/A	Contact Phone:	N/A
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ADA Title II Transition Plan:

Accounting uses the IRS accessible W-9 form, in alignment with the City's ADA Title II Non-Discrimination Policy ADM 18.21.

City of Portland
Requested Budget Equity Report

Accommodations:

Accounting Division translates the City's Popular Annual Financial Report (PAFR) into Chinese, Russian, Spanish, and Vietnamese to engage the multilingual community in the City's finances. Accounting uses the IRS accessible W-9 form, in alignment with the City's ADA Title II Non-Discrimination Policy ADM 18.21. Revenue Division ensures that all tax programs are accessible to non-English speaking taxpayers.

Revenue Division has translated Arts Tax related documents into multiple safe harbor languages.

Capital Assets & Intergenerational Equity

The Integrated Tax System (ITS) project financing plan will include 10-year General Obligation (GO) bonds spreading some costs out over time.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 YTD Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
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Data Tracking Methodology:	<p>BRFS's Procurement Services utilizes three software programs to record bid results and ensure adherence to program requirements: BuySpeed, B2G Now, and LCPTTracker. The software is designed to gather data related to bidders, contract awards, outreach efforts, utilization of subcontractors, workforce hiring, and payments to prime and subcontractors and provides continuous information to buyers, compliance personnel, and program managers. In addition to providing a means to report contracting results to a variety of stakeholders, the staff uses the programs to continuously monitor subcontractor and workforce participation and payments and to determine if program requirements are being met and to begin remediation of shortfalls, errors, or non-compliance. Data and statistics collected are used to generate periodic reports for stakeholders including City Council, City bureaus and employees, contractors, the public, professional organizations, civic organizations, and individuals. In addition to collecting and using data to monitor its own activities, Procurement Services contracts with other agencies to provide monitoring and compliance services. This ensures greater contracting equity region-wide and expanded opportunities for discussion and improvement.</p>
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City of Portland
Requested Budget Equity Report

Hiring, Retention, & Employment Outreach:

The BRFS Requested Budget does not specifically address equity in hiring, retention, and inclusion. Available dollars for recruitment, advertising, and training do allow the director and staff to incorporate inclusivity into all activities that relate to hiring, training, and retention. Because of the City's efforts to create awareness and mandate inclusive practices, the understanding of expenditures and efforts to promote equity is robust.

Contracting Opportunities

Procurement Services oversees the City's procurement processes and provides programs, services, and activities designed to increase the involvement and capacity of D/M/W/ESB firms. The City partners with other regional agencies to build contracting equity and create opportunities. Some of the programs and activities include, but are not limited to:

- Prime Contractor Development Program
- Workforce Training and Hiring Program
- Community Opportunities and Enhancements Program
- Minority Evaluator Program
- Subcontractor Equity Program
- Fair Contracting Forum
- Attendance and outreach at regional events and organization meetings
- Contract compliance monitoring
- Partnership and utilization of community recruitment resources
- Contractor self-reporting and registration portal
- Partnership with State of Oregon for M/W/ESB information
- Written and oral reports to a wide variety of stakeholders

City of Portland
Requested Budget Equity Report

Engaging Communities Most Impacted by Inequities

As BRFS is primarily an internally-focused provider of services to City Council and City bureaus. Excluding Procurement Services and the Grants Management Division, community members do not directly engage with BRFS in the development of the Requested Budget. However, its budget development does engage feedback from the community representatives on the OMF Budget Advisory Committee. Procurement Services engages with many community based, and culturally-specific organizations. The Chief Procurement Officer staffs the Fair Contracting Forum, an advisory body appointed by the Mayor to monitor the policies and programs that Procurement Services manages for workforce development, COBID certified subcontractor utilization, and capacity growth for COBID certified prime contractors. Members of the Fair Contracting Forum are all representatives of the Community. Procurement Services is also responsible for the Community Opportunities and Enhancements Program (COEP). COEP began in November 2017 via a City Council Resolution and intended to set aside one-percent of hard construction costs for City public improvement projects to support diversification of the construction workforce and business technical assistance for COBID certified firms. Procurement Services worked with the Office of Equity and Human Rights and Prosper Portland to develop an intergovernmental agreement (IGA) to pilot the concepts of COEP to determine the most effective way of disbursing the one-percent funds to the community to achieve program objectives. The IGA was authorized by Council in January 2020. Procurement Services intends to develop Administrative Rules and City Code for approval by City Council in spring 2020. Another directive of the COEP Resolution was to establish an advisory body called the Community Equity and Inclusion Committee (CEIC). The CEIC monitors contracts that are procured through a best value process versus low-bid and have a value between \$10 million - \$25 million. The Grants Management Division is responsible for the Minority Evaluator Program (MEP) and the We Are Better Together (WABT). MEP applies to Requests for Proposals (RFPs) that the City issues and requires a community volunteer serve on the evaluation panel to review and select a contractor resulting from RFPs over the formal threshold. This program allows volunteers to contribute to major financial decisions and provide feedback to City staff on the inclusiveness of the process. WABT is a program that centralizes financial support and City representation for culturally-specific organizations in the Community. It provides membership for City staff to attend events put on by community based and culturally-specific organizations and supports those organizations with financial support.

City of Portland
Requested Budget Equity Report

Empowering Communities Most Impacted by Inequities

As BRFS is primarily an internally-focused provider of services to City Council and City bureaus. Excluding Procurement Services and the Grants Management Division, community members do not directly engage with BRFS in the development of the Requested Budget. However, its budget development does engage feedback from the Community Representatives on the OMF Budget Advisory Committee. In addition to the programs mentioned above that are managed by Procurement Services and in the budget, Procurement Services is including a Decision Package for administration of a regional Clean Air Construction Program. The effort includes many regional government agencies and sets a regional standard for non-road construction equipment and the emissions that those pieces of equipment produce. The City agreed to take regional lead on implementation and administration of the program. Intergovernmental Agreements (IGAs) have been drafted and agreed upon. At this point, agencies are waiting for budget assurance in each of their respective agencies to execute the IGAs. The collective funds are intended to fund an online registration system for construction companies to register their equipment in, a full-time employee in Procurement Services to support the program, technical assistance for COBID certified firms, and other related costs. A major focus of the effort so far has been mitigating the impact of this standard on COBID certified firms. The regional group has also engaged community groups through the process of developing the policy to make sure they are engaged and have an opportunity to inform the policy.

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Taxes	18,412,301	21,229,294	23,206,000	24,300,000	24,300,000
Miscellaneous	25,476	48,557	40,000	50,000	50,000
External Revenues Total	18,437,777	21,277,850	23,246,000	24,350,000	24,350,000
Beginning Fund Balance	118,344	147,265	203,117	150,000	150,000
Resources Total	18,556,121	21,425,115	23,449,117	24,500,000	24,500,000
Requirements					
Bureau Expenditures					
External Materials and Services	18,062,474	20,787,184	22,950,215	23,761,420	23,761,420
Internal Materials and Services	321,382	409,814	473,902	713,580	713,580
Bureau Expenditures Total	18,383,856	21,196,998	23,424,117	24,475,000	24,475,000
Fund Expenditures					
Fund Transfers - Expense	25,000	25,000	25,000	25,000	25,000
Fund Expenditures Total	25,000	25,000	25,000	25,000	25,000
Ending Fund Balance	147,265	203,117	0	0	0
Requirements Total	18,556,121	21,425,115	23,449,117	24,500,000	24,500,000

Fund Overview

The Convention and Tourism Fund receives revenues from a 1% transient lodging tax assessed on guests at short-term (transient) lodging locations, including hotels, motels, bed and breakfast establishments, and private homes within the city.

Expenditures from this fund are authorized for the promotion and procurement of convention business and tourism as established by City Charter. The City currently contracts with Travel Portland for these services.

In 2012, Council created a Portland Tourism Improvement District (TID). The TID was established to enhance the promotion of Portland as a preferred destination for meetings, conventions, and leisure travel. The 2% district assessment keeps Portland's lodging industry competitive with other cities.

The Bureau of Revenue & Financial Services, Revenue Division manages the Convention and Tourism Fund, administers the collection of the tax and assessment, and charges the fund an administrative fee for services.

Managing Agency Office of Management & Finance, Bureau of Revenue & Financial Services

Property Management License Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Licenses & Permits	5,493,639	6,406,337	7,586,066	7,630,000	7,630,000
Miscellaneous	6,078	12,094	11,600	13,000	13,000
External Revenues Total	5,499,717	6,418,431	7,597,666	7,643,000	7,643,000
Beginning Fund Balance	40,166	83,654	473,847	28,000	28,000
Resources Total	5,539,883	6,502,085	8,071,513	7,671,000	7,671,000
Requirements					
Bureau Expenditures					
External Materials and Services	5,355,489	5,921,232	7,882,771	7,465,539	7,465,539
Internal Materials and Services	75,740	81,812	163,742	180,461	180,461
Bureau Expenditures Total	5,431,229	6,003,044	8,046,513	7,646,000	7,646,000
Fund Expenditures					
Fund Transfers - Expense	25,000	25,000	25,000	25,000	25,000
Fund Expenditures Total	25,000	25,000	25,000	25,000	25,000
Ending Fund Balance	83,654	474,041	0	0	0
Requirements Total	5,539,883	6,502,085	8,071,513	7,671,000	7,671,000

Fund Overview

The Property Management License Fund receives revenue from the business property management license fee payable by managers of properties within the three Enhanced Services Districts (ESD) (Clean & Safe, Lloyd, and Central Eastside). This fee supports enhanced services within the districts.

ESDs keep the areas within their boundaries vital and attractive to businesses, shoppers, visitors, and residents. In accordance with their agreements with the City of Portland, ESDs provide the following services:

- ◆ Clean & Safe, Inc: enhanced security, sidewalk and graffiti cleaning, business recruitment, retention, and marketing services in the central business district
- ◆ Go Lloyd: transportation management, District Attorney prosecution and crime prevention, Holladay Street landscape maintenance, and Lloyd Eco District services
- ◆ Central Eastside Industrial District: streetscape improvement and district identity, cleaning and graffiti removal, community grants, advocacy and administration, safety services (e.g., outreach to the houseless)

The Bureau of Revenue & Financial Services, Revenue Division manages the Property Management License Fund, administers the collection of the license fees, and charges the fund an administrative fee for services.

Managing Agency

Office of Management & Finance, Bureau of Revenue & Financial Services

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Taxes	12,444,574	13,231,220	13,875,000	13,875,000	13,875,000
Miscellaneous	118,901	188,674	180,000	200,000	200,000
External Revenues Total	12,563,475	13,419,894	14,055,000	14,075,000	14,075,000
Beginning Fund Balance	8,746,638	8,438,921	9,577,767	8,779,816	8,779,816
Resources Total	21,310,113	21,858,815	23,632,767	22,854,816	22,854,816
Requirements					
Bureau Expenditures					
External Materials and Services	11,822,230	11,048,737	14,200,000	13,200,000	13,200,000
Internal Materials and Services	1,023,962	1,207,311	1,307,951	1,400,000	1,400,000
Bureau Expenditures Total	12,846,192	12,256,048	15,507,951	14,600,000	14,600,000
Fund Expenditures					
Contingency	0	0	8,099,816	8,229,816	8,229,816
Fund Transfers - Expense	25,000	25,000	25,000	25,000	25,000
Fund Expenditures Total	25,000	25,000	8,124,816	8,254,816	8,254,816
Ending Fund Balance	8,438,921	9,577,767	0	0	0
Requirements Total	21,310,113	21,858,815	23,632,767	22,854,816	22,854,816

Fund Overview

The Arts Education & Access Fund receives revenues from a tax of \$35 imposed on each income-earning resident of the City of Portland who is at least 18 years old. Households under the Federal Poverty Level are exempt. Net revenues are distributed from this fund to six school districts located in the City (Portland Public, David Douglas, Centennial, Parkrose, Reynolds, and Riverdale) and the Regional Arts and Culture Council, in accordance with the respective intergovernmental agreements or contracts.

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

Arts Education and Access Fund

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

Managing Agency Office of Management & Finance, Bureau of Revenue & Financial Services

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Miscellaneous	1,133	1,776	1,575	1,850	1,850
External Revenues Total	1,133	1,776	1,575	1,850	1,850
Beginning Fund Balance	79,660	80,793	82,336	83,000	83,000
Resources Total	80,793	82,569	83,911	84,850	84,850
Requirements					
Fund Expenditures					
Contingency	0	0	83,911	84,850	84,850
Fund Expenditures Total	0	0	83,911	84,850	84,850
Ending Fund Balance	80,793	82,569	0	0	0
Requirements Total	80,793	82,569	83,911	84,850	84,850

Fund Overview

The Assessment Collection Fund is used to pay off outstanding liens created in other funds and to purchase lien-delinquent properties at a Treasurer's foreclosure sale, or any other sale, where purchase of a property is necessary to protect the City's financial interests. While this fund is largely inactive, with a minimal number of posted accounting transactions, City Charter allows for replenishment of this fund by selling up to \$1.5 million in bonds. Post purchase of a property and/or payoff of a lien, this fund handles all collection and foreclosure activities.

Managing Agency Office of Management & Finance - Bureau of Revenue & Financial Services

Bancroft Bond Interest and Sinking Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Bond & Note	0	2,826	0	0	0
Miscellaneous	6,285,767	9,271,971	5,700,000	6,400,000	6,400,000
External Revenues Total	6,285,767	9,274,797	5,700,000	6,400,000	6,400,000
Beginning Fund Balance	14,592,927	15,502,188	15,500,000	15,000,000	15,000,000
Resources Total	20,878,694	24,776,985	21,200,000	21,400,000	21,400,000
Requirements					
Fund Expenditures					
Debt Service	5,376,506	6,514,287	5,700,000	7,000,000	7,000,000
Debt Service Reserves	0	0	15,500,000	10,065,550	10,065,550
Fund Transfers - Expense	0	0	0	4,334,450	4,334,450
Fund Expenditures Total	5,376,506	6,514,287	21,200,000	21,400,000	21,400,000
Ending Fund Balance	15,502,188	18,262,698	0	0	0
Requirements Total	20,878,694	24,776,985	21,200,000	21,400,000	21,400,000

Fund Overview

The Bancroft Bond Interest and Sinking Fund matches revenues and expenditures for the financing of public infrastructure improvements that property owners have requested. This fund accounts for the source and allocation of bond proceeds, and to pay principal, interest, and bond costs on outstanding debt provided to finance the improvement assessments.

Managing Agency Office of Management & Finance - Bureau of Revenue & Financial Services

Local Improvement District Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	1,232,549	1,418,364	1,299,800	1,299,800	1,299,800
Bond & Note	815,833	16,685,996	13,060,500	9,667,294	9,667,294
Miscellaneous	1,490,258	1,334,506	632,000	260,000	260,000
External Revenues Total	3,538,640	19,438,866	14,992,300	11,227,094	11,227,094
Internal Revenues					
Interagency Revenue	147,661	6,271	0	0	0
Internal Revenues Total	147,661	6,271	0	0	0
Beginning Fund Balance	3,781,350	3,380,213	3,131,552	3,124,870	3,124,870
Resources Total	7,467,651	22,825,350	18,123,852	14,351,964	14,351,964
Requirements					
Bureau Expenditures					
External Materials and Services	2,900	1,401	4,500	15,000	15,000
Internal Materials and Services	1,343,638	613,800	1,767,457	1,770,000	1,770,000
Bureau Expenditures Total	1,346,538	615,201	1,771,957	1,785,000	1,785,000
Fund Expenditures					
Debt Service	1,114,803	5,379,066	862,935	567,050	567,050
Contingency	0	0	1,885,204	2,614,685	2,614,685
Fund Transfers - Expense	1,626,096	12,104,151	13,603,756	9,385,229	9,385,229
Fund Expenditures Total	2,740,899	17,483,218	16,351,895	12,566,964	12,566,964
Ending Fund Balance	3,380,213	4,726,932	0	0	0
Requirements Total	7,467,651	22,825,351	18,123,852	14,351,964	14,351,964

Fund Overview

The Local Improvement District (LID) Construction Fund accounts for the activities of the Assessments, Finance, and Foreclosure section of the Revenue Division. This fund finances local infrastructure improvements, e.g., streets, sidewalks, and storm drainage.

Revenue Division records and collects all assessments on the City's Lien Docket on behalf of Portland Parks & Recreation, the Bureau of Environmental Services, the Water Bureau, the Bureau of Transportation and the Bureau of Development Services. Revenue Division provides property owners with a variety of financing mechanisms to facilitate assessment payoff.

Local Improvement District Fund

The Bureau of Revenue & Financial Services, Revenue Division manages the Local Improvement District Fund, administers the collection of the City's Lien Docket assessments, and charges the fund an administrative fee for services.

Managing Agency Office of Management & Finance - Bureau of Revenue & Financial Services

Insurance and Claims Operating Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	300	325	0	0	0
Miscellaneous	535,232	850,336	945,467	748,280	748,280
External Revenues Total	535,532	850,661	945,467	748,280	748,280
Internal Revenues					
Fund Transfers - Revenue	0	0	7,190	0	0
Interagency Revenue	11,476,386	11,603,780	11,295,028	10,855,524	10,855,524
Internal Revenues Total	11,476,386	11,603,780	11,302,218	10,855,524	10,855,524
Beginning Fund Balance	30,679,775	32,894,095	34,739,425	34,975,331	34,975,331
Resources Total	42,691,693	45,348,536	46,987,110	46,579,135	46,579,135
Requirements					
Bureau Expenditures					
Personnel Services	1,217,458	1,316,439	1,498,892	1,552,014	1,552,014
External Materials and Services	5,426,648	5,891,188	6,708,033	7,294,895	7,294,895
Internal Materials and Services	2,870,777	2,898,288	3,055,438	3,390,252	3,390,252
Bureau Expenditures Total	9,514,884	10,105,915	11,262,363	12,237,161	12,237,161
Fund Expenditures					
Debt Service	93,523	101,140	107,906	112,219	112,219
Contingency	0	0	35,397,482	34,015,749	34,015,749
Fund Transfers - Expense	189,192	211,612	219,359	214,006	214,006
Fund Expenditures Total	282,715	312,752	35,724,747	34,341,974	34,341,974
Ending Fund Balance	32,894,095	34,929,869	0	0	0
Requirements Total	42,691,693	45,348,536	46,987,110	46,579,135	46,579,135

Fund Overview

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

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

Insurance and Claims Operating Fund

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

Managing Agency Office of Management & Finance, Bureau of Revenue & Financial Services

Insurance & Claims Fund 704

Calculation of FY 2020-21 rate budget target and out years projection
Includes 50% share of Loss Prevention/Commercial Insurance

	FY 2019-20 Adopted Rate Budget	FY 2020-21 Inflation rates	FY 2020-21 Target Rate Budget	FY 2020-21 Target Rate Budget Adjustments	Final FY 2020-21 Target Rate Budget
Personal Services					
Personal services (salary and wage-driven benefits and drift)	\$1,010,169	3.40%	\$1,034,070	\$0	\$1,034,070
Health benefits	\$520,700	4.00%	\$536,113	\$0	\$536,113
M&S-External					
EMS	\$103,164	2.60%	\$104,788	\$0	\$104,788
Blank	\$0	2.60%	\$0	\$0	\$0
Blank	\$0	2.60%	\$0	\$0	\$0
M&S-Internal					
Fleet Services	\$54	2.80%	\$55	\$0	\$55
Print/Distribution	\$23,210	2.80%	\$23,621	\$0	\$23,621
Facilities Services	\$74,166	2.70%	\$75,406	\$80,281	\$155,687
EBS	\$34,173	2.80%	\$34,779	\$0	\$34,779
BTS	\$40,403	2.80%	\$41,119	\$2,055	\$43,174
Workers' Comp	\$14,087	3.60%	\$14,448	\$0	\$14,448
Insurance and Claims (in rates but not billed)	\$0	1.05%	\$0	\$0	\$0
City Attorney services for litigation holds	\$147,337	2.70%	\$149,802	\$32,064	\$181,866
Other inter-fund services - Bus Ops	\$163,256	2.70%	\$165,987	\$15,953	\$181,940
Capital	\$0	2.60%	\$0	\$0	\$0
Sub-total Bureau Program Expenses	\$2,130,719		\$2,180,188	\$130,353	\$2,310,541
Debt Service	\$125,869		\$125,869	\$2,178	\$128,047
Fund balance/contingency	\$0		\$0	\$0	\$0
Major maintenance/replacement not included above	\$0		\$0	\$0	\$0
Total	\$2,256,588		\$2,306,057	\$132,531	\$2,438,588
Plus/minus systemic cost increases			At 100%	At 100%	
IA provider blended rate target adjustment			\$2,055	\$2,055	\$0
Portland Building reconstruction blended rate adjustment			\$80,281	(\$80,281)	\$0
IA provider blended rate target adjustment - Bus Ops			\$15,953	(\$15,953)	\$0
PERS debt changes			\$2,178	(\$2,178)	\$0
Adjust Legal Holds for actuals			\$32,064	(\$32,064)	\$0
Adjusted Target Rate Budget			\$132,531	\$2,438,588	\$0
General Fund overhead	\$173,151	2.70%	\$195,007	\$0	\$195,007
Target Rate Budget plus GFOH	\$2,429,739		\$2,633,595	\$0	\$2,633,595
Target from Adopted Budget	\$2,429,739				
Check		(\$0)			

OMF internal service funds' fund balance components

FY 2015-16 through FY 2018-19

Risk - Insurance and Claims

Insurance and Claims

FY	Reserve type	Reserve	Reserve Target (per OMF Policies -	Actual as of June 30	Percentage for operating reserves
			See Note 1 below)		
FY 2015-16	Assigned	Operating Reserve (target selected is 10%)	\$213,227	\$213,227	5.0%
	Committed	Actuarial Reserve	\$16,730,667	\$16,730,667	
	Restricted	Reserved for ONI projects	N/A	\$28,800	
	Committed	Rate Stabilization Reserve	N/A	\$11,569,050	
		Total	\$16,943,894	\$28,541,744	
FY 2016-17	Assigned	Operating Reserve (target selected is 10%)	\$217,680	\$217,680	5.0%
	Committed	Actuarial Reserve	\$17,807,752	\$17,807,752	
	Restricted	Reserved for ONI projects	N/A	\$28,800	
	Committed	Rate Stabilization Reserve	\$11,188,546	\$12,625,543	
		Total	\$29,213,978	\$30,679,775	
FY 2017-18	Assigned	Operating Reserve (target selected is 10%)	\$233,018	\$233,018	5.0%
	Committed	Actuarial Reserve	\$18,586,124	\$18,586,124	
	Restricted	Reserved for ONI projects	N/A	\$30,172	
	Committed	Rate Stabilization Reserve	\$14,044,782	\$14,044,781	
		Total	\$32,863,924	\$32,894,095	
FY 2018-19	Assigned	Operating Reserve (target selected is 10%)	\$242,974	\$242,974	5.0%
	Committed	Actuarial Reserve	\$16,489,221	\$16,489,221	
	Restricted	Reserved for ONI projects	N/A	\$30,805	
	Committed	Rate Stabilization Reserve	\$17,976,425	\$17,976,425	
		Total	\$34,708,620	\$34,739,425	

Workers' Comp. Self Insurance Operating Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Miscellaneous	298,828	297,719	316,458	250,336	250,336
External Revenues Total	298,828	297,719	316,458	250,336	250,336
Internal Revenues					
Interagency Revenue	4,701,762	4,609,195	5,028,992	5,248,236	5,248,236
Internal Revenues Total	4,701,762	4,609,195	5,028,992	5,248,236	5,248,236
Beginning Fund Balance	13,942,711	13,645,925	13,217,421	12,884,184	12,884,184
Resources Total	18,943,301	18,552,840	18,562,871	18,382,756	18,382,756
Requirements					
Bureau Expenditures					
Personnel Services	1,215,761	1,158,921	1,363,218	1,414,014	1,414,014
External Materials and Services	3,200,554	3,352,902	3,727,402	3,544,712	3,544,712
Internal Materials and Services	687,293	583,163	631,737	749,708	749,708
Bureau Expenditures Total	5,103,608	5,094,986	5,722,357	5,708,434	5,708,434
Fund Expenditures					
Debt Service	87,479	94,604	100,933	104,968	104,968
Contingency	0	0	12,605,606	12,457,350	12,457,350
Fund Transfers - Expense	106,290	113,901	133,975	112,004	112,004
Fund Expenditures Total	193,769	208,505	12,840,514	12,674,322	12,674,322
Ending Fund Balance	13,645,925	13,249,349	0	0	0
Requirements Total	18,943,302	18,552,839	18,562,871	18,382,756	18,382,756

Fund Overview

The Workers' Compensation Self Insurance Operating Fund supports the City's self-insured workers' compensation program, including claims administration, and Citywide loss prevention.

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

The reserve requirement is derived from the annual actuarial study, which recommends a range of reserve levels needed to cover outstanding incurred liabilities. The range of estimates is produced by calculating reserves at various confidence levels (i.e., the probability that actual losses will not exceed the reserve level). Reserves are stated at a discounted level, which takes into account the interest the fund earns on the fund balance. The fund reserves are currently

Workers' Comp. Self Insurance Operating Fund

forecasted at a discounted confidence level of 75%. Interagency revenues are projected on a five-year basis, so that, by year five, the fund will arrive at the required claims reserve forecasted for the fifth year by the actuary. This five-year smoothing of interagency rates is designed to mitigate large fluctuations in rates from year to year.

Managing Agency Office of Management & Finance, Bureau of Revenue & Financial Services

Workers Compensation Fund 705

Calculation of FY 2020-21 rate budget target and out years projection

Includes 50% share of Loss Prevention/Commercial Insurance

Doesn't include Safety Conference

	FY 2019-20 Adopted Rate Budget	FY 2020-21 Inflation Rates	FY 2020-21 Target Rate Budget	FY 2020-21 Target Rate Budget adjustments	Final FY 2020-21 Target Rate Budget
Personal Services					
Personal services (salary and wage-driven benefits)	\$914,973	3.40%	\$936,621	\$0	\$936,621
Health benefits	\$487,825	4.00%	\$502,265	\$0	\$502,265
M&S-External					
EMS	\$111,457	2.60%	\$113,211	\$0	\$113,211
Blank	\$0	2.60%	\$0	\$0	\$0
Blank	\$0	2.60%	\$0	\$0	\$0
M&S-Internal					
Fleet Services	\$54	2.80%	\$55	\$0	\$55
Print/Distribution	\$7,872	2.80%	\$8,011	\$0	\$8,011
Facilities Services	\$78,419	2.70%	\$79,731	\$74,779	\$154,510
EBS	\$17,356	2.80%	\$17,664	\$0	\$17,664
BTS	\$43,270	2.80%	\$44,037	\$1,920	\$45,957
Workers' Comp	\$0	3.60%	\$0	\$0	\$0
Insurance & Claims	\$6,407	1.05%	\$6,409	\$0	\$6,409
Other inter-fund services - Bus Ops/Flu shot/DCTU/BHR Recep	\$163,240	2.70%	\$165,971	\$15,932	\$181,903
Capital	\$0	2.60%	\$0	\$0	\$0
Sub-total Bureau Program Expenses	\$1,830,873		\$1,873,975	\$92,631	\$1,966,606
Debt Service	\$117,734	0.00%	\$117,734	\$4,817	\$122,551
Fund balance/contingency	\$0	0.00%	\$0	\$0	\$0
Major maintenance/replacement not included above	\$0	2.60%	\$0	\$0	\$0
Total	\$1,948,607		\$1,991,709	\$97,448	\$2,089,157
Plus/minus systemic cost increases			At 100%	At 100%	
PERS Target Adjustment	\$0	\$0	\$0	\$0	\$0
PERS debt service change	\$4,817	\$4,817	(\$4,817)	\$0	\$0
Portland Building reconstruction and blended rates adjustements	\$74,779	\$74,779	(\$74,779)	\$0	\$0
IA providers impact on blended rates	\$15,932	\$15,932	(\$15,932)	\$0	\$0
IA providers impact on blended rates	\$1,920	\$1,920	(\$1,920)	\$0	\$0
Adjustment to equalize EMS/per person	\$0	\$0	\$0	\$0	\$0
Adjusted Target Rate Budget			\$2,089,157	\$0	\$2,089,157
General Fund overhead	\$93,513	2.70%	\$94,390	\$0	\$94,390
Target Rate Budget plus GFOH	\$2,042,120		\$2,183,547	\$0	\$2,183,547
Check	\$2,042,121				
	\$0				

OMF internal service funds' fund balance components

FY 2015-16 through FY 2018-19

Risk - Worker's Compensation

Worker's Compensation

FY	Reserve type	Reserve	Reserve Target (per OMF Policies - See Note 1 below)	Actual as of June 30	Percentage for operating reserves
FY 2015-16	Assigned	Operating Reserve (target selected is 10%)	\$187,264	\$187,264	5.0%
	Restricted	Actuarial Reserve	\$10,224,640	\$10,224,640	
	Restricted	Rate Stabilization Reserve	N/A	\$4,059,516	
	Total		\$10,411,904	\$14,471,420	
FY 2016-17	Assigned	Operating Reserve (target selected is 10%)	\$190,662	\$190,662	5.0%
	Restricted	Actuarial Reserve	\$10,880,520	\$10,880,520	
	Restricted	Rate Stabilization Reserve	\$3,439,608	\$3,062,191	
	Total		\$14,510,790	\$14,133,373	
FY 2017-18	Assigned	Operating Reserve (target selected is 10%)	\$206,785	\$206,785	5.0%
	Restricted	Actuarial Reserve	\$10,516,161	\$10,516,161	
	Restricted	Rate Stabilization Reserve	\$2,922,978	\$2,922,978	
	Total		\$13,645,924	\$13,645,924	
FY 2018-19	Assigned	Operating Reserve (target selected is 10%)	\$204,212	\$204,212	5.0%
	Restricted	Actuarial Reserve	\$10,598,269	\$10,598,269	
	Restricted	Rate Stabilization Reserve	\$2,414,940	\$2,414,940	
	Total		\$13,217,421	\$13,217,421	

Rate Transparency Comparison template
Risk Management

Rate	FY 2019-20	FY 2020-21	% Change	FY 2020-21 rate budget
Workers' Compensation Self-Insurance Premium	\$5,029,714	\$5,245,989	4.30%	\$5,245,989
Insurance and Claims				
General Liability Self-Insurance Premium	\$7,433,330	\$6,675,024	-10.20%	\$6,675,024
Fleet Liability Self-Insurance Premium	\$1,552,021	\$1,512,990	-2.51%	\$1,512,990
Total for Insurance and Claims	\$8,985,351	\$8,188,014	-8.87%	\$8,188,014

For Workers' Compensation the rate of increase is less than what the previous year's five year model projected. The FY 2019-20 to FY 2023-24 model projected a rate of increase of 9.2%. The improvement is due to lower overall claims payments forecasted and reserve requirements necessary.

For Insurance and Claims the rate of decrease is more than what the previous year's five year model projected. The FY 2019-20 to FY 2023-24 model projected a rate of decrease of 5.0%. The improvement is due to lower overall claims payments forecasted and reserve requirements necessary.

BUREAU OF TECHNOLOGY SERVICES

Bureau of Technology Services

Overview

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

In FY 2020-21, BTS's focus will be to deliver core infrastructure and services while leveraging emerging technologies through its work with the Technology Executive Steering Committee (TESC). This is the third year of an annual workplan focusing on core enterprise projects which are supported by the TESC and stakeholders.

Capital Summary

CIP Highlights

Technology Services has 36 planned CIPs and operating projects for FY 2020-21. Major projects include continuation of the Portland Oregon Website Replacement (POWR) project, IRNE Fiber Expansion program, Public Safety Data Center, and SAP Suite on HANA migration. In addition, the BTS Information Security team will continue work on a series of projects to continue improving the security of City services, data, and applications. Expected FY 2020-21 CIP costs total just over \$10,800,000.

Major Issues

Funding Bureau of Technology Services Projects

Funding projects is becoming increasingly difficult. BTS has some major maintenance funding available in its budget to cover capital projects, however those funds are frequently insufficient to meet all CIP financial demands and operating projects. Any unsupported costs must be covered by technology reserves. Reserves are only available if BTS underspends its budget, receives additional revenue from increased customer demand for service, or finds savings through efficiencies. In addition to project costs, many of these projects have ongoing operating expenses. For projects that are customer-driven, BTS will look to those bureaus for funding assistance for ongoing support and maintenance expenses.

The City relies extensively on technology to provide critical services to the public. A large-scale natural or human-caused disaster may result in catastrophic destruction of numerous technology systems that are essential for the City's ongoing operation. Key services relying on technology include communications for law enforcement, fire and rescue, emergency dispatch, payroll, revenue collection, and accounts payable. Although BTS has invested significantly in improving the reliability and availability of key technology systems, a large local disaster could result in complete loss of critical technology assets which would take months to restore. BTS has partially addressed this concern through the Data Center Move project and is working on completing additional safety measures by securing other geographically diverse data locations.

Serving the Community

Replacing the existing Portlandoregon.gov website with a Drupal (open source) framework will improve flexibility and scalability while providing options for new technology integration. This allows for more effective management and sharing of digital assets (images, videos) while improving site security and accessibility. This is critical to ensure community members have access to City services as more services are provided in a digital platform.

Leveraging SAP

SAP's future roadmap is based on utilizing a digital core that seamlessly integrates with best-of-breed SAP products and partners. This initiative aligns with the strategic roadmap for the City of Portland to make the best use of the City's existing investment in SAP by moving forward with technology that enables several benefits, including lower ownership cost, enhanced interface, and improved reporting capabilities.

Changes from Prior Year

BTS has several multi-year major projects concluding in FY 2019-20 and some new projects beginning in FY 2020-21. In the Communications program, the I-Net Capital Improvement Project is expected to be completed during FY 2019-20. Beginning in FY 2020-21, the IRNE Fiber Expansion CIP will be merged with IRNE Construction Fiber CIP to better manage the City's regional fiber program. In FY 2020-21, the Communications Division will also manage a new \$1,000,000 CIP that addresses critical tenant improvements at the Communications Center. The funding will assist with feasibility studies, architectural services, construction costs, equipment purchases, and project management services from OMF Facilities.

The Production Services program will complete the three-year Data Center Move project in FY 2019-20. This project established a primary secure data center site outside of the Portland metro area. The Data Center Move was the first of several projects Production Services is overseeing to make the City's data more secure. Additional projects in FY 2020-21 related to this will include the Public Safety Data Center and Secondary Data Center.

In the EBS program, BTS is continuing to expand and enhance SAP services. In addition to completing the migration to SAP Suite on HANA, the EBS program will add a Worksoft Testing Automation Tool for SAP. This tool will automate testing of the SAP suite, allowing BTS to accelerate the initial implementation of SAP's SuccessFactors solutions.

Connections to Goals, Priorities, and Plans

The bureau's CIP indirectly supports Council goals of ensuring a safe and peaceful community through Public Safety & Technology, Information Security, Production Services, and Communications projects that provide support, backup safety systems, data security, and enhanced emergency communications systems. Additionally, BTS CIPs focus on robust and secure IT infrastructure will assist the public safety bureaus as they address the Mayor's directive to better collaborate on service delivery, while better responding to community service level demands and finding cost efficiencies.

Technology Services

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

Capital Planning and Budgeting

Capital Planning Process The BTS programs responsible for CIPs identified the projects and reasons for inclusion in the budget and submitted them to a management review group for approval and coordination. Priority was given to items that supported the clear business needs of BTS and its customers. BTS also reviewed its capital improvement projects with the City's Technology Customer Stakeholder Committee, which shares budget proposals with customer technology liaisons and financial staff, and elicited feedback to assure that planned projects met desired needs.

Since BTS is responsible for the City's information technology and communications infrastructure, primary coordination opportunities exist in maintaining a secure, robust infrastructure to maintain business continuity in the event of a disaster.

Financial Forecast Overview Most of the funding for Technology Services projects comes from a combination of major maintenance reserves, major maintenance funding through interagency rates, and technology reserves. Some of these funds are dedicated to specific BTS programs, while others are made available to the general fund. The EBS program has major maintenance reserves and major maintenance funding through interagency rates so it can sufficiently cover the cost of its capital projects. Communications, Production Services, Information Security, and Public Safety Technology all have major maintenance funding through interagency rates. These funds cover some of the project expenses, with the balance coming from technology reserves. The remaining BTS programs rely on technology reserves to cover costs.

The financial impact of projects on BTS operations depends on its ability to set aside technology reserves to fund projects. As previously stated, those reserves are only made available through underspending or through earning additional unplanned revenue. BTS is better able to do that when the City, and specifically customer bureaus, are in a position to add or maintain funding in their budgets to cover ongoing costs for maintaining existing inventories and requested services. When customer bureaus are put in a position of having to make reductions, those reductions directly impact BTS operations by limiting their ability to generate technology reserves for CIPs.

Asset Management and Replacement Plan

Given the nature of technology and how rapidly the technology landscape is evolving, it is difficult to project what Technology Services project funding needs will be beyond three years. The FY 2020-21 project budget totals \$10,800,000, followed by estimates of \$11,100,000 in FY 2021-22 and \$7,000,000 in FY 2022-23. This data indicates that approximately \$10,000,000 is needed annually to fund BTS projects. Existing funding sources are reserves and rate funding. Ongoing, sustainable, and reliable funding sources are entirely rate-based. Currently those total slightly less than \$3 million annually. Asset management and replacement plans are reviewed annually by program and bureau management as part of the CIP process. In the event the bureau anticipates a major project is needed and sufficient funding will not be available, it will work directly with the customers, the CBO, and Council to establish a funding source. The most recent example of this was the Data Center Move project.

Capital Programs and Projects

Capital Program Descriptions

Rather than a bureau-specific capital program, BTS has Citywide programs that incorporate capital project planning and analysis as part of their core responsibilities. The goals for all BTS programs are to maintain existing assets, regularly upgrade assets to keep them current with industry standards, expand the use of assets where they can better meet the needs of City bureaus, and anticipate where asset replacements and new purchases will be needed. One of the challenges for BTS is completing planned projects. The bureau maintains a staffing level sufficient to carry out daily operations that allows it to provide efficient, effective, and timely customer service. Adding various projects to that workload compounds employees' responsibilities and necessitates having to reallocate limited time. The following are the CIP budgets for each of the bureau programs: Communications (\$5,079,300); Production Services (\$1,261,200); Support Center (\$944,600); Business Solutions (\$489,700); Public Safety Technology (\$100,000); EBS (\$2,240,504).

Funding Sources

Funding sources for the bureau include major maintenance reserves, technology reserves, and rate funding. Programs that receive major maintenance rate funding use those funds to cover project costs for the budget year. Any funds not used are held for that program's future project costs. Technology reserves represent funds that are made available at year-end from underspending expenses or collecting more than anticipated in revenues.

Net Operating and Maintenance Costs

Completion of the CIP and Operating Projects in the BTS Five-Year Plan will result in an increase to ongoing operations and maintenance expenses of more than \$1,000,000 annually. This is only a preliminary estimate as project and bureau managers are currently reviewing each project to more accurately estimate operating expense changes. In some cases, refresh projects will result in no material change to current maintenance and support costs. Other projects are enhancing or expanding systems either at the request of customers or to meet increased customer and City needs. Increasing a system's capacity comes with added maintenance costs. Specific examples of these cost increases include:

- ◆ IRNE Fiber Expansion Program - The City is constructing a new fiber optic network. Constructing and expanding the network brings additional support costs for maintenance. Those costs include troubleshooting and repair, additional feasibility studies for new or shared builds, project management, and e-rate submissions. Estimated ongoing expenses will be about \$15,000 in the project's first year, with costs increasing an additional \$15,000 each year over the five-year project period.
- ◆ Portland Oregon Website Replacement (POWR) – This project is developing a new website for the City of Portland. The new website will be community-oriented where services are easier to find, access, and understand. The site will be easily searchable, fast, efficient, and secure. Providing and maintaining this service requires ongoing operating and maintenance expenses estimated to be about \$100,000 annually.
- ◆ SAN Storage Expansion – This project provides for lifecycle replacement and increased capacity of centralized storage and enterprise backup, to meet demands from projects and data growth. Ongoing operating and maintenance costs total \$150,000 annually.
- ◆ SAP Suite on HANA – This project will keep the City's SAP system current by positioning it to move to SAP's in-memory HANA database. Estimated annual ongoing maintenance and support costs related to this project will be \$277,000 beginning in FY 2021-22.

BTS does not have the capacity within its current budget structure and interagency rates to absorb these additional ongoing expenses. If City bureaus agree there is a need for these additional services, it must be with the understanding that their interagency rates will increase beyond inflation to cover the ongoing costs.

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	495,441	446,773	450,743	492,485	492,485
Intergovernmental	5,050,214	5,658,076	6,803,072	6,814,798	6,814,798
Miscellaneous	1,065,213	1,145,554	787,977	1,547,440	1,547,440
External Revenues Total	6,610,868	7,250,403	8,041,792	8,854,723	8,854,723
Internal Revenues					
Fund Transfers - Revenue	1,344,555	604,997	150,000	0	0
Interagency Revenue	73,130,725	73,248,808	71,044,250	75,962,298	75,962,298
Internal Revenues Total	74,475,280	73,853,805	71,194,250	75,962,298	75,962,298
Beginning Fund Balance	28,264,755	38,189,046	38,584,485	23,068,647	23,068,647
Resources Total	109,350,903	119,293,255	117,820,527	107,885,668	107,885,668
Requirements					
Bureau Expenditures					
Personnel Services	33,852,727	34,715,493	40,742,527	40,680,402	40,680,402
External Materials and Services	23,142,968	28,074,389	36,549,669	31,183,682	31,183,682
Internal Materials and Services	10,061,371	9,368,919	4,994,592	6,762,290	6,762,290
Capital Outlay	440,388	332,689	5,553,619	5,084,573	5,084,573
Bureau Expenditures Total	67,497,454	72,491,490	87,840,407	83,710,947	83,710,947
Fund Expenditures					
Debt Service	764,977	827,283	882,627	917,912	917,912
Contingency	0	0	24,008,218	20,475,283	20,475,283
Fund Transfers - Expense	2,899,428	7,386,173	5,089,275	2,781,526	2,781,526
Fund Expenditures Total	3,664,405	8,213,456	29,980,120	24,174,721	24,174,721
Ending Fund Balance	38,189,046	38,588,309	0	0	0
Requirements Total	109,350,905	119,293,255	117,820,527	107,885,668	107,885,668
Programs					
800 MHz Overhead	1,177,681	1,231,482	1,758,142	503,930	503,930
800 MHz System	(697,630)	(37,541)	1,722,314	1,403,504	1,403,504
Application Fixed Fee Maintenance	—	8,670	—	—	—
BOEC Contract Management	34,877	1,250	—	—	—
BTS Bureau Administration	6,709,997	6,630,932	2,794,973	3,016,503	3,016,503
Bureau Specific App. Staff Support	2,585,563	2,863,129	531,648	13,000	13,000
Business Solutions Overhead	1,271,654	202,287	7,847,837	9,112,965	9,112,965
Business Solutions T&M Billable	245,459	431,486	—	—	—
CAD Next Application	847,444	797,311	50,637	47,000	47,000
CAD Next Infrastructure	110,593	155,852	114,200	111,831	111,831
Cellular Phones	2,585,906	3,078,369	2,748,533	3,296,341	3,296,341
Communications	1,425,393	1,311,061	2,078,319	4,946,585	4,946,585

Technology Services

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Corporate Applications	62,476	67,025	—	—	—
CTO Office	893,990	1,223,944	1,339,379	1,315,328	1,315,328
Customer Relationship Mgmt	1,119,921	952,806	1,721,690	2,014,610	2,014,610
Data Center & Production Management	2,731,267	1,819,560	2,987,845	1,806,274	1,806,274
Desktop & Laptop Support	1,035,395	1,168,966	26,500	10,375	10,375
Duplicating Services	3,475,863	3,398,521	3,852,595	3,920,190	3,920,190
E-Commerce Applications	49,670	33,138	—	—	—
E-Government Applications	1,227,852	1,298,848	1,055,702	904,046	904,046
E-Government Infrastructure	(3,891)	3,154	280,663	23,000	23,000
EBS Operations	—	891,464	8,765,477	7,581,249	7,581,249
EBS services	8,800,895	8,994,481	—	—	—
Email	108,053	142,395	52,527	60,773	60,773
Enterprise Architecture	425,213	389,095	522,325	28,000	28,000
Enterprise Server	157	106	—	—	—
Federal Tax Information Infrastructure	79,561	38,264	965	—	—
GIS Application	1,454,325	1,593,376	806,875	631,875	631,875
GIS Infrastructure	5,754	3,557	287,892	76,468	76,468
Help Desk	1,350,349	1,318,436	542,132	453,600	453,600
Hosted SQL Environment	21,473	128,403	14,903	23,842	23,842
I-Net	(1,313,930)	(872,043)	2,181,786	1,403,600	1,403,600
Information Security	1,603,776	2,598,179	4,343,856	3,217,045	3,217,045
Information Technology	1,550,611	1,652,960	1,000,000	1,000,000	1,000,000
Integrated Support Center	32,020	34,134	—	—	—
Internet	215,705	300,835	295,896	226,896	226,896
Inventory Control	296,010	39,769	—	—	—
IRNE Operating	2,868,149	4,037,258	8,324,883	6,916,429	6,916,429
Leased Business and WATS Services	227,878	246,294	329,893	339,485	339,485
Long Distance	43,559	25,125	26,000	20,000	20,000
Mailing/Copier/Microfilm Services	2,930,440	2,986,975	3,466,263	3,636,633	3,636,633
Network Eng & Info Sec Billable	112,739	201,889	—	—	—
Network Engineering & Support	694,962	532,320	404,799	389,788	389,788
Outside Plant - Fiber Maintenance	126	126	133,800	135,000	135,000
P&D Fund Level Rev & Exp	53,391	15,127	—	—	—
Paging Services	64,072	45,339	55,200	46,284	46,284
PC Deployment	501,452	638,679	43,500	44,000	44,000
Police IT Field Support	308,172	321,979	—	—	—
Printing & Distribution Administration	310	332	—	—	—
Production Services	1,631,878	1,780,823	3,962,415	4,482,329	4,482,329
Project Management Office Overhead	1,014,761	1,138,230	2,268,268	2,233,651	2,233,651
Project Management Office T&M Billable	552,292	849,570	—	—	—

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Public Safety Applications	624,723	1,002,130	34,000	16,000	16,000
Public Safety Overhead	1,765,467	1,540,400	4,914,478	6,422,564	6,422,564
Radio and Video Equipment	77,694	124,687	—	—	—
Radio Shop Operations	281,646	582,267	610,867	410,800	410,800
Radio Shop Overhead	885,530	1,067,729	1,337,492	198,744	198,744
RegJIN Application	394,654	447,388	105,100	92,900	92,900
RegJIN Infrastructure	260,534	266,726	197,131	187,466	187,466
SAN	272,072	389,676	199,740	308,548	308,548
SAP Application	1,425,301	1,524,435	442,948	—	—
SAP Infrastructure	144,279	99,853	39,594	74,974	74,974
Stores & Order Fulfillment	523,013	541,551	54,963	82,182	82,182
Strategic Planning	6,039	3,368	22,000	22,000	22,000
Support Center	1,772,349	1,949,679	7,101,748	6,755,314	6,755,314
Support Center T&M Billable	730,884	588,102	404,138	752,435	752,435
Support Systems & Asset Management	1,014,076	1,230,505	237,200	271,200	271,200
Synergen Infrastructure	208,744	122,720	190,797	193,117	193,117
Telecomm	—	2,429	—	—	—
Telecomm Ops	278,361	420,328	1,038,347	61,000	61,000
Telecommunications Engineering	8,995	85,259	88,916	10,806	10,806
Telecommunications T&M Billable	1,171,668	801,252	613,428	683,452	683,452
TRACS Application	524,915	139,392	55,220	26,000	26,000
TRACS Infrastructure	94,372	56,523	93,990	93,265	93,265
User Access & Account Management	213,495	242,798	7,500	5,400	5,400
Utility Billing App	362,878	369,833	9,000	9,000	9,000
Utility Billing Infrastructure	119,952	137,345	87,838	79,008	79,008
Video Operations	485,014	645,440	431,200	654,700	654,700
Voice Mail	13,991	8,322	53,500	48,000	48,000
Windows Servers	1,313,171	1,387,626	728,640	859,643	859,643
Total Programs	67,497,454	72,491,490	87,840,407	83,710,947	83,710,947

Technology Services

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30003003	Administrative Specialist II	48,277	93,018	2.00	131,852	2.00	153,276	2.00	153,276
30003004	Administrative Specialist III	53,290	102,648	1.00	93,517	1.00	93,517	1.00	93,517
30003008	Analyst III	69,805	131,248	2.00	209,726	2.00	209,726	2.00	209,726
30000203	Applications Analyst II-Generalist	63,419	95,715	1.00	93,018	1.00	93,018	1.00	93,018
30000204	Applications Analyst III-Generalist	69,971	105,732	13.00	1,220,683	14.00	1,310,550	14.00	1,310,550
30000207	Applications Analyst IV-Generalist	73,528	111,339	11.00	1,135,600	13.00	1,324,694	13.00	1,324,694
30000206	Applications Analyst IV-GIS,Enterprise	73,528	111,339	2.00	216,404	2.00	216,404	2.00	216,404
30001234	Applications Analyst IV-Web Developer	73,528	111,339	2.00	203,008	2.00	203,008	2.00	203,008
30003011	Business Systems Analyst II	63,336	109,491	1.00	95,992	2.00	183,643	2.00	183,643
30003012	Business Systems Analyst III	69,805	131,248	14.00	1,541,509	13.00	1,468,979	13.00	1,468,979
30000700	Communications Engineer	73,528	111,339	1.00	108,202	1.00	108,202	1.00	108,202
30003024	Communications Engineer II	69,805	131,248	2.00	234,707	2.00	234,707	2.00	234,707
30000238	Communications Switch Technician	61,818	86,233	1.00	83,803	1.00	83,803	1.00	83,803
30003025	Communications System Administrator	80,205	145,808	1.00	125,029	1.00	125,029	1.00	125,029
30003038	Director II	130,478	216,902	1.00	208,458	1.00	208,458	1.00	208,458
30000041	Distribution Technician	42,432	59,865	3.00	174,534	3.00	174,534	3.00	174,534
30000042	Distribution Technician, Lead	44,574	62,797	1.00	61,027	1.00	61,027	1.00	61,027
30000234	Electronics Technician I: Communications	52,790	73,755	3.00	215,031	3.00	215,031	3.00	215,031
30000236	Electronics Technician II: Commun	61,818	86,233	6.00	473,448	6.00	482,934	6.00	482,934
30002610	Electronics Technician III: Commun	73,632	92,291	3.00	255,882	3.00	260,854	3.00	260,854
30000341	GIS Technician I	41,766	63,353	1.00	61,568	1.00	61,568	1.00	61,568
30000218	Inf Syst Analyst, Principal-Gen	82,909	125,016	27.00	3,129,629	28.00	3,282,537	28.00	3,282,537
30000217	Inf Syst Analyst, Principal-GIS Enterpris	82,909	125,016	4.00	485,972	4.00	485,972	4.00	485,972
30000880	Inf Syst Analyst, Principal-GIS,Vertical	82,909	125,016	2.00	212,722	2.00	220,288	2.00	220,288
30000219	Inf Syst Analyst, Principal-Proj Mgmt	82,909	125,016	6.00	633,075	6.00	679,802	6.00	679,802
30000198	Inf Syst Tech Analyst I-Generalist	46,342	80,754	5.00	274,811	6.00	339,540	6.00	339,540
30000199	Inf Syst Tech Analyst II-Generalist	49,774	86,769	7.00	473,424	7.00	488,302	7.00	488,302
30000200	Inf Syst Tech Analyst III-Generalist	60,403	91,135	3.00	235,393	3.00	235,393	3.00	235,393

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000210	Inf Syst Tech Analyst IV-Generalist	63,419	95,715	16.00	1,408,028	17.00	1,502,369	17.00	1,502,369
30000211	Inf Syst Tech Analyst IV-Telecomm	63,419	95,715	4.00	361,027	4.00	361,027	4.00	361,027
30000212	Inf Syst Tech Analyst IV-Vertical GIS	63,419	95,715	1.00	85,800	1.00	85,800	1.00	85,800
30000213	Inf Syst Tech Analyst V-Generalist	69,971	105,732	22.00	2,151,651	22.00	2,165,031	22.00	2,165,031
30002608	Inf Syst Tech Analyst V-Telecomm	69,971	105,732	1.00	76,981	1.00	89,866	1.00	89,866
30000214	Inf Syst Tech Analyst V-Vertical GIS	69,971	105,732	2.00	204,402	2.00	204,402	2.00	204,402
30000215	Inf Syst Tech Analyst VI-Generalist	73,528	111,339	18.00	1,826,220	18.00	1,867,813	18.00	1,867,813
30000216	Inf Syst Tech Analyst VI-Proj Mgmt	73,528	111,339	1.00	91,978	1.00	91,978	1.00	91,978
30002108	Information Security Architect	86,237	130,046	3.00	379,143	3.00	379,143	3.00	379,143
30003068	Information Security Manager	92,851	168,834	1.00	164,674	1.00	164,674	1.00	164,674
30003069	Information Systems Manager I	80,205	145,808	7.00	914,316	7.00	935,230	7.00	935,230
30003070	Information Systems Manager II	91,728	158,226	7.00	1,042,747	7.00	1,042,747	7.00	1,042,747
30003071	Information Systems Manager III	92,851	168,834	4.00	553,970	4.00	603,169	4.00	603,169
30003072	Information Systems Supervisor	69,805	131,248	10.00	1,133,436	10.00	1,192,154	10.00	1,192,154
30003081	Manager I	80,205	145,808	1.00	124,280	1.00	124,280	1.00	124,280
30003083	Manager III	111,696	197,246	1.00	178,464	1.00	178,464	1.00	178,464
30000013	Office Support Specialist III	44,512	67,870	1.00	49,774	1.00	51,938	1.00	51,938
30000044	Printing & Distrib Custmr Svc Rep, Lead	52,208	75,232	1.00	73,112	1.00	73,112	1.00	73,112
30000043	Printing & Distrib Customer Svc Rep	45,406	65,344	3.00	165,091	3.00	169,562	3.00	169,562
30000047	Reprographic Operator I	37,482	55,284	5.00	260,814	5.00	263,525	5.00	263,525
30000048	Reprographic Operator II	45,406	65,344	2.00	114,296	2.00	116,532	2.00	116,532
30000049	Reprographic Operator III	52,208	75,232	2.00	146,224	2.00	146,224	2.00	146,224
30000053	Storekeeper/Acquisition Specialist I	45,302	63,824	2.00	112,674	2.00	121,857	2.00	121,857
30000054	Storekeeper/Acquisition Specialist II	47,611	67,013	1.00	65,125	1.00	65,125	1.00	65,125
30000056	Storekeeper/Acquisition Specialist III	53,789	76,923	1.00	74,755	1.00	74,755	1.00	74,755
30003104	Supervisor II	69,805	131,248	2.00	198,391	2.00	198,392	2.00	198,392
30003107	Technology Business Representative	80,205	145,808	5.00	609,544	5.00	640,785	5.00	640,785
30003108	Technology Capital Project Manager	91,728	158,226	2.00	291,699	2.00	291,699	2.00	291,699

Technology Services

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
Total Full-Time Positions				252.00	25,246,640	258.00	26,206,449	258.00	26,206,449
30000203	Applications Analyst II-Generalist	63,419	95,715	1.00	69,763	0.00	0	0.00	0
30003300	Electronics Technician, Assistant	44,491	55,670	1.00	54,084	0.00	0	0.00	0
30003107	Technology Business Representative	80,205	145,808	1.00	78,906	0.00	0	0.00	0
30003108	Technology Capital Project Manager	91,728	158,226	2.00	291,699	0.00	0	0.00	0
Total Limited Term Positions				5.00	494,452	0.00	0	0.00	0
30000207	Applications Analyst IV-Generalist	73,528	111,339	0.63	65,091	0.63	65,091	0.63	65,091
Total Part-Time Positions				0.63	65,091	0.63	65,091	0.63	65,091
Grand Total				257.63	25,806,183	258.63	26,271,540	258.63	26,271,540

BTS - Administration & Support

Program Description & Goals

The BTS Administration & Support program includes the office of the City's Chief Technology Officer (CTO) and provides strategic IT leadership and direction to City bureaus and offices.

BTS's Administration & Support program supports the City's goal to deliver efficient, effective, and accountable municipal administrative services to BTS employees and its bureau customers.

Program performance measures include a four-day target of filling personal computer orders, which has remained steady for the last five years.

The program has a strategic target to achieve a three-day turnaround in FY 2021-22. For FY 2020-21, Administration & Support will begin measuring the efficiency of its bureau operations support team with a measure of number of employees to administrative staff, to budgeted employees.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Number of days elapsed from ordering a new desktop PC to installation	4	4	4	4	3
Ratio of BTS Admin Team FTE to customer FTE directly served	0	0	0	91	0

Explanation of Services

Under the guidance of the Chief Technology Officer (CTO), the program provides high-value technology strategic leadership, planning, and project implementation. Project oversight is done in conjunction with the City's Technology Oversight Committee (TOC), while high profile citywide project prioritization and establishing an annual technology workplan is done in partnership with the Technology Executive Steering Committee (TESC).

Administration & Support executes streamlined processes to deliver timely and efficient technology product orders, delivers consistent and effective administrative services including bureau policy development, timekeeping, payroll, and personnel administration, maintains effective inventory controls, and provides budget coordination with OMF Business Operations.

Administration and Support supports the Climate Action Plan by supporting and maintaining the bureau's teleworking and flexible schedule policies resulting in less automobile commuting. In FY 2020-21, the Administration and Support Program will begin piloting workspace hoteling with the goal of reducing its downtown space footprint in FY 2021-22.

Equity Impacts

The Administration & Support Team relies on guidance from the BTS Equity Committee and the bureau's Five-Year Racial Equity Plan to guide all staffing and resourcing decisions with a focus on using an equity lens in all program planning, budgeting, recruitment, hiring, and onboarding activities.

Administration & Support program activities support the bureau's long-term goal of ending disparities in City government hiring and promotions by:

Ensuring performance appraisals and evaluations for managers and supervisors include progress on racial equity and cultural responsiveness goals.

Subject Matter Expert resume reviewers are consulted to eliminate institutional and personal racial bias in the resume review process.

All bureau staff have opportunities to develop racial equity competencies and all staff have equal and meaningful opportunities for professional growth.

Additionally, the Office of the Chief Technology Officer helps ensure that the City's prioritized technology projects are managed and implemented using an equity lens throughout the project.

Changes to Program

The BTS Administration & Support program has not experienced any significant issues in FY 2019-20, however increased demand for technology resources is expected to have an impact on the operations support team.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	646	0	0
External Materials and Services	269,126	272,585	287,954	288,500
Internal Materials and Services	6,313,424	6,385,042	1,688,797	1,985,904
Personnel	1,557,061	1,737,365	2,212,564	2,139,609
Fund Expense				
Contingency	0	0	5,691,558	4,889,680
Debt Service	142,324	142,324	686,801	714,258
Fund Transfers - Expense	2,046,284	2,274,788	3,266,440	2,491,611
Ending Fund Balance	0	30,763,294	0	0
Sum:	10,328,219	41,576,043	13,834,114	12,509,562
FTE	12	14	14	13

- Resources:** The Administration & Support program's budget is redistributed to other bureau programs as overhead and is supported through both interagency and non-City revenues. In general, these resources are stable and sustainable, but are subject to changes in the economy.
- Expenses:** The program's primary expenses are in personnel services, internal materials and services (M&S), and cash transfers. Personnel expenses are relatively fixed and predictable and are minimized as much as possible considering the staff supports 250 positions. Internal M&S expenses in some cases are recorded in this program even though certain services that are received support all BTS programs. For example, much of the internal M&S expense is for OMF services which benefit the entire bureau. Cash transfers are mainly for General Fund Overhead.
- Staffing:** BTS Administration & Support contains 13 FTE including the CTO (Director II), Assistant CTO (Manager III), IS Manager III, Analysts II-III, Technology Capital Project Manager, Information Systems Supervisor, Operations Manager (Analyst III), Administrative Specialist II, and Storekeepers.
- Assets and Liabilities:** N/A

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Amy Tuttle
Website:	https://www.portlandoregon.gov/ bts/index.cfm?	Contact Phone	503-823-7930

BTS - Customer Relations

Program Description & Goals

The Customer Relations Division serves as a bridge between bureau business needs and technology services by developing and maintaining a strategic understanding of both future customer business needs and technology trends and direction. Customer Relations provides transparent, timely communications, builds strong relationships between BTS and its customers, and provides creative problem solving for complex or unique technology-related customer business needs.

Customer Relations organizes and facilitates the BTS Customer Stakeholder Group, which includes representation from every City office and bureau. This group helps BTS understand customer needs, partners on BTS projects and service levels, and is a key communication conduit between BTS and its customers. Customer Relations is responsible for BTS's annual Customer Survey, through which customer feedback is solicited and measured about BTS as both a strategic partner and as a service provider. This survey includes the Key Performance Indicator for BTS effectiveness in providing Citywide technology leadership. On a scale of 1-5, BTS achieved an average of 3.31 in FY 2018-19 – up from 3.03 in FY 2017-18, with a strategic target of 3.5 in FY 2021-22.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Citywide Technology Leadership Rating (per customer survey, 1-5 scale)	3.03	3.31	3.00	3.40	4.00

Explanation of Services

Customer Relations is responsible for the communication and relationships between BTS and the City of Portland's bureaus and offices. Working in partnership with customer bureaus and offices, Customer Relations evaluates current and anticipated technology systems and requisite requirements, manages the BTS project intake process, and assists with determining the bureau's overall technology strategy. The Division proactively analyzes trends, technology, and forces influencing the vision and desired future state of the business and facilitates planning. Customer Relations consults on best practice information system design, functionality, and IT Service Management. The Division sets technology standards for Citywide use, manages the review of non-standard technologies (including security and compatibility risks), and approves/denies their entry into the environment.

Examples of the Division's work include analyzing customer bureaus' longer-term business needs in order to recommend supporting technology projects and/or opportunities for enterprise solutions; navigating customer bureaus with new technology initiatives through initial scoping, exploration of options, and resource needs analysis; review of technology Requests for Proposal and contracts to ensure scope clarity, compliance with security mandates, and fit within the City's existing technology environment; and analysis of new/changing technology tools proposed for use by bureaus and BTS. Part of this analysis includes a requirement, where practicable, for technology hardware products to carry the Electronic Product Environmental Assessment Tool (EPEAT) eco-label, designating the product as sustainable throughout its lifecycle and requiring the disclosure of any conflict minerals used in manufacturing.

The City has been recognized for two years (2018 and 2019) with an EPEAT Purchaser Award, demonstrating excellence in purchasing EPEAT-registered products. As a result of 2018 EPEAT purchases, Portland will see a 1,038 metric ton reduction in carbon dioxide, a savings of 1,738 MWh of electricity, and will avoid 4.4 metric tons of hazardous waste disposal.

In FY 2019-20, Customer Relations partnered with the BTS Support Center and the Portland Building project to curate training resources on technology tools for working differently, including working from other locations. These tools help support teleworking and/or remote meetings, decreasing vehicle trips, as well as promoting workplace collaboration.

Direct customer engagement occurs between Customer Relations team members and bureau technology liaisons through regular check-ins, monthly Customer Stakeholder Group meetings, quarterly Technology Roundtables, the annual BTS Customer Survey, and other ad hoc outlets including focus groups and surveys. As an internal service provider, BTS works with its internal City customers to ensure community-focused services have the information technology infrastructure tools in place to serve the community.

Equity Impacts

As the voice of the customer in BTS, Customer Relations works to help BTS understand and prioritize customer needs, including equity and accessibility-related needs. Customer Relations has been working to include accessibility tools in the City's standard technology tools. This helps ensure that accessibility tools will work with the City's technology environment and reduces the time needed to purchase and deploy these tools, making the accommodation process more efficient.

Changes to Program

There are no expected material changes to the base operating budget of the Customer Relations program for FY 2020-21. With the combination of the Customer Relations and Enterprise Architecture functions in FY 2018-19, the program will be changing its name to Business Engagement & Technology Strategy to better reflect its mission. Areas of improvement where Customer Relations can influence outcomes have been identified and are being addressed through the bureau's proposed Five-Year Plan.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	24,524	32,743	157,420	278,615
Internal Materials and Services	43,481	355,976	72,395	127,731
Personnel	1,051,916	840,795	2,036,200	1,658,264
Sum:	1,119,921	1,229,514	2,266,015	2,064,610
	FTE	6	8	10
				9

- Resources:** Customer Relations is a bureau overhead program benefiting all BTS programs. Resources supporting the program come from interagency rates. The existing program structure allows equal and open access to all City bureaus for the services the program provides.
- Expenses:** Program expenses are predominantly personnel as the function of the program is for team members to work collaboratively with customer bureaus. Costs are essentially fixed and required to meet the requested needs of customers.
- Staffing:** Customer Relations is comprised of 9.0 FTE including a BETS (Bureau Engagement & Technology Strategy) Customer Relations Manager, an Enterprise Architecture Manager, Technology Business Consultants, and technical analysts.
- Assets and Liabilities:** There are no key assets owned or operated by this program.

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Amy Tuttle
Website:	https://www.portlandoregon.gov/ bts/index.cfm?	Contact Phone	503-823-7930

BTS - Business Solutions

Program Description & Goals

The BTS Business Solutions program provides essential and innovative digital services that allow the City and the community to interact in meaningful ways. This program is responsible for the technology development and support of nationally recognized digital services such as PortlandOregon.gov and PortlandMaps.com. These services enable the City and the community to share and deliver valuable information through millions of transactions, searches, and requests for services every year. These services provide an essential connection for the community to receive value from the City and the services it provides.

Performance of this program is measured by the availability of PortlandOregon.gov and PortlandMaps.com with the strategic target of 99.99% availability expected to be met in FY 2020-21.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Portlandoregon.gov uptime percentage	99.99%	99.99%	100.00%	99.99%	99.99%
PortlandMaps.com uptime percentage	99.99%	99.99%	100.00%	99.99%	99.99%

Explanation of Services

Business Solutions develops and supports Citywide and bureau-specific business applications, services, and advancements compliant with e-government initiatives. The program provides geographic information systems (GIS) services for partner jurisdictions and community members.

Outward facing services designed for the community include the City's online e-Government platform PortlandOregon.gov and the redesigned beta released Portland.gov, Open Data Portal, and PortlandMaps.com. Recently the City's mobile service request program, PDXReporter, was updated to allow Portland residents the ability to report potholes, street lighting, graffiti, abandoned autos, park maintenance, safety hazards, unsanctioned campsites, and other concerns. In 2019 the Business Solutions team worked with the Portland Bureau of Transportation to develop a mobile application to allow public visibility on tracking of Portland snow routes and plowing status.

In supporting City bureaus, Business Solutions provides technology support for a variety of functions including management and permitting, transportation operations, utility billing, revenue collection, and mobile workforce management. In expanding the availability of City services, Business Solutions manages the City's online payment processing portal that processes over \$200 million in revenue annually. These services allow the community to interact with the City 24/7, improving accessibility to services beyond City business hours.

The Business Solutions Division contributes to the Climate Action plan by developing and supporting digital services that allow the community and the City to interact digitally online. A tangible example of this is the recent implementation of electronic plan review which allows the development bureaus to conduct paper-free plan reviews for large scale development projects. Additionally, applications like PDX Reporter allow the community to create digital service requests with smartphones.

Equity Impacts

The Business Solutions team develops and manages technology to facilitate greater availability and accessibility to the community. Digital services such as PortlandOregon.gov and the Portland Online Permitting System Project (POPS) enable the community to obtain information and process transactions with the City 24/7. The Portland Oregon Website Replacement (POWR) project is underway with accessibility standards in mind and is designed to enhance user functionality from mobile devices.

Currently, Business Solutions is developing innovative technology solutions for the City's Homelessness and Urban Camping Impact Reduction Program. The technology solutions create continuity on reporting, risk assessment, and cleanup of safety hazards reported by community members.

Changes to Program

Business Solutions has focused on replacing the City's website, known as the POWR (Portland Oregon Website Replacement) project, to better meet the needs of its customers and the community. The new POWR beta site was released in FY 2019-20 with the anticipated Citywide launch in the third quarter of 2020.

In FY 2019-20, two Principal Information Systems Analysts from BES (Bureau of Environmental Services), and one Application Analyst from BPS (Bureau of Planning and Sustainability), and one Applications Analyst from PBOT transferred to BTS to better align the technology needs. In FY 2019-20, at the request of the permitting bureaus, Business Solutions added a Principal Information Systems Analyst and Applications Analyst to help support the Amanda permitting system, and an additional Principal Information Systems Analyst, Applications Analyst, and Business Analyst will be added in FY 2020-21. For FY 2020-21, PBOT will also be requesting an additional vertical Applications Analyst dedicated to the Amanda permitting system.

For FY 2020-21, the Water bureau is requesting an additional Applications Analyst to support Water's Customer Service team.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	0	240,500	0
External Materials and Services	1,158,490	1,214,969	2,160,877	1,657,921
Internal Materials and Services	-825,272	-3,212,491	310,027	627,245
Personnel	7,393,970	6,352,987	7,594,878	8,411,720
Sum:	7,727,188	4,355,466	10,306,282	10,696,886
	FTE	52.9	44.9	45.63
				51.63

- Resources:** Resources for the Business Solutions program come from interagency billings to bureaus for maintaining a wide variety of bureau specific business applications that support functions such as utility billing, permitting, mapping and asset management. As the City is reliant on these applications, resources are considered to be reliable and sustainable. The current/proposed structure will have no impact on different populations' abilities to access services.
- Expenses:** The program's expenses are primarily in personnel services. The program also incurs some variable expenses through work on Capital Improvement Projects (CIP) and Operating Projects. There is some discretion in these costs, primarily in the timing of the expenses more so than the actual expense itself.
- Staffing:** Business Solutions has a staffing level of 51.63 positions, including Information Systems Managers I-III, Information Systems Supervisors, Principal Information Systems Analysts, Information Systems Technical Analysts, and Applications Analysts.
- Assets and Liabilities:** Assets in the Business Solutions program are not material. Total assets will increase from about \$160,000 to nearly \$2,900,000 over the next five-years with the completion of two CIPs, the City's Website Replacement and Work Flow Application projects. There is no major maintenance funding through interagency rates to support the program's CIPs and Operating Projects. Projects are funded through technology reserves.

Program Information

- | | | | |
|-----------------|--|-------------------------|--------------|
| Bureau: | Office of Management & Finance | Program Contact: | Amy Tuttle |
| Website: | https://www.portlandoregon.gov/
bts/index.cfm? | Contact Phone | 503-823-7930 |

BTS - Communications

Program Description & Goals

The Communications program supports the City's goal to deliver efficient, effective, and accountable municipal services by supporting City and regional mission-critical voice and data communications needs.

Communications is primarily focused on the reliability and availability of critical network and communication system infrastructures with comparable availability to public and private industry best practices and standards.

The Key Performance Measure in Communications – reporting the percent of network availability – supports the 2035 Comprehensive Plan which addresses access to universal, affordable, and reliable state-of-the-art communication and technology services. Maintaining a high network availability value assures a reliable system for bureau customers and stakeholders as well as our regional partners. BTS continues to invest in a sound, reliable, and secure network infrastructure that exceeds the network availability target.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage uptime for phone switch	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage Internet availability	100.00%	99.90%	100.00%	99.99%	99.99%
Percentage availability of network excluding scheduled maintenance	100.00%	99.98%	100.00%	99.96%	99.96%

Explanation of Services

Communications maintains a robust telecommunications system, radio services, video surveillance, and network environment. With the move back into the Portland Building, Communications will also be providing technical support for the audio/video systems installed throughout the building in huddle and meeting rooms.

Responsibilities of the Communications program include responding to and resolving critical voice, video, and network support issues, supporting and maintaining Public Safety Radio and mobile data computer installations, and engineering and maintaining the City's communications systems and networks. This infrastructure includes the Integrated Regional Network Enterprise (IRNE) and Institutional Network (I-Net) through the Comcast Franchise agreement, serving government agencies, libraries and schools throughout Multnomah County. Communications ensures the City's fiber assets are properly maintained, managed, and engineered to ensure resiliency as opportunities become available to partner with internal or regional customers.

As Communications technology ages, we have a cyclical replacement cadence. We have partnered with Free Geek to recycle or reuse thousands of pounds of communications equipment within the Portland metro area. The type of equipment we replace is often cost prohibitive to purchase, which provides Portland citizens a less expensive and more equitable access to used, recent technology, rather than send it to a landfill.

Equity Impacts

Communications has engaged Benson Polytechnic High School as a means for bringing area youth into technical apprenticeship opportunities and ongoing employment opportunities. Additional activities are planned in FY 2020-21, including instituting the Benson High School program as an ongoing bureau program.

Changes to Program

To prepare the City for 5G and the need for significantly higher bandwidth required for Smart Cities and other digital initiatives, BTS must build an expanded fiber optic network. In FY 2019-20, BTS began a Fiber Expansion Program which explores using existing pole space for the core infrastructure buildout. This is an aerial and underground build-out which could include new routes for redundancy and network resiliency. BTS is currently working with City and external partners for current build opportunities to help reduce time and cost of construction. BTS is also exploring potential partnership opportunities with Multnomah County and other regional partners to help defer costs and the time to build. There were no significant organizational changes to the BTS Communications program.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	285,918	260,000	3,085,793	3,691,363
External Materials and Services	9,453,517	11,920,445	13,226,653	11,925,809
Internal Materials and Services	-2,999,144	-3,038,442	339,932	495,860
Personnel	4,860,595	3,765,439	4,100,481	3,674,878
Fund Expense				
Contingency	0	0	7,130,690	8,829,883
Fund Transfers - Expense	0	1,400,000	343,903	0
Sum:	11,600,885	14,307,442	28,227,452	28,617,793
	FTE	37	37	30
				25

Resources: Resources supporting the Communications program are primarily through City interagency billings for telecom, radio, video, audio, internet, and data services. In addition, non-City customers provide resources through payments for IRNE and I-Net services. The City revenue sources are stable and ongoing, but the non-City I-Net revenues are decreasing as customers leave the City's network.

Expenses: The program's primary expenses are in personnel services and external materials and services (M&S). Both categories of services are considered fixed, predictable, and necessary. A significant portion of the external M&S expenses are related to CIPs and Operating Projects. Budgets for these projects average \$3.5 million annually. While the planned work is required and needed to keep systems upgraded and current, there is some flexibility in project scheduling and incurred expenses.

Staffing: Communications has 25.0 FTE including Information Systems Managers II-III, Supervisor II, Principal Information Systems Analysts, Information Systems Technical Analysts II-VI, and Electronic Technicians I-II.

Assets and Liabilities: Communications has more than \$7 million in assets and plans to add to the present value through projects underway. The largest portion of those assets are for the IRNE telecom system. The system is in good condition, though changing technology requires constant upgrades to maximize efficiency. BTS receives some major maintenance funding through its rates to support IRNE projects, but this is not sufficient to cover all projected expenses. Additional funding comes from technology reserves.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: [https://www.portlandoregon.gov/
bts/index.cfm?](https://www.portlandoregon.gov/bts/index.cfm?)

Contact Phone 503-823-7930

BTS - Enterprise Business Solution

Program Description & Goals

Enterprise Business Solution (EBS) manages the SAP application for the City. SAP is an enterprise-wide software platform. The mission and goal of the program is to drive the efficient use of the SAP platform to promote Citywide best business processes to improve City service delivery. Further, to expand the use of SAP to maximize the City's investment by creating a more efficient, integrated enterprise solution, eliminating stand-alone systems and reducing costs. EBS leverages the use of SAP to increase access to real-time data to assist the City in making faster and better business decisions.

EBS's performance is measured by customer service satisfaction ratings from customer feedback forms and the average length of time a HelpDesk ticket is open.

BTS program managers, their subordinate managers, and supervisors support the bureau's long-term goals of providing equitable City services to all residents by using an equity lens tool when making significant decisions, such as program planning, budgeting, and staffing decisions.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Customer service satisfaction rating number (scale 1 to 5)	2.70	2.78	3.00	3.00	N/A
Average number of days a SAP Helpdesk customer ticket is open	8.70	8.68	9.00	8.25	N/A

Explanation of Services

The SAP application for the City is configured to support the City's business processes in Finance and Human Resources (HR) to manage vast amounts of data including master data and day-to-day transactional operations. It is a critical Citywide application that allows information to flow between all City bureaus to facilitate better planning and decision making. The EBS program is comprised of highly skilled functional and technical resources to provide the level of service needed for an enterprise application. EBS is responsible for the maintenance of the system, ensuring that the system is upgraded to the latest versions that include government compliance upgrades, incident management, and service requests, adding new modules and functionality.

The EBS program is essential to ensure that we provide the system capabilities needed to support key HR activities capturing all master employee data, time/attendance management, payroll that supports multiple and complex unions agreements for represented employees, and various classifications of non-represented employees. In partnership with the Bureau of Human Resources, EBS has recently implemented multiple cloud solutions in the SAP SuccessFactors Suite such as the Learning Management System, Performance and Goals Management and Onboarding. The addition of these state-of-the-art modules have moved disparate and paper-based processes into system solutions that include standardizing processes across the City.

Equally important to the City are the financial capabilities that the EBS program supports in SAP which includes Asset Accounting, Accounts Payable and Receivables, Cash Management, Funds and Grants Management, Treasury, Public Sector Collections and Disbursements, and General Ledger.

As an Enterprise system, SAP's capabilities are integrated seamlessly to ensure that the City is financially compliant with all federal, state, local and legal regulations and provides transparency on managing our financial responsibilities for the City of Portland.

In alignment with the new climate policy commitments that the City of Portland has undertaken, EBS will continue to collaborate on the following:

Continue leveraging the City's investment in the SAP platform. SAP's goal is to achieve a net-zero carbon footprint for SAP's operations by 2025. As outlined in SAP's carbon targets and strategy, this will be achieved in several ways. The area most prevalent to the City's SAP roadmap is the co-location of data centers, resulting in a reduction of data centers. SAP has committed to initiatives and programs to drive efficiency and innovation to avoid and reduce GHG emissions, following their approach "avoid – reduce – compensate." Additionally, their functionality in categories of their value chain are designed to achieve a net-zero carbon footprint.

EBS will continue to move Human Capital Management (HCM) functionality to the SAP Cloud platform to reduce the city's carbon footprint by utilizing the co-location of data centers and increased functionality to support a net-zero carbon footprint.

EBS is moving from Oracle Databases to SAP's HANA Databases which will reduce our overall database footprint. Additionally, by utilizing the Flexential Hillsboro Data Center, we are reducing the Power Usage Effectiveness (PUE) which is a ratio that calculates how efficiently a datacenter uses energy for the computing equipment in the facility. A PUE of 1.0 would be perfect efficiency, with most older facilities running at a 2.0 PUE. The City's Hillsboro Data Center runs between 1.2 and 1.3 PUE which is one of the lowest in retail data centers. Additionally, proprietary cooling technology and LED lighting are among the other initiatives that the Hillsboro Data Center has to support the City's climate action goals.

EBS will complete the move to the HANA databases in 2020 and continue to partner with our data services team to identify other opportunities to reduce the City's carbon footprint.

EBS continuously collaborates with our internal City stakeholders in developing a work plan and roadmap to meet Citywide business needs with enterprise solutions and processes that also meet the needs of the bureau. The SAP roadmap reflects a plan to adopt digital transformation technology that promotes consistent business processes and positions the platform to adopt future capabilities.

Equity Impacts

All new SAP functionality is scrutinized for user accessibility to ensure system users, especially people with disabilities, have access to use the SAP technology and information products. EBS partners with SAP to address current gaps and future accessibility needs for their strategic planning and compliance.

EBS's migration to a new hardware platform will benefit all users of the SAP system and allow further expansion of system capabilities. This includes real time reporting with the ability to combine information from other systems when appropriate to provide more robust reporting sources to help identify and drive improved and timely decisions to achieve more equitable outcomes.

Changes to Program

EBS reduced its staffing level by one PISA (Principal Information Systems Analyst) position in FY 2020-21. EBS continues refining and streamlining its organizational processes and efficiencies following the merger of the SAP technical and functional teams into a single program in BTS. The focus of EBS is to make efficiency gains in regular daily work to free up resources for project work. EBS is working to streamline support processes, conduct regression tests, and deploy an annual security patch project.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	0	400,000	0
External Materials and Services	994,892	1,548,955	4,032,429	2,724,200
Internal Materials and Services	5,211,485	7,097,483	428,678	574,639
Personnel	2,594,519	4,125,190	4,347,318	4,282,410
Fund Expense				
Contingency	0	0	6,135,905	0
Fund Transfers - Expense	177,290	184,653	0	0
Ending Fund Balance	5,142,852	5,601,013	0	0
Sum:	14,121,037	18,557,294	15,344,330	7,581,249
	FTE	17	25	25

Resources: EBS services are supported through interagency revenues received from all City bureaus. Revenues received allow EBS personnel to maintain and expand the SAP system, providing 24/7 access.

Expenses: Primary expenses for the program are personnel services, software/hardware, and external services to support the expansion of the SAP system. All expenses are fixed and necessary in order to provide City personnel with an available SAP system that is responsive to their needs.

Staffing: EBS staff is comprised of 25.0 FTE including the EBS Program Manager, Training and Development Officer, Information Systems Supervisors, Business Systems Analysts, Applications Analysts, and Principal Information Systems Analysts.

Assets and Liabilities: The SAP system is the program's main asset with a capitalized value of just under \$40,000,000. Existing interagency rates are sufficient to cover ongoing expenses as well as upgrades and expansion of the system.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: <https://www.portlandoregon.gov/bts/index.cfm?>

Contact Phone 503-823-7930

BTS - Information Security

Program Description & Goals

Information Security designs, deploys, and audits technology safeguards required to properly protect the City's information assets. Information Security supports the City's goal to deliver efficient, effective, and accountable municipal services.

Program performance is measured by the effectiveness of the Information Security program in protecting the City's technology environment from security threats and in meeting or exceeding applicable regulatory and compliance standards, including the ability to accept security patches in 99% of all City workstations. The program has a strategic target to maintain the 99% workstation patching baseline in FY 2020-21.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of computers (workstations and servers) able to accept security patching	99%	99%	100%	99%	99%

Explanation of Services

Information Security ensures the confidentiality, integrity, and availability of all City data and communications systems and assets across multiple compliance and regulatory frameworks.

Responsibilities of this program include development of information security measures and compliance with information policies and procedures to minimize technology and information governance risk. Responsibilities are completed through the creation of effective technical, administrative, and physical security controls. Examples include Multi-Factor Authentication (MFA) to protect user accounts and support remote working initiatives, and Citywide mandatory information security awareness education.

Information Security partners with Citywide privacy, Data Governance, equity, and accessibility initiatives to align security technologies and policies with Citywide priorities.

Equity Impacts

Information Security's security posture has been strengthened through a variety of initiatives that have improved the City's ability to prevent and deter malware, identity theft, and ransomware. This increased security posture protects City data and community member data, helping to ensure and provide reliable access to municipal services for all users.

Changes to Program

In FY 2019-20 a Business Analyst III was transferred from Production Services to Information Security and assigned to IT Continuity of Operations Planning (COOP). Information Security's budget requirements for FY 2020-21 have increased materially due to completion of projects with ongoing expenses that further strengthen the City's ability to prevent and deter malware, identity theft, and ransomware.

Information Security does not anticipate significant organizational changes in FY 2020-21.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	62,679	22,032	0	0
External Materials and Services	791,196	1,651,765	3,490,258	2,109,574
Internal Materials and Services	39,894	33,200	43,180	95,236
Personnel	710,007	891,182	810,418	1,012,235
Sum:	1,603,776	2,598,179	4,343,856	3,217,045
	FTE	4	4	4
				5

Resources: The Information Security program benefits all City bureaus by safeguarding the City's information assets. The BTS Corporate Services rate provides resources needed to support the Information Security program and other BTS functions. Included in that rate is major maintenance funding to be used in covering Information Security projects. As Information Security provides a vital role in the City's ability to provide safe, compliant, and reliable technology services, the resources are stable and reliable.

Expenses: The program's primary expenses are external materials and services where hardware, software, licensing, and support costs are incurred. By streamlining work completed by Information Security and services provided by vendors, BTS is able to keep its information security systems current with everchanging IT and compliance standards.

Staffing: Information Security contains 5.0 FTE including a Chief Information Security Officer, three Information Security Architects, and Business Analyst III.

Assets and Liabilities: Information Security has hardware and software assets with a current book value of \$550,794. Due to the nature of technology and how rapidly it changes, assets are constantly re-evaluated to assess their effectiveness in the current environment. Information Security has seven ongoing projects, one of which will be capitalized as an asset. Completion of these and future projects will allow Information Security to continue to support and upgrade assets needed for safeguarding City information.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: [https://www.portlandoregon.gov/
bts/index.cfm?](https://www.portlandoregon.gov/bts/index.cfm?)

Contact Phone 503-823-7930

BTS - Production Services

Program Description & Goals

BTS Production Services delivers reliable, secure, and cost-effective computing infrastructure that supports City functions and services by maintaining a premier enterprise technology environment. Performance measures for the Production Services program focus on the high reliability of the City's mission-critical production systems (SAP, public safety systems, water billing, and email) with availability comparable to public and private industry best practices. Ongoing progress continues to deliver cost reductions in infrastructure technology deployments.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of mission critical production system availability for Cayenta	99.97%	99.99%	100.00%	99.97%	99.97%
Percentage of mission critical production system availability for SAP	99.98%	99.98%	100.00%	99.96%	99.96%
Percentage of email availability excluding scheduled maintenance	99.99%	99.98%	100.00%	99.90%	99.90%
Percentage of public safety system availability - Bureau of Emergency Communications	99.99%	99.93%	100.00%	99.99%	99.99%
Public Safety systems availability - Police (excluding scheduled maintenance)	99.99%	99.99%	100.00%	99.99%	99.99%

Explanation of Services

Production Services maintains and supports the City's data center facilities, storage systems, servers, and databases where most of the City's data resides. In addition, Production Services manages key enterprise applications such as email, public safety paging, and data backup systems.

This program applies a strong focus to energy efficiency when purchasing data center services and hardware. Our current data center provider operates at a Power Usage Efficiency (PUE) of less than 1.3, well below the industry average for large data centers of 1.8, and significantly better than the average 2.5 - 3.0 of smaller corporate data centers. Server and storage hardware is selected with a goal of achieving low energy usage and low energy operational features. Server hardware is recycled similarly to desktop and laptop systems using the services of Free Geek.

Production Services provides support in conjunction with other BTS programs for the City's mission-critical technology systems including payroll, financial, human resources, water billing, work order and asset management, 911 dispatch, Police records management, and permitting systems.

Without these services, City bureaus would not have resilient data centers to protect data and computing resources and would not have cost-effective and interoperative data processing systems to deliver services to external City customers. By operating these services in a centralized manner, BTS can provide an economy of scale in order to further reduce costs, increase resilience, and support technology systems in a manner consistent with industry best practices.

Equity Impacts

Production Services operates using a cost reduction methodology that is applied to all services provided as part of the acquisition, maintenance, and lifecycle replacement tasks. As an internal service provider, Production Services is sensitive to the needs of bureaus to control costs on behalf of the community members they serve and is aware of the disproportionate impact higher costs have on disadvantaged and underserved community members.

By providing more secure and capable technology systems, Production Services enables City bureaus to use technology to improve service delivery to disadvantaged and underserved communities to achieve more equitable outcomes, while controlling costs.

Changes to Program

In FY 2018-19, Production Services completed Phase II of the Portland Building Data Center move by co-locating the Data Center to an out-of-state facility that further strengthens the City's disaster recovery and resiliency capabilities. In FY 2019-20 and FY 2020-21, Production Services will complete additional data center projects to provide additional backup and support systems.

At the request of the permitting bureaus, Production Services added an Information Systems Technical Analyst VI in FY 2019-20 to help support the Amanda permitting system and will add an additional database administrator to perform similar duties in FY 2020-21.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	-17,307	0	1,109,540	1,068,210
External Materials and Services	3,293,255	3,027,726	4,091,992	3,189,056
Internal Materials and Services	755,556	695,801	174,558	306,622
Personnel	3,199,941	2,965,483	3,565,550	3,816,650
Sum:	7,231,445	6,689,010	8,941,640	8,380,538
	FTE	20	20	21
				23

Resources: Resources supporting the Production Services program are primarily interagency revenues. Costs are allocated to rates specific to the technology systems supported by Production Services. Those rates are charged to the customers accessing those systems.

Provided BTS customers continue to rely on and request the systems that Production Services supports, the revenues should be sustainable with no material change in the general upward trend in usage of those systems. Current program structure has no impact on customer access to services.

Expenses: Primary expenses for the program are incurred in personnel services with most of the additional expenses in external materials and services. Expenses are mostly fixed, predictable, and necessary as long as the City requires the use of systems supported by Production Services. This program incurs material project expenses which can vary. There is some discretion in these costs, primarily in the timing of the expenses more so than the actual expense itself.

- Staffing:** Production Services contains 23.0 FTE including the Productions Services Manager, Server Team Manager, Database Administration Supervisor, Principal Information Systems Analysts, and Information Systems Technical Analysts II-VI.
- Assets and Liabilities:** Production Services currently has more than \$1.2 million in assets. This amount will increase after the Data Center, secondary Data Center and related projects are capitalized. Assets are in good condition. A component in BTS rates allows for the collection of major maintenance funds to help cover ongoing costs of upgrades and asset replacement. Replacement funds cover a portion of the costs with the balance coming from technology reserves.

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Amy Tuttle
Website:	https://www.portlandoregon.gov/ bts/index.cfm?	Contact Phone	503-823-7930

BTS - Public Safety Technology

Program Description & Goals

The BTS Public Safety Technology (PST) division delivers dependable services and innovative solutions that support critical public safety response functions.

Performance results for the division are measured by the high availability of the Mobile Reporting Entry (MRE) application for use by police officers and the Police Records Division. PST also measures the high availability of the 800 MHz Public Safety Radio system used by police officers, firefighters, and 911 dispatchers.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of time radio system operated without failure	99.96%	99.99%	100.00%	99.99%	99.99%
Mobile Report Entry (MRE) availability (excluding scheduled maintenance)	100%	100%	100%	100%	100%

Explanation of Services

Responsibilities of the division include technology support services for critical systems used by first responders. PST maintains critical radio and emergency dispatch systems, develops and maintains applications, supports technology infrastructure, and provides rapid response and resolution services to all field and support requests for public safety.

As an internal service provider, BTS works with its internal City customers to ensure community focused services have the information technology infrastructure tools in place to serve the community.

Public Safety Technology implements Electronic Product Environmental Assessment Tool (EPEAT) and Energy Star gold certified hardware in nearly all systems including desktops, laptops, mobile data computers, mobile phones, servers, printers, monitors, etc. This ensures hardware meets rigorous standards for energy efficiency, minimizing the carbon footprint of City hardware. Public Safety Technology, along with the BTS Support Center, partners with Free Geek to ensure that electronic hardware is recycled, and remaining items are disposed in an environmentally friendly manner.

Public Safety Technology has been prioritizing mobile application development which reduces the need for paper copies of police documents for court hearings, enabling officers to utilize the electronic medium on their smart phones instead of paper, significantly reducing the paper consumption in the bureau.

Equity Impacts

Public Safety Technology seeks to have a diverse work force from varying racial and cultural backgrounds and makes strides towards gender equity. When recruiting for positions, PST conducts outreach to the community to ensure as diverse of a candidate pool as possible.

PST has brought in staff for internship opportunities with federal grant funded programs to broaden diversity within the division and create more long-term opportunities.

The PST application development team, in conjunction with the Portland Police Bureau, (PPB) received a federal grant to develop the nationally recognized Sexual Assault Management System (SAMS) which tracks information regarding sexual assaults. Public Safety Technology has created an online portal which allows victims to follow the progress of their sexual assault kits through the custody of law enforcement and the testing labs and returning results. This has become a statewide portal developed within the Public Safety Technology Division which serves the Portland area. When fully implemented, this program will be an Oregon statewide program. This assists the community when going through the traumatic incidents of sexual assault. Public Safety Technology and PPB continue to implement this system in jurisdictions across the country – most recently the City of Miami, Florida.

The Public Safety Technology Division works with the public safety bureaus to prioritize ADA requests, notify Human Resources and fulfill the requests with the appropriate technology tools.

Changes to Program

Public Safety Technology reduced its staffing levels by one AA IV in FY 2020-21. Public Safety Technology does not anticipate any other significant organizational changes in FY 2020-21.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	42,712	0	0	0
External Materials and Services	-87,317	943,466	2,113,131	1,857,160
Internal Materials and Services	184,840	-110,368	559,905	695,066
Personnel	3,141,284	4,738,020	5,911,635	5,933,672
Fund Expense				
Fund Transfers - Expense	291,746	3,150,000	0	0
Sum:	3,573,265	8,721,118	8,584,671	8,485,898
FTE	26	28	37	36

Resources: Resources supporting Public Safety Technology are varied depending on the service provided. Police and the Bureau of Emergency Communications provide resources to the program through interagency charges in support of their RegJIN and CAD applications respectively.

Fire and Police also receive bureau-specific services for which they are charged by BTS. Resources supporting the 800 MHz radio system are received from internal and external customers. Public safety systems are all vital to the safety of both the City and the region. The resources BTS receives should be considered sustainable now and in the future. The current structure has no impact on different populations' abilities to access services provided by this program.

Expenses: PST expenses are primarily incurred in personnel services. The majority of PST's charges are to support applications and hardware and maintain the 800 MHz radio system. The program incurs expenses in other major object codes, but many of those can be variable as they are related to CIPs and Operating Projects. Personnel service expenses should be considered fixed, predictable, and necessary as they support vital regional services. There is some discretion in project costs, primarily in the timing of the expenses more so than the actual expense itself. The initial purchase contract for the Motorola Radio system included maintenance through 2019. The cost for continued maintenance is \$685,000 per year, which has been added to the PST budget.

Staffing: Public Safety Technology contains 36.0 FTE including a Manager I, Manager III, Information Systems Supervisor Applications Analysts, Principal Information Systems Analysts, Information Systems Technical Analysts, Radio System Administrator, Radio Engineers, and five Electronics Technicians.

Assets and Liabilities: PST has assets of over \$40 million, most of which are in the 800 MHz radio system. The recently updated system is in excellent condition but requires annual maintenance projects to maintain its condition. Projects related to maintaining and upgrading the system are partially funded through major maintenance revenues collected from the 800 MHz access fee rate. Additional funding for projects comes from technology reserves.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: [https://www.portlandoregon.gov/
bts/index.cfm?](https://www.portlandoregon.gov/bts/index.cfm?)

Contact Phone 503-823-7930

BTS - Project Management Office

Program Description & Goals

The BTS Project Management Office (PMO) delivers technology project management services modeled after industry standards and best practices. Major projects the BTS Project Management Office is leading include technology for the Portland Building Reconstruction project; technology infrastructure for the Integrated Tax System project; implementation of HANA and retirement of AIX on the SAP platform; and technology capacity building/upgrade projects such as Enterprise Mobility Management, Customer Portal/Services Catalog (ITSM), Firewall Replacement, and Identity and Access Management projects.

Program performance is measured through direct customer survey feedback at the completion of projects. Customers rating the project management service provided as "Excellent" generally varies between 75% and 100% as the survey is voluntary. Based on historic data, the PMO has a strategic goal of achieving 75% by FY 2020-21.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of customers rating project management service provided as excellent	N/A	100%	100%	75%	75%

Explanation of Services

The PMO delivers effective and consistent Citywide project management practices for all disciplines of technology services provided by each Bureau of Technology Services (BTS) program. PMO responsibilities are twofold in that the program provides support to BTS and supports BTS work on projects benefiting customers. The PMO also provides staff support to the Technology Oversight Committee and is responsible for contracted management services.

The existing program structure allows for equal and open access to all City bureaus for the services the program provides. The responsibility of the PMO is to implement consistent project management methodologies regardless of technology discipline or program, facilitate project oversight, align resources across the organization, and facilitate effective technology governance to ensure BTS is delivering the City's highest priority technology initiatives. The PMO supports the City Climate Policy Commitments by encouraging remote reporting and conferencing for project teams when possible to avoid physical trips via vehicles or other fossil fuel based transportation means. Specific projects that reduce a carbon footprint include enabling Mobile Data Computer (MDC) updates in Fire engines via Fire Station WIFI connections. This eliminates a need to deploy staff to centralized locations for MDC updates. Additionally, the Portland Building Reconstruction project's technology infrastructure design includes centralized Print Management – lessening the environmental impact, and reducing usage and waste associated with individual printers.

Equity Impacts

PMO equity goals are in alignment with BTS's goals for racial equity and inclusion. An important goal is ensuring the PMO workforce is a mirror of the diversity in the Portland community.

The PMO builds this goal into hiring processes and practices and communicates this goal to all PMO staff members. PMO pursues equitable outcomes in hiring opportunities, strengthens outreach and public engagement among communities of color and immigrant and refugee communities, creates equitable opportunities in City government contracting, and provides equitable City services to all residents. PMO understands the value of a diverse and inclusionary workplace for City employees and augmented staff through vendors. When PMO needs to augment City staff with temporary contract personnel, the PMO provides specific instructions to vendors regarding the need for workforce diversity. The PMO further uses equity and diversity questions in the interview process for both contract/professional services positions and internal City positions.

Changes to Program

The Project Management Office has not experienced significant changes, nor do they anticipate any significant organizational changes in FY 2020-21.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	185,674	347,286	156,972	155,438
Internal Materials and Services	112,287	64,314	92,360	160,989
Personnel	1,267,892	1,576,199	2,018,936	1,917,224
Sum:	1,565,853	1,987,800	2,268,268	2,233,651
	FTE	12	12	11

Resources: Resources supporting the program are partially received from interagency revenues and partially through billings to customers for project management time.

Expenses: Program expenses are incurred in personnel. The function of the PMO is for project managers to work collaboratively with other BTS programs and customer bureaus. Costs are essentially fixed and required in order to meet the requested needs of customers.

Staffing: Project Management staff includes 11.0 FTE including the Project Office Manager, Technical Capital Project Managers, Principal Information Systems Analysts and Information Systems Technical Analysts that specialize in technology project management.

Assets and Liabilities: There are no key assets owned or operated by this program.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: <https://www.portlandoregon.gov/bts/index.cfm?>

Contact Phone 503-823-7930

BTS - P&D - Duplicating

Program Description & Goals

Duplicating provides centralized, high-quality, convenient, leading edge, and cost-effective print, reproduction, and additional copier services to City staff, external customers, and the public.

Duplicating supports each bureau's unique workflow with products and services configured to maximize efficiency and effectiveness. The division's mission is to be the printer of choice for all City operations. The print shop is responsible for the City's central in-house printing and binding, pre-press services, paper purchases, scanning, and customer service program.

A Key Performance Measure (KPM) for Duplicating is the basic copy center rate as a percent of private sector rates. This comparison is performed once every two years as part of the OMF rate study. Printing & Distribution (P&D) currently charges \$0.034 per sheet compared with the local average of \$0.07. Through careful management of costs and personnel, Duplicating is expected to maintain rates in the mid 40% of market rates, or lower, for the foreseeable future. This performance measure will be transitioned out to cost per sheet during FY 2020-21.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of Service Requests shipped on time	99.99%	99.00%	99.00%	99.90%	100.00%
Service Requests per FTE	2,365	2,302	2,300	2,166	2,700
Basic Copy Center rate per sheet	0	0	0	\$.0375	\$.0365

Explanation of Services

Duplicating exists to meet the print needs of City bureaus, including products designed to communicate with the community members of Portland.

Duplicating is the City's centralized print shop. The program captures economies of scale due to high demand for services, by providing the most frequently requested services in house, and by procuring outside services for less frequent items. Much of the work at Duplicating is completed within one business day. Fast and consistent services allow Duplicating's customers to focus on their core business operations.

Duplicating provides high quality goods and services below market rates and has earned high customer service rankings. The program continuously strives to be the customer's printer of choice with a goal of delivering services as efficiently as possible to enhance the community member interaction with the City.

Equity Impacts

P&D works to ensure that our services are accessible to all customers. P&D engages the Bureau of Human Resources, on limited recruitments, to cast a wide net to all communities in the Portland metro area.

Changes to Program

Duplicating's base budget was developed with the goal of maintaining an hourly rate below the level of inflation and was achieved by identifying production efficiencies and capital investments.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	65,537	38,100	210,000	135,000
External Materials and Services	1,446,197	1,515,609	1,564,125	1,642,917
Internal Materials and Services	121,842	-40,993	645,283	748,077
Personnel	1,114,819	1,151,539	1,420,645	1,394,196
Fund Expense				
Contingency	0	0	2,152,460	2,437,115
Debt Service	0	40,580	133,203	140,167
Fund Transfers - Expense	0	275,233	268,508	279,346
Sum:	2,748,395	2,980,068	6,394,224	6,776,818
	FTE	13.9	12.9	12.9
				13.15

Resources: The primary resources that fund the Duplicating are interagency agreements with other City bureaus and intergovernmental agreements with other local agencies. Funding also comes from the public in cooperation with the permitting process in the Bureau of Development Services.

Expenses: The primary expenses for this program include personnel costs, materials, and services. Fund-level expenses and administrative costs for Printing & Distribution are included in the Duplicating program.

Staffing: Duplicating has 13.15 FTE allocated to the program.

Assets and Liabilities: Duplicating is equipped with up-to-date City owned print and bindery equipment. Duplicating invests in new equipment as technology and business needs require.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: [https://www.portlandoregon.gov/
bts/index.cfm?](https://www.portlandoregon.gov/bts/index.cfm?)

Contact Phone 503-823-7930

BTS - P&D - Copy Services

Program Description & Goals

The Copier Services program at Printing & Distribution (P&D) provides convenient Multi-Function Devices (MFDs) to be used by City employees for individual office printing and small copy work. P&D works closely with bureaus to ensure minimal usage of more expensive color output. BTS/P&D is installing a new print management system in the Portland Building.

Citywide policy governing the use of MFD resources is to deliver efficient, effective, and accountable copy services.

A Key Performance Measure (KPM) for Copier Services is the percent of black and white output over total output. The measurement is in accordance with P&D's effort to lower the number of color copies produced on City MFDs.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of black and white impressions of program totals	N/A	72%	71%	71%	70%

Explanation of Services

Copier Services was formed to provide a consistent method for City employees to make convenient copies. MFDs have print and scan functionalities and are a cost-effective way for producing copies and prints.

Copier Services strives to balance needs of bureaus with their potential selection of laser printers. Copier Services manages service contracts with vendors to ensure cost effective machine operations and maintenance. This program enables bureaus to focus on primary business rather than each having to manage MFD service vendors.

Equity Impacts

As an internal service provider, P&D's Copier Services program works with our customers to ensure all employees have full access to convenience copiers and MFDs. The Division supports the BTS Racial Equity Plan.

Changes to Program

Copier Services will be tasked with collecting additional revenues to capture the development costs of the Enterprise Print Management System for the Portland Building.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	566	11,196	477,786	160,000
External Materials and Services	386,558	429,250	444,195	872,113
Internal Materials and Services	-54,857	-6,449	40,000	0
Personnel	116,249	112,959	125,004	119,024
Fund Expense				
Debt Service	0	0	13,352	13,432
Fund Transfers - Expense	0	0	2,223	2,236
Sum:	448,517	546,956	1,102,560	1,166,805
	FTE	1.1	1.1	1.2

Resources: Copier Services is funded by interagency agreements with other City bureaus based on their copier usage. A portion of the copy rate goes towards the replacement of equipment.

Expenses: Primary expenses within this program are material and services followed by capital expenditures and personnel services.

Staffing: Copiers Services has 1.2 FTE allocated to the program.

Assets and Liabilities: Copiers Services owns the MFDs throughout City bureaus. Ideally, the machines are replaced every five-years - though actual replacement is heavily influenced by usage.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: [https://www.portlandoregon.gov/
bts/index.cfm?](https://www.portlandoregon.gov/bts/index.cfm?)

Contact Phone 503-823-7930

BTS - P&D - Distribution

Program Description & Goals

Distribution is part of the Printing & Distribution (P&D) Division and provides processing of all the City's US mail, interoffice mail delivery and pick-up, and print delivery to City customers and external customers including Multnomah County, Metro, and others.

Distribution is centralized by default. The program processes incoming and outgoing US mail. Distribution monitors all postage usage and garners sizable discounts by commingling City mail.

A Key Performance Measure (KPM) for Distribution is the number of US mail pieces handled per team member.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Pieces of US mail processed per distribution employee	N/A	1,137,500	1,200,000	1,300,000	1,000,000

Explanation of Services

Distribution maintains mail and delivery services on behalf of bureaus and to community members living in Portland. In addition to scheduled deliveries and US mail sorting, Distribution provides daily service to the Portland Water Bureau testing laboratory. Distribution allows bureaus to focus on their primary business rather than managing daily mail and delivery services. Distribution strives to meet the delivery needs of customers.

Equity Impacts

As an internal service provider, Distribution Service serves all City offices throughout the local area and strives to ensure that our services are accessible to all City employees.

Changes to Program

With the Portland Building coming online in 2020, Distribution will see additional service opportunities. Mail services and general package deliveries will continue alongside a pilot project to outfit basic office supplies throughout the Portland Building.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	0	30,000	30,000
External Materials and Services	1,951,765	1,920,275	1,606,987	1,623,269
Internal Materials and Services	18,413	10,279	233,024	311,652
Personnel	511,219	508,391	521,809	520,575
Fund Expense				
Contingency	0	0	0	0
Debt Service	0	0	49,271	50,055
Fund Transfers - Expense	0	0	8,201	8,333
Sum:	2,481,397	2,438,945	2,449,292	2,543,884
	FTE	5	5	4.65

Resources: Distribution is funded by interagency agreements with other City bureaus.

Expenses: Primary expenses for the program include personnel costs, materials, and services related to US mail activity. Postage expenses are a pass-through cost.

Staffing: Distribution has 4.65 FTE allocated to this program.

Assets and

Liabilities: Distribution has limited assets.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: [https://www.portlandoregon.gov/
bts/index.cfm?](https://www.portlandoregon.gov/bts/index.cfm?)

Contact Phone 503-823-7930

BTS - Support Center

Program Description & Goals

The Support Center is a division of five teams and more than 50 full time employees whose mission is to provide secure, efficient, and reliable technology customer support and solutions to City of Portland bureaus, enabling bureaus to meet business goals.

The Key Performance Measure for the Support Center is the Help Desk satisfaction rating. Support Center performance is also measured by the percentage of Help Desk calls answered within 20 seconds and the percentage of problems resolved by Help Desk without escalation to field staff.

The Support Center will continue efforts to exceed targets through a combination of staff training and the expansion of customer self-service options.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
First Call Resolution: percentage of problems resolved by Help Desk without escalation to field staff	69.50%	73.40%	100.00%	80.00%	80.00%
Percentage of calls answered within 20 seconds	80.10%	70.20%	100.00%	80.00%	80.00%
Help Desk satisfaction rating (scale 1 to 5)	4.91	4.86	5.00	4.75	4.75

Explanation of Services

City of Portland bureaus rely daily on various technologies to meet their specific business goals to serve our community. There are times when this technology does not function as expected and assistance is needed. The Support Center is often the first point of contact for technical support needs for City employees. The Support Center has many customer-facing services including:

- First point of contact for the majority of bureau technology support needs, fielding over 3,000 customer support contacts per month.
- Providing on-site and telephone support services for City endpoint devices. Support Center oversight includes over 6,200 desktops/laptops, 3,500 mobile devices, and printers and tablet support services.
- Supporting and maintaining core productivity software such as Windows, Office 365 (Outlook, Word, Excel, etc.), Adobe, Virtual Desktop, Multi-Factor Authentication and Enterprise Mobility Management.
- Providing security patching and compliance for Citywide end-point systems and software.
- Antivirus and Anti-malware administration and remediation for City workstation services.
- Technology hardware support (including mobile devices) and software procurement for all City bureaus.
- Asset management of all end-point systems and scheduled life cycle replacement of workstations, monitors, and mobile devices for City bureaus.
- Administering all City login accounts, email accounts, file permissions and passwords.

In FY 2019-20, Support Center partnered with the BTS Customer Relations team and the Portland Building project to curate training resources on technology tools for working differently, including working from other locations. The Support Center is currently sponsoring drop in sessions for new tenants of the Portland Building to view and make use of remote work opportunities in their new work environment which will support teleworking and/or remote meetings, decreasing employee vehicle trips, as well as more workplace collaboration. During this same fiscal year, some Support Center staff were consolidated from the Communication Center to the 1900 Building as their primary work location allowing for the reduction of City Fleet vehicle usage as more staff can share fewer cars all located at the 1900 Building. Finally, the Support Center worked closely with Free Geek during the Workstation Life Cycle Replacement program to recycle or reuse thousands of pounds of technology equipment in the Portland community offering Portland residents a less expensive more equitable access to lightly used technology, opposed to sending equipment to a landfill.

Equity Impacts

During FY 2019-20, Support Center implemented a new system to track and prioritize ADA requests made by City employees with the goal of expediting notification of these requests to Human Resources and fulfilling these requests quickly when related to technology.

BTS has experienced great success with its internship program, which is used across the bureau but is especially prevalent in the Support Center. This program has resulted in training opportunities and, in many cases, permanent employment to a diverse group of employees from underserved communities.

Changes to Program

Support Center has not experienced significant changes due to external factors. The Support Center does not anticipate significant organizational changes in FY 2020-21.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	1,418,555	1,556,069	3,216,676	2,859,110
Internal Materials and Services	358,010	342,266	366,453	633,269
Personnel	5,159,112	5,575,676	6,077,089	5,799,945
Fund Expense				
Contingency	0	0	2,897,605	4,318,605
Fund Transfers - Expense	0	0	1,200,000	0
Sum:	6,935,676	7,474,011	13,757,823	13,610,929
	FTE	40	42	41
				42

- Resources:** Support Center resources are primarily interagency rates for PCs and laptops. Resources are used to cover overhead and other indirect costs, desktop and laptop support, and PC deployment. The resources are metric based (the metrics in this case are PCs, laptops, and tablets), which means that as long as customers continue to use these devices, the resources to BTS will be sustainable. The current/proposed structure will have no impact on different populations' abilities to access services.
- Expenses:** The program's expenses are incurred primarily in Personnel Services. The program also incurs some variable expenses through work on CIPs and Operating Projects. There is some discretion in these costs, primarily in the timing of the expenses more so than the actual expense itself.
- Staffing:** The Support Center contains 42.0 FTE including an Information Systems Manager III, Information Systems Supervisors, Principal Information System Analysts, and Information System Technical Analysts I-VI.
- Assets and Liabilities:** The Support Center program currently has \$925,000 book value in assets. No major maintenance funding is allocated in BTS rates specific to the Support Center program. Renewal and replacement of applications and related hardware is reliant on costs being covered by technology reserves.

Program Information

Bureau: Office of Management & Finance

Program Contact: Amy Tuttle

Website: [https://www.portlandoregon.gov/
bts/index.cfm?](https://www.portlandoregon.gov/bts/index.cfm?)

Contact Phone 503-823-7930

Office of Management & Finance

Run Date: 1/21/20

Performance Measures

Run Time: 10:55:30 AM

	Performance Measure	KPM	Measure Type Name	FY 2016-17 Actuals	FY 2018-19 Actuals	FY 2019-20 YTD Actuals	FY 2020-21 Target	Strategic Target
MF_1005	Percentage of Service Requests shipped on time	NA	OUTPUT	100%	99%	0	99%	100%
MF_1013	Percentage uptime for phone switch	NO	OUTPUT	100.00%	100.00%	0	100.00%	100.00%
MF_1016	Percentage of time radio system operated without failure	NO	OUTPUT	99.96%	99.99%	0	99.99%	99.99%
MF_1019	First Call Resolution: percentage of problems resolved by Help Desk without escalation to field staff	NO	OUTCOME	69.50%	73.40%	0	80.00%	80.00%
MF_1025	Percentage Internet availability	NO	OUTPUT	100.00%	99.90%	0	99.99%	99.99%
MF_1083	Customer service satisfaction rating number (scale 1 to 5)	NO	OUTCOME	2.70	2.78	0	3.00	N/A
MF_1115	Percentage of customers rating project management service provided as excellent	NO	OUTCOME	N/A	100%	0	75%	75%
MF_1118	Number of days elapsed from ordering a new desktop PC to installation	NO	OUTPUT	4	4	0	4	3
MF_1140	Percentage availability of network excluding scheduled maintenance	YES	OUTPUT	100.00%	99.98%	0	99.96%	99.96%
MF_1141	Percentage of calls answered within 20 seconds	NO	EFFICIENCY	80.10%	70.20%	0	80.00%	80.00%
MF_1147	Mobile Report Entry (MRE) availability (excluding scheduled maintenance)	NO	OUTPUT	100%	100%	0	100%	100%
MF_1152	Percentage of computers (workstations and servers) able to accept security patching	NO	OUTPUT	99%	99%	0	99%	99%
MF_1153	Percentage of mission critical production system availability for Cayenta	NO	OUTPUT	99.97%	99.99%	0	99.97%	99.97%
MF_1154	Percentage of mission critical production system availability for SAP	NO	OUTPUT	99.98%	99.98%	0	99.96%	99.96%
MF_1155	Percentage of email availability excluding scheduled maintenance	NO	OUTPUT	99.99%	99.98%	0	99.90%	99.90%
MF_1156	Percentage of public safety system availability - Bureau of Emergency Communications	NO	OUTPUT	99.99%	99.93%	0	99.99%	99.99%
MF_1157	Public Safety systems availability - Police (excluding scheduled maintenance)	NO	OUTPUT	99.99%	99.99%	0	99.99%	99.99%
MF_1177	Average number of days a SAP Helpdesk customer ticket is open	NO	EFFICIENCY	8.70	8.68	0	8.25	N/A
MF_1195	Help Desk satisfaction rating (scale 1 to 5)	YES	OUTCOME	4.91	4.86	0	4.75	4.75
MF_1205	Citywide Technology Leadership Rating (per customer survey, 1-5 scale)	NO	OUTCOME	3.03	3.31	0	3.40	4.00

Office of Management & Finance

Run Date: 1/21/20

Performance Measures

Run Time: 10:55:30 AM

MF_1206	Portlandoregon.gov uptime percentage	NO	OUTPUT	99.99%	99.99%	0	99.99%	99.99%
MF_1207	PortlandMaps.com uptime percentage	NO	OUTPUT	99.99%	99.99%	0	99.99%	99.99%
MF_1208	Service Requests per FTE	NA	EFFICIENCY	2,365	2,302	0	2,166	2,700
MF_1235	Pieces of US mail processed per distribution employee	YES	EFFICIENCY	N/A	1,137,500	0	1,300,000	1,000,000
MF_1237	Percentage of black and white impressions of program totals	NO	OUTCOME	N/A	72%	0	71%	70%
MF_1238	Ratio of BTS Admin Team FTE to customer FTE directly served	NO	WORKLOAD	0	0		9,100%	0

City of Portland
Requested Budget Equity Report

Office of Management & Finance

Requested Budget & Racial Equity Plan Update:

BTS is an internal service provider that strives to use the Office of Equity and Human Rights (OEHR) equity lens and the goals of the bureau's Five-Year Racial Equity Plan (REP) when making budgetary, staffing, and procurement decisions:

- Is my implicit bias impacting how I think about this issue?
- How will this issue impact communities of color?
- How will this issue impact people with disabilities?
- Is there an opportunity to reduce disparities?

One example that BTS uses universally is the requirement that all resume reviewers/ subject matter experts (SME), interview panelists, and hiring managers have bias awareness training prior to their involvement with any BTS recruitment.

This also meets the BTS REP five-year objective of ensuring competency in eliminating institutional and personal racial bias in the recruitment process. Additionally, BTS uses the City's Minority Evaluator Program when issuing RFPs and supports the Summer Youth Employment Program.

A great area of success for BTS has been the ongoing funding of the internship program. This longstanding program has resulted in training opportunities and in many cases, permanent employment to a diverse group of employees from underserved communities. BTS also engages with Benson Polytechnic High School as a means for bringing area youth into technical apprenticeship opportunities with new opportunities planned for FY 2020-21.

The BTS Requested Budget does not negatively impact Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities.

Racial Equity Plan Link: <https://www.portlandoregon.gov/bts/50066>

Requested Budget Community Engagement:

As a central service provider, BTS provides information technology and telecommunications services primarily to internal City customers. An example of BTS supporting internal customers in ways that support equity goals is the collaboration between OMF and BTS on the OMF 311 project. Additionally, BTS strives to use the OEHR equity lens and the goals of the bureau's Five-Year Racial Equity Plan when making budgetary, staffing, and procurement decisions.

City of Portland
Requested Budget Equity Report

Base Budget Constraints:

BTS has a volunteer equity committee, however there is not a dedicated equity manager or officer in BTS nor in OMF. The base budget funding is inadequate to allow funding for such a position.

Notable Changes:

There have been no significant realignments that advance or inhibit equity. However, any alignments to the base budget are always made with the equity lens and the BTS Five-Year Racial Equity Plan in mind.

Equity Manager Role in Budget Development

N/A

Equity Manager:	N/A	Contact Phone:	N/A
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ADA Title II Transition Plan:

N/A

Accommodations:

Internal funding for Title II and Civil Rights Title VI requirements including translation, interpretation, and ADA accommodation is funded as set out in BTS's Racial Equity Plan. BTS also provides translation services to other internal City customers. BTS continues to work on streamlining the Reasonable Accommodations request process, as outlined in HRAR 2.06. BTS made improvements to the technology procurement request form to quickly recognize and appropriately escalate requests for technology associated with reasonable accommodations. Several products have been included in the BTS Standards Directory for use as ADA assistive technologies. These products have been identified in the document with an ADA tag. These products are also listed under the ADA index entry. BTS worked with BHR and OEHR to develop the list. The products were identified through discussion with external agencies such as the Oregon Commission for the Blind and review of products currently in use within the City infrastructure. While not an exhaustive list, it represents products thought to be most commonly used. Products included in the BTS standards directory have been vetted for compliance and compatibility with BTS's technology environment. This eliminates the need for a separately evaluated exception request and streamlines the processes for acquisition and installation.

City of Portland
Requested Budget Equity Report

Capital Assets & Intergenerational Equity

BTS capital assets are dedicated for internal City infrastructure, are funded via interagency rates, and should not result in the financial burden being placed on future generations.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 YTD Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
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Data Tracking Methodology: Not applicable for FY 2020-21, but BTS will explore options to better measure this data once the Portland.gov website has been released and usage can be measured.

Hiring, Retention, & Employment Outreach:

BTS works with BHR's Workforce Recruitment & Training unit on recruitment plans for each advertised position, including outreach aimed at veterans, women in technology, and racially diverse candidates.

Contracting Opportunities

Although not applicable to budget development, BTS always uses the OEHR equity lens and the outreach opportunities provided by Procurement Services when seeking contracting opportunities for D/M/W/ESB businesses in its solicitations.

Engaging Communities Most Impacted by Inequities

BTS is currently developing a community-oriented website (Portland.gov) through the Portland Oregon Website Replacement (POWR) project through which municipal services are easy to find, easy to access, and easy to understand. The site is highly searchable and customized to meet the City of Portland service offerings, is secure and protects personal information, and is community focused allowing the ability to conduct business with the City quickly and easily. The site has been designed with accessibility standards in mind and to enhance user functionality from mobile devices. Additionally, BTS is a key stakeholder in supporting equity goals as part of enterprise program efforts such as Smart Cities, which has developed an equity priorities framework and privacy protection principals to protect vulnerable communities.

Empowering Communities Most Impacted by Inequities

BTS is primarily an internally-focused provider of services to City Council and City bureaus. Community members do not directly engage with BTS in the development of the Requested Budget.

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	308,167	241,414	255,750	262,069	262,069
Intergovernmental	4,335,043	4,903,363	5,832,246	5,159,389	5,159,389
Miscellaneous	928,328	1,003,667	738,881	1,503,048	1,503,048
External Revenues Total	5,571,539	6,148,443	6,826,877	6,924,506	6,924,506
Internal Revenues					
Fund Transfers - Revenue	1,344,555	604,997	150,000	0	0
Interagency Revenue	56,653,596	57,395,786	64,533,271	69,842,040	69,842,040
Internal Revenues Total	57,998,151	58,000,783	64,683,271	69,842,040	69,842,040
Beginning Fund Balance	22,962,237	31,257,626	36,364,303	20,631,615	20,631,615
Resources Total	86,531,927	95,406,852	107,874,451	97,398,161	97,398,161
Requirements					
Bureau Expenditures					
Personnel Services	29,515,921	30,485,395	38,675,069	38,646,607	38,646,607
External Materials and Services	18,363,556	22,778,506	32,934,362	27,045,383	27,045,383
Internal Materials and Services	3,983,076	3,549,475	4,076,285	5,702,561	5,702,561
Capital Outlay	374,002	282,678	4,835,833	4,759,573	4,759,573
Bureau Expenditures Total	52,236,555	57,096,054	80,521,549	76,154,124	76,154,124
Fund Expenditures					
Debt Service	595,254	643,736	686,801	714,258	714,258
Contingency	0	0	21,855,758	18,038,168	18,038,168
Fund Transfers - Expense	2,442,494	6,903,768	4,810,343	2,491,611	2,491,611
Fund Expenditures Total	3,037,748	7,547,504	27,352,902	21,244,037	21,244,037
Ending Fund Balance	31,257,626	30,763,294	0	0	0
Requirements Total	86,531,929	95,406,853	107,874,451	97,398,161	97,398,161

Fund Overview

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

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

Managing Agency

Office of Management & Finance, Bureau of Technology Services

Significant Changes from Prior Year

There were no significant changes to the Technology Services Fund from the prior year.

Bureau of Technology Services Calculation of FY 2020-21 Rate Budget Target		FY 2019-20 CSL Rate Budget	FY 2019-20 Decision Packages*	FY 2019-20 Adopted Rate Budget	FY 2020-21 Inflation Rates	FY 2020-21 Target Rate Budget
Personal Services		\$32,601,305	\$323,892	\$32,925,197	3.40%	\$34,044,654
Personal services (salary and wage-driven benefits)		\$4,130,069	\$142,548	\$4,272,617	4.00%	\$4,443,522
M&S-External						
Electricity		\$81,200	\$0	\$81,200	2.70%	\$83,392
Natural Gas		\$0	\$0	\$0	2.20%	\$0
Water/sewer		\$0	\$0	\$0	4.40%	\$0
Other utilities and garbage		\$0	\$0	\$0	2.90%	\$0
Fuel		\$0	\$0	\$0	2.20%	\$0
PTE services		\$1,220,367	\$0	\$1,220,367	2.60%	\$1,252,097
Other services		\$9,353,867	\$30,000	\$9,383,867	2.60%	\$9,627,848
Materials		\$2,391,759	\$0	\$2,391,759	2.60%	\$2,453,945
M&S-Internal						
Fleet Services		\$184,366	\$0	\$184,366	2.80%	\$189,528
Print/Distribution		\$46,782	\$0	\$46,782	2.80%	\$48,092
Facilities Services		\$1,530,615	\$0	\$1,530,615	2.70%	\$1,571,942
BTS		\$0	\$0	\$0	2.80%	\$0
EBS		\$0	\$0	\$0	2.80%	\$0
Workers' Comp		\$0	\$0	\$0	3.60%	\$0
Insurance & Claims		\$486,044	\$0	\$486,044	1.05%	\$491,147
Other inter-fund services		\$1,726,367	\$0	\$1,726,367	2.70%	\$1,772,979
Capital		\$0	\$0	\$0	2.60%	\$0
Sub-total Bureau Program Expenses		\$53,752,741	\$496,440	\$54,249,181		\$55,979,146
Debt Service		\$801,132	\$0	\$801,132	0.00%	\$801,132
Fund balance/contingency		\$0	\$0	\$0	0.00%	\$0
Major maintenance/replacement not included above		\$3,309,137	\$0	\$3,309,137	2.80%	\$3,388,369
Total		\$57,863,010	\$496,440	\$58,359,450		\$60,168,647
Plus/minus systemic cost changes						
PERS Debt Increase						\$32,028
Blended Rate Adjustment						\$1,434,830
Portland Building Reconstruction - Cash Financing - 2 year adjustment - End						(\$516,809)
Amanda Phase 2 Sustainment Add - 4 Positions & Overhead						\$626,650
Derek Miller position transfer from BPS						\$209,750
Pager Vendor Cost - move from pass-through to rate covered						\$38,784
Timothy Townsend-Gant reclass - customer request						\$15,439
Fixed Fee Application Maintenance						\$0
IT Metrics						\$672,462
Telecommunications Metrics						(\$129,741)
Radio & Video Metrics						\$8,435
Adjusted Target Rate Budget						\$62,560,475

Rate Transparency Comparison

Bureau of Technology Services

Rate Description	FY 2019-20	FY 2020-21	% Change	FY 2020-21 Rate Budget
Trunked Radio Access Fee (Internal)	\$508.93	\$571.19	12.2%	\$2,040,865
Trunked Radio Access Fee - Cached Rate (Internal)	\$254.47	\$285.60	12.2%	\$53,693
Microwave T-1's	\$28,199.13	\$28,988.71	2.8%	\$86,966
Microwave with Centrex	\$1,628.89	\$1,674.50	2.8%	\$18,420
Microwave Channel	\$1,525.03	\$1,567.73	2.8%	\$31,354
Charger, ATVA	\$344.50	\$296.27	-14.0%	\$593
Charger, Vehicular, No Repl.	\$101.98	\$79.22	-22.3%	\$6,020
Cached Radio, No Repl.	\$121.44	\$94.33	-22.3%	\$1,792
Mobile Radio, Public Service, APX6500, No Repl.	\$210.40	\$163.43	-22.3%	\$76,975
Charger, ATVA, No Repl.	\$229.50	\$178.27	-22.3%	\$1,070
Portable Radio, Public Service, APX7000, No Repl.	\$239.79	\$186.26	-22.3%	\$77,671
Control Station, No Repl.	\$236.69	\$183.85	-22.3%	\$6,067
Mobile Computer (Getac V110)	\$1,837.50	\$204.68	-88.9%	\$81,463
Charger, Gang 800, No Repl.	\$86.70	\$67.35	-22.3%	\$1,953
Portable Radio, Public Service, APX6000, No Repl.	\$193.37	\$150.20	-22.3%	\$2,704
Console, Desktop, No Repl.	\$3,644.82	\$2,831.12	-22.3%	\$11,324
Base Station, VHF, No Repl.	\$154.69	\$120.16	-22.3%	\$481
Portable Radio, VHF, No Repl.	\$154.69	\$120.16	-22.3%	\$1,682
Mobile Radio, VHF, No Repl.	\$154.69	\$120.16	-22.3%	\$481
Firecomm Interface Box, No Repl.	\$74.80	\$58.10	-22.3%	\$58
Siren, Police	\$319.91	\$248.48	-22.3%	\$6,707
Console, Desktop	\$5,435.82	\$4,678.12	-13.9%	\$102,918
Helmet Communications	\$1,035.69	\$898.30	-13.3%	\$22,458
Charger, Vehicular	\$140.98	\$119.22	-15.4%	\$51,026
Firecomm Interface Box	\$175.80	\$162.10	-7.8%	\$13,292
Control Station	\$517.69	\$473.85	-8.5%	\$15,637
Portable Radio, Public Safety, APX6000	\$677.88	\$637.66	-5.9%	\$241,674
Portable Radio, Public Safety, APX6000, Encrypted	\$677.88	\$637.66	-5.9%	\$850,639
Portable Radio, Public Service, APX7000	\$674.79	\$635.26	-5.9%	\$93,383
Mobile Radio, Motorcycle, APX7500	\$689.91	\$641.09	-7.1%	\$23,720
Mobile Radio, Public Service, APX6500, Limited	\$525.40	\$487.43	-7.2%	\$11,697
Portable Repeater	\$1,075.41	\$1,003.57	-6.7%	\$1,004
Mobile Radio, Public Safety, APX6500	\$650.45	\$604.08	-7.1%	\$122,608
Mobile Radio, Public Safety, APX6500, Encrypted	\$650.45	\$604.08	-7.1%	\$287,538
In-Car Video	\$1,861.01	\$1,767.18	-5.0%	\$22,973
Cached Radio	\$556.44	\$543.33	-2.4%	\$91,822
Charger, Gang 800	\$189.70	\$173.35	-8.6%	\$33,975
Radar Gun, Moving	\$711.31	\$677.35	-4.8%	\$27,771
Lidar Gun, Police	\$711.31	\$677.35	-4.8%	\$51,478
Radar Gun, Police	\$543.01	\$546.62	0.7%	\$6,560

Mobile Data Computer - Fire Replacement Only	\$1,574.00	\$780.00	-50.4%	\$78,000
Mobile Data Computer - Police Replacement Only	\$1,574.00	\$1,594.87	1.3%	\$634,759
Portable Radio, Public Service, APX6000	\$539.37	\$507.20	-6.0%	\$0
Video System, Fire Studio	\$25,054.47	\$19,348.47	-22.8%	\$19,348
Video System, BOEC Classroom	\$42,763.34	\$33,024.48	-22.8%	\$33,024
Video System, Water	\$210,004.83	\$162,151.16	-22.8%	\$162,151
Video System, F&P Dis. & Ret.	\$7,050.54	\$5,262.83	-25.4%	\$5,263
Video System, Transportation Maintenance	\$136,419.36	\$101,829.35	-25.4%	\$101,829
Video System, Police	\$247,906.35	\$228,126.41	-8.0%	\$228,126
Video System, Facilities	\$343,722.99	\$296,057.65	-13.9%	\$296,058
Video System, BES	\$30,353.82	\$22,657.42	-25.4%	\$22,657
Video System, Revenue Bureau	\$20,547.34	\$16,301.81	-20.7%	\$16,302
Video System, PBOT	\$47,525.07	\$38,665.00	-18.7%	\$38,665
Video System, Parks Community Centers	\$106,102.20	\$84,178.85	-20.7%	\$84,179
Conference Room - Large	N/A	\$9,093.24	New	\$236,424
Conference Room - Medium	N/A	\$6,512.50	New	\$136,763
Digital Signage	N/A	\$3,408.78	New	\$3,409
Enterprise Software	N/A	\$4,143.44	New	\$4,143
Event Room - Large	N/A	\$18,401.09	New	\$55,203
Event Room - Small	N/A	\$9,165.67	New	\$9,166
Exercise Room	N/A	\$6,045.86	New	\$6,046
15th Floor Audio	N/A	\$9,424.03	New	\$9,424
Huddle Room	N/A	\$1,625.28	New	\$56,886
Mobile Cart	N/A	\$4,802.02	New	\$4,802
PBOT Video Wall	N/A	\$6,829.72	New	\$6,830
SOC Video	N/A	\$4,418.86	New	\$4,419
Training Room	N/A	\$6,357.19	New	\$19,071
Workspace Room	N/A	\$1,794.41	New	\$16,149
Four DS-1 / 1.544 Mbps - 5 year contract	\$5,393.00	\$5,393.00	0.0%	\$5,393
DS-1 / 1.544 Mbps - 5 year contract	\$1,348.00	\$1,348.00	0.0%	\$8,088
10 Mbps Port / 10 Mbps - 5 year contract	\$5,202.00	\$5,202.00	0.0%	\$15,606
100 Mbps Port / 51 Mbps - 5 year contract	\$9,041.00	\$9,041.00	0.0%	\$9,041
Freewire 5 MG connection	\$4,037.00	\$4,037.00	0.0%	\$20,185
10Mb/s Port	\$5,202.00	\$5,202.00	0.0%	\$5,202
100Mb/s Port 51K U.L.	\$9,041.00	\$9,041.00	0.0%	\$27,123
10GB ring 100/Mbs	\$6,363.00	\$6,363.00	0.0%	\$44,541
10GB ring 400/Mbs	\$8,680.00	\$8,680.00	0.0%	\$17,360
10GB ring 1000/Mbs	\$14,907.00	\$14,907.00	0.0%	\$89,442
10GB ring 6000/Mbs	\$38,672.00	\$38,672.00	0.0%	\$77,344
Dark Fiber Rate - UofO (per fiber mile)	\$7,939.00	\$7,939.00	0.0%	\$51,599
PSUDARKFIBER	\$24,000.00	\$24,000.00	0.0%	\$24,000
IRNE Pittock bulkhead termination (per patch-2 fibers)	\$360.00	\$360.00	0.0%	\$1,440
IRNE Pittock bulkhead termination (per patch-2 fibers)	\$400.08	\$400.08	0.0%	\$1,200
INET Pittock bulkhead termination (per patch-2 fibers)	\$360.00	\$360.00	0.0%	\$1,080
400 Mmps ZX / 400 Mps (Extended distance)	\$8,940.74	\$8,940.74	0.0%	\$8,941

400 Mbps LX / 400 Mbs (Limited distance)	\$8,940.74	\$8,940.74	0.0%	\$2,181,541
2000 Mbps	\$20,597.70	\$20,597.70	0.0%	\$20,598
1000 Mbps LX / 500 Mbs (Limited distance)	\$15,354.00	\$15,354.00	0.0%	\$429,912
INET60	\$35,424.00	\$35,424.00	0.0%	\$70,848
Secondary 100 Mbps circuit, existing edge device	\$4,874.00	\$4,874.00	0.0%	\$175,464
UCD Feature	\$345.13	\$354.79	2.8%	\$14,901
ACD Feature	\$1,339.03	\$1,376.54	2.8%	\$381,302
Fax Feature - DID Trunk	\$847.16	\$870.88	2.8%	\$871
Fax Feature - IRNE DID	\$2.54	\$2.61	2.8%	\$50
Directory Listing	\$31.34	\$32.22	2.8%	\$8,345
Business & Data Line Admin Fee	\$70.57	\$71.84	1.8%	\$17,529
Cellular Admin Fee	\$60.00	\$61.50	2.5%	\$378,963
Callers Menu	\$136.66	\$140.18	2.6%	\$9,252
Line - Dial Tone	\$363.78	\$364.83	0.3%	\$2,351,694
Transfer Box	\$34.37	\$35.10	2.1%	\$2,492
Voice Mail	\$68.33	\$70.19	2.7%	\$332,841
SMARSH Text Archiving	\$60.14	\$61.81	2.8%	\$104,397
Mobile Management Service	\$139.93	\$143.85	2.8%	\$396,307
Verizon eFemto Service	\$1,500.00	\$1,542.00	2.8%	\$0
PageMaster	\$12.00	\$12.00	0.0%	\$5,880
PageMaster - Cellular	\$12.00	\$12.00	0.0%	\$8,028
Numeric Pager - SPOK	\$73.09	\$74.19	1.5%	\$3,264
Alpha Group Pager - AM	\$58.09	\$59.19	1.9%	\$2,716
Alpha Pager - AM	\$106.09	\$107.19	1.0%	\$11,141
Alpha Group Pager - SPOK	\$103.09	\$104.19	1.1%	\$3,332
Numeric Group Pager - SPOK	\$103.09	\$104.19	1.1%	\$104
Alpha Pager - SPOK	\$106.09	\$107.19	1.0%	\$47,268
Alpha Pager with MCC - SPOK	\$112.08	\$110.19	-1.7%	\$110
Alpha Pager with VM - SPOK	\$187.09	\$188.19	0.6%	\$546
2 Way Pager	\$106.09	\$107.19	1.0%	\$107
Dual Address	\$6.00	\$6.00	0.0%	\$6
Multi Carbon Copy-Email Pages	\$6.00	\$6.00	0.0%	\$6
MP5 - Voicemail package	\$6.00	\$6.00	0.0%	\$6
Email Business Account	\$44.85	\$47.52	6.0%	\$78,941
Expanded Mailbox (E-mail)	\$200.00	\$200.00	0.0%	\$400
Email Regular Account	\$134.57	\$142.56	5.9%	\$203,575
Email Office-365 Account	\$44.85	\$47.52	6.0%	\$239,324
Internet Access (Domain Accounts)	\$56.80	\$41.46	-27.0%	\$292,442
Data Networks (Domain Accounts)	\$260.36	\$267.10	2.6%	\$1,884,117
Laptop	\$950.46	\$955.69	0.6%	\$2,480,015
Mobile Data Computers	\$950.46	\$955.69	0.6%	\$475,935
Personal Computer	\$950.46	\$955.69	0.6%	\$3,999,559
Tablet	\$950.46	\$955.69	0.6%	\$96,258
Out of Compliance Workstation	\$900.00	\$900.00	0.0%	\$0
Replacement Desktop	\$178.23	\$203.30	14.1%	\$848,170
Replacement Laptop	\$303.80	\$303.80	0.0%	\$788,361

Replacement Tablet	N/A	\$510.27	New	\$51,535
Server Standard	\$7,383.80	\$7,461.10	1.0%	\$290,983
Virtual Servers	\$7,383.80	\$7,461.10	1.0%	\$2,372,627
Virtual Server-partial	\$7,383.80	\$7,461.10	1.0%	\$21,564
Replacement Server Small	\$88.40	\$77.77	-12.0%	\$3,344
Replacement Server Medium	\$201.55	\$177.32	-12.0%	\$9,043
Replacement Server Large	\$357.14	\$314.19	-12.0%	\$44,929
Storage Area Network - Tier 1	\$343.85	\$375.27	9.1%	\$2,627
Storage Area Network - Tier 2	\$240.70	\$262.69	9.1%	\$47,547
Storage Area Network - Tier 3	\$137.54	\$150.11	9.1%	\$113,933
Storage Area Network - Tier 4	\$61.89	\$67.55	9.1%	\$232,575
Enterprise Virtual Server - NGFS	\$5,835.00	\$5,998.00	2.8%	\$0
BTS Hosted Microsoft SQL Database	\$956.02	\$983.00	2.8%	\$56,031
BTS Hosted Non-Production SQL Database	\$477.00	\$490.00	2.7%	\$8,820
Applications Maintenance	\$20,400.00	\$21,100.00	3.4%	\$21,100
EBS Operations	\$9,696,120.00	\$9,768,538.00	0.7%	\$9,768,538
CAD Application	\$1,272,070.00	\$1,094,087.00	-14.0%	\$1,094,087
CAD Infrastructure	\$586,562.00	\$637,804.00	8.7%	\$637,804
CIS Application	\$787,454.00	\$782,571.00	-0.6%	\$782,571
CIS Infrastructure	\$495,019.00	\$466,007.00	-5.9%	\$466,007
EBS Operations	\$9,696,120.00	\$9,768,538.00	0.7%	\$9,768,538
E-Government	\$2,189,709.00	\$2,246,824.00	2.6%	\$2,246,824
GIS	\$3,206,265.00	\$3,320,860.00	3.6%	\$3,320,860
Information Security	\$2,944,442.00	\$3,631,442.00	23.3%	\$3,631,442
IRNE Data	\$1,269,151.00	\$1,304,263.00	2.8%	\$1,304,263
Strategic Planning	\$455,504.00	\$456,871.00	0.3%	\$456,871
Police Enhanced Services Rate	\$734,800.00	\$426,500.00	-42.0%	\$426,500
RegJIN Application	\$502,467.00	\$518,939.00	3.3%	\$518,939
RegJIN Infrastructure	\$539,715.00	\$611,942.00	13.4%	\$611,942
Synergen Infrastructure	\$515,290.00	\$509,389.00	-1.1%	\$509,389
Amanda Application	\$1,413,934.00	\$1,952,506.00	38.1%	\$1,952,506
Amanda Infrastructure	\$497,210.00	\$661,869.00	33.1%	\$661,869
IRS Data Exchange (FTI) Infrastructure	\$190,963.00	\$0.00	Discontinued	\$0
Business Solutions Labor Rate	\$101.75	\$104.50	2.7%	\$360,000
Network Engineering Labor Rate	\$101.75	\$104.50	2.7%	\$67,600
Production Services Labor Rate	\$101.75	\$104.50	2.7%	\$240,000
Project Office Labor Rate	\$101.75	\$104.50	2.7%	\$1,204,500
Support Center Labor Rate	\$101.75	\$104.50	2.7%	\$80,733
Telecommunications Labor Rate	\$101.75	\$104.50	2.7%	\$130,332
Radio Shop Labor Rate	\$108.50	\$111.50	2.8%	\$446,000
Engineering Labor Rate	\$132.25	\$136.00	2.8%	\$27,200
Bureau-Assigned Analyst III	\$96.75	\$99.50	2.8%	\$1,748,518
Bureau-Assigned Analyst IV	\$105.00	\$108.00	2.9%	\$1,367,928
Bureau-Assigned Principal/Supervisor	\$114.50	\$117.75	2.8%	\$1,254,036
Bureau-Assigned Senior IS Manager	\$132.50	\$136.25	2.8%	\$241,844
General Fund Overhead Surcharge	3.50%	3.50%	0.0%	\$2,369,180

Narrative on variances

Overview and Approach - The Bureau of Technology (BTS) services has over 170 unique rates. Each year as part of the City's budget process, the rates are adjusted with the goal of aligning them with the cost of service. Overall the BTS rate budget came in at target.

The implementation of Facilities blended rates caused upward pressure on BTS rates. BTS followed the Mayor's budget direction to absorb the costs of new services in its base rate budget. This helped to hold most rates at or below the internal service inflation factor provided by the City Economist.

The 12.2% increase in Trunked Radio Access Fee rates is due to the addition of Motorola Manage Services costs.

The 5.9% to 25.4% decreases in Video and Radio maintenance rates is due to the addition of the new A/V systems in the Portland Building and the spreading of staff resources across a larger rate base.

The 27% decrease in Internet Access rates is due to the elimination of a redundant internet service provider. BTS is likely to reestablish having redundant internet service providers in FY 2021-22, which will likely lead to a material rate increase.

The 14.1% increase in the Desktop Replacement rate is due to changes that BTS made to the base desktop device. The new base device standard includes a 256GB solid state drive and an 8th generation processor.

The 9.1% increase in the Storage Area Network rates is primarily due to an increase in the external vendor maintenance costs for the system.

The 23.3% increase in the Information Security corporate rate pool is primarily due to required enhancements in the City's security posture that have led to a material increase in external vendor support costs and an increase in internal staff support for this activity.

The 13.4% increase in the RegJIN Infrastructure rate pool is primarily due to changes to the Production Services program overhead allocations.

The 33.1% to 38.1% increase in the Amanda Infrastructure and Application rate pools is due to the implementation of a stakeholder approved sustainment plan.

OMF internal service funds' fund balance components
 FY 2015-16 through FY 2018-19
 Technology Services

FY	Reserve type	Reserve	Reserve Target (per OMF Policies - See Note 1 below)	Actual as of June 30, 2016	Percentage for operating reserves
FY 2015-16	Assigned	Operating Reserve (target selected is 10%)	\$2,392,301	\$2,392,301	5.0%
	Committed	Replacement Accounts	N/A	\$5,716,934	
	Assigned	Major Maintenance Reserve	N/A	\$2,155,019	
	Committed	Dedicated to other BTS projects	N/A	\$10,173,291	
	Committed	PSSRP funds dedicated to PSSRP	N/A	\$4,014,581	
		Total		\$2,392,301	
				\$24,452,126	
				\$0	
FY 2016-17	Assigned	Operating Reserve (target selected is 10%)	\$2,470,198	\$2,470,198	5.0%
	Committed	Replacement Accounts	N/A	\$5,789,409	
	Assigned	Major Maintenance Reserve	N/A	\$5,492,328	
	Committed	Dedicated to other BTS projects	N/A	\$5,159,633	
	Committed	PSSRP funds dedicated to PSSRP	N/A	\$4,050,673	
		Total		\$2,470,198	
				\$22,962,241	
				\$0	
FY 2017-18	Assigned	Operating Reserve (target selected is 10%)	\$2,771,760	\$2,842,843	5.1%
	Committed	Replacement Accounts	\$7,981,804	\$7,981,804	
	Assigned	Major Maintenance Reserve	N/A	\$6,815,391	
	Committed	Data Center Move	N/A	\$2,036,776	
	Committed	Dedicated to other BTS projects	N/A	\$8,072,284	
	Committed	PSSRP funds for Public Safety projects	N/A	\$3,497,117	
		Total		\$10,753,564	
				\$31,246,215	
				(\$0)	
FY 2018-19	Assigned	Operating Reserve (target selected is 10%)	\$2,813,032	\$2,876,780	5.1%
	Committed	Replacement Accounts	\$9,421,807	\$9,421,807	
	Assigned	Major Maintenance Reserve	N/A	\$2,786,960	
	Committed	Data Center Move	N/A	\$2,988,550	
	Committed	Dedicated to other BTS projects	N/A	\$12,639,284	
		Total		\$12,234,839	
				\$30,713,381	
				(\$0)	
FY 2020-21 planned draws on operating reserves	Communications	CIPs and Operating Projects			FY 2020-21 costs
	Production Services	CIPs and Operating Projects			\$3,600,563
	Support Center	CIPs and Operating Projects			\$1,689,975
	Customer Relations	CIPs and Operating Projects			\$597,300
	Business Solutions	CIPs and Operating Projects			\$190,740
	Public Safety Tech.	CIPs and Operating Projects			\$636,046
	EBS	CIPs and Operating Projects			\$190,000
		Total			\$244,243
					\$7,148,867

Printing & Distribution Services Operating Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	187,274	205,358	194,993	230,416	230,416
Intergovernmental	715,171	754,714	970,826	1,655,409	1,655,409
Bond & Note	0	0	0	0	0
Miscellaneous	72,336	80,579	49,096	44,392	44,392
External Revenues Total	974,781	1,040,651	1,214,915	1,930,217	1,930,217
Internal Revenues					
Interagency Revenue	6,389,452	6,277,037	6,510,979	6,120,258	6,120,258
Internal Revenues Total	6,389,452	6,277,037	6,510,979	6,120,258	6,120,258
Beginning Fund Balance	1,333,705	1,788,568	2,220,182	2,437,032	2,437,032
Resources Total	8,697,938	9,106,256	9,946,076	10,487,507	10,487,507
Requirements					
Bureau Expenditures					
Personnel Services	1,742,287	1,772,889	2,067,458	2,033,795	2,033,795
External Materials and Services	3,784,520	3,864,723	3,615,307	4,138,299	4,138,299
Internal Materials and Services	866,810	713,332	918,307	1,059,729	1,059,729
Capital Outlay	66,386	50,011	717,786	325,000	325,000
Bureau Expenditures Total	6,460,004	6,400,955	7,318,858	7,556,823	7,556,823
Fund Expenditures					
Debt Service	169,723	183,547	195,826	203,654	203,654
Contingency	0	0	2,152,460	2,437,115	2,437,115
Fund Transfers - Expense	279,644	297,752	278,932	289,915	289,915
Fund Expenditures Total	449,367	481,299	2,627,218	2,930,684	2,930,684
Ending Fund Balance	1,788,568	2,224,002	0	0	0
Requirements Total	8,697,939	9,106,256	9,946,076	10,487,507	10,487,507

Printing & Distribution Services Operating Fund

Fund Overview

The Printing & Distribution Services Operating Fund is an internal service fund established to account for Printing & Distribution Division revenues and expenditures. The division provides support services to all City bureaus, Multnomah County, Portland-area State of Oregon departments, and other local governmental agencies. Services include: traditional printing and binding; digital printing and pre-press services; variable data printing; reprographics; the purchase and maintenance of copy machines; citywide paper procurement and management; United States Postal Service mail processing; and inserting, addressing, and delivering mail and supplies.

The main source of revenue is reimbursement from other City bureaus and outside agencies for services provided.

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

Printing & Distribution Fund 703
Calculation of FY 2020-21 rate budget target

		FY 2019-20 Adopted Rate Budget	FY 2020-21 Inflation Rates	FY 2020-21 Target Rate Budget
Personal Services	Personal services (salary and wage-driven benefits)	\$2,268,411	3.40%	\$2,345,537
	Health benefits	\$494,643	4.00%	\$514,429
		\$0		
M&S-External	Electricity	\$0	2.70%	\$0
	Natural Gas	\$0	2.20%	\$0
	Water/sewer	\$0	4.40%	\$0
	Other utilities and garbage	\$0	2.20%	\$0
	Fuel	\$0	2.10%	\$0
	PTE services	\$0	2.60%	\$0
	Other services	\$0	2.60%	\$0
	Materials	\$50,550	2.60%	\$51,864
		\$0		
M&S-Internal	Fleet Services	\$66,512	2.80%	\$68,374
	Print/Distribution	\$0	2.80%	\$0
	Facilities Services	\$287,565	2.70%	\$295,329
	BTS	\$84,070	2.80%	\$86,424
	EBS	\$66,549	2.80%	\$68,412
	Workers' Comp	\$21,562	3.60%	\$22,338
	Insurance & Claims	\$26,416	1.10%	\$26,707
	Other inter-fund services (OMF-PBOT-Parks)	\$161,569	2.70%	\$165,931
		\$0	2.60%	\$0
Capital				
Sub-total Bureau Program Expenses		\$3,527,847		\$3,645,345
Debt Service		\$228,424	0.00%	\$228,424
Fund balance/contingency		\$0	0.00%	\$0
Major maintenance/replacement not included above		\$0	0.00%	\$0
Total		<u>\$3,756,271</u>		<u>\$3,873,769</u>
Plus/minus systemic cost increases				
	PERS Debt debt service change			\$9,132
	Portland Building Rent Adjustment			\$46,048
Adjusted Target Rate Budget				<u><u>\$3,928,949</u></u>
Overall % change from Adopted Budget				<u><u>4.4%</u></u>

Rate Transparency Comparison

BTS Printing & Distribution

Rate	FY 2019-20	FY 2019-20	% Change	FY 2019-20 rate budget
Duplication Hourly Rate	\$ 70.12	\$ 71.85	2.5%	\$ 3,372,605
Customer Service/Pre Press Hourly Rate	\$ 98.89	\$ 101.08	2.2%	\$ 599,749
Mail Sorting/Delivery Rate	\$ 97.94	\$ 101.41	3.5%	\$ 725,286
Metering/Processing Hourly Rate	\$ 82.26	\$ 86.31	4.9%	\$ 334,933
Special Delivery Hourly Rate	\$ 82.06	\$ 84.33	2.8%	\$ 14,758

Narrative on variances

Mail Sorting/Delivery Rate – The estimated number of units handled decreased causing the rate to increase.

Metering/Processing Hourly Rate – The estimated number of billable hours decreased causing the rate to increase.

OMF internal service funds' fund balance components
FY 2015-16 through FY 2018-19
Printing & Distribution

FY	Reserve type	Reserve	Reserve Target (per OMF Policies - See Note 1 below)		Actual as of June 30, 2016	Percentage for operating reserves
			\$289,621	\$308,331		
FY 2015-16	Assigned	Operating Reserve (target selected is 10%)	\$289,621	\$308,331	10.6%	
	Committed	Replacement Accounts	N/A	\$478,642		
	Assigned	Major Maintenance Reserve	N/A	\$224,716		
		Total	\$1,270,509	\$1,011,689		
				\$0		
FY 2016-17	Assigned	Operating Reserve (target selected is 10%)	\$325,944	\$325,944	10.0%	
	Committed	Replacement Accounts	N/A	\$397,644		
	Assigned	Major Maintenance Reserve	N/A	\$610,116		
		Total	\$325,944	\$1,333,704		
				\$0		
FY 2017-18	Assigned	Operating Reserve (target selected is 10%)	\$325,944	\$325,944	10.0%	
	Committed	Replacement Accounts	N/A	\$411,551		
	Assigned	Major Maintenance Reserve	N/A	\$1,051,073		
		Total	\$325,944	\$1,788,568		
				\$0		
FY 2018-19	Assigned	Operating Reserve (target selected is 10%)	\$941,267	\$941,267	10.0%	
	Committed	Replacement Accounts	N/A	\$483,538		
	Assigned	Major Maintenance Reserve	N/A	\$795,377		
		Total	\$941,267	\$2,220,182		
				\$0		
FY 2020-21 planned draws on operating reserves					FY 2020-21 costs	

Enterprise Business Solutions Services Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Miscellaneous	64,549	61,309	0	0	0
External Revenues Total	64,549	61,309	0	0	0
Internal Revenues					
Interagency Revenue	10,087,676	9,575,986	0	0	0
Internal Revenues Total	10,087,676	9,575,986	0	0	0
Beginning Fund Balance	3,968,813	5,142,852	0	0	0
Resources Total	14,121,038	14,780,147	0	0	0
Requirements					
Bureau Expenditures					
Personnel Services	2,594,519	2,457,209	0	0	0
External Materials and Services	994,892	1,431,160	0	0	0
Internal Materials and Services	5,211,485	5,106,111	0	0	0
Bureau Expenditures Total	8,800,895	8,994,481	0	0	0
Fund Expenditures					
Fund Transfers - Expense	177,290	184,653	0	0	0
Fund Expenditures Total	177,290	184,653	0	0	0
Ending Fund Balance	5,142,852	5,601,013	0	0	0
Requirements Total	14,121,037	14,780,147	0	0	0

Fund Overview

The Enterprise Business Solutions (EBS) Services Fund is no longer a fund. The responsibilities of EBS to support the implementation, maintenance, and continuous improvement of the City's SAP integrated resource planning system are now the responsibility of the Technology Services Fund.

Managing Agency

Office of Management & Finance, Bureau of Technology Services

Significant Changes from Prior Year

The EBS Fund was closed in FY 2019-20. EBS is now a program within the Bureau of Technology Services.

OFFICE OF THE CAO

Office of the Chief Administrative Officer

Overview

The Office of Management & Finance (OMF) provides internal services to support the operational needs of City bureaus, as well as coordination and leadership on overall administrative services. The Chief Administrative Officer (CAO) reports directly to City Council and advises bureau managers on strategic issues, as well as ensures the delivery of accurate, cost effective, and responsive Citywide administrative services.

The Office of the Chief Administrative Officer is overseen by the Deputy Chief Administrative Officer (DCAO) and is comprised of several divisions including the Business Operations Division, Strategic Projects and Opportunities Team (SPOT), the Homelessness and Urban Camping Impact Reduction Program (HUCIRP), Integrated Security Program, and the Division of Asset Management which oversees CityFleet and Facilities Services operations. Program offerings within each division are as follows:

- ◆ **Business Operations:** Business Operations
- ◆ **Division of Asset Management:** Division of Asset Management

CityFleet: Business Operations, Garage Operations, Transportation Pool

Facilities Services: Administration, Maintenance & Operations, Capital Projects, and Facilities Property Management & Real Estate Services

- ◆ **Homelessness and Urban Camping Impact Reduction Program:** Homelessness and Urban Camping Impact Reduction Program
- ◆ **Integrated Security Program:** Integrated Security Program
- ◆ **Office of the Chief Administrative Officer:** Office of the Chief Administrative Officer
- ◆ **Strategic Projects and Opportunities Team:** Project Management for Citywide Initiatives, Spectator Venues & Visitor Activities Program

The Office of the CAO provides leadership, oversight, and support for a variety of Citywide projects, and provides direction to managers who perform an array of financial management, policy development, and project management services for Council and City bureaus. The CAO leads the development of the bureau's strategic plan and ongoing reporting on the completion of strategies. The CAO oversees the bureaus of Human Resources, Revenue and Financial Services, and Technology Services. Additionally, the CAO oversaw the Portland Building Reconstruction project between 2017 and 2020. Rehabilitation of this structure was complete in FY 2019-20.

OMF and the City as whole, now benefits from the augmented capacity of a Strategic Projects and Opportunities Team (SPOT). SPOT consolidates three work units that have Citywide policies, programs, and interests at their core. The Project Management for Citywide Initiatives (PMCI) is a core group of employees working with City bureaus, elected officials, and outside stakeholders on projects, programs, and policies that require multi-disciplinary project management, are of Citywide or enterprise significance, and seek to improve City services, processes, policies, and programs. In FY 2018-19, PMCI was involved with major City

initiatives including Build Portland, 311/Customer Service, Development Directors/Permitting, and the Floodplain Management/BiOp Response Program. The Spectator Venues Program has complex responsibilities for all aspects of development and oversight of specialized City physical assets, financial management of a segregated enterprise fund, and coordinates efforts related to transient lodging tax programs impacting City revenues. The City Arts Program oversees the City's arts and culture-related contracts and agreements and ensures program accountability and transparency.

Capital Summary

CIP Highlights

Facilities Services and the Strategic Projects and Opportunities Team, which oversees the Spectator Venues Program, are the only divisions with capital programs in the Office of the Chief Administrative Officer.

Facilities Services

The Facilities Services CIP for FY 2020-21 includes major maintenance investments in existing infrastructure, and the completion of the construction of the 4th and Montgomery Building (\$20.58 million). Major maintenance projects include completion of the PCC HVAC Centralization (\$1 million), Justice Center elevator modernization (\$2.8 million), North Precinct Exterior Renovations (\$460,000), and City Hall audio/visual system (\$468,000) projects, and a new City Hall restroom renovation (\$659,000) project.

Spectator Venues Program

The \$75-\$85 million privately-funded stadium expansion that added 4,000-seats to the east side of Providence Park was completed in FY 2019-20. The City's costs for the expansion were generally limited to design and construction oversight. In FY 2020-21, the City's costs at Providence Park are anticipated to be limited to: repair and replacement activities under the terms of the Stadium Operating Agreement, strategic enhancements intended to reduce future costs, and developing solutions to mitigate identified ADA barriers. City expenses at the stadium are anticipated to be less than \$800,000 in FY 2020-21, with half of that amount associated with an expected turf replacement project.

FY 2020-21 capital projects at the Veterans Memorial Coliseum (VMC), Rose Quarter Plaza, and Garages are limited to typical repair and replacement activities and are anticipated to cost approximately \$1 million in FY 2020-21. Design work in preparation of a major renovation of the VMC that began in FY 2019-20 will continue into FY 2020-21. Design services are anticipated to cost between \$500,000 and \$600,000 for the year. At this time, construction on the VMC renovation project is not anticipated to begin until FY 2021-22 at the earliest.

Major Issues

Facilities Services

Two primary issues exist with Facilities' current CIP. First, the major maintenance accounts are known to be critically underfunded due to a persistent under-representation of major maintenance needs in the lease rates paid by bureau tenants. This is an issue because not investing in critical building systems when it is necessary to do so results in a diminished ability to proactively care for facility assets, and to ensure that City bureaus and workers have safe and efficient work spaces. To address this, Facilities is advocating for an updated Facility Condition

Assessment and a related asset management software system which will help determine the depth of major maintenance currently needed and its associated cost. Once this information is available, Facilities can better strategize with the bureaus and the City on a proper funding methodology to align with the FY 2019-20 Budget Note, directing OMF to develop a phased major maintenance rate increase.

A second major issue is that there is neither the organizational structure nor a rate mechanism in place to withhold funding for capital planning and construction activities that are outside of the major maintenance scope. This is a problem because a number of civic facilities are in poor condition and will soon need complete rehabilitation or replacement. It is also of concern because as bureaus grow and their space needs increase, Facilities does not have a clear plan to fund these needs. In a similar vein, the City's priorities for facility infrastructure are evolving with new expectations for City building resilience, energy efficiency, and technology. For the City to keep pace with bureau growth and changing building requirements, sustained funding for new facility acquisition, build outs, and rehabilitation must be put in place, along with the requisite pre-construction analytical work. If these needs are not funded, the City will continue to face high levels of urgently-needed but unplanned facility capital investment.

Spectator Venues Program

The capital issues facing the Spectator Venues and Visitor Activities Fund (SVVAF) are primarily driven by the age and condition of the venues within the program's portfolio. The facilities serve an important role in the community life of Portland and the region by providing opportunities for sporting events, performing arts events, meetings, and a variety of civic events. Historically, development of these venues has been through public/private funding partnerships and all are operated by third-party entities. Most of these venues are housed in aging facilities that have undergone varying degrees of major maintenance and capital reinvestment over the years.

The most challenging venue for the SVVAF program is the VMC – a spectator, event, and meeting facility that is almost 60 years old. The facility suffers from significant deferred major maintenance and has not received a comprehensive capital reinvestment since its original construction. The SVVAF does not have sufficient resources to fund the needed capital repairs and improvements. While the SVVAF invested approximately \$10 million in key deferred maintenance projects (including a full roof replacement) and strategic user experience enhancements over the past six years, there is still a long list of critical unmet needs to be addressed. The SVVAF program is working on design and funding options for a major renovation of the facility to begin construction as soon as FY 2021-22. This renovation will be funded in part through \$40 million in bond financing from the Visitor Facilities Intergovernmental Agreement. Additional funding sources are being identified. Until the renovation occurs, repair needs at the VMC are addressed primarily based on urgency and public safety. No major projects are planned for FY 2020-21.

Providence Park, which was built in 1926, has now undergone three major capital reinvestment projects in the last 20 years, the first in FY 2000-01, the second in FY 2011-12, and the third completed in FY 2019-2020. In FY 2020-21, the City intends to limit capital investments primarily to repair and replacement costs required under the terms of the Operating Agreement and the City's share of a scheduled turf replacement project.

The Rose Quarter Garages were opened in 1995. Over the past five years, the City has invested in deferred maintenance and ADA barriers. SVVAF program staff is investigating opportunities to increase non-event (daytime) parking at the garages to better serve the community and increase revenue generation. There may be capital costs associated with new technologies required to increase non-event parking. In addition to the Parking Facilities, the Spectator Program is also responsible for capital repair and improvement to the Rose Quarter Plaza. At this time, no specific work is anticipated for the Plaza in the next five years.

In FY 2015-16, the Portland'5 Centers for the Arts venues were added to the SVVAF program portfolio. The Portland'5 venues consist of three buildings: Keller Auditorium, Schnitzer Concert Hall, and Antoinette Hatfield Hall. Working with the venue operator, the SVVAF staff undertook a Facility Condition Assessment for each building in FY 2015-16 and has worked with the operators to develop major maintenance and capital replacement needs for these facilities. Over the past two years, the program engaged in a structural/seismic analysis of the Keller Auditorium that identified several options for a building renovation/retrofit. In FY 2020-21, conversations are anticipated to continue about the future of the Keller Auditorium. Portland'5 financial reserves are not sufficient to meet the needs of these aging City facilities in the coming years. New revenue sources will need to be identified to keep these buildings viable for the long term. In FY 2018-19, the SVVAF contributed \$500,000 for an acoustical shell replacement at the Arlene Schnitzer Concert Hall. The City has made no other specific commitment to participate in funding of capital needs at these widely-used venues.

Changes from Prior Year

Facilities Services

Facilities Services' CIP has not changed substantially from the prior year, other than the completion and subsequent removal of the Portland Building from the CIP. Please note however that Facilities is advocating for the enhanced ability to perform major maintenance and new facility investment planning. Should this effort be achieved, Facilities' CIP is likely to increase dramatically as latent needs are more clearly identified and quantified.

Spectator Venues Program

With the completion of the stadium expansion project in FY 2019-20, the City's costs associated with providing design and construction oversight will decrease. The design work for the VMC renovation project will be a significant new cost to the program in FY 2020-21. Capital projects in the FY 2020-21 work plan generally include typical repairs and smaller scale major maintenance work.

Connections to Goals, Priorities, and Plans

Facilities Services

Civic buildings that are appropriately sited, well-designed, and well-maintained contribute to Portland's livability. Likewise, the City has an obligation to provide its workers with facilities that are appropriate for their job functions, efficient to work in, and safe. A Facilities CIP exists to ensure that ongoing facility investment needs are proactively identified and financially planned for. Currently, Facilities' CIP primarily reflects 'major maintenance' investments, which are investments that are required to maintain the health of structures that Facilities already owns. Facilities' CIP also features select projects designed to meet near-term needs for additional City space, such as the 4th and Montgomery Building. Based on information

emerging from the OMF-led Long Range Facilities Plan, it is likely that in future years Facilities' CIP will include significantly more building acquisition and/or major rehabilitation projects. These investments will be required for Facilities to keep pace with established goals related to bureau service and worker safety, as well as City goals related to climate, resilience, and equity.

Spectator Venues Program

The SVVAF CIP supports City goals of ensuring a safe and peaceful community, supporting the City's economic vitality, and delivering efficient, effective, and accountable municipal services.

Criteria

Facilities Services

As noted in the 'Major Issues" section, OMF Facilities needs a long-range strategy to properly prioritize facility investments, considering both major maintenance needs (i.e., asset management needs) and new facility investment needs (capital planning beyond major maintenance). This strategy should support the development of criteria for capital decision-making (e.g., quantitative measures to assess proposed projects, such as net benefit, risk reduction related to worker health and safety, and equity goal achievement). It should also set targets for value delivery and cost to help Facilities' manage its real estate portfolio, inclusive of owned buildings and rentals. Finally, the strategy should identify the basic minimum obligations of Facilities in terms of building maintenance (i.e., facility safety, soundness, accessibility, resilience, and environmental standards), and service level agreements with the bureaus related to their customer experience (i.e., service maintenance levels, response times, and lease/rental charges).

Note that Facilities does not currently have the staff necessary to support the development of the methodologies and conceptual structures described above, nor does it have the data systems or facility condition data required to inform a meaningful Facilities strategy. Thus, at present, major maintenance capital decisions are being made as described in the Major Maintenance section of this document, new facility investments decisions are being made in an ad hoc manner, and few established service levels exist to guide decision-making and spending at either the capital or operations level. The latter issue is a key focus of work in 2020, but while theoretical service level targets can be established, they will be difficult to measure or enforce without data, a data system, or analysts.

Spectator Venues Program

The Spectator Venues and Visitor Activities program does not apply a specific methodology to the selection and ranking of capital projects. Decision-making is primarily driven by the age and condition of the venues and the City's obligations as defined in the various operating agreements. Projects are generally undertaken based on the criticality of the need and availability of resources in the program fund.

CAPITAL PLANNING AND BUDGETING

Capital Planning Process

Facilities Services – Major Maintenance Planning & Process

The capital planning process is closely tied to OMF's overall asset management program. The asset management program drives capital projects proposed in the CIP, the major maintenance projects in the budget, and are detailed in OMF's Five-Year plan. OMF works closely with its customers to understand their businesses and how their assets support and serve their work objectives. Projects in the CIP and major maintenance plans were developed with input from internal and external customers, staff that maintain the infrastructure, and City Council's established goals, objectives, and policies.

Facilities Services – New Facility Investments Planning & Process

OMF works closely with its customers to understand their businesses and how their assets support and serve their work objectives. Part of this is understanding bureaus' emerging or evolving space type and square footage requirements. An additional need is to stay attuned to priorities at the Council and partner bureau level as goals related to climate, resilience, equity, and technology are articulated – all of which affect facility infrastructure and funding requirements. OMF's Long-Range Facility Plan is revealing a probable need for high levels of new facility acquisition and/or rehabilitation of current City facility structures. These needs have not been finalized, but when they do, most likely in FY 2020-21, they will become part of Facilities' CIP therefore increasing its scale considerably.

Spectator Venues Program

The Spectator Venues and Visitor Activities program does not apply a specific process to prepare its CIP. Decision-making about what projects to undertake is done in consultation with the third-party operators and is based on the City's contractual obligations and the availability of funding, which is driven by the financial management parameters of the Spectator Venues and Visitor Activities Fund.

Asset Management and Replacement Plan

Spectator Venues Program

Work on the design and scope refinement for a major renovation of the VMC began in FY 2019-20. This work will ramp up in FY 2020-21 in preparation for a potential construction start as soon as FY 2021-22. Typically, ongoing maintenance costs are low for projects with City participation at the venues as many maintenance expenses are the obligation of the third-party operator. Expenses that are not the third-party operator's obligation will be provided through the annual repair budget from the SVVAF. Program staff work with the third-party operators to develop annual repair and replacement plans. Improving long-term asset management planning efforts is an ongoing priority of the program.

CAPITAL PROGRAMS AND PROJECTS

Funding Sources

Facilities Services

New facility investments, or major reconstructions, are generally funded with a combination of debt and cash. The City's policy is to have 5% of a debt-financed project's costs funded with cash. The cash can be provided by contributions from tenant funds and/or major maintenance monies. The cash funds items that can't be capitalized and therefore debt-financed.

Spectator Venues Program

Accumulated net revenues in the Spectator Venues and Visitor Activities Fund provide funding for portfolio projects. Financial projections of these one-time resources for the funds determine the level of projects in the plan.

Net Operating and Maintenance Costs

Facilities Services

Major maintenance cost planning (replacement or improvement of major existing building components) is carried out by Facilities' engineers or consultants and funded as noted earlier. General net operating and maintenance cost planning for a building owned by Facilities draws on three-year actuals for that site to determine an average cost per square foot, which then informs the rental rates for Facilities' buildings and tenants. For new facilities, OMF assesses costs per square foot of comparable facilities to estimate annual operating and maintenance costs until one year of operation has transpired, at which point actuals are used to derive annual operating and maintenance costs.

Please note that in FY 2020-21, the Portland Building's net operating costs are being estimated based on the building's last set of three-year actuals, per the directive of the CBO. Any gap or gain in the estimation will be bridged by the building's major maintenance account. After one year of operation, the Portland Building's annual operating costs will be assessed based on its first year of post-reconstruction operations. The difference between old and new operating costs is potentially substantial, given both the physical changes in the building (e.g., energy efficiency measures), but also major changes to service levels in the building (e.g., enhanced janitorial services).

Office of the Chief Administrative Officer

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Licenses & Permits	50	0	0	0	0
Charges for Services	11,602,654	11,849,574	7,964,292	7,619,366	7,619,366
Intergovernmental	2,819,560	3,442,792	5,086,870	5,225,238	5,225,238
Bond & Note	36,632,364	143,250,806	19,622,203	3,511,630	3,511,630
Miscellaneous	3,245,423	3,937,369	74,343,961	2,503,646	2,503,646
External Revenues Total	54,300,051	162,480,540	107,017,326	18,859,880	18,859,880
Internal Revenues					
General Fund Discretionary	774,725	917,047	1,496,477	1,946,478	2,121,478
General Fund Overhead	1,540,594	1,279,389	1,382,160	2,230,031	2,230,031
Fund Transfers - Revenue	2,706,021	4,795,402	11,418,918	3,759,364	5,494,172
Interagency Revenue	72,955,680	71,974,189	83,530,469	97,753,647	98,507,841
Internal Revenues Total	77,977,020	78,966,027	97,828,024	105,689,520	108,353,522
Beginning Fund Balance	71,107,144	86,658,495	83,409,420	78,087,501	78,087,501
Resources Total	203,384,215	328,105,063	288,254,770	202,636,901	205,300,903
Requirements					
Bureau Expenditures					
Personnel Services	18,789,529	18,815,638	22,881,412	24,356,983	25,520,401
External Materials and Services	61,670,599	60,385,381	70,032,015	48,028,293	49,951,517
Internal Materials and Services	7,785,354	7,495,392	11,177,536	15,035,833	15,035,833
Capital Outlay	26,466,400	97,720,063	91,142,663	25,704,483	25,704,483
Bureau Expenditures Total	114,711,882	184,416,474	195,233,626	113,125,592	116,212,234
Fund Expenditures					
Debt Service	8,914,459	53,597,737	13,731,117	17,875,063	17,875,063
Contingency	0	0	76,562,207	68,057,921	67,635,281
Fund Transfers - Expense	3,885,448	2,716,018	2,727,820	3,578,325	3,578,325
Fund Expenditures Total	12,799,907	56,313,755	93,021,144	89,511,309	89,088,669
Ending Fund Balance	87,290,194	85,891,898	0	0	0
Requirements Total	214,801,983	326,622,127	288,254,770	202,636,901	205,300,903
Programs					
1900 Building	1,982,702	3,374,805	5,774,369	4,239,861	4,239,861
Archives	231,730	227,449	495,968	148,346	148,346
CAO-311 Program	—	—	—	1,936,804	1,936,804
Chief Administrative Officer	1,212,072	450,144	546,945	584,737	584,737
City Fleet Satellite Garages	—	—	—	2,092,604	2,092,604
City Hall	2,500,195	3,624,903	7,938,225	3,120,981	3,120,981
CityFleet Admin	—	815	104	—	—
Citywide Security	—	—	—	1,213,477	1,213,477

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Day Care	—	—	—	205,337	205,337
Division of Asset Management	1,223,276	841,294	1,119,131	1,165,310	1,165,310
Downtown leased office space	—	—	—	3,550,322	3,550,322
East Precinct	318,561	288,784	735,846	356,770	356,770
Emergency Coordination Center	1,141,855	464,538	686,832	467,351	467,351
Facilities Admininstration	1,222,278	2,827,821	2,745,485	3,999,236	3,999,236
Finance and Management Services	3,905,815	4,615,496	5,838,914	5,910,217	5,910,217
Fleet Inventory -Fuel & Parts	(189,220)	251,013	—	—	—
Fourth & Montgomery Building	—	—	4,663,801	2,199,931	2,199,931
Fuel Management	5,074,282	5,335,242	12,679,036	9,075,704	9,075,704
GO Bond Admin	69,958	1,921	12,813	—	—
Housing Urban Camping Impact Red Prg	814	3,477,707	6,369,226	5,646,450	5,646,450
Justice Center	3,261,547	1,799,638	6,346,797	3,780,234	3,780,234
Kelly Building	582,010	856,406	1,619,536	841,114	841,114
Lease/Rental Vehicle	2,210,596	1,930,975	1,913,065	2,039,774	2,039,774
Maintenance & Repair	15,283,320	15,457,166	16,454,485	10,867,409	10,867,409
Memorial Coliseum	3,159,506	1,128,829	1,575,000	1,925,000	1,925,000
North Precinct	960,243	592,940	1,799,752	2,111,895	2,111,895
Old Mounted Patrol	1,456	—	—	—	—
Operations and Maintenance	5,258,370	5,752,432	6,702,102	3,271,701	3,271,701
PGE Park	1,704,352	632,318	738,000	950,000	950,000
Phase II Lot property	14,196	17,968	67,250	27,250	27,250
Police Property Warehouse	530,076	546,471	527,281	614,913	614,913
Police Training	1,028,556	704,630	362,343	401,053	401,053
Portland 5 property Antoinette Hatfield	—	—	10,000	10,000	10,000
Portland 5 property Keller Auditorium	238,103	202,982	200,000	200,000	200,000
Portland 5 property Schnitzer Concert Ha	—	500,000	100,000	100,000	100,000
Portland Building	40,629,785	95,982,453	74,678,626	4,917,909	4,917,909
Portland Communication Center	1,034,606	1,116,383	1,725,535	1,205,425	1,205,425
Project Management	1,708,127	16,462,231	1,966,802	2,808,505	2,808,505
Property Management	3,624,876	722,031	744,342	107,022	107,022
Replacement	12,790,824	12,205,734	22,360,972	20,570,018	20,570,018
Rivergate Vehicle Storage	96,440	80,514	87,843	78,784	78,784
Rose Garden	875	—	10,000	10,000	10,000
Rose Garden Parking Garages	445,290	542,105	790,000	736,000	736,000
Rose Garden Plaza	3,809	—	—	—	—
Sears	5,262	78,563	63,736	65,747	65,747
Spec Fac Admin	652,992	674,355	3,022,623	3,122,922	3,122,922
St. Johns	2,452	139,777	565,430	405,082	405,082
Time and Materials Facilities	445,991	474,791	—	5,149,884	5,149,884

Office of the Chief Administrative Officer

Summary of Bureau Budget

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Unassigned Property	34,880	34,589	—	—	—
Union Station	1,433,151	1,324,919	1,065,852	723,135	723,135
Vehicle Acquisition	(1,197,610)	(1,436,087)	—	—	—
Vehicle Pool	73,481	109,426	129,559	171,378	171,378
Total Programs	114,711,882	184,416,474	195,233,626	113,125,592	113,125,592

Office of the Chief Administrative Officer

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000063	Accountant II	54,912	79,556	5.00	356,111	5.00	363,404	5.00	363,404
30003003	Administrative Specialist II	48,277	93,018	3.00	198,349	4.00	259,231	4.00	259,231
30003004	Administrative Specialist III	53,290	102,648	2.00	153,150	2.00	153,150	2.00	153,150
30003006	Analyst I	53,290	102,648	3.00	273,063	3.00	273,063	3.00	273,063
30003007	Analyst II	63,336	109,491	3.00	252,845	4.00	374,677	4.00	374,677
30003008	Analyst III	69,805	131,248	9.00	849,951	8.00	929,452	8.00	929,452
30003009	Analyst IV	80,205	145,808	1.00	126,776	1.00	126,776	1.00	126,776
30000125	Auto Body Restorer	57,346	73,905	2.00	143,644	2.00	143,644	2.00	143,644
30003011	Business Systems Analyst II	63,336	109,491	1.00	93,018	1.00	93,019	1.00	93,019
30000449	Business Systems Analyst, Sr	69,971	102,752	0.00	0	0.00	0	0.00	0
30003013	Capital Project Manager II	63,336	109,491	2.00	176,155	2.00	180,369	2.00	180,369
30003014	Capital Project Manager III	69,805	131,248	3.00	297,003	3.00	302,271	3.00	302,271
30003015	Capital Project Manager IV	80,205	145,808	1.00	112,424	1.00	109,349	1.00	109,349
30003016	Chief Administrative Officer	147,035	244,400	1.00	219,315	1.00	219,315	1.00	219,315
30003235	Coordinator I - E	48,277	93,018	2.00	135,637	2.00	134,947	2.00	134,947
30003027	Coordinator I - NE	48,277	93,018	3.00	173,608	3.00	205,608	3.00	205,608
30003028	Coordinator II	53,290	102,648	4.00	339,166	5.00	423,821	5.00	423,821
30003029	Coordinator III	63,336	109,491	3.00	296,878	4.00	391,750	4.00	391,750
30000017	Customer Accounts Specialist I	37,336	61,962	0.00	0	2.00	140,338	2.00	140,338
30000018	Customer Accounts Specialist II	44,512	67,870	0.00	0	1.00	54,101	1.00	54,101
30003032	Deputy Chief Administrative Officer	111,696	197,246	1.00	178,776	1.00	178,776	1.00	178,776
30000368	Engineer-Mechanical	89,357	122,940	2.00	229,271	2.00	230,895	2.00	230,895
30000718	Facilities Construction Project Manager	69,971	102,752	0.00	0	0.00	0	0.00	0
30000711	Facilities Maint Dispatch/Scheduler	46,342	78,478	3.00	167,357	3.00	190,655	3.00	190,655
30000070	Facilities Maintenance Tech Apprentice	41,413	75,446	1.00	54,018	1.00	57,790	1.00	57,790
30000071	Facilities Maintenance Technician	62,026	79,406	15.00	1,121,590	15.00	1,150,605	15.00	1,150,605
30003053	Facilities Project Specialist	53,290	102,648	1.00	84,157	1.00	86,170	1.00	86,170
30003377	Facilities Worker	44,491	55,670	6.00	332,717	6.00	313,022	6.00	313,022
30003054	Financial Analyst I	53,290	102,648	1.00	93,018	1.00	93,018	1.00	93,018
30003055	Financial Analyst II	63,336	109,491	5.00	452,758	5.00	460,055	5.00	460,055
30003056	Financial Analyst III	69,805	131,248	4.00	404,255	5.00	529,027	5.00	529,027
30000016	Information & Referral Specialist	34,798	57,510	0.00	0	5.00	272,173	5.00	272,173
30003079	Maintenance Supervisor I - E	63,336	109,491	1.00	87,298	0.00	0	0.00	0
30003081	Manager I	80,205	145,808	3.00	355,263	3.00	351,852	3.00	351,852
30003082	Manager II	92,851	168,834	2.00	262,849	2.00	266,058	2.00	266,058

Office of the Chief Administrative Officer

FTE Summary

Class	Title	Salary Range		Revised FY 2019-20		Requested No DP FY 2020-21		Requested FY 2020-21	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30003083	Manager III	111,696	197,246	1.00	144,435	1.00	144,991	1.00	144,991
30000012	Office Support Specialist II	34,798	57,510	2.00	75,938	2.00	97,958	2.00	97,958
30000464	Program Coordinator	66,622	97,718	0.00	0	1.00	79,323	1.00	79,323
30003096	Public Information Manager	80,205	145,808	1.00	113,942	1.00	113,942	1.00	113,942
30000055	Storekeeper/Acquisition II:Auto Part Spec	48,651	67,013	4.00	248,623	4.00	252,232	4.00	252,232
30003103	Supervisor I - E	63,336	109,491	5.00	466,815	6.00	562,994	6.00	562,994
30003104	Supervisor II	69,805	131,248	2.00	178,526	2.00	207,885	2.00	207,885
30000077	Utility Worker II	48,381	59,865	1.00	54,101	0.00	0	0.00	0
30000131	Vehicle & Equipment Mechanic	57,346	73,905	51.00	3,635,320	51.00	3,648,198	51.00	3,648,198
30000132	Vehicle & Equipment Mechanic, Lead	60,154	77,501	2.00	150,634	2.00	150,634	2.00	150,634
30000123	Welder	58,053	73,092	2.00	124,561	2.00	137,831	2.00	137,831
Total Full-Time Positions				164.00	13,213,315	176.00	14,454,369	176.00	14,454,369
30003002	Administrative Specialist I	44,075	68,682	1.00	51,268	0.00	0	0.00	0
30003003	Administrative Specialist II	48,277	93,018	1.00	28,220	0.00	0	0.00	0
30000449	Business Systems Analyst, Sr	69,971	102,752	0.00	0	0.00	0	0.00	0
30003013	Capital Project Manager II	63,336	109,491	1.00	70,566	0.00	0	0.00	0
30003027	Coordinator I - NE	48,277	93,018	1.00	50,170	0.00	0	0.00	0
30003028	Coordinator II	53,290	102,648	1.00	44,458	1.00	82,392	1.00	82,392
30003029	Coordinator III	63,336	109,491	1.00	103,251	1.00	74,085	1.00	74,085
30000718	Facilities Construction Project Manager	69,971	102,752	0.00	0	0.00	0	0.00	0
30003053	Facilities Project Specialist	53,290	102,648	1.00	80,850	0.00	0	0.00	0
30003081	Manager I	80,205	145,808	0.00	0	1.00	126,235	1.00	126,235
30000055	Storekeeper/Acquisition II:Auto Part Spec	48,651	67,013	1.00	65,125	1.00	23,188	1.00	23,188
Total Limited Term Positions				8.00	493,908	4.00	305,900	4.00	305,900
30003002	Administrative Specialist I	44,075	68,682	0.00	0	0.50	55,089	0.50	55,089
Total Part-Time Positions				0.00	0	0.50	55,089	0.50	55,089
Grand Total				172.00	13,707,223	180.50	14,815,358	180.50	14,815,358

CAO - Division of Asset Management

Program Description & Goals

The Division of Asset Management (DAM) provides leadership and strategic support for the City's CityFleet and Facilities Services organizations, and the Division's approximately 140 employees.

CityFleet is responsible for acquiring, maintaining, repairing, and fueling the City's 3,800 vehicles and pieces of specialized equipment, excepting Portland Fire & Rescue's fire apparatus. CityFleet is also responsible for the vehicles of several local jurisdictions via interagency agreements.

Facilities Services is responsible for operating and maintaining 16 OMF-owned buildings and numerous non-OMF-owned structures and sites for customer bureaus via interagency agreements. Facilities Services also provides capital project and property management services to all City Bureaus.

DAM ensures that CityFleet and Facilities Services deliver a high-quality customer experience to their bureau and municipal customers; engage in value-driven spending that maximizes long-term public benefit; and provide employees with a safe, engaging, and empowering work experience. DAM's success is measured via CityFleet and Facilities Services' performance on the following measures, which are articulated in more detail in the CityFleet Business Operations and Facilities Administration program offers:

- Core Service Responsibilities (Average Fleet Availability; Facilities Capital Projects Performance; and Facilities Operations & Maintenance Performance)
- Cost Management (Average Fleet Cost per Mile; Average Facilities Operations & Maintenance Costs per Square Foot; Average Facilities Property Occupancy Rate)
- Value Delivery to the Public and the City (Change in Total Fleet Carbon Emissions; Change in Average Facilities Energy Use Intensity)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Change in average energy use intensity over the prior year average	N/A	159%	-100%	-1%	-3%
Percent of on-time preventive maintenance compliance	N/A	53%	40%	55%	80%

Explanation of Services

DAM provides the following services to the CityFleet and Facilities Services organizations and staff:

- Strategic/financial planning, performance management, and organizational development support;
- Strategic partnership development, particularly for large-scale civic issues that affect or can be affected by daily operations (e.g., climate change and the need for charging infrastructure), and issues that impact or are of importance to other bureaus (e.g., asset management software);
- Ad hoc analytical support for issues that are important to CityFleet and Facilities Services but not able to be resourced internally (e.g., select business cases, process improvement projects); and
- Manager/supervisor training and development

Equity Impacts

DAM advances equity by ensuring an equity lens is part of CityFleet and Facilities Services' performance management framework and incorporated into all managerial tools – from departmental, managerial, and employee scorecards to a business case tool that's being explored to guide capital investment decisions in Facilities. Additionally, DAM supports focused minority outreach for position recruitments and monitors racial and gender diversity within the overall organization and its managerial ranks.

Changes to Program

DAM is an emerging organization, created after the dissolution of the Bureau of Internal Business Services in 2018. A manager was hired for the Division in 2019, enabling an analysis of the current state of both organizations, an assessment of emerging civic and customer priorities for both work groups, the creation of a performance framework to guide institutional decision-making and spending, and the development of near-term strategic priorities for CityFleet and Facilities Services.

Summary findings related to the work above can be found in the program offers herein. To support these efforts, DAM does not see the need for additional staffing, but does need to reclassify several positions currently in DAM's organizational structure in order to better-support CityFleet and Facilities Services. All of these transitions are cost-neutral and no additional resources are needed.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	14,336	242,590	172,447
Internal Materials and Services	0	81,553	109,989	118,841
Personnel	0	16,359	766,552	874,022
Sum:	0	112,247	1,119,131	1,165,310
	FTE	0	0	6

Resources: The Asset Management Program is funded through interagency agreements with the Fleet and Facilities internal service funds.

Expenses: Program expenditures are primarily for six employees and support costs for external and internal materials and services.

Staffing: The program has 6.0 FTE, including the manager of the Division of Asset Management and five employees that provide services to DAM's management team.

Assets and Liabilities: The program has no significant assets or liabilities. All of the assets and liabilities of the Division of Asset Management are in the CityFleet and Facilities Services funds.

Program Information

Bureau: Office of Management & Finance
Website: <https://www.portlandoregon.gov/dam/>

Program Contact: Maty Sauter
Contact Phone 503-823-6962

CAO - Business Operations

Program Description & Goals

Business Operations is the Office of Management & Finance's centralized provider of financial management, communications, administrative, and business services. Major functions include financial oversight of OMF's budget development, budget monitoring, and daily financial transactions. Administrative Services include timekeeping, medical claims, and personnel actions. The Communications Team responds to public records requests and media inquiries, monitors the OMF Strategic Plan, and coordinates bureau and Citywide strategic communications.

Business Operations offers dedicated subject matter experts that serve as strategic partners to customer bureaus. The Business Operations team provides assistance with identifying and implementing process improvements, building organizational capacity, delivering administrative and personnel support, forecasting and modeling financial impacts of business decisions, and providing communications support to bureau programs, policies, and initiatives.

Business Operations workload performance measures include the percentage of accounts payable processed within 30 days. New Business Operations workload measures include the number of employees served by the Administrative Team and the total budget served by financial management teams. New Business Operations efficiency measures include the percentage of Administrative Team served per team FTE, and the percentage of Business Operations budget relative to budget served.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percent of Accounts Payable within 30 days	80%	83%	90%	80%	90%
Business Operations operational budget served	0	0	0	456,311,063	N/A
Business Operations budget as a percentage of OMF bureau operational budget served.	0	0	0	1%	1%
FTE served by the OMF Business Operations Administrative Team	0	0	0	209	N/A
Ratio of CAO Admin Team FTE to customer FTE directly served (i.e. 1:10 entered as 10)	0	0	0	50	50

Explanation of Services

The Office of Management & Finance is a “bureau of bureaus” comprised of over \$730 million in total appropriations, and over 706 staff. Business Operations provides three key centralized services to the organizations of OMF:

- Communications and strategic planning
- Budget development and monitoring
- Personnel-related administrative services including timekeeping, medical claims, and personnel actions.

The Deputy Chief Administrative Officer and Communications Services provide strategic planning, centralized messaging, change management support, OMF performance management oversight, media and public information, project and program management, committee staff support and community involvement services for OMF projects and initiatives.

Financial management services include coordinating OMF financial management process, budget development and monitoring, financial analysis services, accounting function and accounts payable services, and other financial services.

Administrative support services include timekeeping and payroll, personnel actions and administrator service, medical claim services, contract and purchasing services, and other administrative support services.

Equity Impacts

Business Operations strives to connect equity work with the broader vision of the City, incorporating principles and practices of racial equity into bureau service wherever possible. Business Operations is the managing partner for budget development, incorporating the budget Equity Assessment Tool into processes and budget submissions. As a buyer of service contracts and having a role in assisting customer bureaus procure services, Business Operations is familiar with MWESB firms and City procurement rules and allowances encouraging the maximization MWESB awardees. As a service provider for personnel actions and onboarding for customer bureaus, Business Operations encourages racial equity goals in hiring practices, training goals and monitoring, and provision of onboarding resources and materials for resources such as racial equity committees.

The Business Operations racial equity committee reinstated in FY 2018-19 focuses on hiring and onboarding, training, and services responsive to existing employees such as evaluations, exit interviews, and other HR practices. Some of the activities in FY 2019-20 include staff trainings, enhanced equity policies and procedures for hiring, and resources for management to incorporate equity tools in the recruitment and interviewing of candidates.

Changes to Program

Changes to the program include a reduction of resources as directed by the Mayor. Business Operations will manage vacancy savings to meet the one percent reduction in service appropriation, minimizing as much as possible service impacts to customers.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	167,575	214,411	445,353	55,369
Internal Materials and Services	405,630	455,415	424,662	743,713
Personnel	3,333,379	3,931,411	4,103,603	4,249,846
Ending Fund Balance	57,828,976	16,440,110	0	0
Sum:	61,735,560	21,041,347	4,973,618	5,048,928
	FTE	28	31.85	28
				27.5

Resources: Business Operations receives both General Fund resources and interagency funding to provide services to General Fund funded bureaus, and interagency rate based funded bureaus.

Expenses: The primary expense in the Business Operations budget is personnel expenses.

Staffing: Business Operations has 28.0 FTE, one of which is allocated 50% to the Mayor's Office to provide administrative support. Under the direction of the Deputy Chief Administrative Officer, the following teams provide service to OMF bureau customers: 3.0 FTE Administrative Team, 6.0 FTE Communications Team, 5.0 FTE General Fund Budget Team, 7.0 FTE Division of Asset Management Team, 6.0 FTE Bureau of Technology Services Team.

Assets and Liabilities: N/A

Program Information

Bureau: Office of Management & Finance
Website: <https://www.portlandoregon.gov/cao/26641>

Program Contact: Carmen Merlo
Contact Phone 503-823-5288

CAO - Office of the Chief Administrative Officer

Program Description & Goals

The Office of Management & Finance (OMF) provides internal services to support the operational needs of City bureaus, as well as coordination and leadership on central administrative services. OMF is overseen by the Chief Administrative Officer (CAO).

The Office of the CAO provides leadership and oversight for a variety of Citywide projects and programs and plans and directs an array of financial management, policy development, and project management services for Council and City bureaus. The CAO leads the development of the bureau's strategic plan and ongoing reporting on the completion of strategic objectives and initiatives. The CAO oversees the bureaus of Human Resources, Revenue and Financial Services, and Technology Services.

The Office of the CAO furthers the City goal to deliver efficient, effective, and accountable municipal services. In FY 2019-20, the bureau will manage a budget of \$689 million in 18 funds, and 727 staff.

Performance of the Office of the CAO is measured by the program's ability to carry out enterprise solutions on behalf of Council and the City of Portland.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
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Explanation of Services

The Office of the CAO provides leadership, oversight, and direction to internal service support and operational service managers in OMF. The Office of the CAO also provides Citywide leadership in the broader vision of the City, convening Bureau Directors to improve the day to day operations and future enterprise efforts. Examples include sponsoring the Portland Online Permitting System, The Portland Building Reconstruction, integration of the public safety budgets through the Public Safety Working Group, and other enterprise solutions.

The Office of the CAO implements the FY 2018-20 Strategic Plan that advances three inter-related strategies: adopting 21st century business solutions, developing an inclusive and talented workforce, and leading Citywide initiatives. It was created through an inclusive process involving OMF employees, City bureaus, and City Council. The Strategic Plan aligns efforts throughout the organization. It will also provide our customers and partners an understanding of our priorities and provides a tool to measure accountability.

Equity Impacts

The Office of the CAO provides strategic leadership and direction to OMF, including emphasis on diversity, equity, and inclusion efforts within the organization and in support of broader social equity efforts in the community. The FY 2018-20 Strategic Plan contains an equity focused strategy in the development of an inclusive, talented workforce, as well as specific equity tactics:

- Implement the City's social equity initiatives to support minority and women-owned business and promote a diverse workforce.
- Implement OMF-wide and OMF bureau equity plans to assure that the City's racial equity goals are achieved.
- Support Employer of Choice initiatives to attract, develop, and retain the best employees.

Efforts within the Office of the CAO include establishing and affirming systems and processes that affirm a commitment to diversity, equity and inclusion. There are currently three sub-committees that make up the CAO Office Equity Team. The three sub-committees are charged with addressing inequities throughout HR Practices, and Hiring and Onboarding, and via equity trainings and seminars for the division. Through the work of its sub-committees, the CAO's Office is advancing consciousness throughout its workforce and is working to enhance awareness of inequities experienced by indigenous people, black people, immigrants and refugees, people of color, and people living with disabilities through trainings, seminars, retreats, and discussions.

Changes to Program

No anticipated changes.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	146,019	29,774	38,202	45,616
Internal Materials and Services	87,053	35,878	64,006	71,583
Personnel	979,001	384,492	444,737	467,538
Sum:	1,212,072	450,144	546,945	584,737
	FTE	6.75	2	2

Resources: The Office of the CAO is funded with General Fund Discretionary and Overhead resources.

Expenses: The primary expense in the Office of the CAO budget is personnel expenses.

Staffing: The Office of the CAO has 2.0 FTE: the CAO, and one Executive Assistant.

Assets and Liabilities: N/A

Program Information

Bureau: Office of Management & Finance

Program Contact: Tom Rinehart

Website: <https://www.portlandoregon.gov/cao/60165>

Contact Phone 503-823-5288

CAO - 311 Program

Program Description & Goals

The 311 Program was created to provide equitable, high-quality information and customer service to community members, businesses, and visitors. The program's performance goals are intended to ensure a level of service that supports effective community participation in local government. The 311 Program meets its goal of answering 90% of incoming calls in 25 seconds, or less. The program is making continuous progress toward increasing the "one call resolution" rate, a measure of the proportion of calls that can be resolved without referring the caller elsewhere, to 50% by FY 2022-23.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Number of Information & Referral calls and email inquiries responded to	96,652	84,112	110,000	110,000	N/A
Percentage of calls answered in less than 25 seconds	90.61%	91.00%	90.00%	90.00%	N/A
One call resolution rate	21%	22%	25%	25%	N/A

Explanation of Services

Portland's existing dispersed customer service model can make it difficult for community members to access City information, programs, and service and can result in inequitable experiences and outcomes. The 311 Program, created in FY 2019-20, provides a single point of contact for community members to access local government, building on the longstanding City/County Information Referral Program. The 311 Program's mission, structure, and phasing were heavily influenced by a representative community survey and complementary language-specific surveys conducted in 2018.

311 Program staff help community members find information, report issues, and request City services online, over the phone, and in person at City buildings. The 311 Program is actively partnering with multiple City bureaus to provide information, referral, and customer service and is building capacity to intake and resolve additional service requests. The 311 Program also provides vital and time-sensitive information in an emergency or disaster.

The 311 Program will undergo a phased implementation between FY 2019-20 and FY 2022-23. This Program Offer reflects resources necessary in FY 2020-21 in order to:

- Provide customer service for numerous City and County services via (503) 823-4000, at the Portland Building, and by email
- Provide visitor assistance for bureaus located within the Portland Building
- Develop and deploy new software to support contact center management and service delivery
- Improve and onboard additional services into the 311 Program
- Establish a data collection, analysis, and reporting program to measure progress towards a more equitable service delivery

Future phases will involve onboarding additional services and formats (e.g., webchat), establishing a 311 Contact Center, implementing the 3-1-1 phone number, and conducting public outreach and marketing.

Equity Impacts

The 311 Program's vision is that "Portlanders can easily and effectively access City information and services, regardless of language, ability, or resources. They are empowered to contact their government. They get accurate answers quickly and easily, and they feel confident that their needs and voices are being heard and considered." However, residents experience greater barriers to City engagement if they have a disability, do not speak English well, or have limited internet access. By providing customer-focused access in a timely and efficient manner, community members are more likely to engage with local government, facilitating more inclusive and equitable participation.

Given the diverse nature of the Portland community, the Citywide 311 Program must create a welcoming and inclusive customer service experience that increases equitable access and services. The 311 Program is actively working to achieve these goals, in part by:

- Developing equity-based metrics for success
- Providing multiple ways to contact the City
- Integrating language services, including translation and interpretation.
- Using 311 to help streamline and improve City processes that may pose barriers to equitable access. For example, the Program is working to centralize ADA and Language Access requests and complaints to reduce barriers to accessing City services and programs
- Hiring diverse 311 Program staff who reflect Portland's community and provide an inclusive and welcoming 311 experience
- Working to ensure reports and requests taken by 311 Program staff are used to inform, but not determine, service delivery. Relying solely on community reports or requests may skew service delivery away from those communities who are less engaged, face more barriers, and/or are less comfortable contacting the City

Changes to Program

The 311 Program was created as a new program within the Office of Management & Finance by City Council via Resolution 37456, adopted on November 13, 2019. Through this Resolution, Council directed the program's initial staffing and funding structure. The 311 Program incorporates the Office of Community & Civic Life's City/County Information & Referral Program, including personnel and resources, as of FY 2020-21.

Program Budget

Resources: The program is primarily funded through the General Fund overhead rate model as well as interagency agreements with tenants of the Portland Building and with Multnomah County.

Expenses: Primary program expenses include personnel costs for 12.5 FTE as well as program expenses for internal and external materials and services needed to support those positions. The FY 2020-21 Requested budget also includes \$100,000 in one-time expenditures to develop and deploy a contact center management/service desk tool for the program.

Staffing: Personnel include 12.5 FTE, consisting of a Manager I (1 FTE), Supervisor I (1 FTE), Customer Service Representatives (8 FTE), Analyst II (1 FTE), Coordinator II (1 FTE) and an Administrative Specialist II (0.5 FTE).

Assets and Liabilities: N/A

Program Information

Bureau: Office of Management & Finance

Program Contact: Michelle Kunec-North

Website: www.portlandoregon.gov/omf

Contact Phone: 503-823-5244

CAO - Spectator Venues & Visitor Activities Program

Program Description & Goals

The Spectator Venues and Visitor Activities Program oversees City-owned spectator and performing arts venues including the Veterans Memorial Coliseum (VMC), Providence Park, the Portland'5 Centers for the Performing Arts (P'5), and the Rose Quarter Plaza and Parking Garages. Program staff are also the primary liaisons to travel, tourism, and visitor development efforts. The program oversees the Spectator Venues & Visitor Activities Fund (SVVAF), which is a self-sustaining enterprise fund that accounts for resources and requirements for program activities. The SVVAF is responsible for City-obligated expenses at the facilities and debt service payments on certain obligations.

The program goals are to 1) support successful operations of the venues, 2) meet all program expense obligations while protecting the General Fund, 3) provide resources for activities and investments that improve the condition and viability of the venues, and 4) support growth of the sports, travel, and tourism industry in Portland.

Historically, the program has relied on the Rose Quarter venues for much of the revenues required for expenditures. The program maintains a minimum operating reserve sufficient to meet annual expense obligations in the event of a labor strike or damage to the facilities that would prevent staging of some events. Recent strong financial performance at the Rose Quarter has increased reserves and allowed strategic investments to be made in several capital projects at the venues to better serve the community and improve their long-term viability.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of minimum Spectator Venue & Visitor Activities Fund operating reserved maintained	N/A	100.00%	100.00%	100.00%	100.00%

Explanation of Services

The program is responsible for overseeing a City-owned portfolio of venues valued at over \$500 million and maintaining effective and mutually-beneficial professional relationships with the venue operators. Overseeing the contractual agreements with the operators is a key function of the program. Major program activities include facility operations, maintenance, repair, and capital improvements; financial planning and contract administration; special projects; and liaison activities among City bureaus, other governmental agencies, and private parties including a broad range of organizations engaged in travel, tourism, and visitor development activities.

In the past two fiscal years, the activities of the program have contributed directly to increased use and profitability at the VMC and Rose Quarter garages, providing oversight for the construction of a \$75-85 million, 4,000-seat, privately-funded expansion at Providence Park, engineering studies to improve seismic resiliency at the Keller Auditorium and VMC, negotiation of an amendment to the Visitor Facilities Intergovernmental Agreement, and ongoing investments in the venues to improve reliability and address deferred maintenance. Within the program, community members have been

involved in specific project related matters including an advisory group for the VMC renovation design and the development of a Title II ADA Transition Plan to improve access. The program supports climate action initiatives by investing in projects to increase the efficiency of the venues. Providence Park Stadium was recently awarded LEED Gold certification, and with our partners at the Rose Quarter, we've begun efforts to bring the Veterans Memorial onto the LEED rating scale as well. In addition, we've worked with the venue operators to encourage sustainable transportation choices by patrons of the venues, including installing electric vehicle charging stations in the Rose Quarter Garages and helping Providence Park develop and implement a transportation plan that saw 53% of fans at 2019 Timbers games arriving without driving and parking a vehicle in the Central City.

Equity Impacts

By accommodating a wide range of events including professional and amateur sports, large and small concerts, amateur, professional, and youth performing arts, ballet, opera, symphony, traveling Broadway theater, conferences, exhibitions, meetings, religious events, reunions, and non-profit community events, the venues collectively serve a very broad and diverse segment of residents and visitors to Portland. The venues are also important economic engines for the City as they generate hundreds of direct jobs and support many more through the direct and indirect spending associated with event production and attendees.

The program is responsible for implementation of the City's ADA Title II Transition Plan at the venues. The program maintains a database of the 2,739 potential barriers identified at the facilities and is working with the operators on implementation of the Council approved 20-year mitigation workplans for each building. As of fall 2019, 482, or 17.6% of the inventoried barriers, have been addressed.

The projects described in the following section all directly or indirectly improve the venues' ability to safely and effectively serve the community, and all have access improvement components.

Changes to Program

Program workload has increased over the past few years as several major projects have been underway. These include oversight of the major expansion at the stadium, completion of the VMC Refresh Project, planning and early design work for a major renovation project at the VMC and potential future renovations of the Portland'5 facilities, and negotiation of an amendment to the Visitor Facilities Intergovernmental Agreement that will provide a portion of the funding needed for future projects. In addition, supported by revenues from the Rose Quarter, the program has been able to support several needed capital projects at the venues including critical mechanical equipment replacements and rehabilitation of the Veterans Fountain at the VMC, and a project to better protect the roof structure at the stadium. The program also continues to support two inter-bureau coordination efforts: The Venue Safety & Security Collaboration Group (meets quarterly) and the Greater Rose Quarter Coordination Group (meets monthly).

Demands for major capital renovations at several of the facilities greatly exceed projected SVVAF revenues and the program is actively engaged in seeking other revenue sources for key projects.

The program is housed within the Strategic Projects and Opportunities Team within the Office of the Chief Administrative Officer. The program is supported through a service area agreement with Business Operations for financial, contracting, and other support services, which allows the program's 2.0 FTE to focus more on program activities and projects and less on administrative activities.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	1,421,860	941,675	1,700,000	2,120,000
External Materials and Services	3,351,799	2,140,559	3,914,934	3,972,750
Internal Materials and Services	318,880	255,025	396,072	516,646
Personnel	411,779	343,595	501,867	471,776
Fund Expense				
Contingency	0	0	13,518,729	12,783,408
Debt Service	0	0	3,442,375	3,442,347
Fund Transfers - Expense	148,579	210,338	230,848	230,506
Ending Fund Balance	0	15,273,384	0	0
Sum:	5,652,897	19,164,576	23,704,825	23,537,433
	FTE	2.15	2.15	3.15
				2.15

Resources: The program is entirely funded by revenues from the SVVAF. The SVVAF collects revenue from the venues according to the terms of the agreements and receives a modest annual allocation from the Visitor Facilities IGA. Most of the revenue comes from Rose Quarter user fees and event parking fees. These revenues are variable and dependent on the venue operators' ability to attract events and the performance of the Trail Blazers.

Staffing: Program expenditures for bonded debt on the venues is a known amount. Expenditures associated with required repairs and maintenance at the venues are less predictable and can vary significantly on an annual basis depending on unforeseen repair needs. Repair costs are increasing as the venues age and more systems reach the end of their useful life. When revenues permit, the program can support additional capital projects at the venues. The \$5 million VMC Refresh project completed in 2017 is one example. Depending on resources, the fund is also anticipated to contribute to a larger VMC renovation in the next two to four years.

Assets and Liabilities:

The program includes two permanent full-time positions and is supported by a financial analyst in OMF Business Operations under the terms of a service agreement. To further support the program and assist on specific projects and tasks, the program budget usually includes funds for one or more part-time temporary employees. In FY 2019-20, additional capacity was provided by two part-time employees: a returning retiree and a Community Service Aide II.

Physical assets overseen by the program at the Rose Quarter include the VMC, East and West Garages, Plaza, Benton Parking Lot, and the Phase II lot as well as the land leases for the Moda Center, Garden Garage, and Annex complex. Additional properties overseen by the program include

Providence Park and the three performing arts venues operated by Portland'5 (Antoinette Hatfield Hall, the Arlene Schnitzer Concert Hall, and Keller Auditorium). All venues mentioned are aging and will require significant capital reinvestments to keep them operating well. According to the terms of the agreements, the program relies on the venue operators to plan for major maintenance and replacement efforts, which at the stadium and Rose Quarter properties, the City is required to pay for. Revenues are insufficient to pay expenses anticipated by needed major renovations required at several of the venues without significant contributions from other funding sources. Beyond an annual special appropriation, the City generally does not contribute to capital repair and replacement costs at the Portland'5 venues. The program is responsible for annual bond payments associated with previous stadium projects ranging from \$2.2 million to \$3.3 million that continue through FY 2026-27.

Program Information

Bureau: Office of Management & Finance

Program Contact: Karl Lisle

Website: [https://www.portlandoregon.gov/
cao/61142](https://www.portlandoregon.gov/cao/61142)

Contact Phone 503-823-5876

CAO - Project Management for Citywide Initiatives

Program Description & Goals

The Project Management for Citywide Initiatives (PMCI) work group is housed in OMF's Strategic Projects and Opportunities Team (SPOT) and manages complex multi-bureau, citywide, and intergovernmental initiatives and projects. PMCI projects and programs typically require multidisciplinary project management and a collaborative, multi-bureau approach to issue identification, resolution, and decision-making. Projects strive to improve service delivery, and internal operations or processes. PMCI works to provide a centralized approach to project management, often taking on initiatives that do not have a natural home or sponsor within the city structure.

PMCI projects are complicated and frequently take multiple years to realize results. Performance is measured through the program's successful alignment of regulations, activities, and outcomes with the City's goals, policies, and plans. Program success can also be measured through enhanced citywide service delivery, improved bureau coordination, thoughtful investment of resources and better program outcomes.

If funding is reduced or this program is not funded, the priority projects of the PMCI group will not be completed and projects will face obstacles from bureaus not being aligned to advance the City's priorities. Furthermore, without PMCI to take the lead projects risk loss of a champion, and failure to connect with Citywide goals or plans. By putting resources and effort behind these projects they are prioritized, addressed and resolved. Many projects assigned to PMCI are intractable problems that have been passed around for years, or ideas that have not been explored or implemented because of lack of capacity or expertise of the affected bureaus. Simply put, PMCI provides a needed level of proficiency and project management required to navigate structures, improve programs and system delivery at the City. As the City recommits to do better and work smarter, the need for PMCI will only grow. Investing in the capacity of this team will ultimately be an investment in the City's ability to be nimble and responsive to changes in how we do business.

Prior to establishment of the PMCI, the work performed by PMCI staff was often difficult to initiate or complete through other channels. PMCI provides project implementation by convening affected stakeholders to fully identify challenges, outcomes, and desired improvements. The Project Manager will research best practices, develop options and solutions, ultimately advancing the work toward resolution and implementation.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
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Explanation of Services

The PMCI was created to bring a Citywide perspective to issues that touch multiple bureaus, implement Citywide initiatives, and to provide analysis and recommendations on policy and business decisions. City Council and bureau directors rely on the PMCI to provide project management leadership for multidisciplinary projects of Citywide, and occasionally regional, significance. PMCI projects can impact substantial portions of City operations, staff, or service delivery. These projects often present significant policy, financial, community implications and consequences. Projects may last for a few months to a few years, depending on the complexity of the work.

Examples of our work often fall in the following areas:

Process Improvement

Paper Less and Later: streamlining the council filing system, reducing redundancy and the amount of paper used when filing documents with the Auditor's Office.

Strategic Investments

Build Portland: multi-year coordinated investment in the City's infrastructure maintenance backlog to address high priority assets.

Service Delivery

Modernizing the City's Customer Service Program: this multi-bureau effort removes barriers to accessing the City's customer service staff, creating a new 311 system to, provide service, resolve issues and answer questions for the residents of Portland and some service areas for Multnomah County.

Citywide Policy Development

All-User Restrooms Policy: providing a coordinated and cohesive policy to ensure that all Portlanders are able to take care of their basic need in a comfortable restroom.

OMF Policy Development and Updates: provides a coordinated approach to policies affecting OMF bureaus and of a citywide significance.

PMCI has played an important role in leading and coordinating projects that advance the City's priorities to reduce carbon emissions and prepare for the impacts of climate change. Two key examples of this effort to ensure the City's resilience are the Floodplain Management Workplan and the Long-Range Facilities Master Plan. The Floodplain Management Workplan is a multi-bureau effort to coordinate compliance with the Endangered Species Act, and retain access for Portland property owners to FEMA's National Flood Insurance Program. The Workplan clearly outlines the City's efforts to protect flood storage and floodplain habitat, and includes a Watershed Management Implementation Plan. This work is critical to Portland's response to climate change, the increased risk of flooding and management of rising water levels. The Citywide Long-Range Facilities Plan is a multi-phase comprehensive assessment of the facilities needed to support the delivery of City services over the next thirty years. This plan includes an assessment of the facilities needed and identifies opportunities to optimize the City's current portfolio, evaluates and determines immediate facility deficiencies, and projects the types, sizes, and general locational areas for future needs. The plan establishes long-range strategies for City facility management that incorporate equity, resiliency, and sustainability into approaches to help mitigate the significant impacts the built environment has on climate change. Paper Less and Later is an effort to reduce the amount of paper used when filing documents with the auditor. The pilot has shown a dramatic reduction in paper use and printing costs. PMCI is working with the Auditor's office to refine the program, provide a web based solution and roll the effort out Citywide.

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. All members of the PMCI participated in training through the Office of Equity and Human Right's program and have sought additional training opportunities. Members of the team serve on various committees to advance Racial Equity at the City and throughout Oregon. A PMCI staff member serves as the Tribal Liaison for the Office of the CAO, providing a direct link to OMF and the work of the Tribal Liaison program in Government Relations.

The PMCI's work requires staff to collaborate with employees and leadership throughout City government, with elected officials, and with community stakeholders to develop and implement equitable and effective policies, projects, and programs.

Changes to Program

Pending budgetary and project decisions, the program anticipates staffing changes in FY 2020-21. The program is currently staffed with four full time positions: one Analyst IV, and three Analyst IIIs. One of the Analyst IIIs was appointed as Interim Program Manager for the 311 Program. A decision will be made by July 1, 2020, whether the staff member will be returning to the PMCI group to take on additional projects or continuing into a permanent 311 position. If the position continues with the 311 Program, a vacancy on the PMCI team will be created. Another one of the Analyst III's is assigned to the Public Safety Work Group (PSWG) and is funded at 0.48 FTE from the PMCI General Fund resources with the remaining 0.52 FTE funded through project specific IA resources from the public safety bureaus. The total program staff is budgeted at 3.75 FTE.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	107	155,434	300,000
Internal Materials and Services	0	258	50,000	50,000
Personnel	0	52,396	659,862	686,289
Sum:	0	52,761	865,296	1,036,289
	FTE	0	0	2.75
				3.75

Resources: The program is primarily funded through General Fund ongoing discretionary and overhead. Additionally, there are Interagency Agreements (IA) for specific work programs where required.

Expenses: Primary program expenses include personnel costs for 3.75 FTE. Program expenses for internal and external materials and services needed to support those positions are minimal. Personnel costs will continue to be the largest and most predictable component of the program budget. The program would benefit from additional staff to increase capacity for enterprise-wide project management and allow proactive management of policies, regulations, and administrative rules affecting citywide efforts and service delivery.

Staffing: When fully staffed, PMCI has three Analyst IIIs and an Analyst IV totaling 4.0 FTE. the Analyst IV is budgeted at 0.75 FTE, with 0.15 FTE being budgeted under Spectator Venues Program and 0.10 FTE budgeted under the City Arts Program.

Assets and Liabilities: N/A

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Shoshanah Oppenheim
Website:	https://www.portlandoregon.gov/cao/60248	Contact Phone	503-823-4251

CAO - Facilities - Administration

Program Description & Goals

Facilities Administration is responsible for the strategic leadership of all of Facilities Services' core functions, including the Operations & Maintenance, Capital Projects, and Property Management & Real Estate Services groups.

The following measures track Facilities Services' performance on Council's strategic priorities, DAM's organizational goals, and key customer/employee requirements. Several measures are in development and will be reportable by the end of FY 2020-21. Other measures, indicated by an asterisk, will be tracked but require a new asset management information system and condition data to be reported.

Core Service Responsibilities

- Average O&M Cost per Square Foot (\$)
- Capital Projects Performance (% of capital projects completed on time)
- Operations & Maintenance Performance (average demand work order turnaround time, PM compliance %)

Cost Management

- Percentage of Capital Projects Completed Under Budget (%)
- Average O&M Cost per Square Foot (\$)
- Average Property Occupancy Rate (%)

Value Delivery to the Public and the City

- Change in Average Energy Use Intensity over the Prior Year Average (%)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Change in average energy use intensity over the prior year average	N/A	159%	-100%	-1%	-3%
Average customer demand workorder turnaround time	N/A	27.70	30.00	22.50	10.00
Average maintenance and operations cost per square foot	N/A	\$14.99	\$14.50	\$11.50	\$12.50
Percentage of construction projects completed on-time	N/A	80	80	84	90
Percentage of construction projects completed under budget	N/A	80%	80%	84%	90%
Average occupancy rate	N/A	75%	95%	75%	98%

Explanation of Services

Services provided by Facilities Administration include:

- Ensuring organizational alignment with civic goals related to climate, resilience, and equity. Specifically, Facilities Administration has supported Facilities' participation in the City's Strategic Energy Management program and Continuity of Operations Planning. It has also supported participation in discussions on the City's Community Opportunities and Enhancement Program. Facilities Services also routinely engages with the Bureau of Planning and Sustainability on the right approach to doing energy audits in OMF-owned facilities.

- Setting goals, enabling performance, and monitoring the progress of Facilities Services teams. Recently, DAM developed a new performance management framework for both Facilities Services and CityFleet. Facilities Administration is leading the implementation of this framework in Facilities via target setting and employee scorecard development.

Equity Impacts

Facilities demonstrates its commitment to equity through the following activities:

- Compliance with all applicable laws and City policies governing contracting with minority-owned businesses and community benefit agreements on large capital projects and active participation in the City's Prime Contractor Development Program (PCDP);
- Administration of the Facilities Maintenance Technician Apprenticeship program, which is intended to increase the representation of historically under-represented classes in the Facilities workforce; and
- Implementation of the City's ADA Transition Plan for OMF-owned facilities.

Changes to Program

Facilities Services' leadership is currently engaged in the development of a long-range strategic plan for facility assets. This plan will address the aging nature of the facility asset base, emerging civic and Council priorities related to climate change and resilience, and evolving bureau facility needs and expectations. However, addressing the physical needs of the asset base is going to require that Facilities Services revisit its organizational model, the services it offers to bureaus, and the rates it charges bureaus. There are key functions missing from Facilities' organizational structure that will be required to implement a strategic plan.

Additionally, Facilities Services lacks several management tools that are essential for daily operations. These tools include an asset management information management system, current condition data on facility assets, and a risk modeling tool that converts asset condition and criticality data into risk data, which is required for Facilities to identify where in its portfolio it ought to focus its projects and ensure value in its spending. Facilities is aspiring to use a collaborative approach to the procurement of these three management tools so that bureaus that own facilities outside of OMF's purview can leverage these systems and tools as needed to support their own facility management efforts.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	79,572	83,336	54,716	1,864,268
Internal Materials and Services	1,837,832	1,927,504	1,883,457	3,475,108
Personnel	431,075	1,868,341	890,476	1,149,401
Fund Expense				
Contingency	0	0	34,225,382	36,948,111
Debt Service	0	54,687	246,057	255,738
Fund Transfers - Expense	2,513,390	1,207,009	1,271,475	2,101,680
Ending Fund Balance	0	31,376,363	0	0
Sum:	4,861,868	36,517,240	38,571,563	45,794,306
	FTE	3	3	0.75
				5

Resources: The Facilities Administration program is funded through Facilities Services Fund hourly rates and the corporate rate charged to bureaus.

Expenses: The Facilities Administration program is funded through Facilities Services Fund hourly rates and the corporate rate charged to bureaus.

Staffing: This program currently includes 1.0 FTE, which is the Facilities Division Manager. The FY 2020-21 count of 5.0 FTE includes 4.0 employees in a decision package.

Assets and Liabilities: There are no assets or liabilities associated with this program.

Program Information

Bureau: Office of Management & Finance

Program Contact: Kristin Wells

Website: www.portlandoregon.gov/dam

Contact Phone 503-823-1869

CAO - Homelessness and Urban Camping Impact Re

Program Description & Goals

The Homelessness and Urban Camping Impact Reduction Program (HUCIRP) focuses on coordinated campsite cleanup in compliance with the Anderson Settlement agreement and the Intergovernmental Agreement (IGA) with the Oregon Department of Transportation (ODOT). HUCIRP is responsible for coordinating cleanup of unsanctioned encampments on City and ODOT-owned properties and rights-of-way, managing the City's One Point of Contact campsite reporting system, and educating the community on the complexities of homelessness. HUCIRP develops and implements impact/harm reduction strategies and is tasked with addressing public safety and livability issues occurring throughout the City in coordination with public safety and social service partners. HUCIRP facilitates service navigation opportunities for individuals experiencing homelessness and addresses the health, safety, and livability concerns associated with encampments.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Number of campsite reports received and processed	N/A	35,005	29,000	40,000	N/A
Number of campsite cleanups performed	N/A	2,828	3,200	3,000	4,500
Total cleanup costs	N/A	\$2,155,030	\$2,500,000	\$2,500,000	\$1,875,000
Tons of garbage collected	N/A	1,954	2,000	2,000	3,500

Explanation of Services

The program focus remains on deploying a two-tiered intervention strategy with vendors Clean Start (CS PDX) then following up with Rapid Response Bio Clean (RRBC) if necessary; enabling response to issues based on risks posed, as opposed to the number of reports generated. In FY 2018-19, HUCIRP received 35,005 campsite reports from the community (27% increase from FY 2017-18). The increased demand for services resulted in 1,954 tons of garbage removed from public spaces (33% increase from FY 2017-18). The program works collaboratively with both internal and external stakeholders to make social service referrals as well as facilitate the removal of hazardous debris, biohazards, and trash within the public right-of-way and public spaces. HUCIRP designs, develops, and implements impact reduction strategies, such as day storage facilities and increasing sanitation access for individuals experiencing homelessness.

Equity Impacts

HUCIRP's base budget includes resources to create additional teams through CS PDX and received one-time funds in the FY 2019-20 budget to develop a comprehensive sanitation access pilot-project. Both CS PDX and the sanitation access pilot provide low-barrier employment opportunities to individuals with lived experience involving the criminal justice system, substance use disorders, behavioral/mental health issues and/or housing insecurity. In many cases, HUCIRP's relationships with social service organizations help connect these populations with services and can have a direct impact on improving their quality of life.

Changes to Program

Given the success of impact reduction efforts and the CS PDX program, HUCIRP plans to add two additional CS PDX teams, decreasing the response time to reports and enabling the program to respond to more locations at once to provide impact reduction services. HUCIRP worked with OMF Procurement in FY 2019-20 to update its contracts with cleanup vendors to meet current service level needs for internal customer bureaus and ODOT. HUCIRP developed a comprehensive sanitation access pilot project with one-time funds received in the FY 2019-20 budget; implementation efforts will continue through FY 2020-21.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	3,266,776	5,405,457	5,216,852
Internal Materials and Services	0	46,904	7,528	64,303
Personnel	814	353,157	956,241	365,295
Fund Expense				
Contingency	0	0	0	6,823
Sum:	814	3,666,837	6,369,226	5,653,273
	FTE	0	3	3

Resources: HUCIRP's funding structure is made up of ongoing cash transfers in the amount of \$1 million each from the General Fund and Solid Waste Fund, and Interagency Agreements with the four property-owning bureaus (BES, PWB, PP&R, and PBOT) totaling \$1.66 million. Additionally, HUCIRP has an IGA with ODOT to provide campsite cleanup services on ODOT property in an amount not to exceed \$2 million annually.

Expenses: Primary program expenses include time and material payments to vendors for campsite cleanup and salaries for 3.0 FTE. HUCIRP funds day storage operations, supports the development of alternative shelters in collaboration with the Joint Office of Homeless Services (JOHS), and developed a comprehensive sanitation access pilot. HUCIRP rents a warehouse to store materials collected during campsite cleanup per the Anderson Agreement/ODOT IGA.

Staffing: The program has 3.0 FTE made up of 2.0 Coordinator IIs and 1.0 Coordinator III. P-4 forms were submitted in FY 2019-20 to re-classify the Coordinator I positions to Coordinator IIs to align position responsibilities.

Assets and Liabilities: HUCIRP assumes Citywide liability for compliance with the Anderson Agreement/ODOT IGA and oversees the work of CS PDX, RRBC, and Multnomah County Sheriff's Office Inmate Work Crew in completing campsite cleanups. HUCIRP maintains a storage warehouse where items collected from camp cleanup activities are stored. HUCIRP purchased property for the development of alternative shelters on two public properties within the City. Additionally, this program owns three storage units- one located by the Steel Bridge downtown, one by Hazelnut Grove in North Portland and a third mobile unit is used to access equipment and resources for severe weather response. Additionally, this program owns an outreach trailer for use by the Navigation Team in conjunction with JOHS.

Program Information

Bureau: Office of Management & Finance

Program Contact: Lucas Hillier

Website: <https://www.portlandoregon.gov/toolkit>

Contact Phone 503-823-6930

CAO - Facilities - Operations & Maintenance

Program Description & Goals

Facilities Operations & Maintenance is responsible for the maintenance and repair of city facilities and the design and administration of facility programs, like janitorial, landscaping, and pest services.

Operations & Maintenance fully services OMF-owned facilities, meaning bureau tenants receive all common building services in exchange for a lease or rent payment. The facilities operated under this paradigm include City Hall, the Portland Building, the 1900 Building, the 4th and Montgomery Building (currently under construction), the Portland Communications Center, the Emergency Coordination Center, the Justice Center, the Archives & Records Center, the Kelly Building, the St. John's Building, the Police Training Center, North Precinct and Walnut Park Retail, East Precinct, Rivergate Vehicle Storage, the Police Property Warehouse, and the Jerome Sears building.

Operations & Maintenance also maintains facilities for other bureaus on a time and materials basis. Facilities operated under this paradigm include PBOT's operations and maintenance buildings and its SmartPark garages; various office buildings, warehouses, and laboratories owned by the Bureau of Environmental Services; the Water Bureau's support facilities and Bull Run headworks; Union Station, on behalf of Prosper Portland; and various other private facilities leased by bureaus.

Operations & Maintenance has internal performance metrics that helps monitor contribution to Facilities Services' overarching performance measures, as articulated in the Facilities Administration program offer. While achieving these measures is a combined effort on the part of all of Facilities Services' programs, Operations & Maintenance contributes most strongly to the following:

- Core Service Responsibilities (Facilities Operations & Maintenance Performance)
- Cost Management (Average Facilities Operations & Maintenance Costs per Square Foot)
- Value Delivery to the Public and the City (Change in Average Facilities Energy Use Intensity)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Change in average energy use intensity over the prior year average	N/A	159%	-100%	-1%	-3%
Average customer demand workorder turnaround time	N/A	27.70	30.00	22.50	10.00
Percent of on-time preventive maintenance compliance	N/A	53%	40%	55%	80%
Average maintenance and operations cost per square foot	N/A	\$14.99	\$14.50	\$11.50	\$12.50

Explanation of Services

Services provided by Operations & Maintenance fall into four primary areas:

- Administration of all facility safety and soundness programs, including maintenance and testing of fire and life-safety systems, elevators, and emergency backup power systems, and service design and coordination for janitorial, pest control, and landscaping programs;
- Routine management and administration of Facilities' Strategic Energy Management and Continuity of Operations Planning programs;
- Performance of preventive and corrective maintenance on all OMF building systems including mechanical, electrical, plumbing, interior finishes, and exterior envelopes; and
- Tenant support in the form of furniture and wall hanging adjustments, appliance trouble-shooting, and moving furnishings, equipment, and heavy objects.

Equity Impacts

Operations & Maintenance demonstrates its commitment to equity via focused minority outreach for position recruitments and administration of the Facilities Maintenance Technicians (FMT) Apprenticeship program.

Operations & Maintenance also provides routine accessibility services by proactively identifying and pushing forward accessibility improvements in public spaces and by responding to occupant requests for reasonable modifications to buildings, fixtures, and furniture.

Changes to Program

Facilities Services anticipates a continuing increase in demand for clean, comfortable, healthy work environments, as customer bureaus continue to increase their workforce, employees move back into the Portland Building, and at least one new facility is added to Facilities Services' owned-and-operated building portfolio in FY 2020-21 (the 4th & Montgomery Building). Operations & Maintenance continues to need additional resources to meet this expanded workload.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	0	0	0	0
External Materials and Services	15,191,713	14,625,556	30,687,209	14,070,311
Internal Materials and Services	2,023,964	1,847,312	5,168,293	5,799,943
Personnel	3,082,513	2,400,455	3,616,274	3,633,431
Fund Expense				
Contingency	0	0	-5,076,426	66,368
Debt Service	0	0	2,863,807	13,433,213
Sum:	20,298,190	18,873,323	37,259,157	37,003,266
	FTE	27	30	35
				30

Resources: Operations & Maintenance is supported by rental rates charged to tenant bureaus, direct billings, and the Corporate Services charge.

Expenses: Primary expenses for this program include personnel, utilities, maintenance and repair supplies and services, and contracted services for building programs (e.g. janitorial).

Staffing: Operations & Maintenance is currently funded for 30.0 FTE, including a manager, program specialists, a supervisor, dispatchers, licensed FMTs, Apprentices, and Facility Workers; Utility Workers were reclassified as Facility Workers in 2019.

Assets and Liabilities: There are no assets or liabilities associated with this program.

Program Information

Bureau: Office of Management & Finance

Program Contact: Tim McCormack

Website: www.portlandoregon.gov/dam

Contact Phone 503-823-6940

CAO - Facilities - Capital Projects

Program Description & Goals

Facilities Capital Projects manages capital projects for the City's OMF-owned real estate portfolio, including new construction, renovations, major maintenance, and component replacements. Additionally, the team manages projects for customer bureaus' facilities on a time and materials basis.

Capital Projects has internal performance metrics that help it monitor its contribution to Facilities Services' overarching performance measures, as articulated in the Facilities Administration program offer. While achieving these measures is a combined effort on the part of all of Facilities Services' programs, Capital Projects contributes most strongly to the following:

- Core Service Responsibilities (Facilities Capital Projects Performance: Projects On Time)
- Cost Management (Facilities Capital Projects Performance: Projects Under Budget)
- Value Delivery to the Public and the City (Change in Average Facilities Energy Use Intensity)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of construction projects completed on-time	N/A	80	80	84	90
Percentage of construction projects completed under budget	N/A	80%	80%	84%	90%

Explanation of Services

Capital Projects manages the following types of projects for OMF- and non-OMF-owned facilities:

- Major maintenance and component part replacements for primary building systems including mechanical, electrical, plumbing, fire and life safety systems, elevators, security systems, and emergency backup power systems
- Architectural elements such as interior finishes, exterior envelopes, and tenant improvements, including accessibility upgrades and compliance
- New construction and building renovations

Capital Projects also provides subject matter expert support for Operations & Maintenance's Strategic Energy Management efforts, including building systems energy evaluations and system improvements.

Equity Impacts

Capital Projects demonstrates its commitment to equity through the following activities:

- Compliance with all applicable laws and City policies governing contracting with minority-owned businesses and community benefit agreements on large capital projects
- Participation in the City's Prime Contractor Development Program (PCDP) and participation in discussions on the emerging Community Opportunities and Enhancement Program
- Focused minority outreach for position recruitments
- Implementation of the City's ADA Transition Plan for OMF-owned facilities
- Discovering opportunities to expand availability of all-user restrooms throughout buildings

Changes to Program

Due to the design of Facilities Services' rate model, Capital Projects is able to scale staffing up and down based on bureau demand for its billable services; if a bureau needs capital project support and has the funding to pay for this work, the team can staff up using limited-term hires. Therefore, no established capital project needs exist that cannot be accommodated through Facilities' current organizational structure and/or rate model.

However, a long-range plan for facility assets is in development. Preliminary findings from this plan indicate an impending need for two things that will affect Capital Projects: first, a notable need to dispose of aging and/or obsolete facility assets and acquire new assets that meet bureaus' needs (or, alternatively, a need to rehabilitate a number of existing assets); second, an assessment of Facilities' current service array and rate model, with a specific examination of the capabilities/services that do not exist now, but that will be required to support implementation of the long-range facilities plan at scale. For Capital Projects, the service that will most likely need to be added is a site development specialty, as no staff currently perform this work routinely and there is no clear funding mechanism for this service when it's needed.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	14,042,352	87,232,108	62,973,697	7,079,389
External Materials and Services	25,725,660	24,898,240	13,618,189	5,426,710
Internal Materials and Services	511,621	508,239	524,514	234,094
Personnel	1,146,981	276,896	1,148,149	1,688,135
Fund Expense				
Contingency	0	0	13,796,456	32,092
Debt Service	305,011	43,388,406	6,398,132	133,472
Fund Transfers - Expense	0	0	133	0
Sum:	41,731,625	156,303,889	98,459,270	14,593,892
	FTE	5	6	8.25
				10

Resources: This program is primarily supported by billable hourly rates to building location budgets and other City bureaus for billable services. Funding for capital projects is derived from a number of sources including major maintenance reserves, general fund capital set-aside, customer bureaus, debt financing, and bond financing.

Expenses: Primary expenses for this program include personnel and project costs such as professional, technical, and expert consultants, construction, and miscellaneous services.

Staffing: The Capital Projects team has 10.0 FTE, consisting of a supervising construction project manager, permanent and limited term construction project managers, and an engineer.

Assets and Liabilities: Capital Projects administers \$35 million in major maintenance accounts for the 16 OMF-owned buildings. A core concern is the persistent underfunding of these accounts. A facility condition assessment of each OMF-owned site and structure is needed to ascertain the optimal strategic approach for the property (renovation, disposition, etc.). For those properties the City chooses to retain and rehab, major maintenance schedules need to be revisited so that the appropriate reserve percentage can be calculated and funded by tenants. Outright liabilities include debt service for the Emergency Coordination Center, the City Archives Center, the Police Training Center, the Portland Building, and the 4th & Montgomery Building.

Program Information

Bureau: Office of Management & Finance

Program Contact: Ron Umali

Website: www.portlandoregon.gov/dam

Contact Phone 503-823-6947

CAO - Facilities - Property Management & Real Estate

Program Description & Goals

Property Management & Real Estate Services provides property disposition, acquisition and leasing services, as well as property management services for all City bureaus.

Property Management & Real Estate Services has internal performance metrics to monitor its contribution to Facilities Services' overarching performance measures, as articulated in the Facilities Administration program offer. While achieving these measures is a combined effort on the part of all of Facilities Services' programs, Property Management & Real Estate Services contributes most strongly to the following:

- Cost Management (Average Facilities Property Occupancy Rate)
- Value Delivery to the Public and the City (Change in Average Facilities Energy Use Intensity)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Average occupancy rate	N/A	75%	95%	75%	98%

Explanation of Services

Property provides the following services to bureau customers:

- Research on real estate markets and real estate service providers (e.g., brokers);
- Consultations to understand bureau customers' real property needs, provide in-house and contracted property searches, and leverage brokerage services when needed;
- Establishment and management of property agreements (e.g., lease and occupancy agreement development, negotiations, rent collection, responding to tenant requests or concerns, utility bill collection and payment, etc.);
- Management of approximately 150 City leases (e.g., leases that provide additional space for City bureaus, inter-bureau leases, and leases of retail and commercial space in City buildings to other private or public-sector clients); and
- Internal leadership of real property sales and purchases.

Equity Impacts

Property Management's work assists the City in achieving its equity goals by providing preference to minorities, women and emerging small businesses (MWESBs) for tenanting in OMF properties by participating in the Minority Evaluation program for Contracts and by networking with similarly focused business partners such as Prosper Portland.

Changes to Program

The City of Portland is growing and along with it are the number of City employees and their need for work space. As a result, the Property team is seeing a consistent increase in the number of leases it manages and the purchase and sale of properties. Additionally, Property Management has been charged with improving customer bureau service and clarity regarding Facilities Services by standardizing and implementing occupancy and lease agreements across the portfolio in 2020. This will be a significant increase in workload as standardized agreements don't currently exist.

The long-range facilities plan currently in development is surfacing a probable need for increased levels of facility disposition, acquisition, and/or reconstruction in the coming years. As Facilities operationalizes these findings, two key needs will emerge: first, the need for additional capacity for core Property Management functions; and second, an enduring need for a real estate strategy/portfolio management capability, which currently does not exist in Facilities' organizational model or rate structure. This latter function will serve the purpose of ensuring proposed capital projects deliver strong value to the City in relation to their costs; that the OMF portfolio retains an adequate ROI as properties move in and out of Facilities' holdings; and that good rent vs. buy decisions are made given economic conditions and the nature of bureaus' needs. Conversations about this new service and its associated funding model will be rolled into the broader organizational planning effort articulated in the Facilities Administration program offer.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	3,371,019	863,654	100,000	0
Internal Materials and Services	147,383	44,207	235,176	0
Personnel	427,348	143,020	409,166	407,362
Fund Expense				
Contingency	0	0	0	7,874
Sum:	3,945,750	1,050,880	744,342	415,236
	FTE	5	3	3

Resources: The Property Management Program is supported by billable hourly rates to customers and locations requesting their services, and a small portion of rental income from some commercial tenants.

Expenses: Primary expenses for this program include personnel and miscellaneous services such as outside brokerage services.

Staffing: This program currently includes 3.0 FTE.

Assets and Liabilities: There are no assets or liabilities associated with this program.

Program Information

Bureau: Office of Management & Finance

Program Contact: Pauline Goble

Website: www.portlandoregon.gov/dam

Contact Phone 503-823-6018

Citywide Security

Program Description & Goals

The Citywide Integrated Security Program provides a safe and secure work environment for employees, public officials, and the general public visiting or doing business in City facilities. Using an integrated approach, this Citywide program connects contracted building security services, City ID badge credentialing, site-specific access control and alarm and duress systems, other physical security measures, and operational security protocols.

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
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Explanation of Services

In 2017, OMF contracted with Triad Consulting and System Design Group to develop a Citywide Security Master Plan (SMP). The purpose of the SMP is to assist the City of Portland in evaluating, selecting, and implementing model policies, protocols, and measures to address security risks and threats. To facilitate the review and adoption of the SMP, OMF convened a Security Stakeholder Steering Committee (SSSC) with representatives from each City bureau and office.

Leading the Citywide Integrated Security Program is the OMF Security Manager, who is responsible for managing the day to day operations of a specialized building security contractor as well as providing strategic oversight for developing and implementing security policies, programs, protocols, procedures, and training that advance the SMP.

In addition, the Security Manager performs building threat and risk assessments, contributes towards the development and implementation of incident response plans, oversees security at City Council and other special sessions, and leads building security related investigations including, but not limited to:
suspicious activities, civil unrest and protests, theft and vandalism, and work-place threats or disruptions.

Equity Impacts

The Integrated Security Program advances equity by ensuring diverse, inclusive representation on and engagement with the Security Stakeholder Steering Committee to shape equitable Citywide security policies, practices, and strategies. This includes the implementation of physical security measures to ensure they are compatible with ADA and other reasonable accommodations.

Changes to Program

The Security Program Manager position was made permanent in the FY 2019-20 Adopted Budget and in the last quarter of 2019, the Citywide Integrated Security Program moved from the Division of Asset Management, Facilities Services, to the Office of the Chief Administrative Officer.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	0	0	2,729,332
Internal Materials and Services	0	0	0	807,018
Personnel	0	0	0	229,155
Fund Expense				
Contingency	0	0	0	5,611
Sum:	0	0	0	3,771,116
	FTE	0	0	1

Resources: The Citywide Integrated Security Program is supported by rental rates charged to tenant bureaus, direct billings to bureau for services, and Corporate Services charges.

Expenses: Primary expenses for this program include contracted services for security, operations and maintenance costs for security systems, and space in the Portland Building for the Security Operations Center.

Staffing: Citywide Security includes 1 FTE Analyst III (Security Manager) and security guards under contract.

Assets and Liabilities: Citywide Security assets include the various security systems the program manages including access controls, video systems, and enterprise security.

Program Information

Bureau:	Office of Management & Finance	Program Contact:	Carmen Merlo
Website:	https://www.portlandoregon.gov/omf	Contact Phone	503-823-5665

CAO - CityFleet Business Operations

Program Description & Goals

CityFleet's Business Operations group is responsible for strategically leading CityFleet operations and providing technical and administrative support to the organization. Business Operations also provides acquisitions, parts management, fueling, outfitting services and repair services for the City's entire fleet of 3,800 vehicles and pieces of specialized equipment.

The following measures track CityFleet's performance on City Council's strategic priorities, DAM's organizational goals, and key customer and employee requirements. Note that some measures are in development; all will be reportable by the end of FY 2020-21.

Core Service Responsibility

- Average Fleet Availability – Garage Operations (%)

Cost Management

- Average Cost per Mile - Vehicles (\$)

Value Delivery to the Public and the City

- Cumulative Change in Total Carbon Emissions from FY06-07 Levels (%)

- Percentage of sedans that are electric or plug-in hybrid (%)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of sedans that are electric or plug-in hybrid	44%	41%	47%	50%	50%
Average cost per mile (\$)	0	0	0	\$.97	\$ 1.12
Cumulative percentage change in total carbon emissions from FY 2006-07 levels	0	0	0	-41%	-100%
Average Fleet Availability (%)	0	0	0	94%	98%

Explanation of Services

Services provided by CityFleet Business Operations include:

- Ensuring organizational alignment with civic goals related to climate, resilience, and equity.
- Business Operations has led the conversion of much of the sedan asset class to EVs and plug-in hybrids and is now actively collaborating with the Bureau of Planning and Sustainability to articulate what's needed to take these "greening" efforts to scale (policy, charging, etc.). Business Operations is also actively involved in the development of a citywide fueling strategy.
- Setting goals, enabling performance, and monitoring the progress of all CityFleet operations.
- Recently, DAM developed a new performance management framework for both Facilities Services and CityFleet. Business Operations is leading the implementation of this framework in CityFleet via target setting and employee scorecard development.
- Managing the City's vehicle and equipment replacement fund in a fiscally responsible manner.
- Acquisitions develops asset lifecycles to identify the ideal economic time for equipment and vehicle replacement, assures that replacement programs are followed by the bureaus so as to minimize risks to the City, and manages all fleet procurement, resale, and salvage activities.
- Managing the cost-effective provision of parts and fuel to CityFleet users. Fleet Stores distributes and monitors inventory for all CityFleet vehicles and equipment.
- Managing select activities in the vehicle lifecycle, including outfitting and repair. The Vehicle Processing and Auto Body groups outfit vehicles according to unique City requirements and ensure high-quality repair work for damaged vehicles and equipment.

Equity Impacts

CityFleet has a long-term goal of addressing racial equity and inclusion via the organization's identity, culture, and work. This is executed in part via focused minority outreach for position recruitments. This outreach work is anticipated to extend to women-in-trades recruitments in 2020.

Changes to Program

CityFleet recently restructured its operations to improve service delivery to customers; Fleet Stores and Body Shop were moved out of the Garage Operations function so as to enable a more singular focus on vehicle maintenance within Garage Operations. In suit, the Fleet Stores, Body Shop, and New and Replacement Acquisition groups merged to create the Business Operations group.

In addition to operational efficiency-related program changes, CityFleet is keenly aware that its work can help the City drive on its climate goals. CityFleet has surpassed the City's 2020 goals related to EV conversions in its sedan class and is anxious to do more, knowledgeable that the City wants to cut its community-wide emissions in half by 2030 and that the Mayor recently committed to the C40 Cities' goal of net zero emissions by 2050. CityFleet plans to support these objectives by:

- Developing a trajectory and strategy to green all eligible equipment in the City's fleet, inclusive of sedans as well as heavy duty and specialized equipment;
- Pushing forward an "EV-first" purchasing policy that will guide City bureaus to procure only electric vehicles when the use of such is feasible per customer business requirements;
- Increasing the fuel efficiency of newly-procured passenger vehicles to 40 miles/gallon;
- Developing a strategy for charging the "green fleet," which is a key barrier to fleet conversion;
- Utilizing revenue generated from the sale of Oregon Clean Fuel Program credits as seed money for the expansion of EV charging infrastructure; and
- Reducing the lifecycle carbon emissions of transportation fuels by 20%.

CityFleet has aspired to find affordable resources to meet its pressing need for innovation. A partnership is launching with Portland State University in Spring 2020 to do a one-time analysis for greening the entirety of the fleet. CityFleet is also exploring public-private partnerships to strategize the build-out of charging infrastructure at the scale required to support a fully green CityFleet. Lastly, the Kerby Garage, CityFleet's obsolete headquarters, is no longer suitable for basic garage operations, or clean fuel conversion. Research is just beginning regarding a facility that would be appropriate for green fleet operations at scale.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	10,022,820	9,452,607	21,245,962	16,405,094
External Materials and Services	2,921,638	2,352,489	2,093,563	12,592,108
Internal Materials and Services	-180,548	-180,467	0	1,221,401
Personnel	1,039,831	1,091,258	934,512	1,768,893
Fund Expense				
Contingency	0	0	15,242,389	14,233,206
Debt Service	0	0	60,420	95,361
Fund Transfers - Expense	0	0	10,058	1,160,420
Ending Fund Balance	0	22,802,041	0	0
Sum:	13,803,741	35,517,928	39,586,904	47,476,483
FTE	8.55	8.6	8.6	12.95

Resources: Business Operations is funded through interagency agreements with bureaus. Costs include new and replacement vehicle costs (including rentals/leases), vehicle outfitting costs (including GPS installation costs), and parts, fuel, and body repair costs. Costs for this program are recovered through direct billing and/or markups on work order parts and labor, rentals, GPS, replacement and outfitting billings. The program also charges a replacement rate on vehicles to fund the cost of replacing vehicles at the end of their useful life. Please note that CityFleet's rate recovery model will be evaluated in 2020 to identify and address systemic issues that have prevented Business Operations and Garage Operations from scaling up staffing in relation to customer-driven demand, and thus slowed overall service delivery in the organization.

Expenses: Primary expenses for this program include personnel and materials and services.

Staffing: This program contains 10.95 FTE. The FY 2020-21 count of 12.95 FTE includes 2.0 employees in a decision package.

Assets and Liabilities: Excluding select vehicles owned by the Bureau of Environmental Services, Portland Water Bureau, and Portland Fire & Rescue apparatuses, all City vehicles are assets of the CityFleet Fund. Additionally, CityFleet manages seven fuel stations.

Program Information

Bureau: Office of Management & Finance

Program Contact: Michael Roy

Website: <https://www.portlandoregon.gov/dam/33474>

Contact Phone 503-823-4302

CAO - CityFleet Garage Operations

Program Description & Goals

CityFleet Garage Operations provides maintenance and repair services for approximately 3,800 municipally-owned vehicles and pieces of specialized equipment. These services are provided at seven maintenance facilities throughout the City, and via emergency roadside response.

Garage Operations has internal performance metrics that help it monitor its contribution to CityFleet's overarching performance measures. While achieving these measures is a combined effort on the part of all of CityFleet's programs, Garage Operations contributes most strongly to the following:

- Core Service Responsibilities (Average Fleet Availability)
- Cost Management (Average Fleet Cost per Mile)
- Value Delivery to the Public and the City (Change in Total Fleet Carbon Emissions)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Average cost per mile (\$)	0	0	0	\$.97	\$1.12
Average Fleet Availability (%)	0	0	0	94%	98%

Explanation of Services

Garage Operations provides quality and timely preventive maintenance and repair services to all of the City's bureaus and multiple local municipal agencies, which ensures that customers can deliver critical fleet-based services to the public. Key services include:

- Administration and execution of a comprehensive preventive maintenance program;
- Diagnosis and repair of all vehicle systems, including vehicle technology and computer systems;
- DEQ emission inspections.

Note that CityFleet maintains over 700 types of vehicles and specialized equipment, from sedans to heavy equipment to industrial mowers. For many of these units, there are few market redundancies that would enable Garage Operations' work to be outsourced, particularly at the scale required to fully support the bureaus' fleet needs. Additionally, retaining maintenance work in-house better-enables the City to manage asset lifecycles, the risks inherent in this kind of asset base, bureau's seasonal cycles and related fleet needs, and effectuate civic goals related to climate, resilience, and equity.

Equity Impacts

CityFleet is an internal-facing program in which City bureaus are the direct customers. Thus, the area in which Garage Operations has the most equity impact is via focused minority outreach for position recruitments. This outreach work is anticipated to extend to women-in-trades recruitments in 2020.

Changes to Program

CityFleet recently restructured its operations to improve service delivery to customers; Garage Operations is now focused on core vehicle and equipment repair and maintenance services, with parts, fuel and vehicle processing activities now reporting to the Business Operations group.

As part of this transition, stronger focus is being placed on vehicle and equipment availability, as poor availability directly impacts the capacity of bureaus to deliver timely fleet-based services to the public. Additionally, poor vehicle and equipment availability can inflate bureaus' total fleet costs; if Garage Operations cannot move vehicles in and out for repair and maintenance in a timely manner, bureaus respond by increasing the sizes of their fleets (and thus, their fleet costs) so as to ensure availability.

To drive availability, Garage Operations is focusing on the development of work management practices like "lane development," which will systematize which employees work on what types of equipment and allow for improved employee training, parts management, and work order scheduling. Garage Operations is also developing standard operating procedures to routinize common work practices. Note that CityFleet's Business Operations team is also supporting vehicle/equipment availability goals by standardizing vehicle acquisitions. DAM is also supporting this effort by assessing the functionality of the Kerby Garage for CityFleet operations, as the layout and condition of the building are strong contributors to inefficiency in CityFleet operations.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
Capital Outlay	264,564	75,970	5,223,004	100,000
External Materials and Services	10,534,565	11,351,940	13,179,203	3,256,266
Internal Materials and Services	2,401,806	2,295,479	2,313,839	1,512,543
Personnel	6,883,173	7,219,568	8,417,579	8,091,204
Fund Expense				
Contingency	0	0	4,855,677	3,551,788
Debt Service	119,749	119,749	718,209	511,035
Fund Transfers - Expense	1,098,181	1,203,941	1,174,018	85,070
Sum:	21,302,038	22,266,647	35,881,529	17,107,906
	FTE	68.45	69.4	66.65

Resources: The primary resources that support this program are interagency agreements with other City bureaus and intergovernmental agreements with external customers for services. CityFleet charges an hourly rate to bureaus when services are requested as part of an interagency agreement. CityFleet also applies a mark-up on vended work and parts and fuel for the staff time required to order and inventory these materials and services. The program relies entirely on billings for services provided to bureaus. It has no fixed revenue source.

Expenses: The primary expenses for the program include personnel costs, materials, and services to repair and maintain vehicles. Fund level expenses and administrative costs for CityFleet are included in the Maintenance and Repair program.

Staffing: CityFleet's vehicle mechanics are allocated to the repair and maintenance program full-time. There are several operational staff that allocate part of their time to the repair and maintenance program as well, the program contains 66.65 FTE.

Assets and Liabilities: The program's major assets are the Kerby Garage and six small satellite locations.

Program Information

Bureau: Office of Management & Finance

Program Contact: Michael Roy

Website: [www.portlandoregon.gov/
dam/33474](http://www.portlandoregon.gov/dam/33474)

Contact Phone 503-823-4302

CAO - CityFleet Transportation Pool

Program Description & Goals

CityFleet operates a fleet transportation pool available to all City employees, consisting of electric and plug-in hybrid sedans, minivans, compact pickups, and e-bicycles. Fleet Pool has a minor contribution to the following CityFleet performance measures:

- Core Service Responsibilities (Average Fleet Availability)
- Cost Management (Average Fleet Cost per Mile)
- Value Delivery to the Public and the City (Change in Total Fleet Carbon Emissions)

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
Percentage of sedans that are electric or plug-in hybrid	44%	41%	47%	50%	50%

Explanation of Services

CityFleet is responsible for providing safe, reliable, cost-effective, and compliant transportation services that support City functions requiring vehicles and equipment. The 34-vehicle/bicycle pool exists to provide transportation solutions to bureaus and individuals that require occasional use.

The Fleet Pool supports several goals articulated in the City's 2015 Climate Action Plan and the Bureau of Planning and Sustainability's 2018 City of Portland Electric Vehicle Strategy, both of which encouraged a reduction in carbon emissions from City operations. Fleet Pool supports these climate efforts by discouraging employees from driving their own vehicles to work if they require ad hoc transportation support during a workday, and by facilitating "green" transportation options.

Equity Impacts

The CityFleet Transportation Pool program goals for reducing carbon emissions positively impact communities of color and lower incomes by improving air quality throughout the city.

Changes to Program

No changes are anticipated to this program in FY 2020-21.

Program Budget

	FY 2017-18 Actuals	2018-19 Actuals	2019-20 Revised	2020-21 Requested with DP
Bureau Expense				
External Materials and Services	0	0	97,165	99,238
Internal Materials and Services	73,481	109,426	0	10,140
Personnel	0	0	32,394	62,000
Fund Expense				
Debt Service	0	0	2,117	3,897
Fund Transfers - Expense	0	0	352	649
Sum:	73,481	109,426	132,028	175,924
	FTE	0	0	0.4

Resources: Fleet Pool is funded by interagency agreements with City bureaus. Users are charged hourly, daily, weekly, and monthly rates based on the length of their reservation.

Expenses: Primary program expenses include personnel services, repair and maintenance, accident insurance, and expenses to run the Key Valet hardware and software systems.

Staffing: Staff support includes point-of-use customer service, hardware and software technical support, and monthly billing to bureaus. This program requires 0.4 FTE in CityFleet support.

Assets and Liabilities: Fleet Pool consists of 34 vehicles including bicycles, sedans, minivans, and compact pickups. These vehicles are on depreciation-based replacement plans.

Program Information

Bureau: Office of Management & Finance

Program Contact: Michael Roy

Website: <https://www.portlandoregon.gov/dam/47985>

Contact Phone 503-823-4302

	Performance Measure	KPM	Measure Type Name	FY 2016-17 Actuals	FY 2018-19 Actuals	FY 2019-20 YTD Actuals	FY 2020-21 Target	Strategic Target
MF_1180	Percentage of sedans that are electric or plug-in hybrid	No	EFFICIENCY	44%	41%	0	50%	50%
MF_1196	Percent of Accounts Payable within 30 days	NO	OUTPUT	80%	83%	0	80%	90%
MF_1220	Number of campsite reports received and processed	NO	WORKLOAD	N/A	35,005	0	40,000	N/A
MF_1221	Number of campsite cleanups performed	NO	OUTPUT	N/A	2,828	0	3,000	4,500
MF_1222	Total cleanup costs	NO	EFFICIENCY	N/A	\$2,155,030	0	\$2,500,000	\$1,875,000
MF_1223	Tons of garbage collected	NO	WORKLOAD	N/A	1,954	0	2,000	3,500
MF_1225	Change in average energy use intensity over the prior year average	NO	EFFICIENCY	N/A	159%	0	-1%	-3%
MF_1226	Average customer demand workorder turnaround time	NO	OUTPUT	N/A	27.70	0	22.50	10.00
MF_1227	Percent of on-time preventive maintenance compliance	NO	OUTPUT	N/A	53%	0	55%	80%
MF_1228	Average maintenance and operations cost per square foot	NO	EFFICIENCY	N/A	\$14.99	0	\$11.50	\$12.50
MF_1229	Percentage of construction projects completed on-time	NO	OUTPUT	N/A	80	0	84	90
MF_1230	Percentage of construction projects completed under budget	NO	OUTPUT	N/A	80%	#DIV/0	84%	90%
MF_1231	Average occupancy rate	NO	OUTCOME	N/A	75%	0	75%	98%
MF_1236	Percentage of minimum Spectator Venue & Visitor Activities Fund operating reserved maintained	NO	OUTCOME	N/A	100.00%	0	100.00%	100.00%
MF_1240	Average cost per mile (S)	NO	EFFICIENCY	0	0		\$.97	\$1.12
MF_1241	Cumulative percentage change in total carbon emissions from FY 2006-07 levels	NO	OUTCOME	0	0		-41%	-100%
MF_1242	Average Fleet Availability (%)	NO	OUTPUT	0	0		94%	98%
MF_1243	Business Operations operational budget served	NO	WORKLOAD	0	0		550,000,000	N/A
MF_1244	Business Operations budget as a percentage of OMF bureau operational budget served.	NO	EFFICIENCY	0	0		1%	1%
MF_1245	FTE served by the OMF Business Operations Administrative Team	NO	WORKLOAD	0	0		209	N/A

MF_1246	Ratio of CAO Admin Team FTE to customer FTE directly served (i.e. 1:10 NO entered as 10)	EFFICIENCY	0	0	50	50
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DP: 9569 - CityFleet Climate Investments	DP Type	Priority	New
	ADD	5	Yes

Package Description

This decision package is being submitted by the Division of Asset Management on behalf of CityFleet and is intended to further CityFleet's climate work in alignment with the FY 2020-21 budget guidance related to Priority Issue Area 4: Leadership Action on Climate Change. CityFleet is well-positioned to be a strong contributor to the City's climate goals but needs investment in the form of sustained analytical and coordination support. This decision package requests support for: 1) One permanent Analyst III position; and 2) One permanent Coordinator II position. This package is funded through an increase in the interagency agreements with all Fleet customers. A new fixed annual charge to each bureau is based on the size of each bureau's interagency agreement with Fleet.

Problem Statement

CityFleet wants to align itself with the City of Portland's carbon emission reduction goals, which include cutting community-wide emissions in half by 2030 and a commitment to the C40 Cities' goal of net zero emissions by 2050. In 2015, CityFleet developed a trajectory to transition its sedan fleet to electric and plug-in hybrid vehicles, which the organization has done well at implementing. To do more; however, CityFleet needs to be able to:

- Conduct routine, in-depth analysis of market trends for non-sedan vehicle procurements;
- Maintain fleet conversion trajectories that balance emissions goals with conversion costs;
- Develop (in conjunction with the bureaus) standardized "green" vehicle/equipment specifications;
- Enhance long-range vehicle acquisition planning practices;
- Participate fully in regional discussions about the development of charging infrastructure;
- Monitor fueling and fuel infrastructure strategy; and
- Apply for grant applications and other funding resources that can help offset green operations.

Additionally, CityFleet needs a facility that can support green fleet conversion at scale – i.e., a facility that can handle additional electrical loads and accommodate Renewable Natural Gas (RNG)/Compressed Natural Gas (CNG) operations (both fueling and maintenance).

Therefore, CityFleet needs staff that can manage and support an effort to relocate CityFleet's headquarters to a facility that is more optimal for meeting green fleet needs.

None of this work is currently in CityFleet's scope and the City's requirement that Fleet keep its rates in line with inflation in recent years has resulted in a near total lack of analysts and coordinators in the organization. There are no employees at CityFleet with an Analyst or Coordinator title who do not have a full plate of daily, front-line obligations- such as acquiring rental vehicles for bureaus or managing CityFleet's asset management and diagnostic equipment software. Moreover, CityFleet does not have the authority to increase the rates it charges to bureaus to fund emerging needs absent full agreement by its rate-paying customers to do so, which has not happened in over a decade, or a decision package order.

The enduring absence of essential staff and a proper facility for CityFleet operations has resulted in a sustained institutional inability to be operationally efficient, all of which affects bureau customers in terms of service speed and their total cost of ownership. These deficiencies also now stand as a barrier to Fleet's ability to implement the City's climate-related goals. To help remedy this, CityFleet requests the following:

- Analyst III, 1.0 FTE (Permanent), to manage all of the analytically-oriented tasks above; and
- Coordinator II, 1.0 FTE (Permanent), to support all green-fleet coordination activities.

Explanation of Costs & Service Delivery

Please see Chart A, attached –which summarizes service delivery information for the two staff positions requested, including information on position governance, FTE, projected costs, and connections to CityFleet's performance measures.

Regional Perspectives

Many fleet institutions are currently engaged in efforts to green their fleet, including publicly and privately-owned regional institutions. Common barriers to conversion are akin to that being experienced by the City: lack of knowledge about market timelines, the need to craft a conversion timeline that considers both emission reduction benefits, but also the costs of conversion to those who foot the bill, and access to charging infrastructure at scale. To date, there are no clear solutions for how fleet institutions will meet these needs. However, CityFleet is committed to being an active partner in regional discussions so that it can reap the benefits of partnership and share in costs where possible.

Service Impacts**Impacts**

Because these staffing requests are incremental to current CityFleet operations – in other words, the work simply isn't done currently – the impacts of these positions are anticipated to be substantial, both in terms of daily operations and strategic impacts related to climate.

Please see below for impact statements by CityFleet performance measure.

- Percentage of sedans that are EV or plug-in hybrid. CityFleet has managed to convert a substantial portion of its sedan asset class to an

EV or plug-in hybrid model through its existing vehicle renewal and acquisitions process. However, bureaus are reluctant to agree to additional sedan conversion goals (or goals for other vehicle asset classes) absent clarity on how their charging needs will be met at scale. Beyond this, this metric is limited to sedans but needs to be expanded to other vehicle asset classes and specialized/heavy duty equipment types, but to do so, market research on vehicle development timelines is needed, as is analysis on the pace of conversion (balancing emissions reductions with conversion costs). In short, adding analytical support and then backing that up with coordinator support to apply for grants, develop specifications and long-range plans, and support regional charging infrastructure development efforts should move the needle on this measure.

- Cumulative change in total carbon emissions. This metric is complex because as the bureaus' fleets grow, so too does CityFleet's overall potential for carbon emissions. As noted, analyst and Coordinator support will help with conversion, which limits the emissions potential of individual fleet units. We believe, though, that an Analyst could also help City bureaus develop better long-range fleet acquisition forecasts. When paired with a Coordinator who could lead operational efficiency projects, like standardized vehicle specifications and garage process improvement projects, we can greatly constrain the overall growth of bureaus' fleets, as many bureaus indicate that they acquire more vehicles than necessary due to operational inefficiencies at the Kerby Garage. In short, by improving operational efficiency and by better-forecasting bureaus' fleet needs, we will be able to reduce or constrain the growth in bureaus' fleet sizes, and thus CityFleet emissions.

As a side note, wherever operational improvements are made that support the implementation of strategic initiatives, such as those related to climate, improvements will be seen to other core CityFleet performance measures, such as Average Cost per Mile, and Average Fleet Availability. Likewise, relocating CityFleet to a more modern and purpose-built facility – which requires technically-knowledgeable staff support to do – will benefit all of CityFleet's metrics due to the functional obsolescence of the Kerby Garage and its subsequent inability to support safe and efficient fleet operations and inability to support heavy electrical loads (EV charging) and CNG/RNG fuel supply and maintenance requirements.

Also of note, all CityFleet carbon emissions reductions have a positive equity impact as transportation accounts for over 42% of the greenhouse gas emissions in the Portland Metropolitan region, and vehicle pollutants have a significant and detrimental effect on regional air quality. The effects are disproportionately felt in low income communities due to their proximity to major transportation corridors. That said, CityFleet's rate model is designed in a way in which all fleet costs – inclusive of acquisition, fueling, and maintenance costs – are passed on to the bureaus, which in turn leaves them with less money to spend on direct public service. Therefore, it is essential to develop and maintain a conversion trajectory that balances the City's emissions goals with the costs of conversion. While CityFleet's emissions are important and affect equity in the Portland metropolitan region, so too are parks, roads, and affordable utility services.

Assumptions

Assumptions inherent in this request include:

- Staffing. This request assumes that one Analyst and one Coordinator are sufficient to take on the volume of work required to push forward both the operational and strategic improvements required to advance CityFleet's performance and its contribution to the City's climate goals.

Measuring Outcomes

Measuring the value/performance of the proposed spending initiatives would be done as follows:

- Staffing. All CityFleet employees will receive scorecards in 2020 that specify the deliverables they are expected to contribute to the organization. Analyst and Coordinator staff will be subject to the same paradigm.
- With regard to CityFleet's performance measures and how staff investments will contribute to those measures, part of the Analyst's job will be to craft achievement targets and part of the Coordinator's job will be to help push forward the initiatives required to hit the targets. Note that dedicated support to craft and deliver on performance measures currently does not exist in CityFleet, which contributes to its existing operational and strategic performance problems.

Alternatives

Alternatives to proper staffing were considered as follows:

- Analyst. Several institutions exist that CityFleet can and is partnering with on some of its green fleet analytical efforts. In January 2020, Portland State University is conducting an initial assessment of a Green Fleet Trajectory Options Analysis, carrying out initial market research on non-sedan asset classes, developing a quantitative approach to balancing emissions reductions and conversion costs, and making recommendations on how to proceed. While this is an excellent option to stand up this need, ad hoc partnerships that depend on the talent of locally available college students are not an acceptable way to make sustained progress on the City's most important strategic goals. Similarly, the City is crafting a partnership with Portland General Electric to explore how to develop charging infrastructure at scale, and to develop relationships with other regional fleet institutions that have comparable needs. This is a good move for the City, as exclusively owning and operating charging infrastructure is not advisable for the City given its costs and asset management requirements, but the City also needs a knowledgeable internal partner to fully represent its interests at the table, particularly when the partnership is with a private entity. In short, CityFleet's climate-related analysis needs can be met for a short time via ad hoc partnerships, but if this is a core priority, these capabilities must be present in CityFleet's organizational structure and staffed in an enduring manner.

- Coordination. Many of CityFleet's current performance problems stem from the fact that there are simply no staff available to push forward improvement projects, even if staff know what needs to be done. Examples of this include the need for vehicle specification standardization and a variety of garage process improvement projects. When it comes to climate-specific needs, there is no one available to apply for grants to offset climate investments, and there is an emerging and significant need for someone with fleet-specific knowledge to steward the search

for an alternative to the Kerby Garage, which is unsafe for workers, inefficient for providing service to the bureaus, located in a landslide hazard area and thus unable to fulfill its resilience obligations or be upgraded to accommodate green fleet requirements. Current staffing levels have already co-opted manager time to carry out daily operations, such as vehicle acquisitions, so that is not a resource. Quite simply, actual Coordinator support is required.

Equity Impacts

All CityFleet carbon emissions reductions have a positive equity impact as transportation accounts for over 42% of the greenhouse gas emissions in the Portland Metropolitan region, and vehicle pollutants have a significant and detrimental effect on regional air quality. The effects are disproportionately felt in low income communities due to their proximity to major transportation corridors. That said, CityFleet's rate model is designed in a way in which all fleet costs – inclusive of acquisition, fueling, and maintenance costs – are passed on to the bureaus, which in turn leaves them with less money to spend on direct public service. Therefore, it is essential to develop and maintain a conversion trajectory that balances the City's emissions goals with the costs of conversion. While CityFleet's emissions are important and affect equity in the Portland metropolitan region, so are parks, roads, and affordable utility services.

Relevant CityFleet performance measures that pursue equitable outcomes include:

- Percentage of sedans that are electric vehicles or plug-in hybrid vehicles.
- Cumulative change in total carbon emissions.
- Average cost per mile.
- Average fleet availability.

Budget Detail

Fund	2020-21 Request - V52 with DP	2020-21 CBO Recommended-V53	2020-21 Proposed-V54	2020-21 Approved - V55	2020-21 Adopted - V56
Major Object Name	Expense				
702000 External Materials and Servi	24,944	0	0	0	0
702000 Personnel	277,056	0	0	0	0
Sum:	302,000	0	0	0	0

Major Object Name	Revenue				
702000 Interagency Revenue	302,000	0	0	0	0
Sum:	302,000	0	0	0	0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30003008 - Analyst III	1.00	105,258	0	40,599	153,909
30003028 - Coordinator II	1.00	81,623	0	35,279	123,147
Total	2.00	186,881	0	75,878	277,056

DP: 9594 - Facilities Core Climate Investments	DP Type	Priority	New
	ADD	0	Yes

Package Description

This decision package is being submitted by the Division of Asset Management on behalf of Facilities Services and is intended to provide the organization with core tools and staff that it has not been able to attain due to constraints in its rate structure and the City's approach to interagency rate increases.

These investments will greatly enhance Facilities' ability to ensure safe, sound, and resilient facilities for bureau tenants, and are required for the City to move forward on its goals related to energy efficiency, as per the Mayor's FY 2020-21 Priority Issue Area 4 budget guidance. These investments will also give Facilities some of the tools needed to create service level agreements with customers, build a long-term facilities strategy, manage costs more effectively, and enhance measurement and reporting on its performance objectives.

This decision package requests support in the form of three things: 1) financial and temporary staff support for a Facilities Condition Assessment; 2) financial and temporary staff support for an Asset Management software system; and 3) permanent staffing to sustain condition assessment/software support in perpetuity.

Problem Statement

Facilities Services has an obligation to ensure that the buildings it owns and operates are safe for workers; able to support the efficient provision of public services; aligned with civic goals related to resilient, green, equitable operations; and managed in a prudent and cost-effective manner.

However, structural limitations in Facilities' rate model have greatly constrained its ability over time to fund core operational needs and to keep pace with evolving priorities. In short, the rates Facilities charges to bureaus are limited to the previous year's rates plus inflation, unless the bureaus unanimously agree to a rate increase or are directed to take a rate increase by Council. While this method prevents Facilities from pushing forward arbitrary rate increases at the bureaus' expense, there is an inherent assumption in this approach that Facilities' longstanding rate structure is sufficient to fund its core operating requirements.

Facilities currently lacks two foundational needs that were never part of its cost structure or rate model; this gap is now threatening Facilities' ability to remain a going concern. Beyond this, Facilities is structurally unable to respond to emerging priorities related to its aging asset base and the City's strategic priorities around climate, resilience, and equity.

In Spring 2020, Facilities will be embarking on a broader discussion related to its service model and its rate methodology intended to help the City clarify its expectations of a facilities organization and enable Facilities to be more flexible in the face of a changing environment.

This request, however, is intended to fully articulate and formally request support for Facilities' three most pressing needs. They include:

- A Facilities Condition Assessment (FCA) for all Facilities-owned properties. FCAs assess the basic condition, energy performance, ADA performance, and seismic resilience of critical facility assets and buildings, and are the basis for crafting facility safety, soundness, climate, and equity goals, and long-range plans. Note that to store FCA data and to operationalize FCA findings, an organization must have in place a fully functioning asset management software system.
- An Asset Management Software System (AM). An AM system is the core information system that any asset-owning organization needs to run its operations. AM systems house system-of-record data for critical assets (such as asset location, nameplate, and FCA information); allow for asset work order development/completion (e.g., customer work order submittals, or the design/scheduling of preventive maintenance routes); track asset costs (employee work order time tracking, materials and supplies management, etc.); and make possible performance management tracking/reporting. Facilities' asset management system stopped being supported by vendors six years ago and is now too fragile to modify. Thus, it cannot support updates to its FCA data, modifications to its preventive maintenance routes, efficient/accurate timekeeping for Facilities employees and costs, etc. Please note that as with an FCA capability, Facilities has never had in its cost structure/rate model funding for its AM system needs – from system upgrade/maintenance fees to technical staff support.
- Staff support for the procurement and implementation of an updated AM system, and the updating of Facilities' FCA data. Some limited duration staff are needed to launch/run these projects, but staff are also needed in perpetuity to manage Facilities' AM system and to operationalize FCA findings.

Please see Attachment A (Technical Supplement) for a detailed explanation of costs and funding sources.

Note that while Facilities was not able to attain all-bureau agreement in 2019 to increase its cost structure to fund these needs (via increases to the bureaus' rates), bureaus did agree that Facilities should have the basic tools and staff positions required to carry out its municipal charge, as the risks of not having essential tools and staff are borne by the bureaus and their workers directly in the form of poor facility conditions, services, and cost management practices. Similarly, the lack of these tools/staff now stands as a barrier to Facilities' ability to advance the City's climate goals, as it is neither logical nor cost-effective to perform facility energy audits separate from an FCA, and building energy performance goals should not be established apart from broader facility performance goals (e.g. ADA compliance) when facility resources are highly constrained.

Please also note that Facilities attempted to craft an approach to onboarding an AM system and a FCA program in a way that can be extended to bureaus owning facility assets outside of OMF's purview. Facilities has structured its proposal in this way as having one AM

platform appropriate for facility asset management, along with one approach to conducting, recording, and operationalizing FCA findings, will strongly benefit the City from an enterprise facility asset management standpoint. This approach will make it easier to ensure that all civic facilities – regardless of bureau ownership – are meeting comparable core standards and delivering equally on strategic goals.

As funding permits, the following bureaus have expressed interest in potentially procuring AM and FCA services from Facilities to help manage facilities that are outside of OMF's purview: Portland Fire and Rescue, the Bureau of Environmental Services, the Bureau of Transportation, potentially Portland Parks & Recreation (depending on their AM system needs, which they are exploring but which are known to be more complex than that of Facilities), and the Portland Police Bureau (for managing capital equipment, which can be included in an AM system). In addition, the Bureau of Planning & Sustainability is an ardent supporter of this Facilities effort, as it is foundational to BPS advancing goals related to building energy efficiency and carbon emissions reductions Citywide.

Explanation of Costs & Service Delivery

Please see Attachment A, Charts A and B, which summarize service delivery information for the FCA, the AM system, and the staff positions, including project and position governance, FTE needs, projected costs, and connections to Facilities' performance measures. Chart A covers one-time costs incurred over two fiscal years (FY 2020-21 to FY 2021-22); Chart B covers ongoing costs that will begin in FY 2022.

Service Impacts

Impacts

Since Facilities does not have a contemporary AM system nor staff to push forward/lead these efforts, this request is anticipated to be highly impactful for Facilities, both in terms of daily operations and strategic impacts related to climate, equity, and resilience.

Regarding performance management, Facilities is not positioned to accurately track/report on its performance. Facilities' existing asset management system has incomplete asset information; outdated and duplicative preventive maintenance routes; an inability to properly assign labor and materials costs to assets, work orders, and specific customers without manual intervention; and a lack of integration with SAP. The Capital Projects and Property Management programs in Facilities track their performance manually via an array of Excel spreadsheets. In addition, Facilities has a host of performance measures that are highly relevant to its mission and thus ought to be tracked – such as building safety and soundness (FCA) metrics, project value and portfolio ROI metrics, and asset/facility risk metrics, etc. – but the current AM system cannot be modified to enable tracking and reporting on these measures.

Thus, it can be reasonably speculated that Facilities' performance measures would be affected as follows:

- The establishment of an AM system of organizational performance measures that align with the performance framework developed for Facilities in 2019 – which is currently theoretical vs. real.
- Baseline of all metrics, including new metrics and those that have questionable past reporting, using data extractions from the new AM system over its first year of operation.
- The establishment of specific performance targets for staff (leveraging the employee scorecards being developed for all Facilities staff in 2019-20 and data from the new AM system) to drive organizational performance in alignment with Facilities' organizational performance goals.
- Accurate report-outs to ensure accountability and identify areas of necessary improvement.

Maintaining accurate data and reports are also required for Facilities to develop meaningful service level agreements with customers; absent an ability to track and report on service delivery, costs, and any agreements are simply theoretical commitments.

Assumptions

Assumptions inherent in this request include:

- Projects. Budget-level market research was done to inform this request, with high-level quotes from vendors used to inform the estimated AM system costs and the FCA costs. If and when funding is obtained, an RFP for both services will be issued. As such, real market prices could vary.
- Staffing. This request assumes that 1.25 FTE of business systems analyst (BSA) support and 1.25 FTE of FCA project manager support is sufficient to take on the volume of work required to procure and implement an AM system within Facilities. The position will support the execution of an FCA. This package assumes that 1.0 FTE of each type of staff is sufficient to support AM/FCA needs in perpetuity.
- Timing. Given the urgency of the need, both the AM system and the FCA have been envisioned as two-year projects. Routine risks associated with procurement and implementation exist and could extend the project(s). In this instance, projected staff costs for limited duration project support would increase. However, the effect of an increase in limited duration project support costs would be mitigated by a delay in permanently staffing the AM and FCA functions. In short, an increase in limited duration staff costs would simply be offset by a delay in hiring permanent staff.

Measuring Outcomes

Measuring the value/performance of the proposed spending initiatives would be done as follows:

- Projects. The AM and FCA initiatives will be managed per common project management practices and metrics: scope/schedule/budget.
- Staffing. All Facilities employees are receiving scorecards in 2019-20 that specify the deliverables they are expected to contribute to the organization.

Alternatives

Alternatives to this proposal/request have been explored, but few viable alternatives exist. They are discussed in the attached document.

Equity Impacts

OMF's Strategic Projects and Opportunities team (SPOT) is currently engaged in an analysis of the City's long-range space type and square footage needs, which is half of what is needed to develop a long-range strategic plan for the management of City facility assets (the other half being the condition data that would be generated via an FCA). As part of this analysis, SPOT has generated very high-level observations on the condition of the City's facility assets.

One discovery emerging from this study is that there is a grave disparity in asset condition between different types of work spaces at the City. Office workers and executives have relatively good experiences in their facilities, both in City-owned properties (e.g., the 1900 Building, City Hall), and City-leased spaces (e.g., Pioneer Tower, Sixth + Main). The same cannot be said, however, for City workers who are in operations, maintenance, and certain public safety functions (e.g., fire bureau support facilities). The facilities these individuals work in tend to be in poor to very poor condition, inefficient for daily operations/public service, and lack meaningful strategies for cost-effective maintenance and rehabilitation.

Within OMF itself, the most obviously deficient facility is the Kerby Garage, which serves as CityFleet's headquarters. The garage is known to be unsafe for workers (due to fire protection system issues), poorly designed to provide efficient fleet services to the bureaus, located in a landslide hazard area and thus unable to fulfill its resilience obligations, unable to be upgraded to accommodate green fleet requirements, and on the verge of needing several million dollars in major maintenance repairs. While CityFleet is separately embarking on an initiative to relocate to a more suitable space, the experience of the 80+ workers who are housed at the Kerby Garage could be extrapolated to the thousands of City employees who benefit from state-of-the-art office setting work environments. This is a probing inequity amongst our workforce.

The initiatives proposed herein are being sponsored by DAM and Facilities to help Facilities better-serve the properties it owns and operates, but this entire endeavor has been designed to scale to meet the needs of the City's facilities overall – OMF-owned or not. Facilities believes that that structuring efforts in this manner will prepare the division to support other bureaus in improving their facility asset management practices and closing the gaps in facility safety, soundness. Initiatives will create a more equitable work experience for City workers, and better support bureaus as they strive to serve the public.

Budget Detail

Fund	Major Object Name	Expense	2020-21 CBO	2020-21 Proposed-V54	2020-21 Approved - V55	2020-21 Adopted - V56
			2020-21 Request - V52 with DP			
701000	Capital Outlay	0	0	0	0	0
701000	Contingency	-422,640	0	0	0	0
701000	External Materials and Servi	1,723,280	0	0	0	0
701000	Personnel	886,362	0	0	0	0
Sum:		2,187,002	0	0	0	0

Fund	Major Object Name	Revenue	2020-21 CBO	2020-21 Proposed-V54	2020-21 Approved - V55	2020-21 Adopted - V56
			2020-21 Request - V52 with DP			
701000	Fund Transfers - Revenue	1,734,808	0	0	0	0
701000	Interagency Revenue	452,194	0	0	0	0
Sum:		2,187,002	0	0	0	0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30000449 - Business Systems Analyst, Sr	2.00	187,418	0	75,998	277,754
30000718 - Facilities Construction Project Manager	2.00	214,616	0	82,120	313,154
Total	4.00	402,034	0	158,118	590,908

DP: 9598 - CAO - Long Range Facilities Master Plan**DP Type****Priority****New**

ADD

0

No

Package Description

The Long-Range Facilities Master Plan establishes a long-range strategy for City facility management. Without a long-range strategy, the City does not have an understanding of the facilities needed to support the delivery of City services over the next thirty years, nor an approach to optimize the City's current portfolio, identify what portfolio deficiencies and gaps exist, and identify strategies for addressing these gaps.

The project is managed in the CAO's Office by the Project Management for Citywide Initiatives (PMCI) unit within the Strategic Projects and Opportunities Team (SPOT). As a Citywide project, all bureaus and offices are invited to participate by designating representatives to participate on a Bureau Liaison Team (BLT). The BLT met several times during Phase 1 of the project in addition to providing bureau organizational and facility needs information to the project manager and project consultant team. We anticipate that with Phase 2a, and subsequent phases, the BLT will continue to participate in the project through regular meetings focused on two key cross-bureau needs: shared operations campus(es) and eastside service facility options. The consultant team also works closely with the Division of Asset Management (DAM); as the service provider for bureau facility and fleet needs, the project directly impacts the work of this division.

The full scope of the Long-Range Facilities Master Plan is a multi-year project. Phase 1, completed in FY 2019-20, focused on establishing the facility needs of each bureau, cataloging the existing facility portfolio, and identifying the gaps. The Phase 1 Needs Assessment had a budget of \$325,000. Phase 2a furthers this work and the requested budget is \$350,000. With the completion of Phase 2a, and concurrent projects by DAM (and other bureaus) that conduct conditions assessment of the City's existing portfolio, we expect that budget for Phase 2b (Master Plan) and Phase 3 (Implementation) will be requested in future years.

The requested budget covers the anticipated consultant contracts needed to perform Phase 2a. PMCI FTE is not included, nor is bureau liaison or DAM staff time affiliated with participation in this project; all City FTE time affiliated with this project is expected to be absorbed by each bureau. This request of \$175,000 represents half of the Needs Assessment budget of \$325,000. OMF CAO will request carry forward in the Spring BuMP in the amount of \$175,000 to satisfy the decision package offset requirement.

Service Impacts

The Citywide Long-Range Facilities Plan is a multi-phase comprehensive assessment of the facilities needed to support the delivery of City services over the next thirty years. This plan includes an assessment of the facilities, identifies opportunities to optimize the City's current portfolio, evaluates and determines immediate facility deficiencies, and forecasts facility types, sizes, and general geographical areas for future space needs. The plan establishes long-range strategies for City facility management that incorporate equity, resiliency, and sustainability. By the end of the multi-phase project, the City will have a comprehensive Needs Assessment of the City's current and future space needs, a Master Plan outlining how to address these needs, and an Implementation Plan providing tools and direction for how to accomplish the plan and how to strategically evaluate facility opportunities that may arise over time and how responding to those opportunities benefit or impact the remainder of the plan.

The proposed funding model includes a cost-sharing between General Fund request and available CAO resources. This project is a Citywide initiative that impacts the facility needs of all bureaus. If funding is not approved, the work proposed is unlikely to proceed – other funded projects would take priority for the staff appropriate and available for this project and the facility assessment and master planning expertise is not readily available without the professional services consultants.

Equity Impacts

The Long-Range Facilities Master Plan project considers equity from a customer perspective, accounting for the public, bureaus housed in City facilities, and from the perspective of City employees. Employees report to work in varied settings including offices, field work, and maintenance facilities. This project provides the opportunity to identify, evaluate, and propose remedies to ensure equitable workspace and amenities across these facility types and across the broad range of types of work performed by City employees to deliver services to the residents of the Portland

The project also considers equity from a resident perspective: if new or consolidation of facilities are identified as a need, where these facilities are located geographically in Portland will require the consideration of equity impacts. Based on the types, size, and visitor frequency to a facility, the potential displacement and /or decline of a neighborhood dependent on the type of facility located should be considered as well as the impacts on the existing residents and the identification of potential remedies that should be implemented.

Budget Detail

Fund	Major Object Name	2020-21 Request - V52 with DP	2020-21 CBO Recommended- V53	2020-21 Proposed-V54	2020-21 Approved - V55	2020-21 Adopted - V56
		Expense				
100000	External Materials and Servi	175,000	0	0	0	0
	Sum:	175,000	0	0	0	0

Budget Detail

Fund	2020-21 Request - V52 with DP	2020-21 CBO Recommended- V53	2020-21 Proposed-V54	2020-21 Approved - V55	2020-21 Adopted - V56
Major Object Name	Revenue				
100000 General Fund Discretionary	175,000	0	0	0	0
Sum:	175,000	0	0	0	0

City of Portland
Requested Budget Equity Report

Office of Management & Finance

Requested Budget & Racial Equity Plan Update:

The Office of the Chief Administrative Officer (CAO's Office) is an internal service provider within the Office of Management & Finance (OMF) delivering a range of services to other OMF bureaus, City Council and Citywide bureaus.

The Office is comprised of the Division of Asset Management (DAM), the Homelessness and Urban Camping Impact Reduction Program (HUCIRP), the Business Operations Division, the Strategic Projects and Opportunities Team (SPOT), and the Integrated Security Program. Because the Office of the CAO's primary customers are bureaus and offices within the City, the work completed within the Office of the CAO indirectly supports bureau and Council equity advancement plans.

The Office's base requested budget supports its efforts to pursue equitable outcomes in its work processes and contractual opportunities. Currently, there are three subcommittees within the Office of the CAO Racial Equity Team that are charged with addressing inequities in human resource practices, hiring and onboarding, and coordination of equity trainings, seminars, and discussions within the Office. Though subcommittee members are not trained equity practitioners, they are tasked with developing practical solutions to address noted inequities within the Office. The work of these subcommittees advances a consciousness of equity issues throughout the workforce and promotes awareness of inequities experienced by indigenous people, people of color, immigrants and refugees, and people living with disabilities.

In FY 2019-20 funds were allocated to hire the Center for Equity and Inclusion to further develop and mature an Equity Advancement Group within the Office of the CAO and increase awareness of inequities faced by disadvantaged communities.

DAM aspires to apply an equity lens to all of its daily operations. As an internal service provider, that typically means that the equity work can best be achieved by driving forward workforce development goals that help support targeted recruitments for living wage jobs, and that drive more equitable representation of diverse populations within DAM's leadership ranks. Additionally, Facilities supports equity goals by aligning with City procurement practices related to minority participation in contractor hiring.

DAM is conducting a long-range facilities master plan led by OMF's Strategic Projects and Opportunities Team, which is assessing the need for additional City facility space. This might include a stronger east-side civic presence, which could better support engagement with underserved populations. Facilities is also looking to better strategize

City of Portland
Requested Budget Equity Report

long-term facility investments and operations/maintenance strategies.

Facilities also provides accessibility by making ADA accommodations based on the request of occupants and through proactive accessibility improvements to public spaces. Facilities plans Title II compliance efforts for the facilities it owns and coordinates with the bureaus and offices for which it provides services. Facilities engages with occupants for requests to provide reasonable modifications to buildings, fixtures, and furniture for improved accessibility.

CityFleet is developing a green fleet trajectory and timeline. As the fleet electrifies, emissions will be reduced, which is a benefit to populations that have, historically, been disproportionately impacted by climate change and diesel particulate emissions.

Neither Facilities nor CityFleet's budget creates a direct negative impact on indigenous people, people of color, immigrants and refugees, and people living with disabilities, but both organizations are looking to take on operational improvements that will increase their efficiency, and in turn, enhance other bureaus' capacity to carry out their work, inclusive of their equity work.

HUCIRP's base budget includes resources to create additional teams through Clean Start PDX (CS PDX) and received one-time funds in the FY 2019-20 budget to develop a comprehensive sanitation access pilot-project. Both CS PDX and the sanitation access pilot provide low-barrier employment opportunities to individuals with lived experience involving the criminal justice system, substance use disorders, behavioral/mental health issues and/or housing insecurity. In many cases, HUCIRP's relationships with social service organizations help connect these populations with services and can have a direct impact on improving their quality of life.

In FY 2020-21, the Office of the CAO is not considering decision packages that negatively impact communities who identify as indigenous, black, immigrants and refugee, people of color, or people living with disabilities.

Racial Equity Plan Link: <https://www.portlandoregon.gov/oehr/article/622122>

Requested Budget Community Engagement:

As a central service provider, the Office of the CAO engages its customer bureaus, and the OMF Advisory Committee, to ensure its budgetary requests and service provisions are conducted with a service-first mindset. The OMF Advisory Committee meets monthly to advise OMF on budget proposals during the budget development process. Members are inclusive of customer bureau directors, community members,

City of Portland
Requested Budget Equity Report

and a labor representative. OMF is designed to help bureaus provide centralized services to their end users: the residents of Portland.

The 311 Program's vision is that "Portlanders can easily and effectively access City information and services regardless of language, ability, or resources. They are empowered to contact their government. They get accurate answers quickly and easily, and they feel confident that their needs and voices are being heard and considered." However, residents who have a disability, do not speak English well, or have limited internet access face heightened barriers to engaging with the City. By providing customer-focused access in a timely and efficient manner, community members are more likely to engage with local government, facilitating more inclusive and equitable participation.

Given the diverse nature of the Portland community, the Citywide 311 Program must cultivate a welcoming and inclusive customer service experience that increases equitable access and services. The 311 Program is actively working to achieve these goals, in part by:

- Developing equity-based metrics for success.
- Providing multiple ways to contact the City.
- Integrating language services, including translation and interpretation.
- Using 311 to help streamline and improve City processes that may pose barriers to equitable access.

For example, the program is working to centralize ADA and Language Access requests and complaints to reduce barriers to accessing City services and programs.

- Hiring diverse 311 Program staff who reflect Portland's community and provide an inclusive and welcoming 311 experience.
- Working to ensure reports and requests taken by 311 Program staff are used to inform, but not determine, service delivery. Relying solely on community reports or requests may skew service delivery away from those communities who are less engaged, face more barriers, and/or are less comfortable contacting the City.

DAM has not specifically engaged with indigenous people, people of color, immigrants and refugees, and people living with disabilities in the development of its budget. However, in future years, as new civic facility developments are conceptualized, there should be routine engagement of these communities to understand the best location for new civic facility investment.

HUCIRP regularly engages with indigenous people, people of color, immigrants and refugees, and people living with disabilities, and participates in community discussions related to City programs and services. These discussions include helping to educate the community about the budget process and how these communities might advocate for changes. Community workgroups include, but are not limited to, neighborhood

City of Portland
Requested Budget Equity Report

association meetings, Public Safety Action Committee (PSAC) meetings, and community safety and livability forums. This type of engagement has helped to improve One Point of Contact and informed HUCIRP's Strategic Plan. It has also led to the development of new programs aimed at improving the response to individuals in crisis, like Portland Street Response.

HUCIRP also regularly works with community members (housed and unhoused) to explain the City budget process and educate them on program processes. Working with A Home for Everyone's Safety Off the Streets (SOS) workgroup, HUCIRP helped to develop a plan aimed at creating safe spaces within the community for unhoused individuals. HUCIRP regularly works with community members and community organizations to help educate about the issues present and to empower them to better assist the City through reporting, volunteering, or engaging directly with policy-makers at all levels of government.

Base Budget Constraints:

OMF does not have an equity manager allocated within its base budget to adequately assess compliance of budget proposals. Solicitation for equity goals is done through surveys, ad-hoc conversations with bureau customers, and through the OMF Advisory Committee.

Generally, DAM has inadequate funding for data systems and data analysts; therefore, it's difficult to identify the full extent to which the City's Racial Equity Plan applies to DAM's work, strategies that would benefit the City's goals, and to measure/report on the efficacy of DAM's work in this regard.

Most disconcerting is that there are clear areas in which DAM is contributing to inequities, but they are not defined as problems using the racial equity lens, and the absence of data and data analysts precludes DAM from being able to articulate these unique issues effectively.

For example, OMF's SPOT has clearly identified that civic facilities that serve non-office workers are in substantially poorer condition than those that serve office workers. From an equity standpoint, this means that non-office workers (i.e., people who work with their hands and bodies) are generally in facilities that are in poorer condition and less safe than those who work at desk jobs. However, there is no facility data, a data system, or a data analyst to leverage to help articulate and explain this issue, and potentially advocate for a broadening of the racial equity lens as it might apply to the different bureaus.

City of Portland
Requested Budget Equity Report

Currently, Facilities Services has an outdated asset management software application that inhibits the division's ability to accurately assess its Facilities portfolio for asset management needs. When the asset management system is replaced, Facilities will be able to conduct a scan of its facilities portfolio to pursue an equitable service level across the City.

A similar example exists in CityFleet related to trades employment. There is only one female tech within a group of approximately sixty Garage Operations employees. This means that there is a profound lack of diversity within this living-wage job class. Additionally, without the ability to adjust the Fleet rate model, there is no ability to expand the workforce. Annually, as bureaus continue to grow, their fleets continue to grow. As vehicles and equipment adds are increasing, the demand for Fleet labor increases as well. This is creating a growing labor shortage for Fleet's ability to keep up with bureau needs. CityFleet's labor demand has increased by more than 30% over the last nine years, yet zero FTEs have been added. Another major issue facing all skilled trades work is the lack of people entering the job market. It is widely accepted that creating apprenticeships to grow future skilled trades people "in house" is the best way to overcome this problem. This is also not an option with the current rate model. As current technicians age out, there will be very limited resources to replace them. The Project Search pilot is a Council initiative that helps people with intellectual and developmental disabilities gain meaningful workplace experience and employment. CityFleet's intention to support Project Search by bringing a program intern on-board is now being reconsidered because CityFleet's main facility, the Kerby Garage, is unsafe and functionally obsolete. There is justifiable concern that in the event of an emergency, a person with a disability would face a much greater risk.

Notable Changes:

N/A

Equity Manager Role in Budget Development

OMF does not have an Equity Manager. Currently, there are three subcommittees within the Office of the CAO's Racial Equity Team and we will soon convene a 15-staff member Equity Advancement Group that will focus on developing the competency, commitment, and tools necessary to build equitable and culturally inclusive practices, policies, and protocols across the Office.

Equity Manager:	N/A	Contact Phone:	N/A
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City of Portland
Requested Budget Equity Report

ADA Title II Transition Plan:

The ADA transition plan is one of many City mandates that Facilities must consider when making facility changes. Additional mandates include those related to climate, resilience, and basic repair and capital replacement work. Work is underway to try to carve out clarity in project budgets as to where ADA-specific dollars are being invested, along with tracking mechanisms. At present, ADA investments are simply rolled into overall project costs, since they focus on generalized facility improvements.

One organizational improvement Facilities would like to make is the onboarding of an asset management system and a facility condition assessment to understand the depth of investment needs in all of Facilities' buildings and strategize for the most cost-effective way to address these needs, including but not limited to disposition and new facility acquisition, major rehabilitation, and select repairs. Absent a systematic methodology, ADA work is done on an ad hoc basis when work is already being done at an OMF-owned facility, as part of other another, broader initiative.

Barrier removal projects are scheduled by Facilities based on available funds, projected funds in reserve, and staff capacity. In addition, barrier removal is coordinated with existing projects. Facilities also responds to requests for reasonable accommodations to meet or exceed requirements of Title II of the Americans with Disabilities Act.

The Spectator Venues Program manages the 20-year implementation of the City's Title II Transition Plan at the venues within the portfolio, including the Rose Quarter facilities, Providence Park Stadium, and the Portland'5 Centers for the Arts. Program staff work with third-party venue operators and consultants to develop and implement physical and programmatic approaches to removing identified barriers. The program uses a database to track the 2,739 barriers across the venues included the plan. As of early 2020, 482 barriers (17.6%) have been addressed. The anticipated renovation project at the Veterans Memorial Coliseum should address the majority of the 642 identified barriers in that facility and greatly increase accessibility. Design on that project is beginning in FY 2019-20 and construction may begin as soon as FY 2022-23.

Approximately 50% of the identified barriers at the Stadium and over 90% of the potential barriers at the Rose Quarter Garages have now been addressed. The Portland'5 Centers for the Arts venues were added to the Transition Plan later than the other venues in the program, therefore work has just begun. Spectator Venues Program staff continues to work with Portland'5 to make progress on the plan and increase accessibility at the performing arts venues.

City of Portland
Requested Budget Equity Report

Accommodations:

Facilities owns the encoder which allows the Office of Community Technology to provide closed captioning for Council Sessions. Facilities funds the repairs and upgrades of the encoder to ensure it continues operation from the City Hall Operations and Maintenance budget.

HUCIRP has translated its One Point of Contact (OPC) program brochure into the ten safe harbor languages to help increase access to the services this program provides. HUCIRP regularly engages with multilingual and multicultural communities. Additionally, HUCIRP has just completed the first video on OPC which has closed captioning to help better explain what OPC is and how it works.

Capital Assets & Intergenerational Equity

DAM is deeply concerned about intergenerational equity in the current administration of its Facilities scope of work. It is speculated that the depth of deferred maintenance in Facilities is considerable and that absent a coherent real estate strategy and capital investment plan, there will be a substantial spike in urgently-needed, unplanned capital investment in the coming years and decades.

To address this need, Facilities is advocating for the onboarding of key managerial tools and data sets that are required to develop a clear capital investment strategy for OMF-owned facilities, including an asset management software system, a facility condition assessment, a risk assessment for facilities, and the staff required to sustain these needs and real estate/capital investment strategies in perpetuity. These additions are well outside of the scope of Facilities' current rate structure; thus, it is believed that Facilities current business model and rate structure need to be fundamentally revisited.

In response to the Climate Action Plan, Facilities implements a Strategic Energy Management (SEM) program to identify opportunities for energy savings with a demonstrable payback. Facilities reviews each enrolled building's updated energy model monthly to measure consumption and evaluate the effectiveness of efficiencies implemented. Facilities operations perform scheduled equipment maintenance to ensure optimal efficiency as well as identify opportunities for improvements such as lighting upgrades or added insulation.

Within CityFleet, there is more action to be taken to address capital assets and intergenerational equity. CityFleet has established an asset renewal fund for every vehicle and piece of equipment in CityFleet's vehicle and equipment inventory, and this fund is solvent and able to support capital renewal when the need arises.

City of Portland
Requested Budget Equity Report

The Kerby Garage is a facility that cannot be renovated or improved upon to meet operational needs. A catastrophic event could immediately render the Kerby Garage unusable. Without the proper funding support to relocate, the City's communities are burdened with the risk of losing vital services to the bureaus that support them.

Because the work done in Fleet Shops cannot be done remotely or be easily shifted to different facility, the cost of getting operational again would be significant. The longer it takes to identify a suitable replacement for the Kerby Garage, the greater the potential financial burden will be on Portland communities and future generations to come.

The Spectator Venues Program is working on a major renovation of the Veterans Memorial Coliseum, currently anticipated to begin construction as soon as FY 2022-23. This will be the first major renovation in the building's 60-year history and should position the building to serve generations to come, providing a home for a wide range of sports, entertainment, civic, and other events as well as significant regional economic impacts. A significant portion of the funding for the project has now been committed from the Visitor Facilities Trust Account, funded with existing allocations of transient lodging tax revenues. The Program will work to secure additional public and private revenues during FY 2019-20 and FY 2020-21.

Providence Park has been through three major renovations in the past 20-years (2001, 2011, 2019) and the 94-year-old facility is well-positioned to serve the City for many years to come. While the first two renovations were funded in-part with public dollars, the entire design and construction cost of the latest expansion project was privately financed. The stadium hosts professional soccer games, including serving as the home field for one of the most successful women's professional sports teams in the world, the Portland Thorns of the National Women's Soccer League. The stadium also hosts a range of other events including occasional football, and numerous youth soccer camps.

The three buildings and five theaters of the Portland'5 Centers for the Arts (Antoinette Hatfield Hall, Arlene Schnitzer Concert Hall, and Keller Auditorium) form the backbone of the region's performing arts scene and host over 1,000 music, theater, dance, and lecture performances each year. Roughly one million people attend events at the venues annually. In addition, Portland'5 provides critical access to arts performances for underprivileged students at local schools. In FY 2018-19, more than 9,000 students from area Title 1 Schools attended performances at the venues.

All three buildings are aging and suffering from deferred maintenance. While some revenues have been identified through the Visitor Facilities Trust Account for a future

City of Portland
Requested Budget Equity Report

renovation, additional resources will be needed to ensure the venues continue to serve future generations as they have in the past. In the coming years, the Spectator Venues Program will engage with Portland's and Metro Visitor Venues in an

Measure Title	PM 2017-18 Actuals	PM 2018-19 Actuals	PM 2019-20 YTD Actuals	PM 2019-20 Target	PM 2020-21 Target	Strategic Target
OMF Employee Retention						
	OMF is guided by its FY 2018-2020 Strategic Plan. One of the key themes of OMF's strategic plan is to develop an inclusive, talented workforce. To promote this theme, the Office of the CAO's HR Practices subcommittee works to develop useful tools that address inequities among employees. Prior to FY 2019-20, the Office of the CAO did not have a standard exit interview form to assess trends for why employees were leaving the division. Acknowledging this is a vital method to assess employment trends over time, the HR Practices subcommittee worked with the Human Resources Business Partner to implement an exit interview template. The template is now in circulation and it allows the division to track data on employee retention. Additionally, the HR Practices Team conducts anonymous employee satisfaction surveys to assess workplace culture and make recommendations that address workplace shortcomings.					
OMF Customer Satisfaction Survey						
	OMF Business Operations has developed and issued a customer service satisfaction survey to customers asking for feedback primarily on financial, administrative, and communication services. The survey information is not currently connected to a performance measure but will be used to improve internal processes and performance. OMF Business Operations plans to further develop the tool and use it to develop performance measures in the next budget cycle. DAM is reliant on other groups, such as human resources and procurement, to track and report out on things like minority hiring success, promotions within leadership ranks, and contract goal achievement.					
HUCIRP Demographic Data						
	While HUCIRP may not directly track demographic data related to individuals that are sleeping unsheltered and outside, this data is tracked through the Joint Office of Homeless Services (JOHS) and the Homeless Management Information System (HMIS). Service providers regularly use HMIS and partner with JOHS through which HUCIRP is also a					

City of Portland
Requested Budget Equity Report

Data Tracking Methodology:

partner. HUCIRP participates in a weekly coordination call with service providers to better coordinate and reach extremely vulnerable and highly marginalized populations that are unsheltered and outside.

All venues in the Spectator Venues Portfolio are operated by third parties under the terms of the various legal operating agreements. Those agreements generally assign all rights and responsibilities associated with venue operations, including ticketing and ticket pricing, to the operators. However, in the case of the VMC and Providence Park, the operating agreements require the operators to make the venues available, at cost, for a certain number of community events per year. Reports on these events are provided to the City by the operators. At the VMC, an average of eight to 10 community events have been held each year for the past four years. Due to the limited flexibility and high operating costs at the stadium, no formally recognized community events have been held in recent years, but the potential exists for these events in the future. As mentioned previously, the Spectator Venues Program uses an Access database to track progress on implementation of the City's Title II ADA Transition Plan at the venues.

OMF's City Arts Program (CAP) has partnered with the City's arts agent, the Regional Arts and Culture Council (RACC) in a cultural mapping project that collects funding, demographic, and/or geolocation data for the following groups:

- Arts-related organizations, venues and studio locations
- Location of public art (sculptures, murals, portable works)
- Grant applicants and awardees
- Artist information for all public art submissions and acquisitions
- Artist and grant selection panels

These datasets will be analyzed individually and holistically to determine:

- Who is receiving arts funding and what populations are being served/underserved?
- What is each neighborhood's density and proximity to arts organization and public art?
- How is the data changing over time?

The cultural mapping project will create a baseline collection of datasets and maps that will be used to inform the development

City of Portland
Requested Budget Equity Report

of a Cultural Arts Plan which will articulate the goals and funding priorities for the City and region. With equity at the center of the plan development, a large emphasis will be placed on reaching out to and equalizing voices of marginalized and underserved communities.

Hiring, Retention, & Employment Outreach:

DAM routinely engages in targeted recruitment outreach when new positions are posted. DAM also engages in targeted outreach to women in trades when hiring for craft labor positions.

The hiring for Facilities Maintenance Technicians has faced a barrier to more equitable hiring practices due its licensure requirements. To enable recruitment from a more equitable pool of candidates, Facilities created a new classification, Facilities Worker, which aligns the requirements of the position with the skills necessary to perform the assigned tasks.

HUCIRP partners with organizations that provide and create opportunities for individuals experiencing homelessness. This includes contracting with Central City Concern's Clean Start program which employs individuals that have barriers to employment.

City of Portland
Requested Budget Equity Report

Contracting Opportunities

The Office of the CAO works with Procurement Services to ensure that contractual opportunities are prioritized for DMWESB firms – promoting inclusion and a sustained, vibrant local economy.

The Spectator Venues Program is a strong supporter of using certified DMWESB/COBID firms for professional and technical services and frequently uses the direct contracting method to procure them with limited competitive process. Current PTE contracts managed by the Spectator Venues Program that will be active in FY 2020-21 include six on-call services contracts with a combined value of \$885K. Of these six contracts, five are direct contracts with registered DMWESB/COBID firms. The contract value of those five contracts is \$375k. The estimated DMWESB/COBID certified firm subcontract contract percentage for the one contract that is not with a certified firm is 48.5%. For the current contracts that will be active in FY 2020-21, more than 70% of the total contract dollars are anticipated to go to DMWESB/COBID firms. The actual percentage participation of DMWESB/COBID firms the Spectator Venues Program will manage in FY 2020-21 is not yet known, as additional contracts will be awarded before the end of FY 2019-20, and many of those contract awards will be subject to competitive selection processes.

Facilities engages in all City procurement strategies for its capital project work and its facility services programs (e.g., janitorial and landscaping). CityFleet's contracts largely align with state and contracts from other jurisdictions; therefore, CityFleet supports equity contracting efforts that are embedded in the State of Oregon's approach.

City of Portland
Requested Budget Equity Report

Engaging Communities Most Impacted by Inequities

The Project Management for Citywide Initiatives (PMCI) program within SPOT is connected to the broader equity vision of the City to benefit communities by implementing components of OMF's Racial Equity Plan. All members of the PMCI participated in training through the Office of Equity and Human Right's program and have sought additional training opportunities. Members of the team serve on various committees to advance Racial Equity at the City and throughout Oregon. A PMCI staff member serves as the Tribal Liaison for the Office of the CAO, providing a direct link to OMF and the work of the Tribal Liaison program in the Office of Government Relations.

The PMCI's work requires staff to collaborate with employees and leadership throughout City government, with elected officials, and with community stakeholders to develop and implement equitable and effective policies, projects, and programs. Facilities' budget does not currently include the capacity to engage with and include communities most impacted by inequities. However, should Facilities' business model change, there could be an ability to engage communities in long-range planning efforts, particularly with regard to real estate/capital investment capabilities, and ideally with the guidance of an OMF equity manager.

Within CityFleet, there is a robust conversation, led by the Bureau of Planning & Sustainability, regarding charging infrastructure build-out. CityFleet is neither organizationally nor financially positioned to lead the development of this build-out but is working to ensure that a regulatory lens applies to this discussion if and when community partners assume leadership. Having a regulatory body oversee this discussion will ensure that important conversations related to climate and mobility involve and engage affected communities.

City of Portland
Requested Budget Equity Report

Empowering Communities Most Impacted by Inequities

The Citywide Charitable Campaign is administered by the Office of the CAO. The campaign provides City employees the opportunity to directly empower impacted communities through donations to participating community organizations. The campaign is designed to be budget-neutral as campaign costs are recouped from participating organizations. However, by facilitating the robust administration of the campaign, the Office is providing the opportunity for City employees to take direct action to improve the wellbeing of communities impacted by inequities, increase engagement, and promote awareness.

Participating organizations are required to demonstrate that they have in place equal opportunity and nondiscrimination policies pertaining to the delivery of charitable services, employment opportunities, actions and benefits, and membership on the organization's governing board relating to race, color, religion, sex, age, disability, familial status, sexual orientation, national origin and other legally protected characteristics or status that comply with federal, state and local laws including Portland City Code Title 23.

While all organizations must meet these nondiscrimination requirements, 28 organizations' missions in the 2020 campaign were devoted specifically to civil and human rights and social justice. Two of the umbrella organizations, Black United Fund and MRG Foundation and their member organizations, are dedicated to addressing racial equity issues in the community and at the civic level. Another 114 of these organizations address poverty, suffering, child welfare, abuse prevention, and provide family services in impacted communities as well as the greater community.

Facilities Services Operating Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Licenses & Permits	50	0	0	0	0
Charges for Services	1,527,678	1,526,719	1,522,357	1,069,366	1,069,366
Intergovernmental	27,696	764,179	2,000,000	2,000,000	2,000,000
Bond & Note	36,632,364	143,193,331	12,602,540	1,186,558	1,186,558
Miscellaneous	1,044,111	2,139,558	72,723,871	740,000	740,000
External Revenues Total	39,231,900	147,623,786	88,848,768	4,995,924	4,995,924
Internal Revenues					
Fund Transfers - Revenue	2,706,021	4,795,402	11,318,918	3,759,364	5,494,172
Interagency Revenue	34,509,377	30,646,824	35,939,725	53,341,647	53,793,841
Internal Revenues Total	37,215,398	35,442,226	47,258,643	57,101,011	59,288,013
Beginning Fund Balance	37,967,779	39,888,866	45,321,896	42,945,412	42,945,412
Resources Total	114,415,077	222,954,878	181,429,307	105,042,347	107,229,349
Requirements					
Bureau Expenditures					
Personnel Services	5,089,439	5,114,999	7,020,306	6,586,417	7,472,779
External Materials and Services	44,450,876	44,235,048	49,853,344	27,584,193	29,307,473
Internal Materials and Services	4,453,627	4,372,620	7,818,382	10,380,466	10,380,466
Capital Outlay	14,042,352	87,232,108	62,973,697	5,889,750	5,889,750
Bureau Expenditures Total	68,036,294	140,954,775	127,665,729	50,440,826	53,050,468
Fund Expenditures					
Debt Service	5,571,495	49,559,831	9,507,846	13,822,423	13,822,423
Contingency	0	0	42,945,412	38,679,158	38,256,518
Fund Transfers - Expense	918,421	1,063,909	1,310,320	2,099,940	2,099,940
Fund Expenditures Total	6,489,916	50,623,740	53,763,578	54,601,521	54,178,881
Ending Fund Balance	39,888,866	31,376,363	0	0	0
Requirements Total	114,415,076	222,954,878	181,429,307	105,042,347	107,229,349

Facilities Services Operating Fund

Fund Overview

The Facilities Services Operating Fund accounts for all of the facilities-related programs and capital projects managed by the Office of Management & Finance. The fund is generally self-sufficient; however, Facilities Services may request General Fund support on behalf of a General Fund bureau to cover project expenses specific to that bureau's facility requirements, or for projects related to General Fund capital set-aside requests.

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

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

Significant Changes from Prior Year

The Facilities Services Operating Fund includes a debt-financed project, the construction of a new building at S.W. 4th and Montgomery, in partnership with local entities. The project continues into FY 2020-21 and the anticipated completion date is in 2021.

Facilities Services Operating Fund
Calculation of FY 2020-21 rate budget target

	FY 2019-20 CSL Rate Budget	FY 2019-20 Decision Packages	FY 2019-20 Adopted Rate Budget	FY 2020-21 Inflation Rates	FY 2019-20 Target Rate Budget
Personal Services	\$5,537,130	\$333,438	\$5,870,568		\$6,079,680
Personal services (salary and wage-driven benefits)	\$3,951,722	\$333,438	\$4,285,160	3.4%	\$4,430,855
Health benefits	\$1,585,408		\$1,585,408	4.0%	\$1,648,825
M&S-External	\$12,192,776	(\$266,036)	\$11,926,740		\$12,246,715
Electricity	\$2,394,833		\$2,394,833	2.7%	\$2,459,493
Natural Gas	\$332,843		\$332,843	2.2%	\$340,165
Water/sewer	\$533,208		\$533,208	4.4%	\$556,669
Other utilities and garbage	\$195,303		\$195,303	2.2%	\$199,600
Fuel	\$0		\$0	0.0%	\$0
PTE services	\$0		\$0	0.0%	\$0
Other services	\$8,736,590	(\$266,036)	\$8,470,554	2.6%	\$8,690,788
Materials	\$0		\$0		\$0
M&S-Internal	\$3,038,620	\$103,500	\$3,142,120		\$3,224,642
Fleet Services	\$139,280		\$139,280	2.8%	\$143,179
Print/Distribution	\$9,601		\$9,601	2.8%	\$9,869
Facilities Services	\$166,838		\$166,838	2.7%	\$171,343
BTS	\$439,863		\$439,863	2.8%	\$452,179
Workers' Comp	\$36,521		\$36,521	3.6%	\$37,836
Insurance & Claims	\$202,089		\$202,089	1.1%	\$204,312
Other inter-fund services	\$2,044,429	\$103,500	\$2,147,929	2.7%	\$2,205,923
Capital	\$0		\$0		\$0
Sub-total Bureau Program Expenses	\$20,768,526	\$170,902	\$20,939,428		\$21,551,037
Debt Service (Capital and PERS)	\$3,406,647		\$3,406,647		\$3,406,647
Fund balance/contingency	\$0		\$0		\$0
Major maintenance in rental rates	\$5,649,710		\$5,649,710	2.6%	\$5,796,603
Total	\$29,824,884	\$170,902	\$29,995,785		\$30,754,286
		\$0			
Plus/minus systemic cost increases					
Portland Building debt service					\$9,288,921
Convert HUCIRP IA funding from variable to fixed					\$1,148,160
Increase in PERS debt					\$11,468
Add Sears to Target budget					\$66,726
Police Property Warehouse at Guilds Lake - space increasing by 14,400 sqft					\$69,120
Increase in property insurance for higher value due to recon project and furniture in PB all belonging to Fac and no longer in PERS					\$116,726
Lease and related costs of leased space in blended rates					\$3,543,875
FMB debt service					\$1,397,056
FMB O&M					\$596,385
Asset Management Coordinator positions transferred from Facilities to DAM					(\$58,554)
Blended rates (direct cost for space plus impact on ISF and Bus Ops IA's)					\$703,553
Utility Worker added by BDS as a technical adjustment to FY 2019-20 Requested Budget					\$94,900
Addition for full year cost of 311 program					\$77,944
The Portland Building O&M Increase - funded with MM					\$41,013
Adjusted Target Rate Budget					\$47,851,581
DP's Included					
1% cut					(\$266,036)
DAM Facilities security manager					\$137,998
Additional Facilities Services Dispatch and UW					\$195,440
311 Funding					\$103,500
Total					\$170,902

Rate Transparency Comparison template
Facilities Services Fund Rates

Rate	FY 2019-20	FY 2020-21	% Change	FY 2020-21 rate budget	Rate Increase Explanations
Project Managers/Engineers/FMT Supervisor	\$146.11	\$164.01	12.25%	\$2,545,730	Facilities changed its rate structure in FY 2020-21 to allocate more fixed costs to its hourly rate and reduce its allocation of fixed costs to its Corporate rates
Facilities Services Specialists / Project Specialists	\$ 120.47	\$ 133.30	10.65%	\$837,127	Facilities changed its rate structure in FY 2020-21 to allocate more fixed costs to its hourly rate and reduce its allocation of fixed costs to its Corporate rates
Dispatchers	\$ 94.11	N/A	N/A	N/A	Cost is now included in corporate rate, instead of billed on an hourly rate basis.
Facilities Maintenance Technicians	\$ 107.68	\$ 139.05	29.12%	\$3,241,978	Facilities changed its rate structure in FY 2020-21 to allocate more fixed costs to its hourly rate and reduce its allocation of fixed costs to its Corporate rates
Facilities Maintenance Technician Apprentices	\$ 99.68	\$ 116.03	16.40%	\$1,197,381	Facilities changed its rate structure in FY 2020-21 to allocate more fixed costs to its hourly rate and reduce its allocation of fixed costs to its Corporate rates
Utility Workers	\$ 99.68	\$ 116.03	16.40%	Part of FMTA rate pool	Facilities changed its rate structure in FY 2020-21 to allocate more fixed costs to its hourly rate and reduce its allocation of fixed costs to its Corporate rates
Downtown office space blended rate	N/A	\$ 44.28	N/A	\$24,945,289	New for FY 2020-21
The Portland Building	\$18.82	N/A	N/A	N/A	N/A
City Hall	\$ 26.67	N/A	N/A	N/A	N/A
1900 Building	\$21.09	N/A	N/A	N/A	N/A
Portland Communication Center - BTS	\$581,782	\$627,477	7.85%	\$627,477	The rate increased due to addressing O&M budgets that were not capturing all the costs for contracts for services at the facility.
Portland Communication Center - BOEC	\$556,986	\$673,501	20.92%	\$673,501	The rate increased due to addressing O&M budgets that were not capturing all the costs for contracts for services at the facility. Plus, a remeasurement of space allocated BOEC more space.
Portland Communication Center - PBEM	\$0	\$2,614	N/A	\$2,614	New for FY 2020-21
Archives	\$ 1,379,103	\$ 1,284,991	-6.82%	\$ 1,284,991	N/A
Police All	\$ 5,091,227	\$ 5,320,030	4.49%	\$ 5,320,030	
Kelly Bldg - ONI	\$ 70,027	\$ 72,436	3.44%	\$ 72,436	N/A
Emergency Coordination Center	\$781,542	\$774,080	-0.95%	\$774,080	N/A
The Portland Building Fitness Center	\$0.28	N/A	N/A	N/A	Now included in downtown office space blended rate
1900 Building Fitness Center	\$ 0.18	N/A	N/A	N/A	Now included in downtown office space blended rate
Daycare	\$0.45	N/A	N/A	N/A	Now included in downtown office space blended rate
Corporate Allocation - Time and Materials Facilities	\$ 694,076	\$ 625,617	-9.86%	\$ 625,617	N/A

OMF internal service funds' fund balance components

FY 2015-16 through FY 2018-19

Facilities Services

FY	Reserve type	Reserve	Reserve Target (per OMF Policies - See Note 1 below)		Actual as of June 30, 2016	Percentage for operating reserves
FY 2015-16	Assigned Committed Restricted Committed	Operating Reserve	\$1,460,058	\$1,993,246		
		Major Maintenance Accounts	N/A	\$34,407,297		
		Dedicated to bond funded projects	N/A	\$0		
		Dedicated for completion of customers' projects	N/A	\$4,415,198		
		Costs fronted for projects	N/A	(\$43,200)		
		Total	\$1,460,058	\$40,772,540		
				\$0		
FY 2016-17	Assigned Committed Restricted Committed	Operating Reserve	\$1,496,994	\$2,230,424		
		Major Maintenance Accounts	N/A	\$38,016,427		
		Dedicated to bond funded projects	N/A	\$1,611,353		
		Dedicated for completion of customers' projects	N/A	\$1,735,985		
		Costs fronted for projects	N/A	(\$3,758,435)		
		Total	\$1,496,994	\$39,835,754		
				\$0		
FY 2017-18	Assigned Committed Restricted Committed	Operating Reserve	\$1,340,328	\$2,780,429		
		Major Maintenance Accounts	N/A	\$37,246,908		
		Dedicated to bond funded projects	N/A	\$1,263,612		
		Dedicated for completion of customers' projects	N/A	\$2,316,924		
		Costs fronted for projects	N/A	(\$1,972,011)		
		Total	\$1,340,328	\$41,635,861		
				\$0		
FY 2018-19	Assigned Committed Restricted Committed	Operating Reserve at 5%	\$1,554,713	\$2,620,126		
		Major Maintenance Accounts	N/A	\$38,183,101		
		Dedicated to bond funded projects	N/A	\$965,045		
		Dedicated for completion of customers' projects	N/A	\$1,462,718		
		Costs fronted for projects and refinancing	N/A	(\$10,138,329)		
		Total	\$1,554,713	\$33,092,661		
				\$0		
FY 2020-21 planned draws on operating reserves					FY 2020-21 costs	
Building Coordinator limited-term position					\$136,022	
Community Service Aide position for administrative assistance					\$57,770	
Project Specialist limited-term position (some of these costs may be offset by billable work)					\$128,955	
Partial funding of Enterprise Asset Management and Facilities Condition Assessment decision package (if approved)					\$400,000	

City Fleet Operating Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	0	0	0	0	0
Intergovernmental	891,647	826,626	1,319,424	1,164,960	1,164,960
Bond & Note	0	0	7,019,663	2,325,072	2,325,072
Miscellaneous	2,009,239	1,475,910	1,394,942	1,483,993	1,483,993
External Revenues Total	2,900,886	2,302,536	9,734,029	4,974,025	4,974,025
Internal Revenues					
Interagency Revenue	34,456,462	37,523,914	43,064,391	39,343,939	39,645,939
Internal Revenues Total	34,456,462	37,523,914	43,064,391	39,343,939	39,645,939
Beginning Fund Balance	17,017,136	18,641,898	22,802,041	20,140,349	20,140,349
Resources Total	54,374,485	58,468,348	75,600,461	64,458,313	64,760,313
Requirements					
Bureau Expenditures					
Personnel Services	7,923,004	8,310,826	9,384,485	9,645,041	9,922,097
External Materials and Services	13,467,858	13,732,092	15,369,931	15,922,668	15,947,612
Internal Materials and Services	2,367,427	2,282,791	2,313,839	2,744,084	2,744,084
Capital Outlay	10,287,384	9,528,576	26,468,966	16,505,094	16,505,094
Bureau Expenditures Total	34,045,674	33,854,286	53,537,221	44,816,887	45,118,887
Fund Expenditures					
Debt Service	500,837	541,628	780,746	610,293	610,293
Contingency	0	0	20,098,066	17,784,994	17,784,994
Fund Transfers - Expense	1,186,075	1,270,393	1,184,428	1,246,139	1,246,139
Fund Expenditures Total	1,686,912	1,812,021	22,063,240	19,641,426	19,641,426
Ending Fund Balance	18,641,898	22,802,041	0	0	0
Requirements Total	54,374,483	58,468,348	75,600,461	64,458,313	64,760,313

Fund Overview

The CityFleet Operating Fund accounts for the revenues and expenditures associated with CityFleet's operations. CityFleet's services include: vehicle & equipment acquisitions, maintenance operations, fueling stations, parts management, automotive body repairs, motor pool, rental programs, sustainability program, and metal fabrication. CityFleet also provides fleet policies and procedures related to fleet operations, and has established Intergovernmental Agreements to provide a regional approach for professional fleet services and sustainability goals.

City Fleet Operating Fund

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

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

CityFleet Fund 702
Calculation of FY 2020-21 rate budget target

Target Rate Budget

DRAFT - 11/17/2017

	FY 2019-20 Adopted Rate Budget	FY 2020-21 Budget	Inflation Rates	FY 2020-21 Target Rate Budget
Personal Services				
Personal services (salary and wage-driven benefits)	\$8,186,010		3.4%	\$8,464,334
Health benefits	\$1,461,397		4.0%	\$1,519,853
M&S-External				
Electricity	\$9,644		2.7%	\$9,904
Natural Gas	\$25,311		2.2%	\$25,868
Water/sewer	\$20,089		4.4%	\$20,973
Other utilities and garbage	\$8,207		2.2%	\$8,388
Fuel	\$0		2.1%	\$0
PTE services	\$17,306		2.6%	\$17,756
Other services	\$751,041		2.6%	\$770,568
Materials	\$0		2.6%	\$0
M&S-Internal				
Fleet Services	\$0		2.8%	\$0
Print/Distribution	\$18,392		2.8%	\$18,907
Facilities Services	\$896,111		2.7%	\$920,306
EBS Services	\$159,793		2.8%	\$164,267
BTS	\$212,629		2.8%	\$218,583
Workers' Comp	\$80,771		3.6%	\$83,679
Insurance & Claims	\$83,355		1.1%	\$84,230
Other inter-fund services (OMF-PBOT-Parks)	\$689,248		2.7%	\$707,858
Capital	\$227,212		2.6%	\$233,120
Sub-total Bureau Program Expenses	<u>\$12,846,516</u>			<u>\$13,268,594</u>
Debt Service	\$611,225		0.0%	\$611,225
Fuel Station Debt Service	\$9,328		0.0%	\$9,328
Fund balance/contingency	\$0		0.0%	\$0
Major maintenance/replacement not included above	\$0		0.0%	\$0
Total	<u><u>\$13,467,069</u></u>			<u><u>\$13,889,147</u></u>
Plus/minus systemic cost increases				
PERs Debt service change				\$89,779
Debt Management IA for Fuel				\$16,802
IA providers blended rate target adjustment				\$60,032
Right of Way Lease for Fuel Stations				\$38,586
DCTU Tentative Agreement Impact				\$0
Adjusted Target Rate Budget				<u><u>\$14,094,346</u></u>
Overall % change from Adopted Budget				4.7%

Rate Transparency Comparison

Office of the CAO - CityFleet

Rate	FY 2019-20	FY 2020-21	% Change	FY 2019-20 Rate Budget
Hourly Rate	\$ 125.70	\$ 138.05	9.8%	\$10,906,183
Parts	23.0%	24.8%	7.8%	\$867,862
Fuel	\$ 0.17	\$ 0.21	22.3%	\$402,469
Vended	5.9%	6.1%	4.1%	\$147,361
Shop Consumables	1.2%	1%	0.0%	\$125,000
Rentals/Leases	5.3%	6.4%	20.3%	\$104,161
Motor Pool Hourly	\$ 8.25	\$ 11.18	35.5%	\$151,468
Acquisition Program	9.42%	8.07%	-14.3%	\$1,505,514

Narrative on variances

Hourly rate – In the past, several technicians were allocated in the Acquisitions program and included in the Acquisition rate. This was corrected for FY 2020-21 and the technicians were included in the Garage Operations program resulting in an increase in the hourly rate. The correction also resulted in a decrease to the Acquisition rate.

Parts rate – The rate increased as a result of an increase to Personnel Services with more staff time ensuring services to bureaus are met.

Fuel rate - The rate increased as a result of an increase to Personnel Services with more staff time ensuring services to bureaus are met.

Rentals/Leases – The rate increased as a result to higher Personnel Services costs.

Motor Pool rate - The rate increased as a result of an increase to Personnel Services with more staff time ensuring services to bureaus are met.

OMF internal service funds' fund balance components
 FY 2015-16 through FY 2018-19
 CityFleet

FY	Reserve type	Reserve	Reserve Target (per OMF Policies - See Note 1 below)		Percentage for operating reserves
			Note 1 below	Actual as of June 30, 2016	
FY 2015-16	Assigned	Operating Reserve (target selected is 10%)	\$1,270,509	\$1,270,509	10.0%
	Committed	Replacement Accounts	N/A	\$15,297,759	
	Restricted	Major Maintenance Reserve	N/A	\$1,916,195	
	Committed	Dedicated to other CityFleet projects	N/A	\$2,025,333	
		Total	\$1,270,509	\$20,509,796	
				\$0	
FY 2016-17	Assigned	Operating Reserve (target selected is 10%)	\$1,326,267	\$1,019,798	7.7%
	Committed	Replacement Accounts	N/A	\$12,911,486	
	Restricted	Major Maintenance Reserve	N/A	\$1,447,420	
	Committed	Dedicated to other CityFleet projects	N/A	\$1,638,432	
		Total	\$1,326,267	\$17,017,137	
				\$0	
FY 2017-18	Assigned	Operating Reserve (target selected is 10%)	\$1,391,964	\$695,982	5.0%
	Committed	Replacement Accounts	N/A	\$15,707,931	
	Restricted	Major Maintenance Reserve	N/A	\$1,166,081	
	Committed	Dedicated to other CityFleet projects	N/A	\$1,071,905	
		Total	\$1,391,964	\$18,641,901	
				\$0	
FY 2018-19	Assigned	Operating Reserve (target selected is 10%)	\$1,438,139	\$719,069	5.0%
	Committed	Replacement Accounts	N/A	\$20,027,307	
	Restricted	Major Maintenance Reserve	N/A	\$1,389,089	
	Committed	Dedicated to other CityFleet projects	N/A	\$666,577	
		Total	\$1,438,139	\$22,802,041	
				\$0	
FY 2020-21 planned draws on operating reserves				FY 2020-21 costs	
Coordinator II				\$138,091	

BFRES Facilities GO Bond Construction Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Miscellaneous	10,752	13,423	2,810	0	0
External Revenues Total	10,752	13,423	2,810	0	0
Beginning Fund Balance	869,826	631,699	631,710	1,740	1,740
Resources Total	880,578	645,122	634,520	1,740	1,740
Requirements					
Bureau Expenditures					
External Materials and Services	2,050	0	0	0	0
Internal Materials and Services	79,266	1,921	586	0	0
Capital Outlay	156,982	0	631,710	0	0
Bureau Expenditures Total	238,298	1,921	632,296	0	0
Fund Expenditures					
Fund Transfers - Expense	10,580	11,491	2,224	1,740	1,740
Fund Expenditures Total	10,580	11,491	2,224	1,740	1,740
Ending Fund Balance	631,699	631,711	0	0	0
Requirements Total	880,577	645,123	634,520	1,740	1,740

Fund Overview

On November 7, 1998, the citizens of Portland authorized the sale of \$53.8 million in general obligation bonds to support a \$66.2 million program to improve the City's emergency facilities, including:

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

The program is complete. The remaining funds will be held in a materials and services account for funding Fire & Rescue capital facilities needs. The balance of the Fund's resources will be spent and the fund closed in FY 2020-21.

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

Significant Changes from Prior Year

In FY 2020-21 the balance of the fund will be placed in a capital account for Fire and Rescue fire station projects.

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Bond & Note	0	57,475	0	0	0
Miscellaneous	35,686	12,098	278	0	0
External Revenues Total	35,686	69,573	278	0	0
Beginning Fund Balance	4,941,296	1,213,626	12,099	0	0
Resources Total	4,976,982	1,283,199	12,377	0	0
Requirements					
Bureau Expenditures					
Personnel Services	0	0	0	0	0
External Materials and Services	700	0	12,227	0	0
Internal Materials and Services	65,156	0	0	0	0
Capital Outlay	2,075,708	1,053,738	0	0	0
Bureau Expenditures Total	2,141,564	1,053,738	12,227	0	0
Fund Expenditures					
Debt Service	0	54,687	150	0	0
Fund Transfers - Expense	1,621,793	159,887	0	0	0
Fund Expenditures Total	1,621,793	214,574	150	0	0
Ending Fund Balance	1,213,625	14,887	0	0	0
Requirements Total	4,976,982	1,283,199	12,377	0	0

Fund Overview

On November 2, 2010, the citizens of Portland authorized the sale of \$72.4 million in general obligation bonds to support a \$104 million program to improve the City's public safety infrastructure, including:

- ◆ Replacement of fire apparatus
- ◆ Construction of a fire station
- ◆ Construction of an Emergency Coordination Center
- ◆ Replacement of the City's 800 MHz radio system

The Public Safety General Obligation Bond Fund was approved by Council in December 2010 to account for these projects.

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

Significant Changes from Prior Year

The program was completed in FY 2018-19 and the fund is now closed.

Spectator Venues & Visitor Activities Fund

Fund Summary

	Actuals FY 2017-18	Actuals FY 2018-19	Revised FY 2019-20	Requested No DP FY 2020-21	Requested FY 2020-21
Resources					
External Revenues					
Charges for Services	10,074,464	10,321,932	6,441,935	6,550,000	6,550,000
Intergovernmental	1,881,245	1,834,152	1,767,446	1,707,780	1,707,780
Miscellaneous	129,447	280,166	222,060	279,653	279,653
External Revenues Total	12,085,156	12,436,250	8,431,441	8,537,433	8,537,433
Beginning Fund Balance	7,312,293	10,187,621	15,273,384	15,000,000	15,000,000
Resources Total	19,397,449	22,623,871	23,704,825	23,537,433	23,537,433
Requirements					
Bureau Expenditures					
Personnel Services	411,779	343,595	501,867	471,776	471,776
External Materials and Services	3,351,799	2,140,559	3,914,934	3,972,750	3,972,750
Internal Materials and Services	318,880	255,025	396,072	516,646	516,646
Capital Outlay	2,136,664	959,379	1,700,000	2,120,000	2,120,000
Bureau Expenditures Total	6,219,122	3,698,558	6,512,873	7,081,172	7,081,172
Fund Expenditures					
Debt Service	2,842,127	3,441,591	3,442,375	3,442,347	3,442,347
Contingency	0	0	13,518,729	12,783,408	12,783,408
Fund Transfers - Expense	148,579	210,338	230,848	230,506	230,506
Fund Expenditures Total	2,990,706	3,651,929	17,191,952	16,456,261	16,456,261
Ending Fund Balance	10,187,621	15,273,384	0	0	0
Requirements Total	19,397,449	22,623,871	23,704,825	23,537,433	23,537,433

Fund Overview

The Spectator Venues & Visitor Activities Fund (SVVAF) is a self-sustaining enterprise fund established to provide oversight of City-owned spectator and performing arts facilities and to support City travel, tourism, and visitor development efforts. The fund accounts for resources and requirements for program activities and administration of the facilities. Additionally, it is responsible for City-obligated direct expenses at the City-owned facilities and payments on certain debt obligations.

Major program activities include: facility operations, maintenance, repair and capital improvements; financial planning and contract administration; special projects; and liaison activities among City bureaus, other governmental agencies, and private parties, including a broad range of organizations engaged in travel, tourism, and visitor development activities.

Spectator Venues & Visitor Activities Fund

Rose Quarter

Rose Quarter facilities include: the Moda Center, Veterans Memorial (VMC) Coliseum, East/West Parking Garages, Plaza, Benton Lot, and Phase II Lot. The Moda Center is the home venue for the Portland Trail Blazers, a National Basketball Association franchise team. The VMC is the home venue for the Portland Winterhawks, a Western Hockey League franchise team. The Rose Quarter venues host a variety of other sports, entertainment, community, and arts and/or cultural events, as well as a variety of expositions, conferences, and trade shows. User fees and parking receipts from the Rose Quarter's venues account for over 75% of the annual projected revenue for the fund.

Rose Quarter facilities are operated under several agreements including the Veterans Memorial Coliseum Operating Agreement (VMC OA) and the Arena Ground Lease (AGL). Both of these agreements are nearing their termination dates; the VMC OA in 2023 and the AGL in 2025. Because the Rose Quarter revenues account for such a large proportion of the SVVAF revenue, timely discussion and agreement regarding the future of these agreements is imperative. Agreement timelines have been impacted by the 2018 death of Paul Allen, owner of both the Portland Trail Blazers' NBA franchise and Rip City Management.

Providence Park

Providence Park, a Major League Soccer (MLS) facility since 2011, serves as the home venue for the Portland Timbers, a Major League Soccer franchise team; and the Portland Thorns, a National Women's Soccer League (NWSL) franchise team. The stadium also periodically has hosted college football games, including those of the Portland State University Vikings, though none have been played there in the past two seasons. The City's share of the 2011 renovation cost is being paid through 20-year bonds that are expected to be retired in FY 2026-27. Final payment on the 20-year bonds for the stadium's 2000 renovation will be made in FY 2022-23.

A 25-year operating agreement with Peregrine Sports, LLC took effect on January 1, 2011, and provided the fund with a gradually increasing flow of revenue from user fees and license payments for the first seven-years of the agreement. Those payments decreased in operating-year eight (calendar year 2018). FY 2017-18 was the last year in which any license payments were made to the City. In late 2017, the City Council approved the final documents allowing a 4,000-seat expansion to the stadium. The \$75-\$85 million project is being paid for by Peregrine Sports and opened in June 2019. To help offset the cost of project, certain limited-term exemptions on payments of surplus user fees owed to the City were granted to Peregrine Sports. The result of the exemptions, and the end of the license payments mean that the City will not collect revenue from the stadium until 2022 and will not collect surplus user fees on the new expansion seats until 2026. The City's net expenses to operate and maintain Providence Park, and to cover the associated debt service, continues to rely on net income from Rose Quarter operations.

Portland'5 Centers for the Arts

In FY 2015-16, the Portland'5 Centers for the Arts venues were added to the SVVAF program portfolio. The Portland'5 venues, which are operated on the City's behalf by Metro, consist of three buildings: Keller Auditorium, Schnitzer Concert Hall, and Antoinette Hatfield Hall. SVVAF staff continue to work with Metro on needs assessments for each building and are currently engaged in efforts to develop seismic retrofit options for the Keller Auditorium. Other than a one-time contribution in FY 2018-19 to an acoustical shell project at the Arlene Schnitzer Concert Hall, no specific commitment to participate in funding of capital needs at these facilities has been made by the City.

Veterans Memorial Coliseum

Based on a City Council decision in 2010, the SVVAF program, through the Rose Quarter's contracted operators, continues to operate the VMC as a spectator and event facility. The VMC Options Study, which was completed in August 2015, provided City Council with detailed cost estimates and business case analyses of five potential options for renovation of the VMC, as well as options to continue operating the facility in its current condition, close the facility, or deconstruct the building to create a redevelopment site.

Between FY 2012-13 and FY 2017-18, approximately \$10 million was expended from the SVVAF to address several major deferred maintenance projects. In addition, modest improvements were made to improve functional building elements, such as concessions, to enhance the spectator experience. The venue's financial performance has improved significantly during this five-year period and is projected to continue to trend positively. The VMC has now generated net operating profits for five consecutive years, however, in order to keep operating for the next 20+ years, the building needs a major capital investment beyond the capacity of the SVVAF.

The recent approval of the Second Amendment to the Visitor Facilities Intergovernmental Agreement (VFIGA) provides up to \$40 million of bond financing for a VMC renovation. This debt service is backed by the Visitor Facilities Trust Account (funded from transient lodging and rental car taxes) and is available after January 2021. The program is retaining a design team to refine the scope of the project in FY 2019-2020 and will be working on securing additional public and private funding for the project in FY 2020-21. Major construction is not anticipated to begin until the latter part of FY 2021-22, at the earliest. SVVAF staff are working to identify additional public and private funding for the project.

Managing Agency

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

CIP

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
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Office of Management & Finance**BTS**

Replace Telecomm Management System	New Project: NO Confidence Level: Low	Total Project Cost: \$1,349,618 Original Project Cost: \$294,000	Area: Southeast Objective: Replacement
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Project Description

This project replaces StellarRad with a comprehensive and forward-looking Telecomm Management System. This system will serve to organize and streamline customer support and delivery processes, and will automate financial accounting functions.

Revenue Source(s)

Technology Reserves								
Total Requirements	247,294	693,324	409,000	0	0	0	0	409,000
Operating and Maintenance Costs	0	0	0	84,000	84,000	84,000	84,000	336,000

Wireless Network Expansion	New Project: NO Confidence Level: Moderate	Total Project Cost: \$1,259,498 Original Project Cost: \$240,000	Area: Citywide Objective: Replacement
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Project Description

This project deploys Wi-Fi network coverage in City buildings and facilities with a six-year replacement plan and funding model. Included in the project is replacement of existing secure and public Wi-Fi access points and expansion of secure and public Wi-Fi network coverage throughout the Police Bureau with a five-year replacement plan and funding model.

Revenue Source(s)

Technology Reserves								
Total Requirements	758,598	34,400	130,000	65,000	71,500	100,000	100,000	466,500
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
SAN Storage Expansion		New Project: NO		Total Project Cost: \$8,031,112		Area: Citywide		
		Confidence Level: High		Original Project Cost: \$4,751,326		Objective: Replacement		
Project Description								
This project provides increased capacity of centralized storage and enterprise backup to meet demand from projects and existing data growth.								
Revenue Source(s)								
Interagency Revenues								
Total Requirements	3,917,551	620,839	208,800	511,200	980,113	995,809	796,800	3,492,722
Operating and Maintenance Costs	0	0	0	251,547	164,432	88,312	81,614	585,905
IRNE Network Technology Refresh								
	New Project: NO			Total Project Cost: \$4,494,664		Area: Citywide		
	Confidence Level: Moderate			Original Project Cost: \$653,316		Objective: Replacement		
Project Description								
This project establishes a 6-year lifecycle replacement program for IRNE network switch and router equipment. The CIP provides funding to replace portions of the network infrastructure on a yearly basis. It ensures that network hardware and software are supportable from the vendor, and provides bandwidth and feature upgrades. It also ensures that there is adequate capacity, and that the network continues to provide the functionality, security, and high availability required to support City business applications.								
Revenue Source(s)								
Interagency Revenues and Technology Reserves								
Total Requirements	608,737	1,885,927	1,000,000	1,000,000	0	0	0	2,000,000
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Enterprise Network Technology Refresh		New Project: NO Confidence Level: Moderate		Total Project Cost: \$5,056,751 Original Project Cost: \$2,913,500		Area: Citywide Objective: Replacement		
Project Description								
This project establishes a six-year lifecycle replacement program for network switch and router equipment, providing a technology refresh for the City's computer network infrastructure.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	3,040,698	426,106	764,738	222,819	192,640	209,750	200,000	1,589,947
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
Office 365 Implementation								
New Project: NO Confidence Level: High								
Total Project Cost: \$2,470,276 Original Project Cost: \$1,753,265								
Project Description								
This project will continue the City's transition to Office 365 by taking advantage of new and changing online services. Focus will be on implementing additional collaboration tools such as SharePoint, Teams, Groups, Planner, and others. The project will include proof of concept efforts, governance model design and implementation, training, user education, and communication.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	1,630,017	230,759	159,500	270,000	60,000	60,000	60,000	609,500
Operating and Maintenance Costs	0	0	0	17,500	18,025	18,565	19,125	73,215

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Cherwell Capability Expansion		New Project: NO		Total Project Cost: \$3,342,060		Area: Citywide		
		Confidence Level: High		Original Project Cost: \$50,000		Objective: Efficiency		
Project Description								
This project will continue the BTS Support Center's build-out of the Cherwell Help Desk system, adding an Information Technology Service Management (ITSM) solution for Enterprise use. This system will improve the customer experience through use of a single interface, integrating the service catalog, leveraging with other systems, integrating functions currently performed by other systems, and empowering customers with more self-serve tools.								
Revenue Source(s)								
Technology Reserves								
Total Requirements		1,218,528	521,932	437,800	490,000	309,000	182,400	1,601,600
Operating and Maintenance Costs		0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Web Site Replacement		New Project: NO		Total Project Cost: \$2,449,921		Area: Citywide		
		Confidence Level: Moderate		Original Project Cost: \$1,475,020		Objective: Efficiency		
Project Description								
This project replaces the in-house developed City website content management system (CMS) with technology that meets the dynamic needs of the City's online presence. CMS is a computer application that supports the creation and modification of digital content. Benefits of the new system will include easier inclusion of new features and changes, better support of application frameworks and web browsers, improved security, and more effective management and sharing of digital assets.								
Revenue Source(s)								
Technology Reserves								
Total Requirements		1,283,961	599,580	412,046	75,285	79,049	0	0
Operating and Maintenance Costs		0	0	0	110,402	133,902	133,902	512,108

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Workflow Application		New Project: NO		Total Project Cost: \$419,500		Area: Citywide		
		Confidence Level: Low		Original Project Cost: \$255,500		Objective: Efficiency		
Project Description								
This project would replace the existing TRACK-IT system with an Enterprise Business Process Management (BPM) platform. TRACK-IT, a 20-year old internally developed application, is outdated and difficult to support. The replacement BPM will enable the City to create process/work flows to enable collaboration and more efficient City services.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	195,500	224,000	0	0	0	0	224,000
Operating and Maintenance Costs	0	0	0	91,000	91,000	91,000	91,000	364,000

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
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Office of Management & Finance

BTS

IRNE Fiber Expansion Program

New Project: NO

Total Project Cost: \$10,040,000

Area: Citywide

Confidence Level: Low

Original Project Cost: \$6,250,000

Objective: Replacement

Project Description

The purpose of this project is to expand the current IRNE fiber optic network in order to prepare the City for 5G and meet the need for significant bandwidth required for Smart Cities and all digital initiatives. The current I-Net network is not scalable or affordable going forward. The new Fiber Expansion Program will plan and prioritize fiber-builds yearly that facilitate the expansion of the network in an efficient and affordable manner. In conjunction with this project, BTS is exploring potential partnership opportunities with Multnomah County to help defray some of the costs and build-time.

Revenue Source(s)

Technology Reserves and Interagency Revenues

Total Requirements	0	1,250,000	1,940,000	2,350,000	1,500,000	1,500,000	1,500,000	8,790,000
Operating and Maintenance Costs	0	0	0	32,500	48,750	65,000	81,250	227,500

Public Safety Data Center

New Project: NO

Total Project Cost: \$1,724,250

Area: Citywide

Confidence Level: Moderate

Original Project Cost: \$1,304,250

Objective: Replacement

Project Description

This project will establish a secondary data center for public safety servers and data. Initially a low-latency network link to the City's primary data center will be established. Once that's in place, BTS will design a complete primary/secondary solution, implement that solution, and transition services to those new facilities.

Revenue Source(s)

Technology Reserves

Total Requirements	0	429,000	671,500	623,750	0	0	0	1,295,250
Operating and Maintenance Costs	0	0	0	45,000	35,000	35,000	35,000	150,000

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Secondary Data Center		New Project: NO		Total Project Cost: \$873,000		Area: Citywide		
		Confidence Level: Moderate		Original Project Cost: \$873,000		Objective: Replacement		
Project Description								
With the completion of the Data Center Move project, this project is the next step in the progression to disaster recovery capabilities. This project will allow for the deployment of appropriate firewall, VPN (Virtual Private Network), and multi-factor technologies to provide remote access to City resources at the secondary data center in the event the primary data center is unavailable.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	609,000	264,000	0	0	0	0	264,000
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
SAP Suite on HANA								
	New Project: NO			Total Project Cost: \$2,437,200		Area: Citywide		
	Confidence Level: Low			Original Project Cost: \$2,191,000		Objective: Expansion		
Project Description								
This project will keep the City's SAP system current by positioning it to move to SAP's In-Memory HANA database titled Suite on HANA. Moving to Suite on HANA will address several current business needs including a more modern user interface available on desktops, tablets and mobile devices, increased throughput, and improved analytics.								
Revenue Source(s)								
Technology Reserves and Interagency Revenues								
Total Requirements	0	1,952,400	484,800	0	0	0	0	484,800
Operating and Maintenance Costs	0	0	0	277,200	277,200	277,200	277,200	1,108,800

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Goat Mountain IR Site Move		New Project: NO Confidence Level: Moderate		Total Project Cost: \$450,000 Original Project Cost: \$300,000		Area: Southeast	Objective: Efficiency	
Project Description								
This project will move the 800 MHz IR (IntelliRepeater) site from Goat Mountain to a new location at the Clackamas County site. There will be two phases to the project. The first will be to engineer a new site and work through the land use process. The second phase would be to construct the site.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	300,000	150,000	0	0	0	0	150,000
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
Firewall Technology Refresh								
New Project: NO Confidence Level: Moderate								
Total Project Cost: \$2,111,320 Original Project Cost: \$1,070,458								
Project Description								
This project allows BTS to refresh Citywide firewalls per an established lifecycle, allowing for maintaining next generation standards and deployment of additional security enhancements. Consistent and regular refreshment of firewalls ensures City networks meet security due care and diligence requirements.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	628,462	1,070,458	107,200	107,200	66,000	66,000	66,000	412,400
Operating and Maintenance Costs	0	0	0	232,109	232,109	232,109	232,109	928,436

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Communications Building Construction		New Project: NO		Total Project Cost: \$1,508,928		Area: Southeast		
		Confidence Level: Low		Original Project Cost: \$277,303		Objective: Growth		
Project Description								
This project will provide for needed BTS tenant improvements in the 911 Building, including feasibility studies, architectural services, construction, equipment purchases and project management services. Near term projects include meeting room upgrades, additional technology storage capacity, public entrance space reconfiguration to incorporate additional staff, remediation of Radio audit findings, and room reconstruction.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	891,625	340,000	0	0	0	1,231,625
Operating and Maintenance Costs	0	0	0	3,000	0	0	0	3,000
Telecom Lab Systems Implementation								
New Project: YES								
Confidence Level: Low								
Total Project Cost: \$372,423								
Original Project Cost: \$372,423								
Project Description								
This project will provide the BTS Telecommunications program with an environment to test and validate security patches, software updates and architecture changes prior to implementation in the production systems. It will design and deploy a comprehensive telecommunications laboratory environment to mimic production as closely as possible.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	0	372,423	0	0	0	372,423
Operating and Maintenance Costs	0	0	0	0	45,000	45,000	45,000	135,000

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
DWDM System Lifecycle Replacement		New Project: YES		Total Project Cost: \$2,316,000		Area: Southeast		
		Confidence Level: Low		Original Project Cost: \$2,316,000		Objective: Replacement		
Project Description								
This project will provide for the lifecycle replacement of the Cisco Dense Wavelength Division Multiplexing (DWDM) system. The current DWDM system is at end-of-life and support will end in September 2023, so parts and support for the hardware will no longer be available after that date. The project will replace the DWDM system/equipment at the original 16 core sites and move all live data network services to a new 100 Gbps lightwave system. This will meet bandwidth requirements for the City and external IRNE/I-Net customers for future needs.								
Revenue Source(s)								
Technology Reserves								
Total Requirements		0	0	0	1,308,000	1,008,000	0	0
Operating and Maintenance Costs		0	0	0	0	0	25,000	25,000
								50,000

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Enterprise Service Management Implementation		New Project: YES Confidence Level: Moderate		Total Project Cost: \$1,748,965 Original Project Cost: \$1,748,965			Area: Citywide Objective: Efficiency	
Project Description								
This project will implement an enterprise solution for service management to provide a workflow engine, automation, work and asset tracking, metrics, and service portal capabilities for multiple bureaus and functions. This solution will integrate and federate data from various City sources to provide a broad view into services and operations. Bureaus will realize cost savings through use of automation and workflow technologies and the reduction of rework.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	422,724	697,165	629,076	0	0	1,748,965
Operating and Maintenance Costs	0	0	0	0	0	274,772	274,772	549,544
Police Exchange Infrastructure Refresh								
New Project: YES Confidence Level: High								
Total Project Cost: \$315,055 Original Project Cost: \$315,055								
Project Description								
This project upgrades the on-premise Exchange infrastructure used by Police to the latest version of Exchange. The project also includes lifecycle replacement of the hardware. The upgrade of Exchange will allow for a smoother interaction with the City's Office 365 environment.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	11	0	0	303,355	11,700	0	0	315,055
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Police Cisco DNA Center Appliance		New Project: YES		Total Project Cost: \$190,000		Area: Citywide		
		Confidence Level: High		Original Project Cost: \$190,000		Objective: Efficiency		
Project Description								
This project provides for LAN (Local Area Network) automation to simplify network operations, free up staff time, and create a standard, error-free underlay network.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	190,000	0	0	0	0	190,000
Operating and Maintenance Costs	0	0	0	0	0	5,000	5,000	10,000
Police SharePoint Server Farm								
	New Project: YES		Total Project Cost: \$546,000		Area: Citywide			
	Confidence Level: Moderate		Original Project Cost: \$546,000		Objective: Expansion			
Project Description								
This project will allow BTS to upgrade SharePoint from the Foundation version to 2019 Server Farm. SharePoint is a centralized repository for digital information that allows Police to automate some of their workflows. The current system lacks some functionality that users could benefit from and its configuration leads to longer maintenance downtime.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	0	396,000	150,000	0	0	546,000
Operating and Maintenance Costs	0	0	0	0	0	35,000	35,000	70,000

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
SAP SuccessFactors Emp. Central Payroll		New Project: YES Confidence Level: Moderate		Total Project Cost: \$522,150 Original Project Cost: \$522,150		Area: Citywide Objective: Expansion		
Project Description								
This project implements SAP's SuccessFactors Employee Central Payroll module. This will move the City's existing payroll functionality from on-premise SAP implementation to the suite of SuccessFactors cloud solutions. This will extend and enhance previous SuccessFactors applications implemented by the City, Learning Management, Performance/Goals Management and Onboarding.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	0	0	522,150	0	0	522,150
Operating and Maintenance Costs	0	0	0	0	0	165,000	165,000	330,000
SAP SuccessFactors Emp. Time & Att.								
New Project: YES Confidence Level: Moderate								
Total Project Cost: \$704,500 Original Project Cost: \$704,500								
Project Description								
This project implements SAP's SuccessFactors Time and Attendance module. This application moves the City's existing time and attendance functionality from on-premise SAP implementation to the suite of SuccessFactors cloud solutions. This will extend and enhance other SuccessFactor implementations, Learning Management, Performance/Goals Management and Onboarding.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	0	704,500	0	0	0	704,500
Operating and Maintenance Costs	0	0	0	0	330,000	330,000	330,000	990,000

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
SAP S4 HANA		New Project: YES		Total Project Cost: \$661,000		Area: Citywide		
		Confidence Level: Low		Original Project Cost: \$661,000		Objective: Expansion		
Project Description								
The City is moving to SAP's Suite on HANA. This project is the next step in the roadmap to that move. S4 HANA provides a host of improved and new capabilities such as a simplified, but more robust finance model, enhanced asset operations and maintenance, and improved treasury and financial risk processes.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	0	0	505,500	155,500	0	661,000
Operating and Maintenance Costs	0	0	0	0	0	77,000	77,000	154,000
SAP SuccessFactors Aspire Cloud Benefits								
	New Project: YES			Total Project Cost: \$358,100		Area: Citywide		
	Confidence Level: Low			Original Project Cost: \$358,100		Objective: Expansion		
Project Description								
This project replaces the current system, Benefit Focus, used for cityside benefits management. This replacement system is an add-on module for SAP's SuccessFactors which the City is currently using. This application would be used by benefit-eligible employees to make their annual open enrollment selections for health, dental, eyecare, short and long-term insurance, etc.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	0	0	0	298,200	59,900	358,100
Operating and Maintenance Costs	0	0	0	0	0	0	98,200	98,200

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
SAP SuccessFactors Compensation Module		New Project: YES Confidence Level: Low		Total Project Cost: \$144,200 Original Project Cost: \$144,200		Area: Citywide Objective: Expansion		
Project Description								
This project will implement the SuccessFactors Compensation module, a compensation modeling tool that benefits the City in several ways. It will provide the functionality to support the Cloud Benefits implementation and ensures that we have the reporting necessary to support the State's new equity law.								
Revenue Source(s)								
Technology Reserves								
Total Requirements	0	0	0	0	0	0	144,200	144,200
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
Worksoft Testing Automation Tool for SAP								
New Project: YES Confidence Level: Low								
Total Project Cost: \$300,000 Original Project Cost: \$300,000								
Project Description								
This project will implement Worksoft, an industry leading test automation solution for enterprise applications that include SAP. Worksoft will automate testing of the SAP suite which will enable BTS to accelerate the initial implementation of SAP's SuccessFactors solutions as well as any new modules added to the existing platform, and will expedite testing for ongoing release cycles.								
Revenue Source(s)								
Interagency Revenues								
Total Requirements	0	0	300,000	0	0	0	0	300,000
Operating and Maintenance Costs	0	0	0	65,000	65,000	65,000	65,000	260,000

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Radio Site Maintenance & Enhancements		New Project: YES Confidence Level: Low		Total Project Cost: \$400,000 Original Project Cost: \$400,000		Area: Citywide Objective: Efficiency		
Project Description								
This project provides for major maintenance needed at the 800 MHz radio sites.								
Revenue Source(s)								
Interagency Revenues								
Total Requirements	0	0	0	0	0	200,000	200,000	400,000
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
 Replace HVAC Units								
New Project: YES Confidence Level: Moderate								
Total Project Cost: \$220,000 Original Project Cost: \$220,000								
Project Description								
This project addresses major maintenance needs at the 800 MHz radio sites. Specifically, the HVAC units at Mt. Scott, Willalatin Tank and Lookout Point all need to be replaced. The system's reliability and availability for public safety use is contingent on BTS keeping it up to date and in good repair.								
Revenue Source(s)								
Interagency Revenues								
Total Requirements	0	0	60,000	80,000	80,000	0	0	220,000
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
BTS								
Upgrade Microwave Links		New Project: YES		Total Project Cost: \$360,000		Area: Citywide		
		Confidence Level: Moderate		Original Project Cost: \$360,000		Objective: Efficiency		
Project Description								
This project will upgrade the microwave links at the Portland Communications Center, Goat Mountain and the Portland Building. These upgrades are needed in order to maintain reliability of the public safety radio system.								
Revenue Source(s)								
Interagency Revenues								
Total Requirements	0	0	120,000	120,000	120,000	0	0	360,000
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
CityFleet								
Replace and Construct Fueling Stations		New Project: NO		Total Project Cost: 13,620,155		Area: Citywide		
		Confidence Level: Moderate		Original Project Cost: 13,620,155		Objective: Replacement		
Project Description								
The City has identified a need to replace an aging fueling system infrastructure at four locations across the city. These locations include SW First and Jefferson garage, Interstate Yard, Columbia Blvd Wastewater Treatment Plant, and Penumbra Kelly Building. The total cost of these replacements is estimated at \$7.6 million (moderate confidence) and will be completed in FY 2020-21. Additionally, the Bureau of Emergency Management has identified a need to increase emergency preparedness by developing fueling sites on the west side of the Willamette and east of Highway 205. These projects are estimated at \$6.0 million (low confidence). These stations will be constructed in a second phase. Since the timing of the phase is not known it has been put in year 5 of the plan.								
Revenue Source(s)								
The program will be funded through cash received from the General Fund in FY 2014-15 (\$1.2 million) and a debt financing (\$12.4 million).								
Total Requirements	1,252,502	7,019,662	2,325,072	0	0	0	6,090,139	8,415,211
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
CityFleet								
FY 2020-21 Vehicle Replacement for CityFleet		New Project: YES Confidence Level: High		Total Project Cost: \$248,906 Original Project Cost: \$248,906		Area: Central City Objective: Replacement		
Project Description								
Scheduled vehicle and equipment replacement for several divisions in Office of Management and Finance including Printing and Distribution, Bureau of Technology Services, CityFleet, and Facilities Services.								
Revenue Source(s)								
This project is funded by interagency revenues.								
Total Requirements	0	0	248,907	0	0	0	0	248,907
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
 FY 2020-21 Vehicle replacement for Fire Bureau								
New Project: YES Confidence Level: High								
Total Project Cost: \$679,060 Original Project Cost: \$679,060								
Project Description								
Scheduled replacement vehicles and equipment for the Fire Bureau.								
Revenue Source(s)								
This project is funded by interagency revenues.								
Total Requirements	0	0	679,060	0	0	0	0	679,060
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
CityFleet								
FY 2020-21 Vehicle Replacement for Golf Fund		New Project: YES Confidence Level: High		Total Project Cost: \$350,040 Original Project Cost: \$350,040			Area: Central City Objective: Replacement	
Project Description								
Scheduled replacement vehicles and equipment for the Golf Fund.								
Revenue Source(s)								
This project is funded by interagency revenues.								
Total Requirements	0	0	350,040	0	0	0	0	350,040
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
FY 2020-21 Vehicle replacement for Parks Bureau								
New Project: YES Confidence Level: High								
Total Project Cost: \$1,203,288 Original Project Cost: \$1,203,288								
Project Description								
Scheduled replacement vehicles and equipment for the Parks Bureau.								
Revenue Source(s)								
This project is funded by interagency revenues.								
Total Requirements	0	0	1,203,288	0	0	0	0	1,203,288
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

City of Portland

C3 - Capital Improvement Plan Summaries - Requested

Run Date: 1/27/20

Capital Improvement Plan

Run Time: 1:40:58 PM

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
CityFleet								
FY 2020-21 Vehicle replacement for Police Bureau		New Project: YES Confidence Level: High		Total Project Cost: \$6,177,625 Original Project Cost: \$6,177,625			Area: Central City Objective: Replacement	
Project Description								
Scheduled replacement of vehicles and equipment for the Portland Police Bureau.								
Revenue Source(s)								
This project is funded by interagency revenues.								
Total Requirements	0	0	6,177,626	0	0	0	0	6,177,626
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
FY 2020-21 Vehicle replacement for Bureau of Transportation		New Project: YES Confidence Level: High		Total Project Cost: \$4,779,248 Original Project Cost: \$4,779,248			Area: Central City Objective: Replacement	
Project Description								
Scheduled replacement of vehicles and equipment for Portland Bureau of Transportation.								
Revenue Source(s)								
This project is funded by interagency revenues.								
Total Requirements	0	0	4,779,248	0	0	0	0	4,779,248
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

City of Portland

C3 - Capital Improvement Plan Summaries - Requested

Run Date: 1/27/20

Capital Improvement Plan

Run Time: 1:40:58 PM

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Facilities								
Construct Building at SW 4th and Montgomery		New Project: NO Confidence Level: High		Total Project Cost: 20,580,000 Original Project Cost: 20,580,000			Area: Southwest Objective: Growth	
Project Description								
In partnership with Portland State University (PSU), the City is participating in the redevelopment of the "Jasmine Block" property at SW 4th and Montgomery. The project is slated for completion in 2020. The City is expected to own at least 30,000 square feet of space in the building to be constructed by PSU at SW 4th and Montgomery. This property was identified as a key redevelopment priority in 2014 by the City, Prosper Portland, and PSU.								
Revenue Source(s)								
This project is funded with bonds and cash from the General Fund.								
Total Requirements	18,357,467	5,017,062	2,242,910	0	0	0	0	2,242,910
Operating and Maintenance Costs	0	0	0	589,320	589,320	589,320	589,320	2,357,280
City Hall Audio and Visual Upgrades								
New Project: YES Confidence Level: Low								
Total Project Cost: 483,206 Original Project Cost: 483,206								
Project Description								
This project will provide upgrades to City Hall's audio / visual hardware and technology.								
Revenue Source(s)								
Major Maintenance Reserves								
Total Requirements	0	468,206	351,155	0	0	0	0	351,155
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Facilities Services Core Operating & Climate Investments		New Project: YES Confidence Level: Low		Total Project Cost: \$2,001,435 Original Project Cost: \$2,001,435			Area: Citywide Objective: Maintenance-Preservation	
Project Description								
This climate investments project includes two components. The first is a Facilities Condition Assessment (FCA) for all Facilities-owned properties. FCAs assess the basic condition, energy performance, ADA performance, and seismic resilience of critical facility assets and buildings, and are the basis for crafting facility safety, soundness, climate, and equity goals, and long-range plans.								
The second is an Asset Management Software System (AM). An AM system is the core information system that any asset-owning organization needs to run its operations. AM systems house system-of-record data for critical assets (such as asset location, nameplate, and FCA information); allow for asset work order development/completion (e.g., customer work order submittals, or the design/scheduling of preventive maintenance routes); track asset costs (employee work order time tracking, materials and supplies management, etc.); and make possible performance management tracking/reporting. Facilities' asset management system stopped being supported by vendors six years ago and is now too fragile to modify.								
Revenue Source(s)								
Cash transfers								
Total Requirements	0	0	1,857,312	0	0	0	0	1,857,312
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
City Hall Major Maintenance		New Project: YES		Total Project Cost: N/A		Area: Central City		
Project Description				Original Project Cost: N/A		Objective: Maintenance & Repair		
This project is for all major maintenance projects City Hall will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	1,307,683	704,856	80,150	0	700,000	2,792,689
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
1900 Building Major Maintenance	New Project: YES		Total Project Cost: N/A		Area: Central City			
Project Description	Confidence Level: Low		Original Project Cost: N/A		Objective: Maintenance & Repair			
This project is for all major maintenance projects the 1900 Building will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	2,687,299	1,267,339	1,878,434	0	0	5,833,072
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Portland Communications Center Major Maintenance		New Project: YES Confidence Level: Low		Total Project Cost: N/A Original Project Cost: N/A			Area: Southeast Objective: Maintenance & Repair	
Project Description								
This project is for all major maintenance projects the Portland Communications Center will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	296,319	0	0	0	0	296,319
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
Kelly Building Major Maintenance								
New Project: YES Confidence Level: Low								
Total Project Cost: N/A Original Project Cost: N/A								
Project Description								
This project is for all major maintenance projects the Kelly Building will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	413,218	504,171	241,245	0	0	1,158,634
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Rivergate Vehicle Storage Major Maintenance		New Project: YES Confidence Level: Low		Total Project Cost: N/A Original Project Cost: N/A			Area: North Objective: Maintenance & Repair	
Project Description								
This project is for all major maintenance projects Rivergate Vehicle Storage will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	0	372,197	0	0	0	372,197
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
North Precinct and Walnut Park Major Maintenance								
New Project: YES Confidence Level: Low								
Total Project Cost: N/A Original Project Cost: N/A								
Area: Northeast Objective: Maintenance & Repair								
Project Description								
This project is for all major maintenance projects North Precinct and Walnut Park will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	1,582,667	0	0	135,000	0	1,717,667
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
East Precinct Major Maintenance		New Project: YES		Total Project Cost: N/A			Area: Southeast	
		Confidence Level: Low		Original Project Cost: N/A			Objective: Maintenance & Repair	
Project Description								
This project is for all major maintenance projects the East Precinct will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	79,508	0	0	350,000	150,000	579,508
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
Justice Center Major Maintenance								
		New Project: YES		Total Project Cost: N/A			Area: Central City	
		Confidence Level: Low		Original Project Cost: N/A			Objective: Maintenance & Repair	
Project Description								
This project is for all major maintenance projects the Justice Center will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	2,528,701	561,636	556,896	1,080,440	0	4,727,673
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Kerby Garage Major Maintenance		New Project: YES Confidence Level: Low		Total Project Cost: N/A Original Project Cost: N/A			Area: Northeast Objective: Maintenance & Repair	
Project Description								
This project is for all major maintenance projects the Kerby Garage will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	200,000	0	0	0	0	200,000
Operating and Maintenance Costs	0	0	0	0	0	0	0	0
St Johns Traffic Division Major Maintenance								
New Project: YES Confidence Level: Low								
Total Project Cost: N/A Original Project Cost: N/A								
Area: North Objective:								
Project Description								
This project is for all major maintenance projects St. Johns Traffic Division will do over the next five years.								
Revenue Source(s)								
Major maintenance projects are funded by rental rates charged to tenant bureaus.								
Total Requirements	0	0	247,510	0	0	556,860	0	804,370
Operating and Maintenance Costs	0	0	0	0	0	0	0	0

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Procurement								
B2G / LCP Tracker		New Project: NA		Total Project Cost: 940,630			Area: Central City	
		Confidence Level: Optimal		Original Project Cost: 940,630			Objective: Efficiency	
Project Description								
This project replaced software used in the Procurement Services division for tracking contractor compliance with procurement requirements. The ongoing operations and maintenance and future replacement of the system is budgeted under project S00059.								
Revenue Source(s)								
General Fund, interagency revenue, and/or technology reserve funds.								
Total Requirements	0	32,692	0	0	0	0	0	0
Operating and Maintenance Costs	0	0	0	211,000	211,000	211,000	211,000	844,000

Public Finance and Treasury

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Public Finance and Treasury								
DBC Finance		New Project: NO		Total Project Cost: 76,041			Area: Citywide	
		Confidence Level: Optimal		Original Project Cost:			Objective: Replacement	
Project Description								
DBC Finance is Debt Management's primary bond modeling and debt analysis tool. Many of the City's projects are funded by debt financings and this software subscription is critical to the capital planning and execution of debt financing within the City. DBC provides automated debt sizing and streamlined analysis for debt decision making.								
Revenue Source(s)								
Interagency funding.								
Total Requirements		14,500	14,500	0	0	0	0	0
Operating and Maintenance Costs		0	0	14,500	14,500	14,500	14,500	72,500

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
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Office of Management & Finance**Public Finance and Treasury****GovInvest**

New Project: NO

Total Project Cost: 50,050

Area: Central City

Confidence Level: Optimal

Original Project Cost:

Objective: Efficiency

Project Description

GovInvest is an actuarial modeling and visualization software for pension and other-post-employment benefits and liabilities, such as the Oregon Public Employees Board and those in Fire and Police Disability Retirement. The City has significant long-term obligations for pension liabilities, and it is critical that the City Budget Office, Bureau of Human Resources, Health Fund and Labor Relations, Fire and Police Disability Retirement, and Bureau of Revenue and Financial Services all have tools to conduct real-time "what if" analyses of these liabilities and the ability to visually present these analyses to policy makers. Fire and Police Disability and Retirement and the Bureau of Human Resources each contract with their respective actuary for biennial actuarial valuations, but neither firm offers the ability to do "what if" analyses online in real time. This is partially funded by the Treasury budget and by IAs with other bureaus.

Revenue Source(s)

Investment earnings and interagency agreements with City bureaus receiving service from the system.

Total Requirements	34,248	34,248	0	0	0	0	0	0
Operating and Maintenance Costs	0	0	35,275	36,333	0	0	0	71,608

Revenue

Project Name	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Revenue								
Integrated Tax System		New Project: YES		Total Project Cost: \$26,645,205		Area: Citywide		
		Confidence Level: Optimal		Original Project Cost: \$26,645,205		Objective: Replacement		
Project Description								
The Revenue Division must replace its aging tax administration systems with a single integrated tax system that is capable of administering existing and future tax programs, improves reliability of our technical support structure, allows the secure integration of federal tax information (FTI), and increases our customer service levels to meet today's expectations for accessibility and self-service. Ongoing operations and maintenance costs to be funded by IA, IGA, and ongoing General Fund funding.								
Revenue Source(s)								
General Fund One-Time, BTS Reserves, Bancroft Bond Funding, and LOC / Bond Funding								
Total Requirements	0	11,296,066	13,094,105	0	0	0	0	13,094,105
Operating and Maintenance Costs	0	0	0	2,996,897	2,655,837	2,770,653	2,770,653	11,194,040

C4 - Capital Projects by Geographic Area - Requested

Run Date: 1/27/20

Capital Improvement Plan

Run Time: 1:42:28 PM

Geographic Area	Prior Year CIP	2019-20 Revised Budget	2020-21 Request	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate	2024-25 Estimate	5-Year Total
Office of Management & Finance								
Central City	34,248	66,940	19,997,127	2,781,164	2,726,480	1,291,440	911,000	27,707,211
Citywide	14,353,565	28,432,800	26,587,553	12,565,661	9,796,859	8,942,052	14,818,318	72,710,443
North	0	0	247,510	372,197	0	556,860	0	1,176,567
Northeast	0	0	1,782,667	0	0	135,000	0	1,917,667
Southeast	247,294	993,324	2,299,670	2,691,594	1,458,245	504,000	304,000	7,257,509
Southwest	18,357,467	5,485,268	2,594,065	589,320	589,320	589,320	589,320	4,951,345
Total Office of Management & Finance	32,992,574	34,978,332	53,508,592	18,999,936	14,570,904	12,018,672	16,622,638	115,720,742
Total	32,992,574	34,978,332	53,508,592	18,999,936	14,570,904	12,018,672	16,622,638	115,720,742

FIVE-YEAR PLAN

Fund & Bureau Name: General Fund, Office of Management and Finance

Bureau of Human Resources Plan Overview

The Bureau of Human Resources (BHR) is focused on providing core services to attract, retain, develop and support employees. BHR will accomplish this by valuing equity, communication, collaboration and transparency. These core principles have been shared repeatedly by stakeholders as BHR gathered input on what ideals and values a successful organization should emulate.

The following is a summary of decision packages the Bureau of Human Resources will request over the next five years:

Workforce Recruitment and Training

This program is seeking one-time money to launch comprehensive and meaningful manager supervisor training. During FY 2019-20, BHR secured contributions from PBOT, Water and BES to build curriculum for Path to Leadership. Midway through this process we worked with our bureau partners to refocus these resources to begin a manager supervisor certification program. Manager supervisor training is imperative to the City's organizational and financial success. Through a meaningful and effective training curriculum, utilizing the core values of equity, transparency, communication and collaboration, we will create Citywide professional learning experiences. Training will equip current and future leaders with an essential understanding of equity within policies, processes, tools, communication, decision making and best practices in critical areas. WRT is also seeking the extension of a limited duration position in the FY 2020-21 budget cycle. This position is currently working to re-establish a regular schedule for HRAR review and approval. Additionally, this position will work in parallel to redevelop the existing HRAR's into a more articulate and user-friendly document for bureaus and employees to understand. In FY 2019-20 Council adopted and funded the Accommodations Fund with one-time money of \$150,000. There will be future requests to ensure this fund supports a diverse workforce and is adequate to meet the needs of its employees. Continued changes will most certainly require BHR to be prepared for shifts in the economy and/or in Council priorities. Staff is well trained and nimble to adapt to the needs of the City.

Employment and Labor Relations

BHR will launch the new Performance Management System Citywide in July of 2020 after a successful pilot group used the system for a year. Deploying the City's new online performance management system, SAP SuccessFactors, will demand ongoing maintenance and centralized support. We do not yet anticipate any changes to staff or resources for FY 2020-21 but may need an additional Analyst in the future to support bureaus with process changes, customizations, routine maintenance, and ongoing form adjustment requirements, and communications related to the new system. It is anticipated, this Analyst would serve as the central Super User for the City and would be tasked with administration of trainings, communications and support needs related to performance management process across the City. BHR will continue to work with the City Budget Office on developing sustainable policy and practices related to merit and cost of living adjustments. BHR will be working over the course of FY 2020-21 to integrate Labor Analysts with Business Partners to collaborate with bureaus to achieve optimum results in resolution of discipline, grievances and collective bargaining.

Operations and Strategic Support had many personal changes and successfully recruited employees to continue the vital work of HRIS and Payroll administration. BHR anticipates some changes in staffing over FY 2020-21 and will work to find efficiencies in process. More centralization in services is anticipated as BHR works to implement legislative changes like paid family leave. BHR anticipates there will be a need for increased staff to help in claims, auditing, reconciliation and over/under payments to employees. BHR and the City Attorney's Office developed an internal stakeholders' group to analyze the options as Council begins looking at its FY 2021-22 budget

Bureau of Revenue and Financial Services Plan Overview

The following is a discussion of major financial and program issues for each division within the Bureau of Revenue and Financial Services (BRFS). In addition to the items listed below, BRFS will continue to develop financial metrics and indicators to help assess the City's long-term fiscal health and will also continue efforts to explore technology improvements and business efficiencies.

Accounting Division

Over the past few years, the Accounting Division has streamlined operations and implemented process improvements to enable the division to work more effectively and efficiently. However, the following steps are needed to continue to effectively manage the City's accounting policies, systems, and processes.

Governmental accounting is complex, and the requirements continue to evolve, creating a need for highly trained accounting professionals. To ensure Accounting Division staff are properly educated in this area and to support career progression opportunities, there is a continuing need for professional development, specifically in the areas of governmental accounting, internal controls, and fraud. To address this need, various training options and methods are being researched and used. Also, BRFS has designed a program to support employees who are seeking applicable experience to obtain their Certified Public Accountant (CPA) certification.

The *Financial Systems and Training* section within the division has been quite successful in its focus on providing guidance, training, and system improvements to the bureaus. However, as bureaus continue to see budget cuts and rapid turnover in administrative areas, the need for this guidance and oversight is even more critical. The division will continue to develop a comprehensive training program and seek innovative ways of communicating this critical information to the bureaus. In addition, a "Best Practice Compliance" program is being developed, and an accounting position has been designated to have this compliance focus as its main job responsibility.

To meet the demand for timelier reporting of municipal finances, the City has reduced the time spent in the compilation and production of the Comprehensive Annual Financial Report (CAFR). To assist with this goal, the use of an efficient and user-friendly CAFR preparation software package is highly important. The division's previous software had not performed as expected, was difficult to use, and did not allow for simultaneous multiple users. Therefore, the software was replaced to eliminate redundancies, and allow the accounting team to work at optimal efficiency. The software was implemented during FY 2018-2019 and was successfully used in the preparation of the FY 2018-2019 CAFR.

Debt Management

Regulatory Environment and Disclosure

The municipal bond market continues to undergo developments that expand the City's continuing disclosure requirements. The U.S. Securities and Exchange Commission (SEC) has recently amended continuing disclosure provisions, effective February 27, 2019. Broadly, the amendment expands the definition of a "material event" under SEC Rule 15c2-12 to include (1) the incurrence of any new "financial obligation" and (2) events of default, debt acceleration, or material modification of loan terms. The SEC's amendment aims to encompass and disseminate information about municipal bond issuers' non-public debt activity (e.g. bank loans, private placements, interest rate swaps, and capital leases). Currently, the City voluntarily discloses bank loan activity. The inclusion of capital leases in the definition of "financial obligations" will require Debt Management to closely monitor Citywide lease activity. Going forward, Debt Management will be working with the Accounting Division, City bureaus, and the City Attorney's Office to develop a lease monitoring process to comply with these new requirements.

2017 Federal Tax Cuts and Jobs Act

The Tax Cuts and Jobs Act (TCJA) of 2017 was passed on December 2, 2017 in an effort to theoretically provide economic stimulus to the U.S. economy. In the balancing act of shoring-up substantial federal tax cuts, municipal bonds ended up in the crosshairs of federal legislators as a revenue raising target. Through much debate, TCJA ultimately included provisions that eliminated state and local governments' ability to "advance refund" existing bonds. The TCJA consequentially subjects state and local governments to additional market risk going forward by creating timing restrictions on when debt refinancings may occur. Looking ahead, Debt Management will consider alternative refunding methods, including forward delivery bonds and open market bond repurchases, which circumvent these timing restrictions to capitalize on market savings opportunities as they occur.

Simultaneously, the TCJA drastically reduced the federal tax rate for corporations from 35% to 21%, diminishing the demand for tax-exempt interest inherent to most municipal bonds. Major corporate buyers of municipal bonds, most notably banks, have reduced their municipal bond holdings or increased their required return on new investments. The elimination of advance-refunding bonds has decreased the supply of new bond issues (down approximately 17% vs. the prior year), which has temporarily muted the measurable effects of the waning corporate-buyer demand.

Grants Management

In FY 2016-17, the responsibility of Special Appropriations was transitioned to the Grants Management Division. The Grants Management Division is now responsible for incoming federal, state, and private grants, and all programs funded under Special Appropriations.

Federal grant requirements are complex, and the Grants Management Division's Citywide role is to ensure that the City is in compliance. To ensure the Grants Management Division staff are properly educated in this area and to support career progression opportunities, there is a continuing need for professional development and internal training specifically in the field of federal grant management. To address this need, various training options are being researched and used.

In addition to federal grant management, the Grants Management Division is exploring ways to improve the timing of the outgoing Special Appropriations grants/agreements. Since Special Appropriations (SA) transitioned to the Grants Management Division, the SA budget has increased from \$9.7 million to \$13.4 million. At the time of the program transition, the Grants Management Division received 1.0 FTE to support the program. However, the Grants Management Division currently dedicates an average of 1.7 FTE to manage the SA grants/agreements/programs. The Grants Management Division is proposing funding options to increase staffing to support the program.

In addition to an increase in staffing for Special Appropriations, the Grants Management Division is in the process of selecting a grant tracking system that will be used for the application and tracking of Special Appropriations grants and agreements. After the system is implemented, the Grants Management Division will reach out to other bureaus that give out grants to see if they are interested in using the system. This will give the City better reporting for all these outgoing grants.

In FY 2018-19, the Grants Management Division worked with the City Attorney to develop an ordinance giving the Chief Financial Officer the authority to sign off on Special Appropriations agreements that were funded through the budget process. This authority should reduce the amount of time grantees have to wait for final executed agreements.

The addition of staffing, the CFO authorization to sign grants/agreements, and the grant tracking system will allow the Grants Management Division to provide timelier customer service to grantees and City management.

Procurement Services

Reorganization, staffing and new Service Level Agreements

Procurement Services received approval from City Council via the 2018 Fall BMP process to add additional staff resources and reorganize its structure to create more customer focused teams. This was accomplished by working with the City bureaus to identify areas for improvement. Procurement Services then hired a consulting firm to assist with establishing Service Level Agreements (SLAs) for high impact procurement processes. Procurement Services has established the framework to actively track and report on these SLA metrics to bureaus. On at least an annual basis, Procurement Services will review the SLAs and update/revise based on continuing process improvement work. With this reorganization, additional staffing and more customer focus, a need for additional support in the form of technology or outside consulting services may arise. SLAs were only created for the higher, more impactful procurement processes initially, but Procurement has been working on establishing SLAs for the rest of the procurement and contracting processes.

Procure-to-Pay

Procurement Services is participating in a workgroup with the Chief Financial Officer, Accounting, Treasury, BTS, and others to explore ways to improve the City's procure-to-pay process. The workgroup is engaging an external consultant to create process maps and conduct interviews with bureaus to identify how staff pay invoices and procure goods and services. Process improvements may include seeking a procure-to-pay enterprise resource planning (ERP) solution.

Social Equity Contracting Strategy

These initiatives focus on increasing the participation of minorities and women in public contracting. Ongoing oversight and program improvements will continue in future years.

- **Workforce Training and Hiring** – The City established an aspirational goal of 18% minority and 9% female for apprentices and journey level workers on construction contracts in addition to the 20% apprenticeship goal already in place with each contract. Compliance specialists provide ongoing interaction with prime contractors to help ensure that City aspirational goals are realized.
- **Subcontracting** – Through the Subcontractor Equity Program (SEP), there is an aspirational goal of 20% Disadvantaged/Minority/Women/Emerging Small Business (D/M/W/ESB) subcontractor participation, of which a minimum of 14% shall be D/M/WBE. If a bidder meets the aspirational goal, one completed and signed form is all that is required, creating efficiencies for contractors. Procurement staff verify whether the goal has been met and, with the reduction in paper submittals, the review process is streamlined for operational efficiency. Ongoing oversight by the City's buyers, compliance specialists, and outreach coordinator provide monitoring of success.
- **Professional, Technical, and Expert Services** – A strategy is in place allowing further targeting of certified firms through direct contracts and informal contracts by increasing the formal solicitation dollar threshold, with an aspirational goal of 20% for D/M/W/ESB firms.
- **Prime Contractor Development Program** – The program is designed to create access to contracting opportunities for D/M/W/ESB businesses and encourage minority-owned and women-owned companies to perform as prime contractors for the City in the areas of sewer construction, water construction, street improvements, and building alteration/construction for construction projects up to \$1,000,000. In FY 2018-19, the program continued to increase business training and technical assistance for its contractors by providing training for residential lead abatement certification, deconstruction practices, and bid estimating software. Additional program enhancements implemented include standardization of the contractor prequalification program, expanded outreach for Minority and Women professional services firms, and further development of the City's Minority Evaluator Program.

Disparity Study

A disparity study determines whether a government entity, either in the past or currently, engages in exclusionary practices in the solicitation and award of contracts to D/M/W/ESB firms. Periodically, the City commissions studies to determine if there is disparity between the availability of firms and the participation of those firms in its market area. These studies are necessitated in part by the 1989 U.S. Supreme Court's decision in the case of *City of Richmond v. J.A. Croson*. The court decision imposed legal requirements on jurisdictions to establish a "compelling interest" to support the establishment of a minority and women business program. The results of this study will determine if a compelling interest exists for the continuation of the City's MWDBE programs. Performing disparity studies at appropriate intervals validates the City's ability to continue with its Social Equity Contracting Strategy and to assess its previous effectiveness.

There have been ongoing discussions about requesting authorization from Council for another disparity study, however, there are stakeholders that feel that the funds that would pay for a disparity study could be used for existing or new programs to achieve better outcomes. These discussions will likely continue and a decision will be sought from Council in the future.

Web and Database Technology Upgrades

The development of two specialized tracking and reporting systems was mandated in 1994 with the City's adoption of its Fair Contracting and Employment Strategy. These systems were crucial components in tracking solicitations and contracts, and for the collection of workforce and DMWESB contractor

participation data. Ongoing costs associated with these and subsequent systems include annual maintenance fees to third-party providers and periodic upgrades of both systems and related software.

In May 2015, Procurement Services successfully implemented a replacement of its electronic bid and vendor management system and began transitioning to an updated contract compliance technology solution, which was completed in FY 2018-19. The new compliance system allows contractors to provide workforce participation data directly to an integrated database, which serves as the City's primary tool to gather and report vital data for contractor workforce and DMWESB participation. Increased automation combined with online data gathering and reporting have resulted in staff efficiencies and increased transparency in the City's equity contracting aspirations.

Procurement set aside technology replacement funding over the past five years to be able to replace the two software systems without requesting additional funding, but those funds were used towards the Revenue Division's ITS Project. Procurement Services will continue to set aside surplus funds every year to be able to replace the two systems, but it is unlikely that it will have enough to replace the Buy Speed system when it is at the end of its useful life. It is more likely that Procurement will be able to set aside enough funding to replace B2G at the end of its useful life since it was implemented more recently.

Clean Air Contracting Program

The City Council voted unanimously in 2018 to adopt an amendment to the City's Sustainable Procurement Policy, which would phase in requirements for contractors working on City construction projects with contract values over \$1 million to meet engine standards that will reduce emissions of diesel particulate matter. Regional partners Multnomah County, Port of Portland, Metro, Clackamas County, and Washington County have agreed to adopt the standard. The City will be the central agency managing regional implementation of the standard.

The new standards will apply to older non-road diesel equipment equal to or greater than 25 horsepower, and on-road dump and cement trucks. It will include a phase-in period to allow contractors the time and flexibility to plan for the new standard. The City and County are also pursuing funding options to help disadvantaged, minority, women-owned and emerging small businesses upgrade their equipment to comply with the standard.

Procurement Services has led discussions with the regional partners and consensus has been reached on a cost allocation model for the City and regional partners to share the costs of a program. The regional partners are all seeking the funding in their budget development processes with the intent of securing funds and executing an intergovernmental agreement. In FY 19/20, Procurement Services was authorized one-time funds to acquire an online registration system for contractors to self-report their equipment, to conduct survey work to gain a better understanding of the need on behalf of D/M/W/ESB firms, and to fund a limited duration position to help implement the program. To date, Procurement Services has received authorization to spend the one-time funds for the online registration system and the survey work. It has not been authorized to hire the limited term position.

Revenue Division

New Revenue

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

Clean Energy Surcharge

In the November 2018, Portland voters approved Measure 26-201 (the Portland Clean Energy Community Benefits Initiative), which imposes a surcharge on certain retailers to fund clean energy projects and jobs training. The measure amended City Code to require Portland retailers with total retail annual revenue over \$1 billion and Portland annual retail revenue over \$500,000 to pay a 1% surcharge on gross revenue from retail sales within Portland.

Proceeds from the surcharge, known as the Clean Energy Surcharge (CES), will be placed into a new Portland Clean Energy Community Benefits Fund. The Revenue Division is responsible for collecting the CES along with the existing City Business License Tax. The Revenue Division expects to add several positions related to the administration of the CES beginning in FY 2020-21. These positions will primarily audit City Business License Tax returns to ensure that the correct amount of CES is being reported and collected. The CES was enacted as a permanent revenue source. The CES will be collected beginning in the 2019 tax year, and City Business License Tax returns reporting the CES will be required beginning on April 15, 2020.

Integrated Tax System

The Revenue Division is replacing its aging tax administration systems with an Integrated Tax System (ITS) that can administer existing and future tax programs, improve reliability of our technical support structure, allow the secure integration of federal tax information (FTI), and increase our customer service levels to meet today's expectations for accessibility and self-service. The total cost is budgeted as \$24.2 million over two years, with an \$11 million outlay due in FY 2019-20.

IRS Data Exchange

The Revenue Division has implemented a direct exchange of federal taxpayer information (FTI) with the U.S. Internal Revenue Service (IRS). Having an information exchange with the IRS assists the City's administration and collection of local income taxes such as the Portland Business License Tax, Multnomah County Business Income Tax, and the Arts Tax. There are two primary benefits of such an exchange. First is a substantial reduction in tax filing burden for hundreds of thousands of local taxpayers because paper copies of tax records are needed less often (after ITS go-live). Second is a significant increase in compliance with all local income taxes administered by the Revenue Division.

Risk Management

Insurance

The commercial market continues to be well capitalized. Insurers continue their underwriting discipline, carefully assessing and pricing risk. The excess liability insurance market for public entities remains very limited. The earthquake insurance market has stabilized and continues to be available. Insurers have limited their aggregate risk in the Pacific Northwest, so additional coverage will likely continue to be available only in the difference in conditions market. Changing federal disaster programs may have an impact on City insurance requirements to access federal recovery funds. The cyber insurance market

continues to evolve as cyber risk and liability exposures change. City Risk has placed a significant cyber liability policy to allow transfer of this exposure. The insurance program that was developed during 2017 for the Housing Bureau's affordable housing programs should allow for the rapid acquisition of new properties.

Self-Insurance

Portland's growing population, strained infrastructure, and the bureaus' rapid personnel turnover increases opportunities for human, process, and systems error. Self-funded losses for employee on-the-job injury, auto, and general liability are expected to continually rise. Workers' compensation costs are wage and medical inflation-sensitive. Auto liability is expected to continue to increase as the cost of vehicle repair, allowance for diminished value, and cost of bodily injury continues to climb. General liability claims are sensitive to community expectations and the increase in the tort caps. Protests requiring police intervention are expected to continue. Community members have also filed claims for property damage caused by the actions of homeless individuals. Issues with aging infrastructure continue to generate claims for damage due to potholes, sewer backups, and water pipe breaks.

Treasury

Cost Effective Financial Solutions

In recent years, the Treasury Division has focused on modernizing its operation through use of technology. In collaboration with City bureaus and business partners, Treasury has identified and employed "best practices" which promote efficiency, manage risk, and ensure equitable access to all City services. Treasury will continue to seek opportunities to automate processes and reduce risk.

The Treasury Division will also function as a resource to City bureaus through an outreach program which includes enhanced financial tools, treasury management consultation, and training. In early 2019, the Treasury Division will be developing a new Cash Handling and Fraud Prevention awareness program. The Treasury Division will also play a key role in the City's Procure-to-Pay initiative, which will focus on streamlining procurement processes and employ the most cost effective and secure payment methods.

Foreclosures

After a hiatus of more than 45 years, the City Council reinstated the use of the Foreclosure process to address livability issues and non-payment of liens on vacant and abandoned single-family properties. By City Code, the Treasurer is responsible for carrying out the Foreclosure Sale process on behalf of the City. Treasury will continue to work closely with the Revenue Division and the City Attorney's Office to streamline the Foreclosure process and to ensure compliance with City policy.

Investment Program

In December 2018, the City Council authorized the investment of City cash in a select list of highly-rated of corporate debt securities. The City's Investment Policy remains more restrictive than State law requires, as it has chosen not to include corporate issuers involved with industries such as fossil fuels, financial services, and the retail sale of firearms. These new investments in corporate securities will help to diversify the City's portfolio and provide an opportunity to earn additional yield over alternative investment types, such as U.S. Treasury and U.S. Agency securities.

Office of The Chief Administrative Officer Plan Overview

The Chief Administrative Officer (CAO) is responsible for overseeing all bureaus, divisions, and programs within the Office of Management and Finance (OMF), as well as ensuring Council and City Bureau Directors and staff are aware of financial issues affecting or potentially affecting services. The CAO implements Council priorities, the OMF Strategic Plan, and Citywide initiatives.

OMF Strategic Planning

The OMF 2018-2020 Strategic Plan was developed with strategies and tactics that will help OMF evolve and keep pace with City and customer demand. The plan includes three main strategies and correlating tactics that will help OMF achieve results. Each OMF bureau and division contributed to plan developed through bureau workgroups, OMF-wide workshops, and online feedback. The plan is concise and tactics are broad enough to allow flexibility while being structured enough to provide direction and accountability.

Deputy Chief Administrative Officer

The CAO will continue to oversee OMF bureaus from an enterprise perspective while working with the DCAO who oversees several OMF divisions and programs.

Major City Project Management

To advance the City of Portland's strategic One-City goals, the Project Management of Citywide Initiatives division of the Strategic Projects and Opportunities Team leads efforts that range from embarking on developing a Long-Range Facilities Master Plan, modernizing and expanding the City's customer service program, investing in coordinated asset management, and managing the Public Safety Workgroup; an effort to coordinate public safety as a continuous system.

Portland Building Reconstruction Project

In FY 2019-20, the Portland Building Reconstruction project was completed ahead of schedule and under budget. As of March 2020, all bureaus will be successfully moved into the Portland Building. The new building features over 400,000 square feet of habitable space and a customer service intake zone, which serves as an initial phase for the City's 311 customer service program.

Business Operations Citywide Support

The Business Operations Division provides centralized budget development, monitoring and reporting services for OMF, the Mayor and Council Offices. The Division also provides centralized timekeeping, personnel, recruiting, onboarding, and purchasing support for the Office of the CAO and portions of the Bureau of Revenue and Financial services and the Division of Asset Management. The Business Operations Division continues to participate in, lead, and/or support Citywide projects such as the Business Hour, the Technology Executive Steering Committee, small bureau support, the direct appointment reporting tool, Citywide training opportunities, Council Office transitions, and others. The Division supports the CAO in identifying and developing efforts to build capacity for business process improvement projects.

Homelessness & Urban Camping Impact Reduction Program (HUCIRP)

The City's Homelessness/Urban Camping Impact Reduction Program (HUCIRP) is responsible for coordinating cleanup, abatement, and removal/storage of personal property from unsanctioned campsites on City owned properties/rights-of-way in compliance with the Anderson Settlement

Agreement, ODOT/City of Portland IGA, and HB 4054. The program also manages the City's One Point of Contact campsite reporting system. HUCIRP develops and implements impact reduction strategies and coordinates services with outside agencies and jurisdictions within the City of Portland. The program is funded through interagency agreements with property-owning bureaus (\$1.5 million), the solid waste disposal fund (\$1 million), the General Fund (\$1 million), and most recently through an intergovernmental agreement (IGA) with the Oregon Department of Transportation (ODOT) to conduct campsite cleanup activities on ODOT property (\$2 million).

Revenue Assumptions

The Office of Management and Finance General Five-Year Plan includes a mix of General Fund discretionary, overhead, interagency, and other fund activity. Revenue assumptions include standard inflation factors for staffing and materials and supplies.

Expenditure Assumptions

In addition to citywide economic trends and policy decisions above, the rising cost of personnel services, including the classification and compensation study financial impacts, the pay equity study financial impacts and associated benefits costs, are rising greater than historic inflationary levels for the General Fund.

The citywide trends and policy decisions are a risk to maintaining current service level funding, and base level services, if future impacts continue at the current pace.

Expenditure Risks to the Forecast and Confidence Level

The overall confidence level is medium, given the dependencies described herein and unknown but likely service changes within the five-year horizon.

OMF General Fund						
Resources	CY Estimate	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Plan	Plan	Plan	Plan	Plan
Beginning Fund Balance	0	0	0	0	0	0
Taxes	0	0	0	0	0	0
Licenses & Permits	150,000	150,000	154,500	159,135	163,909	168,826
Charges for Services	562,667	507,698	519,258	530,086	541,088	552,271
Intergovernmental	1,760,703	2,482,673	4,477,458	4,590,892	4,707,728	4,828,069
Interagency Revenue	11,116,230	14,466,095	14,606,157	14,991,260	15,440,978	15,943,000
Fund Transfers - Revenue	1,200,000	4,334,450	1,061,607	1,093,455	1,126,259	1,160,047
Bond & Note Proceeds	390,597	8,662,618	0	0	0	0
Miscellaneous	2,389,597	2,387,353	1,695,360	1,737,624	1,791,687	1,908,608
General Fund Discretionary & Overhead	38,439,526	30,382,813	37,579,600	39,089,478	40,317,431	43,394,032
Resource Total	56,009,320	63,373,700	60,093,941	62,191,929	64,089,080	67,954,853
Expenditures	CY Estimate	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Plan	Plan	Plan	Plan	Plan
Personnel	37,367,694	40,441,783	40,808,597	42,570,513	44,031,050	47,448,425
External Materials and Services	13,619,174	14,075,407	8,344,508	8,381,467	8,599,385	8,822,968
Internal Materials and Services	5,022,452	8,530,841	8,010,433	8,309,546	8,528,242	8,753,057
Capital Outlay	0	0	0	0	0	0
Debt Service	0	50,000	1,100,000	1,100,000	1,100,000	1,100,000
Fund Transfers - Expense	0	275,669	1,830,403	1,830,403	1,830,403	1,830,403
Contingency	0	0	0	0	0	0
Debt Service Reserves	0	0	0	0	0	0
Expense Total	56,009,320	63,373,700	60,093,941	62,191,929	64,089,080	67,954,853
Planned FTE Total	273.09	289.63	288.13	295.13	295.13	295.13

Fund & Bureau Name: Health Insurance Operating Fund, OMF Bureau of Human Resources.

Plan Overview

The Health Insurance Fund collects revenue and pays expenses incurred for medical, dental, vision and prescription drug claims, claims administration, internal administration, chronic disease management, and stop-loss insurance for the insured programs (e.g. Kaiser medical/dental/vision, life insurance and disability programs) and self-funded CityCore, CityBasic and dental programs elected by most City employees, COBRA enrollees, retirees and other casual employees who gain access to coverage through the Affordable Care Act or a collective bargaining agreement. This Operating Fund is separate from the PPA Health Fund.

Health Plan Funding

Health care costs are predominately measured in terms of premiums the City pays to obtain coverage through an insurance carrier (e.g., Kaiser) and the “premium equivalents” assessed for the City’s self-funded health, dental and vision plans. The City generally shares the cost of its medical, dental, and vision plan offerings with full-time employees by contributing 95% of the total cost with employees contributing the remaining 5% balance. All covered employees enrolled in the City’s CityCore or Kaiser medical plan (not eligible dependents) are incented to seek preventive care services (physical check-up once every two calendar years) with their primary care provider to maintain their 5% bundled premium share. Should an employee not meet the standard outlined within the Employee Benefit Handbook, or their collective bargaining contract, the member’s bundled premium share increases from 5% to 10%. Groups outside this funding model are casual employees who gain access to coverage either through the Affordable Care Act or through other collective bargaining units that are enrolled in the CityBasic plan. For these separate groups, the City contributes 90% of the total cost with employees contributing the remaining 10% balance.

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

Health Fund Reserve

The fund maintains two components to its reserves. The first component is a restricted reserve covering the Incurred But Not Paid (IBNP) requirements. This component of the reserve is in accordance with standard industry practices and guidelines and includes all liability components incurred but not yet paid.

AON Hewitt Consulting has estimated the Incurred But Not Paid (IBNP) liability for the City of Portland’s self-funded medical, prescription drugs, dental, and vision plans to be \$8,909,000 for Non-PPA health plans as of June 30, 2019.

In addition to the IBNP reserve, an additional \$10.9 million Risk Based Capital (RBC) reserve has been set aside pursuant to National Association of Insurance Commissioners (NAIC) requirements. The four major components of the RBC formulae are: underwriting risk (insufficient premiums relative to expense), asset risk (default, reinsurance failure), credit risk (stop loss recoveries, fully insured medical, dental and

vision premiums, administrative service agreements, fees, and prescription rebates), and business risk (expense overruns).

The RBC is used to determine and calculate when it is appropriate to use excess reserves to moderate future rate increases. The policy recommends targeting any reserve surplus above 150% of RBC for use as a subsidy (buy-down) on future rate increases. Conversely, the policy recommends targeting any reserve deficit below 75% of the RBC as the threshold by which the plan actuary would calculate a surcharge into future rate increases, building up the RBC reserve to a fully funded level. Large claims above \$1 million by plan participants enrolled in the self-funded plans are covered by stop loss insurance and the City pays a premium to its third-party administrator for the coverage through this Fund.

Revenue Assumptions

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

Expenditure Assumptions

Based on the most recent forecast in December 2019, AON Consulting anticipates a rate increase of 5.2% for medical plans in FY 2020-21 and anticipates the average annual growth to be 6.3% over the five-year forecast period. The City will continue its use of an aggressive strategy related to the use of excess reserves to mitigate increases to City Bureaus. The projected FY 2020-21 rate increase and annual growth assumptions by AON Hewitt Consulting does include the use of a calculated reserve subsidy valued at 2%. It is anticipated that funds will be available to lower increases by at least 1% per year for FY 2020-21 and beyond. Increased claims experience could result in higher than expected costs and could lead to changes within plan design to mitigate future impacts.

Expenditure Risks to the Forecast and Confidence Level

In FY 2019-20, the City increased the premium equivalent rates for the self-insured medical and Rx plan by 5.5%. This was done after years of rates held to below 3% and using excess reserves to moderate increases. When combined with all insured Kaiser options and self-funded dental and vision plans, the combined increase cost to Bureau's and Employee's was 5%. Ensuring the City has programs in place for early detection of cancer and/or related risk factors will be important in the years to come. Health care costs are vulnerable to catastrophic illnesses or accidents and the City could see an increase of up to 6.6% in medical claims in the upcoming years.

Prescription drug costs are expected to trend lower than medical costs and inflation because of continued management and rebates under this program. The City will continue to monitor all State and Federal legislative efforts to change how the City administers and or tracks its benefits program.

Insert Five-Year Financial Table(s):

Health Insurance Operating Fund						
Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	21,405,760	20,015,684	18,654,547	17,336,659	16,800,271	16,737,058
Taxes	0	0	0	0	0	0
Licenses & Permits	0	0	0	0	0	0
Charges for Services	111,450,424	115,752,021	120,219,748	124,860,023	129,679,519	134,685,159
Intergovernmental	0	0	0	0	0	0
Interagency Revenue	256,236	263,154	269,996	277,016	284,218	291,892
Fund Transfers - Revenue	150,000	0	0	0	0	0
Bond & Note Proceeds	0	0	0	0	0	0
Miscellaneous	744,706	695,297	652,195	644,951	648,820	661,678
General Fund Discretionary & Overhead	0	0	0	0	0	0
Resource Total	134,007,126	136,726,156	139,796,486	143,118,649	147,412,828	152,375,787
Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	2,588,166	2,499,700	2,594,467	2,674,406	2,781,587	2,872,419
External Materials and Services	110,626,772	114,427,679	118,361,967	122,434,406	126,649,951	131,013,733
Internal Materials and Services	443,890	715,497	1,060,866	753,187	772,770	792,862
Capital Outlay	0	0	0	0	0	0
Debt Service	45,660	47,486	49,389	51,365	53,419	55,556
Fund Transfers - Expense	286,954	381,247	393,138	405,014	418,043	431,492
Contingency	20,015,684	18,654,547	17,336,659	16,800,271	16,737,058	17,209,726
Debt Service Reserves	0	0	0	0	0	0
Expense Total	134,007,126	136,726,156	139,796,486	143,118,649	147,412,828	152,375,787
Planned FTE Total	17.39	17.39	17.39	17.39	17.39	17.39

Fund & Bureau Name: Portland Police Association Operating Insurance Fund, OMF Bureau of Human Resources.

Plan Overview

The PPA Health Operating Insurance Fund collects revenue and pays expenses incurred for medical, dental, vision and prescription drug claims, claims administration, internal administration, chronic disease management, and stop-loss insurance for the self-funded CityNet medical and dental/vision programs and the insured programs (e.g. Kaiser medical/dental and vision). The claims and premiums of sworn employees of the Police Bureau who are members of the Portland Police Association (PPA), retirees of the PPA, and COBRA participants who are eligible employees or dependents of a PPA, are managed and paid within this Fund.

Health Fund Reserve

The fund maintains two components to its reserves. In accordance with standard industry practices and guidelines, the first component is a restricted reserve covering the Incurred But Not Paid (IBNP) requirements and includes all liability components incurred but not yet paid. The Incurred But Not Paid (IBNP) liability for PPA's self-funded medical, prescription drugs, dental, and vision plans is estimated to be \$1,077,000 as of June 30, 2019. This decreased slightly from last year's estimate due to stabilized experience for the CityNet plan, producing a more accurate estimate compared to a year ago when CityNet had only one full years' worth of data in the 707 Fund.

In addition to the IBNP reserve, an additional \$1.9 million Risk Based Capital (RBC) reserve has been set aside in compliance with National Association of Insurance Commissioners (NAIC) requirements. The four major components of the RBC formula are: underwriting risk (insufficient premiums relative to expense), asset risk (default, reinsurance failure), credit risk (stop loss recoveries, fully insured medical, dental and vision premiums, administrative service agreements, fees, and prescription rebates), and business risk (expense overruns). The RBC is used to determine and calculate when it is appropriate to use excess reserves to moderate future rate increases. The policy recommends targeting any reserve surplus above 125% of RBC for use as a subsidy (buy-down) on future rate increases. Conversely, the policy also recommends targeting any reserve deficit below 75% of the RBC as the threshold by which the plan actuary would calculate a surcharge into future rate increases, building up the RBC reserve to a fully funded level. Claims submitted by plan participants enrolled in the CityNet plan that are more than \$100,000 are covered by stop loss insurance and the City (through the 707 Fund) pays a premium to its third-party administrator for the coverage.

Health Plan Experience

In FY 2019-20, the City decreased the premium equivalent rates for the self-insured plan by 3.5%. Combined with all insured Kaiser options and self-funded dental and vision, the combined decrease cost to the Bureau and Employee's was 1.7%.

Based on the most recent forecast in December 2019, AON Hewitt Consulting anticipates a rate increase of 2.8% for medical plans in FY 2020-21 and anticipates the average annual growth to be 6.3 % over the five-year forecast period. The City will continue its use an aggressive strategy related to the use of

excess reserves to mitigate increases to City Bureaus. The projected FY 2020-21 rate increase and annual growth assumptions by AON Hewitt Consulting does include the use of a calculated reserve subsidy valued at 2%. It is anticipated that funds will be available to lower increases by at least 1% per year for FY 2020-21 and beyond.

Revenue Assumptions

Health care costs are predominately measured in terms of the premiums the City pays to obtain coverage through an insurance carrier (e.g., Kaiser) and the “premium equivalents” assessed for the City’s self-insured health and dental plans. The City generally shares the cost of its medical, dental, and vision plan offerings with full-time employees by contributing 95% of the total cost with employees contributing the remaining 5% balance. All covered employees enrolled in the City’s CityNet or Kaiser medical plan (not eligible dependents) are incented to seek preventive care services (physical check-up once every two calendar years) with their primary care provider to maintain their 5% bundled premium share. Should a PPA member not meet the standard outlined within its collective bargaining contract, the member’s bundled premium share will increase from 5% to 10% when enrolled in the CityNet plan. Kaiser participants will see a 5% increase to their premium share but the way in which the collective bargaining contract is written, there is a separate calculation required. Members of the PPA enrolled in the insured Kaiser option pay a premium share that is equivalent to the difference in value between the CityNet/VSP/Delta Dental bundled option and the participant’s election. Currently, some PPA Kaiser participants do not have a premium share contribution within eligible tiers (e.g., employee, employee +1).

Expenditure Assumptions

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

Expenditure Risks to the Forecast and Confidence Level

City will continue to pursue effective chronic disease management programs and evaluate plan design options to reward employees for healthy behaviors as a strategy to moderate future cost growth. The projected FY 2020-21 rate recommendations and annual growth assumptions by AON Hewitt Consulting does not include calculated reserve subsidies.

Insert Five-Year Financial Table(s):

Portland Police Association Health Insurance Fund						
Resources	CY Estimate	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Plan	Plan	Plan	Plan	Plan
Beginning Fund Balance	11,790,977	11,752,750	11,397,532	10,961,178	10,340,747	9,524,688
Taxes	0	0	0	0	0	0
Licenses & Permits	0	0	0	0	0	0
Charges for Services	16,474,388	17,069,398	17,314,201	17,756,152	18,211,491	18,680,683
Intergovernmental	0	0	0	0	0	0
Interagency Revenue	0	0	0	0	0	0
Fund Transfers - Revenue	0	0	0	0	0	0
Bond & Note Proceeds	0	0	0	0	0	0
Miscellaneous	839,453	217,858	193,942	184,775	172,316	156,356
General Fund Discretionary & Overhead	0	0	0	0	0	0
Resource Total	29,104,817	29,040,006	28,905,675	28,902,105	28,724,554	28,361,727
Expenditures						
Expenditures	CY Estimate	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Plan	Plan	Plan	Plan	Plan
Personnel	0	0	0	0	0	0
External Materials and Services	17,352,067	17,642,474	17,944,497	18,561,358	19,199,866	19,860,795
Internal Materials and Services	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0
Fund Transfers - Expense	0	0	0	0	0	0
Contingency	11,752,750	11,397,532	10,961,178	10,340,747	9,524,688	8,500,932
Debt Service Reserves	0	0	0	0	0	0
Expense Total	29,104,817	29,040,006	28,905,675	28,902,105	28,724,554	28,361,727
Planned FTE Total	0.00	0.00	0.00	0.00	0.00	0.00

Fund & Bureau Name: City Fleet Operating Fund, Office of Management and Finance

Plan Overview

Background Information

The CityFleet Operating Fund accounts for the revenues and expenditures associated with CityFleet operations. CityFleet manages approximately 3,800 fleet vehicles and pieces of specialized equipment. CityFleet's services include vehicle and equipment acquisitions, rentals, and lifecycle management; fuel procurement and fuel station management; vehicle outfitting; vehicle and equipment maintenance and repair; parts management; and administration of a small fleet pool for City employees who need short-term transportation support. CityFleet also crafts policies and procedures related to citywide fleet operations and has Intergovernmental Agreements with several municipal partners for its fleet services.

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

The fund charges hourly rates and direct costs plus a markup on parts, supplies, and vended work. The fund has rates for the use of vehicles in the fleet transportation pool. Finally, the fund charges bureaus a renewal fee for each unit in a bureau's fleet, which covers the eventual replacement cost of that unit, and a rate fee to cover the cost of CityFleet's acquisitions team.

Key Issues

Green Fleet Initiatives

CityFleet continues to reduce carbon emissions from the City of Portland's fleet in alignment with the Portland Climate Action Plan, the City's goal of cutting community-wide emissions in half by 2030, and Portland's commitment to the C40 Cities' goal of net zero emissions by 2050. CityFleet is employing electric, plug-in hybrid, hybrid, biomass-based renewable fuel (R99), and renewable compressed natural gas (RNG) technologies to achieve these goals.

CityFleet has surpassed the City's 2020 goals related to EV conversion in its sedan asset class and is now partnered with Portland State University to develop a "green fleet trajectory" that will examine barriers to electrifying the rest of the fleet – such as product development timelines for medium and heavy duty vehicles and equipment and charging infrastructure. Based on PSU's analysis, CityFleet will release a Trajectory Options Analysis in July 2020 to help City leaders make decisions about the pace of conversion given its impact to City emissions and the costs of conversion. CityFleet is also participating in Bureau of Planning and Sustainability discussions about public/private partnerships to build out charging infrastructure at scale, as the City doing this on its own is likely very expensive with operations, maintenance, and capital renewal requirements beyond that supportable by any current City organization or financial structure.

Beyond electrification, the City anticipates needing to use RNG/CNG as a "bridge fuel" until medium and heavy duty electric vehicles are available. The Bureau of Environmental Services will soon be selling RNG, generated from the biogas produced by the sewage treatment process, which CityFleet will purchase to power a percentage of the City's vehicles. Note that using any kind of compressed gas in

City equipment creates facility, tooling, and training issues for maintenance work, due to the risk of fire during fuel system maintenance and repairs.

CityFleet Relocation

The Kerby Garage, CityFleet's principal maintenance facility, is functionally obsolete, in poor condition, and does not meet the requirements of a safe, modern fleet facility. Most of the facility deficiencies that affect CityFleet workflows and service delivery to the bureaus are irremediable (e.g., sloped floors that make vehicle management difficult; floor weight restrictions that limit CityFleet's capacity to work on heavy duty equipment, etc.). Additionally, there are substantial concerns about worker safety due to the condition of the building's electrical, its overall risk of fire, and the lack of an adequate fire suppression system. Finally, there are major repairs in the offing if CityFleet continues to work at the Kerby Garage, including a roof replacement estimated at over \$1 million. Given the overall inadequacy of the site – including its inability to support green fuel conversion and its location in a landslide zone – it seems unwise to make any further investments in the Kerby Garage. Rather, a new home is needed for CityFleet.

Previous efforts to address this issue focused on rebuilding Kerby and PBOT's Maintenance Operations facility at the 30-acre Kerby-Albina site. However, the initial direct construction cost estimate alone for such a rebuild was over \$200 million, due primarily to the geotechnical work that would be required to remediate landslide risks. Given this cost, it is likely more prudent for CityFleet to relocate elsewhere. This potential is being explored as part of the Long Range Facilities Plan hosted by OMF's Strategic Projects and Opportunities Team. Key issues being explored include the fleet service philosophy (should CityFleet have a centralized garage or distributed operations, with bays available at the maintenance headquarters of all the major fleet-owning bureaus?); the impacts of green fleet requirements on new facility design; and partnership opportunities with other regional fleet institutions to potentially share in the cost of a new CityFleet headquarters.

These issues will be explored in FY 2020-21. SPOT's work is also being supported by a Division of Asset Management risk assessment of CityFleet operations at the Kerby Garage. With this pilot project, DAM is exploring how to quantify and predict the likelihood of facility failure and the impact of facility failure on the city and the public, including service impact costs, worker health and safety costs and environmental costs. DAM's risk assessment will be done in Spring 2020 and will used to calculate and compare the net benefit of alternative locations for CityFleet.

Jerome F. Sears Building

The City took possession of the former US Army Reserve Center in Southwest Portland in July 2012. The approximately four-acre site was acquired from the US Army under the condition, via quitclaim deed, that it be used primarily for emergency operations. It was envisioned that the site would become a west-side emergency operations center. This would include upgrading the existing two-story building to essential facility status and installing a fuel station at a cost of \$10-20 million. In 2016, OMF moved forward with the design, engineering, and construction of the fuel station. However, in mid-2016, the project was placed on hold to allow time for a feasibility study to be completed for the potential relocation of Portland Fire & Rescue's (PF&R) logistics center. No plans have been created for what the site will actually become. In the meantime, Police has been using the building for ad hoc training needs. OMF's Strategic Projects and Opportunities Team is now evaluating potential uses for this site as part of its assessment of all of the bureaus' long-range space type and square footage needs. That project has

generated interest in using Sears as a possible “west-side resiliency hub,” which could include bays for CityFleet and support snow and ice removal activities for PBOT.

Fuel Station Replacement and Expansion

CityFleet is responsible for the management, operation, and quality control of nine fueling stations. These stations enable the use of specialized alternative fuels and multiple fuel blends in City and other government agency vehicles and equipment. Large capacity tanks enable wholesale bulk fuel purchases and provide extended storage for emergency fueling.

Substantial work has been put into an ongoing effort to rebuild the City’s fuel stations to meet Oregon Department of Environmental Quality (DEQ) requirements and City of Portland goals for fuel reserves in the case of an emergency event. Currently, the City is engaged in a \$13.7 million program that replace four of its stations and construct two new stations. However, concerns have surfaced that there might be more beneficial and cheaper ways for the City to achieve its fuel-related needs.

First, if the City is to transition to RNG and CNG, fuel station build-out will need to look very different than that posited under the current rebuilding program. Thus, the rebuilding program might benefit from aligning itself more fully with the City’s findings regarding the green fleet trajectory, both in terms of fuel station location and station design. Second, a key goal of the fuel station rebuilding project was to create a capacity reserve in the case of a resilience event. However, it is not clear what the actual capacity reserve need is, or the degree to which City-owned tanks can meet this need alone.

The City’s fueling strategy needs to be revisited in FY 2020-21 given the costs of the current build-out plan. Daily fuel needs might be met as cheaply as they are now via fueling contracts with existing fuel providers. Likewise, the City is aware of at least one potential capacity option locally that might provide the City with the resilience reserves it is seeking for a much lesser cost than rebuilding. These alternatives are being explored with haste so that if they are not viable, there is not a notable delay to the rebuilding program. However, if they are viable, there might a need to terminate or adjust the scope of the rebuilding effort.

Garage Capital Equipment Replacement Plan

CityFleet has identified the need for a garage capital equipment replacement plan. Generally, garage capital equipment costs more than \$5,000 and has a useful life longer than two years. Examples include things like vehicle hoists, overhead cranes, welders, tire mounting and balancing machines, pressure washers, paint booths, automotive air conditioning recyclers, and service bay furnishings. The plan will ascertain proper capital equipment lifecycles, identify overdue or upcoming capital equipment replacements, and project the ongoing funding required to ensure safe and operable equipment. Analyst support is necessary for this program.

Rate Innovation, Staffing, and Service Levels

CityFleet’s rate model is built on a cost-recovery premise in which it is only reimbursed for the costs it incurs and rate increases are capped at past rate levels plus inflation. However, this model allows very little room for organizational growth, which is particularly problematic for CityFleet from a staffing standpoint and for bureaus from a service level and “total fleet cost” standpoint (i.e., their total fleet expenditures, beyond CityFleet’s hourly charges).

Over the past ten years the vehicle and equipment inventory that CityFleet is responsible for has increased 36%, from 2,822 to 3,848. However, vehicle technician, administrative, and analysis staffing

has not increased proportionally to help keep rates aligned with the City's policy related to rate inflation. It is believed that capping the vehicle technician staffing levels has resulted in lower-than-desirable turnaround times in garage operations, and thus, substantial latent demand within the bureaus for service.

Not increasing analytical positions from CityFleet has meant that there are no staff available to develop fleet standardization policies and practices (which enable efficiency), to set informed service level targets and lead associated process improvement projects, or to create long-range fleet plans for vehicle and equipment acquisitions (including green fleet needs). While the lack of analysts/coordinators is helping keep bureaus' hourly rates low, it is speculated that their absence is actually driving up bureaus' total fleet costs, as bureaus add vehicles and equipment to ensure they have the inventory they need when they need it, given CityFleet's inefficiencies.

The recommended workaround to the tech issue has been for CityFleet to add temporary tech positions to meet bureau demand. However, these positions are not compelling in market due to their temporary nature and CityFleet has been unsuccessful at adding tech capacity using this approach. There is no recommended workaround for CityFleet's analyst and coordinator needs, as these overhead positions are not billable and adding them would increase hourly fleet rates.

To address these problems, CityFleet needs to add at least one analyst and one coordinator to its business operations staff. For tech positions, industry best practice recommends using a comprehensive vehicle equivalency unit study to right-size the work force, and CityFleet needs to embed the use of such a methodology in annual ratemaking; when the bureaus scale up in acquisitions, so to should tech staffing. This need is only becoming more pressing as bureaus are forecasting growth, with dozens of equipment units and vehicles being requested in FY 2020-21 alone, and no tech hires allowable in this fiscal year. Appropriately staffing CityFleet is the primary way to improve reliability and achieve lowest total fleet costs for the bureaus.

Employee Specialization

Currently CityFleet mechanics are assigned work based on availability as opposed to skill set. CityFleet is reorganizing its operations to match industry best practice, in which technicians are permanently assigned to a vehicle or equipment specialization. This will help streamline employee training and enhance service level performance, as technicians will no longer have a minimal understanding of everything and instead have more knowledge and experience with specific equipment. This effort is being moved forward ad hoc by CityFleet managers when time allows but requires dedicated coordinator support to rebuild operational processes, negotiate with employees on job assignments, and modify/improve existing training programs.

Apprenticeship Program

The availability of skilled technicians is at an all-time low as less and less attention is being given to building a skilled labor force nationwide. CityFleet would like to develop an apprenticeship program to address several goals related to fleet recruitment and succession planning, and the City's equity and community growth goals. The program would develop an outreach plan to include traditionally under-represented communities of color and women, to offer access to school, and training for livable wage careers in skilled trades. Given previously-mentioned issues with CityFleet's rate model and its impacts on staffing, however, no plans to develop this program are currently in the works.

Factory Authorized Warranty Repair

Certain vehicle manufacturers allow government fleet maintenance and repair operations to qualify as original equipment manufacturer (OEM) repair facilities. Leveraging the qualifications of mechanics who are already employed with the City would mean CityFleet could perform a substantial amount of warranty work in-house, thereby reducing service turnaround time and saving the City the cost of transporting vehicles to a dealership for factory-performed repairs. To turn CityFleet into a factory authorized warranty repair facility, a warranty administrator position would need to be created. This position would manage warranty claims for parts and labor from vendors and manufacturers. It is speculated that while adding overhead costs to CityFleet's hourly rate, this position would likely self-fund from the savings created by its addition. Analysis is needed to assess this speculation, as is approval if a position were to be added to CityFleet

Revenue Assumptions

Revenue estimates will be prepared on a conservative basis to minimize the possibility that CityFleet's revenue forecast is based on current service levels. It assumes revenues will grow at the level of inflation. As a result, it does not include increases in revenue from additional services requested from City bureaus, nor an expansion of services to outside agencies.

Expenditure Assumptions

For all but capital costs, CityFleet's expenditure forecast is based on historical service levels, and assumes that next-year expenses will simply grow at the level of inflation. As a result, it does not include increases in expenses to provide additional services requested from City bureaus, nor an expansion of services to outside agencies.

Capital costs are based on the lifecycle replacement plans for vehicles reaching the end of their life in the five-year period, the completion of a fuel station replacement program in the first year of the plan, and a new fuel station construction program in year five.

Expenditure Risks to the Forecast and Confidence Level

With CityFleet's current operating paradigm, the primary risks to CityFleet's expense fund are staffing and facility costs, as many of CityFleet's costs, like fuel and the price of vehicles, parts, and vended services are simply passed through to customers at cost. Staff costs are subject to changes in union contracts, PERS rate increases, and health benefits inflation; however, and facilities costs are a risk due to the condition of the fund's main facility, the Kerby Garage.

That said, issues are on the horizon that present risks to CityFleet's expenditure fund. The cost to fully-convert the fleet to "green" vehicle and equipment models is not yet known – both the upfront capital costs of new fleet vehicles, but also the entire approach and associated cost model for charging and RNG/CNG fueling. Similarly, the City's fueling strategy needs to be revisited, which may affect the current capital plan for fuel station rebuilding.

Additionally, while the Kerby Garage presents everyday risks to CityFleet's expense fund, the upfront capital and ongoing operating cost of an alternative CityFleet headquarters has yet to be determined; a means will be required to pay for this transition if and when it occurs. Along with this are risks driven by deferred capital equipment investment. Because no asset management plan exists for capital equipment, it is not known when expensive equipment is needed or when it will need to be procured; there is a risk of a high level of unplanned capital expenditure.

Lastly, staffing costs present an everyday hazard to CityFleet's expense fund, as noted already, but an additional risk is the need for organizational development. CityFleet needs to be able to scale up its services staff in relation to demand, and it needs analysts and coordinators to help ensure operational efficiency. If added, these will create billable expenditures in the form of service labor, but also unbillable costs in the form of analysts, which will increase CityFleet's hourly rate.

Overall, the expense risk to the fund is medium-high.

CAO's Office - CityFleet

Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	\$22,802,041	\$20,140,349	\$17,784,994	\$11,624,427	\$13,836,063	\$12,611,217
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & Permits	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental	\$1,319,424	\$1,164,960	\$1,195,249	\$1,226,325	\$1,258,209	\$1,292,181
Interagency Revenue	\$43,064,391	\$39,343,939	\$40,366,881	\$41,416,420	\$42,493,247	\$43,640,565
Fund Transfers - Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Bond & Note Proceeds	\$7,019,663	\$2,325,072	\$0	\$0	\$0	\$0
Miscellaneous	\$1,394,942	\$1,483,993	\$1,522,577	\$1,562,164	\$1,602,780	\$1,646,055
General Fund Discretionary & Overhead	\$0	\$0	\$0	\$0	\$0	\$0
Resource Total	\$75,600,461	\$64,458,313	\$60,869,701	\$55,829,336	\$59,190,299	\$59,190,018

Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	\$9,384,485	\$9,645,041	\$10,343,789	\$10,654,103	\$10,995,034	\$11,955,653
External Materials and Services	\$15,327,648	\$15,922,668	\$16,336,657	\$16,761,410	\$17,197,207	\$17,644,334
Internal Materials and Services	\$2,313,839	\$2,744,084	\$2,815,430	\$2,888,631	\$2,963,735	\$3,043,756
Capital Outlay	\$26,468,966	\$16,505,094	\$17,860,566	\$9,767,055	\$13,466,926	\$11,444,206
Debt Service	\$780,746	\$610,293	\$610,293	\$610,293	\$610,293	\$610,293
Fund Transfers - Expense	\$1,184,428	\$1,246,139	\$1,278,539	\$1,311,781	\$1,345,887	\$1,382,226
Contingency	\$20,140,349	\$17,784,994	\$11,624,427	\$13,836,063	\$12,611,217	\$13,109,550
Debt Service Reserves	\$0	\$0	\$0	\$0	\$0	\$0
Expense Total	\$75,600,461	\$64,458,313	\$60,869,701	\$55,829,336	\$59,190,299	\$59,190,018
Planned FTE Total		78.00	78.00	78.00	78.00	78.00

OMF
Office of the CAO - CityFleet
CityFleet Shop Equipment
Funded Projects

Projects	FY 2020-21 Requested Budget	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
CityFleet Shop Maintenance Equipment	113,000	220,000	220,000	207,000	218,500
Total 5-Year Plan	\$113,000	\$220,000	\$220,000	\$207,000	\$218,500

Does not include CIP projects

FY 2020-21 Requested Budget Five Year Plan

Fund & Bureau Name: Facilities Operating Fund, Office of Management & Finance.

Plan Overview

Background Information

Facilities Services manages and maintains facilities that support City operations and public use. Services are provided for 3.5 million square feet of buildings and properties including office buildings, police precincts, labs, parking structures, emergency services facilities, telecommunications towers, the Bull Run headworks, and other critical infrastructure. Services include building maintenance, building service management, tenant improvements, and property acquisition and management.

The Facilities Services Operating Fund accounts for all of the facilities-related programs and capital projects managed by the Office of Management & Finance. The fund is generally self-sufficient; however, Facilities Services may request General Fund support on behalf of a General Fund bureau to cover project expenses specific to that bureau's facility requirements.

The fund's primary sources of revenue are reimbursements from City bureaus for space rental and other services, and revenues from tenants occupying City-owned space. Debt issuance is also a resource for capital projects, with the resulting principal and interest obligations generally being incorporated into the rental rates.

Rental rates are charged to the tenants of the facilities the fund owns. For services not covered by rental rates or services to facilities the funds do not own, the fund charges hourly rates for staff labor and/or the actual cost of any materials, supplies, or contracted services needed.

Key Issues

Service Model and Rate Innovation

As work has begun to build out Facilities' asset management capabilities, a number of issues with Facilities' service model and rate structure have been identified. There are critical functions that Facilities does not perform that need to be incorporated into its organizational model and funded – specifically business systems analysis, facility condition assessment, capital planning and portfolio management. Absent these functions, the division cannot conduct the routine and periodic analyses necessary to strategically manage its \$758 million asset base, including identifying building issues, prioritizing issues according to risk, developing major maintenance plans, developing cost-benefit analyses for proposed investments, and creating/maintaining a financially sustainable strategy to address a major anticipated need for new facility acquisitions and/or rehabilitations in the coming years. In addition to staffing these functions – which are foundational for any infrastructure-owning organization – a funding mechanism to pay for these needs is necessary, given that most bureaus serviced by Facilities have expressed that they have limited to no financial capacity for higher OMF facility costs. The work to discuss Facilities' service/organizational model, and how to pay for these fundamental needs, will begin in 2020.

FY 2020-21 Requested Budget Five Year Plan

Blended Rate for Downtown Office Space

In 2016 Council approved changing the way office space in the downtown core is charged to bureaus. Starting in FY 2020-21, a single blended rental rate will be charged for all office space used by the City in the downtown core, with the exception of space occupied by the public safety bureaus, Portland Water Bureau and BES. The program will reimburse Facilities for all costs expended on downtown office space, including non-City-owned leased spaces and debt service for the Portland Building and the 4th and Montgomery project. The Blended Rates Program will be implemented as a two-year pilot program. With information from the Long-Range Facilities Plan, the pilot will be a success if the program:

- Facilitates the overall management of the spaces and consistency across them
- Facilitates setting and maintaining service level standards
- Facilitates the development of service level agreements and expectations of OMF-Facilities and tenants
- Improves the ability to move tenants as business needs require
- Provides more flexibility in allocating resources to buildings where it's needed most

Major Maintenance Reserve Funding

Facilities Services' major maintenance accounts are known to be critically underfunded due to a persistent under-representation of major maintenance needs in the lease rates paid by bureau tenants; historically, Facilities Services collected an average of 0.8% of building replacement values each year for major maintenance, which is less than the 3% industry standard. Several large projects, including the Portland Communications Center roof and exterior envelope, the City Hall exterior masonry rehabilitation project, and Justice Center elevators are making significant reductions in building major maintenance accounts. Major rehabilitations of buildings – such as the Portland Building – have needed to draw on debt in order to be funded, at a cost that has now pushed bureaus' rental rates well above market averages. Based on projected major maintenance requirements over the next five years, a majority of OMF-owned and -managed properties will have an unfunded liability of high priority projects. This issue needs to be addressed along with the aforementioned service model/rate innovation effort.

New Facility Investment Funding

In addition to Major Maintenance underfunding, Facilities Services' lacks a rate mechanism to withhold funding for capital planning and construction activities that are outside of the major maintenance paradigm – e.g., site acquisitions, new construction, and major rehabilitations of existing assets. This is of concern because bureaus are growing and their space needs are increasing, yet neither Facilities nor the bureaus have a clear financial plan to address these needs. In a similar vein, the City's priorities for facility infrastructure are evolving with new expectations for City building resilience, energy efficiency, technology, and so forth. For Facilities to keep pace with bureau growth and evolving building requirements, sustained funding for new facility acquisition and rehabilitation must be put into place, along with the requisite pre-construction analytical work. If these needs are not funded, the City will continue to face high levels of urgently-needed but unplanned facility capital investment. This issue needs to be addressed along with the aforementioned service model/rate innovation effort.

Asset Management System Acquisition and Implementation

Facilities Services is using an outdated and unsupported work order and asset management system as its system of record for all facility assets, as well as to manage daily operations. Previous attempts to

FY 2020-21 Requested Budget Five Year Plan

replace the system with a new SAP module started and stopped due to SAP's poor suitability for use in managing facility assets. An effort is now underway to partner with other facility-owning City bureaus to procure a non-SAP system that will work for all, with OMF serving as the system owner/administrator and other bureaus leveraging the system as needed to support records management, asset condition and criticality assessments, work order management, and other core facility functions. System evaluation and procurement is planned for FY 2020-21 with implementation proceeding in FY 2021-22 if funding is obtained. Note that Facilities' rate structure will need to be modified to include a business systems analyst that can maintain the software, as none currently exists in Facilities, and annual system maintenance fees, which are currently not present in Facilities' cost structure or rental rates.

Portland Building Reconstruction

The Portland Building completed construction in FY 2019-20, ahead of schedule and within its originally-budgeted amount.

4th and Montgomery Development

In 2014, the City and Portland State University signed a non-binding letter of intent (LOI) to explore the development of a commercial condominium on a three-quarter block area located in the University District between SW 4th and 5th Avenues and SW Montgomery and Harrison Streets. A proposed Development Agreement between the four parties, including the City of Portland, Portland Community College, Oregon Health and Science University, and Portland State University anticipates the project will include approximately 175,000 gross square feet of interior space with an estimated cost of \$104,005,000. Approximately 27,500 square feet will be used for City office space. The City's share of project costs is estimated to be \$15.6 million plus \$4.98 million for furniture, tenant improvements, and soft costs.

Jerome F. Sears Building

The City took possession of the former US Army Reserve Center in Southwest Portland in July 2012. The approximately four-acre site was acquired from the US Army under the condition, via quitclaim deed, that it be used primarily for emergency operations in perpetuity. It was envisioned that the site would become a west-side emergency operations center. This would include upgrading the existing two-story building to essential facility status and installing a fuel station at a cost of \$10-20 million. In 2016, OMF moved forward with the design, engineering, and construction of the fuel station. However, in mid-2016, the project was placed on hold to allow time for a feasibility study to be completed for the potential relocation of Portland Fire & Rescue's (PF&R) logistics center. No plans have been created for what the site will actually become. In the meantime, Police has been using the building for ad hoc training needs. OMF's Strategic Projects and Opportunities Team is now evaluating potential uses for this site as part of a long-range facility master plan. That project has generated interest in using Sears as a possible "west-side resiliency hub," which could include bays for CityFleet and support snow and ice removal activities for PBOT.

Revenue Assumptions

Facilities' revenue forecast is based on current service levels. It assumes revenues will grow at the level of inflation. As a result, it does not include increases in revenue from additional services requested from City bureaus, nor an increase in the quantity of facilities.

Expenditure Assumptions

For all but capital costs and major maintenance costs, Facilities' expenditure forecast is based on an average of the last three years of expenditures per facility site, plus differently-structured costs for services that were once run by Facilities but are now run by others (DCAO now administers the security program, and BTS administers the audio-visual program).

The Portland Building differs in this regard. As it is newly re-opened, the rehabilitated Portland Building is using an expense forecast from its last year of operation, with an agreement with the City Budget Office that its post-remodel operations costs from FY 2020-21 will be used to reset its expense forecast in FY 2021-22.

Capital costs are based on the financial plans for the 4th & Montgomery Building construction project. Major maintenance costs are based on the approved project plans for each building.

Expenditure Risks to the Forecast and Confidence Level

The primary risks to Facilities' expense fund are the need for organizational development and operations and maintenance costs at each of the buildings the fund owns. There are also risks stemming from the Portland Building cost forecasting approach and Facilities staff costs.

Facilities needs analysis and planning staff, management tools like an asset management software system, and an updated facility condition assessment. However, because Facilities' uses a cost-recovery model for ratemaking and there is a hard cap on the extent to which Facilities' can increase its rates annually (past costs plus inflation), it is unclear how Facilities is to fund needs that are essential but that were never part of its organizational model or cost structure. That said, given the poor condition of many of Facilities' assets, along with bureau growth and new facility investment needs, not funding Facilities' organizational needs presents an extreme risk to the City in terms of worker safety, bureau inefficiency, an inability to push forward on resilience and climate goals, and thoughtful capital investment. Thus, a strong need exists to discuss Facilities' service model, its funding mechanism(s), and its current rates.

Operations and maintenance costs feed into this as well, and are a risk due to the condition of many of the fund's buildings and the amount of money set aside in major maintenance reserves for updating or replacing building systems that are at end of life; if a major system fails, Facilities will need to replace it, regardless of whether or not the money exists to do the work. This creates a significant hazard for major maintenance fund stability.

There is a risk that the Portland Building will have a substantially different operating cost profile than it had in its last year of operation. If forecasted costs differ dramatically from actual costs, these will need to be funded out of the Portland Building's major maintenance account until costs and rates are reset.

Staff costs are subject to changes in city salary policy (pay equity), union contracts, PERS rate increases, and health benefits inflation.

FY 2020-21 Requested Budget Five Year Plan

Overall, the expense risk to the fund is high.

CAO's Office - Facilities Services

Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	\$45,321,896	\$42,945,412	\$37,489,513	\$37,964,549	\$39,525,266	\$42,148,390
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & Permits	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$1,522,357	\$1,069,366	\$1,097,170	\$1,125,696	\$1,154,964	\$1,186,148
Intergovernmental	\$2,000,000	\$2,000,000	\$2,052,000	\$2,105,352	\$2,160,091	\$2,218,413
Interagency Revenue	\$35,939,725	\$53,341,647	\$54,728,530	\$56,151,472	\$57,611,410	\$59,166,918
Fund Transfers - Revenue	\$11,318,918	\$3,759,364	\$3,857,107	\$3,957,392	\$4,060,284	\$4,169,912
Bond & Note Proceeds	\$12,602,540	\$1,186,558	\$0	\$0	\$0	\$0
Miscellaneous	\$72,723,871	\$740,000	\$759,240	\$778,980	\$799,233	\$820,812
General Fund Discretionary & Overhead	\$0	\$0	\$0	\$0	\$0	\$0
Resource Total	\$181,429,307	\$105,042,347	\$99,983,560	\$102,083,441	\$105,311,248	\$109,710,593
Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	\$7,020,306	\$6,586,420	\$7,063,583	\$7,275,490	\$7,508,306	\$8,164,295
External Materials and Services	\$49,853,344	\$27,584,199	\$24,917,850	\$25,565,714	\$26,230,423	\$26,912,414
Internal Materials and Services	\$7,818,382	\$10,380,466	\$10,650,358	\$10,927,267	\$11,211,376	\$11,514,083
Capital Outlay	\$62,973,697	\$7,079,386	\$3,410,259	\$2,756,725	\$2,122,300	\$850,000
Debt Service	\$9,507,846	\$13,822,423	\$13,822,423	\$13,822,423	\$13,822,423	\$13,822,423
Fund Transfers - Expense	\$1,310,320	\$2,099,940	\$2,154,538	\$2,210,556	\$2,268,030	\$2,329,267
Contingency	\$42,945,412	\$37,489,513	\$37,964,549	\$39,525,266	\$42,148,390	\$46,118,111
Debt Service Reserves	\$0	\$0	\$0	\$0	\$0	\$0
Expense Total	\$181,429,307	\$105,042,347	\$99,983,560	\$102,083,441	\$105,311,248	\$109,710,593
Planned FTE Total	48.00	48.00	48.00	48.00	48.00	48.00

CY Estimate: Bureaus should provide current year-end projections or estimates.

FY 2020-21. Provide the financial plan data for the upcoming budget year. For most bureaus, this should match what is being proposed in that fund through budget development.

FY2021 through FY2024 Plan. Provide financial plan data for years 2-5 of the fund's forecast.

OMF
Facilities Services Fund
Unfunded Operating / Major Maintenance Projects

Projects	FY2020-21	FY2021-22	FY2022-23	FY2023-24	FY2024-25
	Plan	Plan	Plan	Plan	Plan
City Hall - Interior Paint	956,217		-	-	-
City Hall - LED Lighting Upgrade	-	-	-	1,276,043	-
	<u>956,217</u>	<u>-</u>	<u>-</u>	<u>1,276,043</u>	<u>-</u>

FY 2020-21 Requested Budget Five Year Plan

Fund & Bureau Name: Spectator Venues and Visitor Activities Fund, Office of Management and Finance

Plan Overview

The following is a discussion of the major financial issues the Spectator Venues and Visitor Activities Fund (SVVAF) will address over the next five years.

Rose Quarter

Since May 2013, following the failure in late fall 2012 of a multi-party renovation plan for the Veterans Memorial Coliseum (VMC), the VMC Operating Agreement, through its Second Amendment, has only provided short-term extension options. The current approved extensions expire June 30, 2021, after which two one-year extensions remain. Negotiation of an extension of the Operating Agreement will need to occur during the five-year forecast period. Alternatively, a new operator will need to be retained.

The Rose Quarter Ground Lease covers the operation of the entire campus including the Moda Center and requires the Trail Blazers to remain in Portland. The Ground Lease reaches the end of its initial 30-year term during FY 2025-26, just beyond the current five-year forecast period. As the Rose Quarter is the primary source of revenue to the SVVAF, securing an extension or renegotiation of the Ground Lease will be a primary focus for the program in the coming years.

In the fall of 2014, OMF initiated another round of discussion about the future of the VMC to examine a broader range of options including potential renovation and deconstruction and provided a report to Council in August 2015 with the results of that study. No specific plan resulted from that effort. In the absence of a decision to replace or dramatically change the venue, program staff undertook a series of modest investments to address several areas of deferred maintenance, including roof replacement, and to make strategic improvements to functional building elements to enhance the user experience. Between FY 2016-17 and FY 2018-19, approximately \$6.2 million was expended from the SVVAF for this purpose. FY 2016-17 also included a one-time payment of approximately \$3 million from the SVVAF to Prosper Portland to repay a loan associated with replacement of the ice floor in 2012. Operating results have improved as a result of these investments and the building has generated net operating profits for five consecutive years.

The recent approval of the Second Amendment to the Visitor Facilities Intergovernmental Agreement (VFIGA) provides up to \$40 million of bond financing for a VMC renovation. This debt service is backed by the Visitor Facilities Trust Account (funded from transient lodging and rental car taxes) and is available after January 2021. The program is retaining a design team to refine the scope of the project in FY 2019-2020 and will be working on securing additional public and private funding for the project in FY 2020-21. Major construction is not anticipated to begin until FY 2021-22, or later.

No significant enhancements to the VMC are planned prior to the renovation project, though ongoing major maintenance and capital replacement/improvement projects at the VMC are budgeted at approximately \$1 million per year. These expenses are required to keep the building operating.

FY 2020-21 Requested Budget Five Year Plan

Implementation of the ADA Transition Plan's barrier removal at the Rose Quarter Parking Facilities began in FY 2014-15 and was principally concluded in FY 2016-17. Completion of that work is anticipated in FY 2019-20. Some major maintenance work identified through the recently completed Facility Condition Assessment has also been performed at these facilities. Modest budgets for additional major maintenance and repair/replacement costs are included in each of the next five years.

Since 2003, the City has been responsible for the cost of capital maintenance and improvements in the Rose Quarter Plaza. In FY 2015-16 a project to replace the failed waterproofing system in the planter boxes that are above below-grade portions of the structure was completed. The total cost for this work was just under \$1 million and was the first large investment in these facilities since their construction in 1993. During the next five years, work will be done to assess other major maintenance and capital needs of the Plaza.

Providence Park

Under the current Stadium Operating Agreement, the SVVAF is responsible for a portion of some repairs and capital improvements at Providence Park, including a fixed annual contribution to the cost of periodic replacement of the artificial turf.

In FY 2017-18, the City Council approved a major expansion of the east side of the stadium. The project opened in June 2019 with 4,000 new seats in three new levels above the existing concourse and seating bowl. The \$75-\$85 million design and construction cost of the project was privately funded, however, the SVVAF did incur legal and design/construction oversight costs of approximately \$600,000 between FY 2017-18 and FY 2019-20. In addition, in FY 2017-18, a \$730,000 partial roof replacement project was completed.

Other efforts likely to see expenditures in the five-year forecast period include required improvements to the sidewalk adjacent to the stadium on SW 20th Avenue, strategic structural preservation work to extend the life of the building and control future City costs, a structural and seismic evaluation of the older parts of the stadium and a refinement plan to address identified ADA barriers.

Portland'5 Performing Arts Venues

In 2015, the SVVAF Fund Statement was updated and the program gained authority to spend resources on administration and oversight of the three City-owned theater buildings operated by Portland'5 under the umbrella of Metro: Antoinette Hatfield Hall, Arlene Schnitzer Concert Hall, and Keller Auditorium. In FY 2017-18, the program concluded a detailed investigation of the seismic and structural deficiencies of the Keller. Additional work to analyze options for correcting the identified deficiencies as well as addressing other venue operational needs was performed in FY 2018-19 and will be shared with stakeholders, decisionmakers, and the public during FY 2019-20. The Keller Auditorium will require significant investment in the coming years, and no funding is currently identified for the project. The City will need to work with Metro and Portland'5 to develop a funding strategy during the forecast period. The SVVAF may help support the development of the strategy.

The recent approval of the Second Amendment to the VFIGA provides up to \$40 million of bond financing to support a future renovation project at the Arlene Schnitzer Concert Hall and Antionette Hatfield Hall. That funding is not available until January 2024, at the end of the five-year plan horizon.

FY 2020-21 Requested Budget Five Year Plan

However, in the coming years, it will be necessary to secure additional funding and develop a scope for the currently undefined project.

In FY 2018-19, the City Council approved a one-time expenditure of up to \$500,000 from the SVVAF to assist with the design and installation of a new electronic acoustical system for the Arlene Schnitzer Concert Hall that will replace the Oregon Symphony's existing physical shell, which is past its useful life span. The overall project costs are approximately \$9.8 million. As of January 2020, a funding gap remains, and additional resources are being sought. Any additional funding from the SVVAF for this project would be subject to City Council approval.

In FY 2019-20, City Council approved an Intergovernmental Agreement with Prosper Portland and Metro that provides \$1.5M in Prosper Portland funding for a project that will rehabilitate and modernize the marqueses at the Arlene Schnitzer Concert Hall. Scheduled for construction FY 2020-21, the project will correct structural problems, eliminate operational safety hazards, and allow much more frequent sign text changes.

Other program costs associated with the management and oversight of these facilities that are likely to see expenditures in the five-year forecast period include seismic/structural assessment of the Arlene Schnitzer Concert Hall and ADA refinement plans for Antoinette Hatfield Hall and the Arlene Schnitzer Concert Hall.

Financial Forecast

The five-year financial forecast continues to be based on the current obligations and requirements. The VMC is an aging facility with many years of deferred repair and limited capital improvement. The City's annual average cost for repair and capital improvement over the prior five fiscal years has been around \$1 million per year, with an additional \$2.9 million in capital improvement and replacement costs during the same time period. Capital projects included replacement of the roof, new arena lighting, a new video scoreboard, concession stand renovation and other strategic enhancements to the user experience – mostly at the main entry and on the concourse. The amended VMC Operating Agreement obligates the fund to budget \$500,000 per year to VMC repair and capital improvement. In addition, through the amended Operating Agreement, the City is obligated to share net operating losses at the VMC up to \$250,000 per year, although the facility has not incurred operating losses in recent years.

The upcoming major renovation project, funded in part through VFIGA revenues, will address many of the VMC's deferred repair and capital improvements resulting in reductions in operating, repair, and maintenance costs. Specific upgrades will allow the venue to fill an identified market niche, attract more events, and become more reliably operationally profitable. The SVVAF balance has grown in recent years and amounts above the minimum operating reserves may be used to help support the major renovation project, though it is not yet known to what extent or whether the fund would be used to help service long-term bonds or make initial capital contributions to reduce the amount of the project to be covered by bonds.

The SVVAF forecast includes anticipated costs related to the implementation of the ADA Transition Plan at the Rose Quarter Garages, but not at the VMC or Providence Park. Those estimates will be added when more information is available. No additional cost for work at the Rose Quarter Plaza is included at

FY 2020-21 Requested Budget Five Year Plan

this time, but additional costs may be added as more information is developed about needed major maintenance.

Under the terms of the Stadium Operating Agreement, in 2017, after the first seven years of the term, the annual License Payment and City's minimum share of ticket revenue required of Peregrine Sports are treated as reimbursement for pre-payment by Peregrine Sports of their contribution to the FY 2010-11 renovation project costs and these payments to the City terminated. In addition, as part of the negotiated deal for the 2017-19 stadium expansion project, City Council granted exemptions to the operators' obligation to pay the City's share of excess ticket revenue beginning in calendar year 2018 and lasting until 2022. As a result, the Fund will see no revenue from the stadium until calendar year 2022, at which time the revenue is limited to ticket revenue in excess of an annually increased amount. This revenue is included in the 5-year forecast to total approximately \$780,000 during FY 2021-22, FY 2022-23, and FY 2023-24.

In addition to supporting debt payments on future renovation projects at the VMC and the Portland'5, the VF IGA includes an allocation (from existing transient lodging tax surcharges) for the City's Rose Quarter properties and other tourism related programs and services. This annual allocation was \$566,743 in FY 2018-19 and escalates annually based on changes in the construction price index. The FY 2019-20 allocation is anticipated to be approximately \$590,000. The allocation is accounted for in the SVVAF budget and included in the fund's financial forecast as an ongoing resource.

All bonded debt obligations associated with the original Rose Quarter developments were paid off in 2016-17, but the Fund will continue to make annual stadium bond debt payments ranging from \$2.2 million in FY 2020-21 to \$3.3 million in FY 2024-25. According to current schedules, the final payments on the stadium bonds will be made in FY 2026-27.

Revenue Assumptions

Revenues to the Fund are subject to specific terms contained in a series of agreements with the venue operators. The Rose Quarter facilities are operated by Rip City Management, Providence Park is operated by Peregrine Sports, LLC, and the performing arts facilities are operated by Portland'5 Center for the Arts, which is part of Metro. The revenue arrangements vary significantly between the different venues according to the terms of the applicable agreements.

Currently, over 75% of Fund revenues come from Rose Quarter operations including user fees and parking fees. These revenues are dependent on the performance of the Rose Quarter Venues: how many events are held at the Moda Center and VMC, how many tickets are sold and at what price, and how many event attendees park in the City's garages. Fewer events, lower attendance, lower ticket prices, or fewer cars parking in the garages all impact revenues to the Fund.

The sports and entertainment industry is volatile and subject to significant fluctuation due to trends and issues well beyond the City's control. Key factors to consider in predicting revenues to the Fund include:

- The overall performance of the Portland Trail Blazers including the team's ability to win games, support higher ticket prices, and fill the Moda Center. Playoff games generate additional revenues. If fewer

FY 2020-21 Requested Budget Five Year Plan

games are played for any reason, such as a NBA players' strike, revenue to the Fund is reduced. The same is true of the Portland Winterhawks but on a much smaller scale.

- The number of major concerts that come to Portland and choose to play the Moda Center or VMC has a major impact on revenues to the Fund. A single popular concert that sells out the Moda Center at high ticket prices can generate over \$100k for the Fund in user fees alone. The number of major concerts in a year can fluctuate significantly.
- An economic downturn would impact attendance and ticket prices at events as people seek to reduce discretionary expenses. Historically, spending on entertainment is among the first to see reductions in an economic downturn and one of the last to recover.

Rose Quarter revenues to the Fund have grown consistently over the past five years as both the Moda Center and VMC have performed well in terms of numbers of events and attendance. In addition to driving strong user fee and parking revenue generation, the VMC has posted net operating profits for each of the past five years. However, in light of the unpredictability of the industry described above, good recent financial performance does not guarantee similar future revenues. In order to prepare for potential and rapid declines in revenues, OMF takes a conservative approach in estimating future revenues. Future revenue growth assumptions are based not on revenues from the most recent years, but rather on an analysis done looking at historic growth rates in both user fees and parking revenues over a longer period, including some more lackluster years. This approach and the maintenance of a minimum operating reserve (estimated to be enough to cover program expenses in a year with no NBA games) helps protect the City's General Fund from any obligation to cover the debt payments on the venues. As part of this conservative approach, no playoff games are assumed in revenue projections, nor is any operating profit from the VMC included.

Rose Quarter revenues to the Fund depend on a series of agreements from the mid-1990s that begin to expire in 2023. The risks to the Fund of these agreements expiring is not yet known and while they are discussed in additional detail in the next section, they are not yet incorporated into this forecast. In accordance with the 2011 Stadium Operating Agreement and the 2017 amendments related to the expansion project, no revenue will come to the SVVAF from Providence Park until 2022, and then at a much-reduced rate compared to the first seven years of the agreement. Stadium revenues, when they begin to flow to the Fund in 2022, are based on a user fee (ticket tax). Like those from Rose Quarter events, these revenues are somewhat volatile in nature and will fluctuate with team popularity, success on the field and any labor-strike impacts.

The Second Amended and Restated VFIGA provides up to \$40 million in bond financing for a VMC renovation project as soon as January 2021, and up to \$40 million in bond financing for a Portland'5 renovation as soon as January 2024.

OMF is actively seeking additional public and private funding to help support the VMC renovation. The SVVAF is also likely to contribute to the cost of the VMC renovation project, though the extent of that contribution is not yet known and is somewhat dependent on potential extensions of the Rose Quarter agreements that begin to expire in 2023. In the coming years, OMF will begin conversations with Metro

FY 2020-21 Requested Budget Five Year Plan

and Portland'5 regarding fundraising activities to augment the \$40 million in VFIGA bond funding for renovations at the performing arts venues.

Expenditure Assumptions

Expenses to the Fund and service level assumptions are subject to terms and conditions contained in a series of agreements with the venue operators and are largely impacted by the City's obligations to pay for specified costs, debt obligations and program personnel costs.

The VMC is an aging facility with many years of deferred repair and limited capital improvement. The City's annual average cost for repair and capital improvement over the prior five fiscal years was almost \$1 million per year, with an additional \$2.9 million in capital improvement and replacement costs during the same time period. Capital projects included replacement of the roof, asbestos removal on the concourse, new arena lighting, a new video scoreboard, concession stand renovation and other strategic enhancements to the user experience – mostly at the main entry and on the concourse. In FY 2019-20, a chiller is being replaced. The amended VMC Operating Agreement obligates the fund to budget \$500,000 per year to VMC repair and capital improvement. In addition, through the amended Operating Agreement, the City is obligated to share net operating losses at the VMC up to \$250,000 per year, although the facility has not incurred operating losses in recent years.

The upcoming renovation project will address many of the VMC's deferred repair and capital improvements resulting in reductions in operating, repair, and maintenance costs. Strategic upgrades will allow the venue to fill an identified market niche, attract more events, and become more reliably operationally profitable. However, it is unknown what additional requirements may be placed on the fund to achieve a renovation project and what share of the capital investment the SVVAF will bear.

The SVVAF forecast includes anticipated costs related to implementation of the ADA Transition Plan at the Rose Quarter Garages, but not at the VMC or Providence Park. The VMC renovation project is anticipated to address the majority of the identified ADA barriers at the facility. Those estimates will be added when more information is available. No additional cost for work at the Rose Quarter Plaza is included at this time, but additional costs may be added as more information is developed about needed major maintenance.

Under the 2010 agreements, the SVVAF is responsible for a portion of some repairs and capital improvements at Providence Park, including a fixed annual contribution to the cost of periodic replacement of the artificial turf.

With the completion of the expansion project in 2019, administrative costs at Providence Park are reduced to ongoing participation in repair and replacement activities as required under the Stadium Operating Agreement. Other efforts at the stadium likely to see expenditures in the five-year forecast period include a structural and seismic evaluation of the older parts of the stadium and a refinement plan to address additional identified ADA barriers.

At the Portland'5 in FY 2019-20, the program is engaged in engineering and architectural analysis to develop a range of options for seismically strengthening the Keller. The fund receives no revenue from Portland'5, and there are no resources currently identified for the needed renovations at the Keller. Other program costs associated with the management and oversight of these facilities that are likely to

FY 2020-21 Requested Budget Five Year Plan

see expenditures in the five-year forecast period include a seismic structural assessment of the Arlene Schnitzer Concert Hall and ADA refinement plans for all three buildings. In FY 2018-19, the SVVAF made a one-time contribution of \$500,000 to the cost of an acoustical enhancement project at the Arlene Schnitzer Concert Hall. Any additional capital expenditures at the performing arts venues are subject to City Council approval.

All bonded debt obligations associated with the Rose Quarter developments were paid off in 2016-17, but the Fund will continue to make annual stadium bond debt payments ranging from \$2.2M in FY 2019-20 to \$3.2M in FY 2023-24. According to current schedules, the final payments on the stadium bonds will be made in FY 2026-27.

Expenditure Risks to the Forecast and Confidence Level

Scheduled debt payments and program administration costs are stable and easy to forecast, however, other expenses to the Fund are more challenging to predict. These include:

- Increasing major maintenance, repair and replacement costs at both VMC and Providence Park. The Rose Quarter Parking Garages and Plaza have incurred increased repair expenses in recent years as original systems reach the end of their service life. OMF currently budgets approximately \$1M per year for VMC repairs and costs at the stadium have exceeded \$500k for the past two years.
- There is always the possibility of an unexpected emergency repair at the VMC and to a somewhat lesser degree, at the stadium.

Strong performance of the Rose Quarter venues in recent years have enabled the Fund to support several major deferred maintenance projects and strategic enhancements at the VMC. These completed projects, which included a full roof replacement, lighting upgrades, concession renovations, asbestos abatement, improved main entry, Wi-Fi systems, and point of sale equipment help to somewhat reduce risks of catastrophic system failures, but many of the key building systems continue to be largely composed of original equipment which is unreliable. Until the planned major renovation project, OMF expects the expenses required to keep the venue running will continue to grow. There is also a risk that emergency repairs at the venue could exceed the capacity of the fund and result in an extended closure. That would have major implications for revenues as well as expenses.

The VMC renovation project will address many of these risks, but that project is not likely to begin construction until at least 2022. Until that work is completed, the building will continue to operate with the current antiquated systems. Additional improvements anticipated to be included in the renovation scope include structural seismic improvements, seating bowl refurbishment and updates including new seats and modifications to meet ADA requirements, restroom upgrades and access improvements, and improvements to the meeting rooms on the lower level. Some of these upgrades (particularly seating and meeting room improvements) could have a positive impact on revenue generation.

The \$75-\$85M Providence Park Stadium expansion that opened in 2019 was privately-funded; however, it has increased near-term City costs associated with providing design and construction oversight for the

FY 2020-21 Requested Budget Five Year Plan

project and long-term costs associated with owning a larger facility. It will marginally increase revenue to the fund beginning in 2027, beyond this five-year forecast. The key agreements covering Providence Park revenue and expenses between the City and Peregrine Sports do not expire until 2035, well beyond this five-year forecast. Much of the mechanical equipment in the older portion of the stadium was replaced in 2001 and will be nearing the end of its expected life during this 5-year forecast. Equipment replacements will occur as needed and could gradually drive up the City's costs.

Spectator Venues and Visitor Activities

Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	15,273,384	15,000,000.00	12,783,408	11,748,318	11,768,080	11,087,962
Taxes	-	-	-	-	-	-
Licenses & Permits	-	-	-	-	-	-
Charges for Services	7,157,004	6,550,000	6,720,300	6,895,028	7,074,298	7,265,304
Intergovernmental	1,767,446	1,707,780	1,752,182	1,797,739	1,844,480	1,894,281
Interagency Revenue	-	-	-	-	-	-
Fund Transfers - Revenue	-	-	-	-	-	-
Bond & Note Proceeds	-	-	-	-	-	-
Miscellaneous	222,060	279,653	286,924	294,384	302,038	310,193
General Fund Discretionary & Overhead	-	-	-	-	-	-
Resource Total	24,419,894	23,537,433	21,542,814	20,735,469	20,988,896	20,557,740

Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	446,135	471,776	505,954	521,133	537,809	584,797
External Materials and Services	2,533,675	3,972,750	4,076,042	4,182,019	4,290,751	4,402,311
Internal Materials and Services	600,538	719,716	738,429	757,628	777,326	798,314
Capital Outlay	1,734,672	2,120,000	1,000,000	1,000,000	1,000,000	1,000,000
Debt Service	3,442,375	3,442,347	3,444,441	2,474,609	3,260,488	3,262,700
Fund Transfers - Expense	26,382	27,436	29,630	32,000	34,560	37,325
Contingency	15,636,117	12,783,408	11,748,318	11,768,080	11,087,962	10,472,293
Debt Service Reserves	-	-	-	-	-	-
Expense Total	24,419,894	23,537,433	21,542,814	20,735,469	20,988,896	20,557,740
Planned FTE Total	2.15	2.15	2.15	2.15	2.15	2.15

Fund & Bureau Name: Insurance and Claims Operating Fund, OMF Bureau of Revenue and Financial Services

Plan Overview

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

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

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

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

Self-insurance premiums are allocated to bureaus based on the insurance measures of experience (prior year payroll costs) and exposure (a four-year average of claims costs for general liability and a two-year average of miles driven for fleet liability).

Property insurance is allocated to bureaus based on the replacement value of their properties. Other commercial insurance is charged to the bureaus that the insurance is for and is based on actual costs.

Key Issues

Risk Management serves all bureaus by performing claims administration of actions brought against the City, management of the City's Worker's Compensation program, administration of the City's self-insurance and commercial insurance program, and management of loss prevention programs designed to reduce injuries and loss.

Challenges for the next five years:

- Specialized Tasks: One issue includes retaining and recruiting specialized talent for Risk Management data processing and technical roles in claims, insurance, loss prevention, and safety. The City faces expanding risks from many sectors of the external environment, expanding Risk Management's role and the services upon which it advises. City Risk is marginally staffed to continue core services, most of which are required by statute or rule. Staff reductions would correspond to a requirement to decrease needed services, resulting in the possibility of bureaus being asked to take on additional functions in the event of staff reductions.
- Risk retention or transfer to insurance: The City of Portland continues to self-insure and self-administer two major operational risks: harm to others due to employee negligence (tort liability including auto) and employee on-the-job injury (workers' compensation). Other major risks are retained or transferred to commercial insurance when appropriate and fiscally feasible or via the contracting process.
- Both tort and workers' compensation self-insured exposures are adequately funded at 80% and 75% confidence respectively. These self-funded losses are expected to continually rise. Workers' compensation is wage and medical inflation sensitive. Auto liability is expected to continue to increase as the cost of vehicle repair, allowance for diminished value, and cost of bodily injury continues to climb. General liability claims are sensitive to community expectations and the increase in the tort caps.
- Commercial Excess Policies are purchased to protect the funds from catastrophic loss. Tort liability excess coverage warrants concern. The market for public entities remains very limited and is tightening. The City deductible for most exposures remains at \$1 million per occurrence, with a split retention for law enforcement liability at \$2.5 million per occurrence. At this time, there are no claims reserved at or above the self-insured retention. Nationally, auto liability markets have suffered high losses. The major driver of the City's 7% premium increase for the FY 2017-18 Excess Liability renewal was the auto exposure, even though the City does not have any claims above the retention. While the overall premium for Excess coverage in 2018 fell slightly (\$149,000) with the transfer to a new insurance carrier, a minimal-to-slight increase upon renewal based on the City's exposure is expected.
- Loss to major City-owned buildings and contents are transferred to commercial property insurance. Coverage for loss due to earthquake and flood is sub-limited. The City experienced reduced coverage for earthquake risk in 2011. Over time, coverage and premiums have stabilized. However, with a \$75 million limit with varying deductibles and the uncertainty of FEMA funding, it is prudent for the City to continue to focus on resiliency efforts and plan for additional financing options to fund restoring essential City services following a major earthquake. The 2018 renewal included a 6% rate increase. Citywide, insured values increased overall. Water Bureau's Hydro Works returned to the City property portfolio. Water conducted a major insured property review and removed several properties from coverage. As a result, the overall insured value was unchanged. Risk is making concerted efforts to ensure collaboration and clarity in the property Statement of Values and in tracking inclusion of high-cost equipment the City owns.

- In FY 2019-20 property insurance costs increased 24% more than the rate of inflation. Cost increases were primarily due to a high rate of natural disasters around the world. Since this was after IAs had been established, the increase was covered with the fund's Rate Stabilization Reserve. In FY 2020-21 OMF forecasted a rate increase of 20% and decided to use the Rate Stabilization Reserve to cover costs greater than the rate of inflation. Bureaus are still responsible for increases resulting from increased values insured. The use of the Rate Stabilization Reserve to mitigate cost increases will be evaluated each fiscal year.
- During 2016, the City began to acquire residential properties. This new line of business changed the City's property risk profile. Risk collaborated with the Housing Bureau and the City Attorney, and contractually transferred portions of this risk to Property Management vendors in order to properly manage this exposure in a fiscally prudent and properly insured manner. Other risks have been placed within an Affordable Housing Insurance Pool. This is a scalable approach that should allow the rapid acquisition of new properties while properly protecting the City's property policy and ensuring coverage.

Cyber risk continues to be a significant exposure for the City. City Risk has placed a comprehensive cyber liability policy to transfer such exposure, with coverage for data breach, business interruption costs, and liability coverage to protect the City.

The insurance team continues to advise on contract language to include proper insurance policies, limits, and indemnity language for major contracts such as remodels at Veterans Memorial Coliseum, Providence Park, and the Joyce Hotel. This work is expected to continue as the City takes on major construction projects going into the future.

- **Claims Administration:** As a self-insured entity for workers' compensation, City Risk continually monitors and adjusts to changes in rules and regulations. Oregon Workers' compensation rules and statutes are often the subject of legislation which may include both statutory and administrative rule changes. The Workers' Compensation Division routinely monitors changes and impacts via regular collaboration with the Office of Government Relations, and enacts necessary changes affecting the Administrative Rules through public advisory committees.

Proposed legislative concepts and bills are presented by various parties, including but not limited to Oregon Trial Lawyers Association, Oregon Physical Therapists in Independent Practice, Oregon Chiropractic Association, Oregon Chapter of the International Association of Rehabilitation Professionals, Oregon Society of Physicians Assistants, the Workers' Compensation Division, and the Oregon State Fire Fighters Council.

In recent years, legislation has increased costs of attorney fees, complicated the process for which the average weekly wage of an injured worker is calculated, expanded the pool of allowed medical providers, and expanded the scope of the firefighter's cancer presumption law. Further, advances in medicine, along with inflation and uncertainty in the market affect and increase claim costs.

Civic activism has resulted in an increase in protests, some requiring police intervention. The City continues to experience an increase in claims and litigation because of such interventions, and this is

expected to continue due to the state and national political environment. Community members have also filed claims for property damage caused by the actions of people experiencing homelessness. A mild winter decreased the number of filed claims for potholes from the previous year, however resident expectations of government's duty to pay for damage for harm that they suffer is expected to continue.

Loss Prevention, Safety and Occupational Health

In addition to maximizing affordability of coverage, City Risk has worked to help bureaus increase resiliency around property loss. Risk continues to work with the Insurer's loss prevention engineers and bureaus to develop and implement property protection policies, procedures, and programs to control exposures, minimize loss, and improve mitigation. This will enable bureaus to restore essential properties and resume operations as quickly as possible. This work is expected to continue as pressure on property markets is expected to increase coverage pricing for the upcoming years.

As an Oregon Workers' Compensation self-insured entity, the City must assure OSHA required safety programs, loss prevention, and employee safety and health is implemented in each City workplace. Increasingly, bureaus are asking for assistance on environmental health and construction safety issues.

Developing loss prevention issues include a three-year review of the Defensive Driver Program, the expansion of self-insured reviews of Hazardous Waste Assessments, the Safety Incentive Program for Bureaus, and the Employee Safety Survey.

Revenue Assumptions

The forecast is based on a five-year model that calculates how much the fund needs to collect from City bureaus to cover claims costs and reserve levels as per an actuarial study, insurance costs, and the costs of the staff that administer claims, manage and administer the division, and manage and administer the commercial insurance and loss prevention programs. If the fund has a higher fund balance than is required for actuarial reserves, the model draws this down over the five-year term to provide rate stability to customers.

Expenditure Assumptions

Except for claims payments, the forecast is based on current service levels. It assumes expenses will grow at the level of inflation. As a result, it does not include increases in expenses to provide additional services requested from City bureaus, nor an increase in activities that are insured through commercial insurance. It should be noted that the inflation rate for property insurance is projected to be 20% in FY 2020-21 and 10% for years two and three of the forecast periods, and 5% per year after that. The projection has these cost increases passed onto customer bureaus.

The forecast for claims payments are as per the fund's actuarial consultant.

Expenditure Risks to the Forecast and Confidence Level

The expense risks to the fund are in staff and support costs. Many of the fund's costs, such as claims and insurance, are passed through to customers at cost. But staff costs and support costs are the two largest costs that the fund must maintain within inflationary growth levels. Staff costs are subject to changes in union contracts, PERS rate increases, and health benefits inflation. Support costs are a risk due to the need to continually invest in staff and technology to stay efficient and current with best practices.

Separately, expense risks to the fund that are passed on to our customers are in the area of increasing claims costs, increasing quantity of claims, increases in the costs to defend claims, and increases in costs of insurance. The property insurance market has been quite volatile lately and the City has seen two years of 20% plus increases. Due to this the expenditure risk to the fund has increased.

Overall, the expense risk to the fund is medium-high.

BRFS - Insurance and Claims

Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	\$34,739,425	\$34,975,330	\$34,015,749	\$33,109,478	\$31,284,199	\$28,620,719
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & Permits	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Revenue	\$11,237,656	\$10,855,524	\$11,565,115	\$11,593,350	\$11,621,655	\$11,625,031
Fund Transfers - Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Bond & Note Proceeds	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$963,182	\$748,280	\$700,886	\$676,681	\$635,602	\$581,130
General Fund Discretionary & Overhead	\$0	\$0	\$0	\$0	\$0	\$0
Resource Total	\$46,940,263	\$46,579,135	\$46,281,750	\$45,379,509	\$43,541,456	\$40,826,880

Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	\$1,530,869	\$1,552,014	\$1,674,323	\$1,724,257	\$1,779,117	\$1,933,694
External Materials and Services	\$9,638,358	\$7,294,894	\$7,585,639	\$8,328,122	\$8,964,338	\$9,558,621
Internal Materials and Services	\$496,686	\$3,390,252	\$3,598,232	\$3,717,472	\$3,840,799	\$3,968,737
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$125,869	\$112,219	\$114,001	\$120,180	\$125,867	\$125,867
Fund Transfers - Expense	\$173,151	\$214,006	\$200,077	\$205,279	\$210,616	\$216,303
Contingency	\$34,975,330	\$34,015,749	\$33,109,478	\$31,284,199	\$28,620,719	\$25,023,658
Debt Service Reserves	\$0	\$0	\$0	\$0	\$0	\$0
Expense Total	\$46,940,263	\$46,579,135	\$46,281,750	\$45,379,509	\$43,541,456	\$40,826,880
Planned FTE Total		10.70	10.70	10.70	10.70	10.70

Fund & Bureau Name: Workers' Compensation Self Insurance Operating Fund, OMF Bureau of Revenue and Financial Services

Plan Overview

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

The Workers' Compensation Self Insurance Operating Fund supports the City's self-insured workers' compensation program, including claims administration and Citywide loss prevention.

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

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

Self-insurance premiums are allocated to bureaus based on the insurance measures of experience (prior year payroll costs) and exposure (a four-year average of claims costs).

Key issues

Risk Management serves all bureaus by performing claims administration of actions brought against the City, management of the City's Worker's Compensation program, administration of the City's self-insurance and commercial insurance program, and loss prevention programs designed to reduce injuries and loss.

Challenges for the next five years:

- Retaining and recruiting specialized talent for Risk Management data processing and technical risk management roles in claims, insurance and loss prevention, and safety continues to be an increasing challenge. The City faces expanding risks from many sectors of the external environment, expanding the role and services which Risk Management advises upon. City Risk is marginally staffed to continue core services, most of which are required by statute or rule. Staff reductions would

correspond to a requirement to decrease needed services, resulting in the possibility of bureaus being asked to take on additional functions in the event of staff reductions.

- Risk retention or transfer to insurance: The City continues to self-insure and self-administer two major operational risks: harm to others due to employee negligence (tort liability including auto) and employee on-the-job injury (workers' compensation). Other major risks are retained or transferred to commercial insurance when appropriate and fiscally feasible or via the contracting process.
 - Both tort and workers' compensation self-insured exposures are adequately funded at 80% and 75% confidence respectively. These self-funded losses are expected to continually rise. Workers' compensation is wage and medical inflation sensitive. Auto liability is expected to continue to increase as the cost of vehicle repair, allowance for diminished value and cost of bodily injury continues to climb. General liability claims are sensitive to community expectations and the increase in the tort caps.
 - Commercial Excess Policies are purchased to protect the funds from catastrophic loss.
 - The Workers' Compensation Excess market has experienced increasing pressures. The City's carrier is satisfied with the current self-insured retention of \$850,000 per claim with only modest premium increases, which may be either flat or topping out at a 5% increase.
- Claims Administration: As a self-insured entity for workers' compensation, City Risk continually monitors and adjusts to changes in rules and regulations. Oregon Workers' compensation rules and statutes are often the subject of legislation which may include both statutory and administrative rule changes. The Workers' Compensation Division routinely monitors changes and impacts via regular collaboration with the Office of Government Relations, and enacts necessary changes affecting the Administrative Rules through public advisory committees.

Proposed legislative concepts and bills are presented by various parties, including but not limited to the Oregon Trial Lawyers Association, Oregon Physical Therapists in Independent Practice, Oregon Chiropractic Association, Oregon Chapter of the International Association of Rehabilitation Professionals, Oregon Society of Physicians Assistants, the Workers' Compensation Division, and the Oregon State Fire Fighters Council.

In recent years, legislation has increased costs of attorney fees, complicated the process of calculating the average weekly wage of an injured worker, expanded the pool of allowed medical providers, and expanded the scope of the firefighter's cancer presumption law. Further, advances in medicine, along with inflation and uncertainty in the market, affect and increase claim costs.

Civic activism has resulted in an increase in protests, some requiring police intervention. The City continues to experience an increase in claims and litigation because of such interventions, and this is expected to continue due to the state and national political environment. Citizens have also filed claims for property damage caused by the actions of homeless individuals. A mild winter decreased the number of filed claims for potholes from the previous year, however citizen expectations of government's duty to pay for damage for harm that they suffer is expected to continue.

- Safety and Occupational Health
 - As an Oregon Workers' Compensation self-insured entity, the City must assure OSHA required safety programs, loss prevention, and employee safety and health are implemented in each City workplace. Increasingly, bureaus are asking for assistance on environmental health and construction safety issues.
 - Developing Loss Prevention issues include a three-year review of the Defensive Driver Program, the expansion of self-insured reviews of Hazardous Waste Assessments, the Safety Incentive Program for Bureaus, and the Employee Safety Survey.

Revenue Assumptions

The forecast is based on a five-year model that calculates how much the fund needs to collect from City bureaus to cover costs. These include claims costs, reserve levels as per an actuarial study, insurance costs, state workers' compensation costs, and the costs of the staff that administer claims, manage and administer the division, and manage and administer the commercial insurance and loss prevention programs. If the fund has a higher fund balance than is required for actuarial reserves, the model draws this down over the five-year term to provide rate stability to customers.

Expenditure Assumptions

Except for claims payments, the forecast is based on current service levels. It assumes expenses will grow at the level of inflation. As a result, it does not include increases in expenses to provide additional services requested from City bureaus.

The forecast for claims payments are as per the fund's actuarial consultant.

Expenditure Risks to the Forecast and Confidence Level

The expense risks to the fund are in staff and support costs. Many of the fund's costs, such as claims and insurance are passed through to customers at cost. But staff costs and support costs are the two largest costs that the fund must keep within inflationary growth levels. Staff costs are subject to changes in union contracts, PERS rate increases, and health benefits inflation. Support costs are a risk due to the need to continually invest in staff and technology to stay efficient and current with best practices.

Separately, expense risks to the fund that are passed on to our customers are increasing claims costs (including medical inflation), increasing quantity of claims, increases in the costs to defend claims, and increases in costs of insurance.

Overall, the expense risk to the fund is medium.

BRFS - Workers' Compensation

Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	\$13,217,421	\$12,884,184	\$12,457,349	\$12,163,334	\$11,959,939	\$11,795,141
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & Permits	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Revenue	\$5,029,714	\$5,248,236	\$5,795,827	\$6,079,174	\$6,376,972	\$6,749,958
Fund Transfers - Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Bond & Note Proceeds	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$336,447	\$250,336	\$230,674	\$225,311	\$220,650	\$217,603
General Fund Discretionary & Overhead	\$0	\$0	\$0	\$0	\$0	\$0
Resource Total	\$18,583,582	\$18,382,756	\$18,483,850	\$18,467,819	\$18,557,561	\$18,762,702

Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	\$1,402,798	\$1,414,014	\$1,516,454	\$1,561,948	\$1,611,930	\$1,752,762
External Materials and Services	\$3,768,735	\$3,544,713	\$3,695,901	\$3,803,061	\$3,972,450	\$4,125,029
Internal Materials and Services	\$316,618	\$749,708	\$904,684	\$931,096	\$958,362	\$986,756
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$117,734	\$104,968	\$106,633	\$112,413	\$117,733	\$122,440
Fund Transfers - Expense	\$93,513	\$112,004	\$96,844	\$99,362	\$101,945	\$104,698
Contingency	\$12,884,184	\$12,457,349	\$12,163,334	\$11,959,939	\$11,795,141	\$11,671,017
Debt Service Reserves	\$0	\$0	\$0	\$0	\$0	\$0
Expense Total	\$18,583,582	\$18,382,756	\$18,483,850	\$18,467,819	\$18,557,561	\$18,762,702
Planned FTE Total		9.70	9.70	9.70	9.70	9.70

Fund & Bureau Name: Technology Services Fund, OMF Bureau of Technology Services

Plan Overview

The Bureau of Technology Service's (BTS) FY 2020-21 Five Year Plan aligns its projects with the Technology Executive Steering Committee (TESC) approved FY 2020-21 Technology work plan priority initiatives and alignments. These goals include technology leadership and collaboration; anywhere/anytime access to information and services; reliable, efficient, and consolidated technology infrastructure; and information management.

BTS' FY 2019-20 projects were impacted by the Portland Building Reconstruction project as employees began moving back to the building in FY 2019-20. The Portland Building Reconstruction project has not only affected how BTS does its work, but also what projects can be done and the timing of those projects. As such, there are certain industry trends to which BTS must focus its attention and find ways of addressing. Many of the operating projects listed below are designed to specifically address those trends.

Mobile Workforce

Industry trends, the completion of the Portland Building Reconstruction project, and efforts by the City to become an employer of choice, all form a nexus point around a mobile workforce. Access to information and systems from the field, office sharing (hoteling), and the work-life balance offered by teleworking, all rely on BTS implementing an enterprise approach to providing mobile access via devices, systems, and applications so that BTS can deliver the right technology to allow City staff to efficiently perform work from remote locations. The VDI (Virtual Desktop Infrastructure) Proof of Concept and Enterprise Printer Management Proof of Concept projects are two operating projects in the five-year plan designed to address some of the anticipated mobile workforce issues and opportunities.

Customer Needs and Process Improvement for Business Enablement

As a technology service provider, BTS needs an ability to grow or adapt its processes and services to meet the changing needs of customers. BTS yearns to become more flexible and help customers find solutions to issues with their technology. One project sets aside funds for process improvement training for up to three BTS staff and a consultant engagement to conduct two process improvement projects that lead to greater customer self-service. BTS will promote process improvement skills in-house, and at least two processes will be improved with a goal of promoting self-service technology needs. The second project sets aside funds for an in-depth review of up to three enterprise customer-driven business needs through gathering business and technical requirements and designing a proposed service or technology solution to meet these business needs. In FY 2019-20, funds from a similar project are being used to review customer needs around secure email and Collaboration Technology.

Open Data, Business Intelligence, Dashboarding and Analytics

Across the nation, Open Data is expanding as governments see public access to information, partnerships, and crowd sourcing as ways to spur innovation, foster civic engagement, and increase livability. The City seeks to be a leader in e-government and Open Data. These technologies are a core part of the City of Portland's proposal for the Smart City Challenge of Ubiquitous Mobility for Portland and other planned Smart City efforts.

Cyber Security and Compliance

Globally and across all industries, the incidence, complexity and risk of cyber security threats are dramatically increasing. As threats emerge and evolve, all organizations are struggling to summon and scale the appropriate defenses and monitoring to align to the organization's risk tolerance and resources. Emerging trends include security analytics, which uses large volumes of security data already available to monitor and proactively identify security threats. BTS has many Information Security projects planned to address cyber security and compliance, including the Firewall Technology Refresh and Data Loss Prevention Program.

Critical Server Infrastructure Refresh Initiatives

BTS' ability to provide existing and new technologies relies on a routinely maintained and refreshed server infrastructure. The expansion and life cycle management of the City's server infrastructure provides a higher level of performance and reliability at a lower cost by keeping hardware current and under manufacturer warranty and support. This robust environment is the foundation that allows BTS to provide services that include the Portland Oregon Web Replacement (POWR) project, the Geographic Information System (GIS) hub, and PortlandMaps.

BTS Operating Projects

Utility Violation Remediation

Addresses utility pole attachment violations and/or complaints associated with the Portland Fire and Rescue (PF&R) coaxial cable network and all remaining existing fiber infrastructure. The project will undertake the inspection and repair of safety violations, allowing BTS to hire vendors to bring the infrastructure up to safety compliance. Completion of the project is necessary in order to resolve outstanding NJUNS (National Joint Utilities Notifications) ticket issues.

Server Technology Refresh

Provides for ongoing life cycle management of the City's server infrastructure, keeping it reliable and under warranty. In addition, the project also includes expansion of existing hardware to support business growth and demand, while increasing total software licenses to maintain compliance with that growth.

GIS Infrastructure Technology Refresh

Provides lifecycle upgrades to GIS infrastructure which includes the GIS Hub, Data Maintenance Environments, and PortlandMaps.

eGovernment Infrastructure Technology Refresh

Upgrades the E-Government server and select network infrastructure to provide ongoing support for E-Government services including the redesign of the City's web portal as part of the Portland Oregon Web Replacement (POWR) project.

Desktop Virtualization (VDI) Proof of Concept (POC) and Pilot

Develop the concept and build the infrastructure needed to allow for the use and existence of virtual desktops. The virtual desktop would run on a centralized server, allowing the user to access files and software applications from locations other than their traditional workstation.

Enterprise Printer Management Proof of Concept (POC)

Develop a solution for mobile customers to allow for access to the nearest available printer. This solution will automatically grant a mobile customer access to the closest printer, thereby reducing HelpDesk calls and customer frustration, and increase the user's ability to be effective and productive in work no matter the location.

Server Automation and Monitoring Tools

Increases BTS' automation and monitoring capabilities and provides toolsets for use on server infrastructure to reduce the ongoing operational impacts of building new servers, retiring old servers, controlling configuration drift, performing monthly patching, and reporting on overall system and service health.

Oracle Re-platforming

Moves Oracle databases and applications currently residing on servers running the AIX operating system to a new supported platform in order to reduce costs and achieve operational efficiencies.

Cloud Architecture Proof of Concept

Pilot cloud architecture technologies for viable use within the City to meet business requirements. Potential benefits of cloud architecture are reliability, redundancy, continuity of operations, hardware maintenance carried by the vendor, and quick scalability without requiring additional capital purchases.

Data Loss Prevention Program

Formalize the City's data loss prevention program by collaborating across bureau leadership and management to identify City confidential information. Also, expand the City's technical data loss prevention capabilities to meet the increasing threats to confidential information.

Apple Device Support

To establish an enterprise-level device management solution that will secure and govern the life cycle of Apple-based operating systems. This solution for Apple devices will meet the City's information security requirements and address device support purposes.

Privileged Access Management (PAM)

Provide the ability to track and provision access to sensitive data via shared, service or administrative accounts. PAM solutions control elevated rights for authorized access, provide workflow, and audit and report on use.

Network Access Control

Provides the ability to authorize each device on the City's network and prohibit non-trusted devices. By authorizing devices, the City is able to ensure sensitive data and communications are kept confidential.

Customer Needs – Discovery and Design

Pilots an approach for an in-depth review of enterprise customer-drive business needs through gathering business and technical requirements and designing a proposed service or technology solution to meet those needs. Results would then be proposed to customers for implementation.

Process Improvement for Business Enablement

Allows BTS to grow and adapt processes and services to meeting changing customer needs. With changing technology and increasing customer demands for services, BTS needs to be more flexible and increase its focus on customer self-fulfillment. This project funds process improvement training for staff and brings in a consultant to conduct process improvement projects.

Transition Project Management

Provides for the BTS Project Management Office to facilitate the transfer of technology in Council offices during times of transition of elected officials.

Police Cisco ISE Licensing & Development

Project will use Cisco's Identity Services Engine (ISE) to help gain visibility into the City's wireless and wired network, providing information on who is connected and which applications are installed and running. With ISE BTS can identify, contain, and remediate threats faster. ISE is a network administration product that can monitor, identify and enforce security for endpoint devices connected to a corporate network. It simplifies identity management across diverse devices and applications.

Radio Site Maintenance and Enhancements

Keeps Public Safety Radio sites up to date and in good repair. Maintenance and enhancements include updates to lighting on various radio towers throughout the region.

Revenue Assumptions

BTS receives revenue from multiple sources. The majority of it is interagency revenue, followed by non-City agency earnings, with nominal amounts from various other sources. Interagency revenues are primarily rate-based, meaning rates are developed, applied to customer equipment or unit inventories, and bureaus are then charged an amount for equipment or services provided by BTS. For those revenues it is assumed than customer inventories will remain relatively consistent over the five-year period and that rates will increase by inflation each fiscal year. Some interagency revenues are based on an allocation of costs BTS incurs for corporate services provided to the City as a whole. Again, with those revenues the assumption is that recovery of costs through interagency rates will increase each year by inflation. Other interagency revenues are from variable billings to customers for requested services. The assumption for the five-year plan is that requested service levels in the first year of the five-year plan will remain consistent throughout all five years.

Should inflationary projections change, those would lead directly to a change in the revenue forecast. Also, any bureau decisions for reducing inventories or requested billable services of a material amount would also affect revenue projections.

Expenditure Assumptions

With the exception of costs associated with CIPs and Operating Projects, BTS bases its forecast on current service levels. The assumption is that expenditures will increase at the rate of inflation.

Expenditures associated with billable services provided to bureau customers will also increase at inflation. Customer bureau requests for services often increase and decrease according to the local economy and the financial condition of the City. Since it's generally not known in which direction the economy will go in the long term, the safest and most accurate forecast is to assume changes at inflation.

Costs associated with CIPs and Operating Projects are forecasted over the five-year period on a per-project basis. What that means specifically for BTS is that higher costs are estimated for the first two years, with costs beyond that dropping off significantly. That's more indicative of the unknown direction of future technology changes than it is of an assumption by BTS that future project costs will be less than they currently are.

Should BTS have any future funding gaps, they would most likely result from projects where major maintenance funding was insufficient to cover the cost. Should that be the case, BTS would prioritize projects and use technology reserves to fund the highest priority projects. For high priority projects exceeding funding available to BTS, additional funding would have to be requested through the budget process.

Expenditure Risks to the Forecast and Confidence Level

One of the challenges in working with BTS projections is the rapid pace of technology changes. It's that rate of change that makes it difficult to forecast what might be happening or needed beyond the next two-to-three years. In addition, with Technology Services being an interagency service provider, much of the expense budget is interwoven with the bureaus to which they are providing service. So, as the needs and requirements of customer bureaus evolve and change, BTS responds to those changes financially by adjusting budgeted requirements. The risk here is the unknown, where BTS can't anticipate what customer bureaus will be doing, and, instead, can only react to it.

Insert Five-Year Financial Table(s):

OMF Bureau of Technology Services - Technology Services Fund

Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	\$36,364,303	\$20,631,615	\$18,038,168	\$12,950,351	\$11,301,183	\$11,612,117
Taxes	0	0	0	0	0	0
Licenses & Permits	0	0	0	0	0	0
Charges for Services	255,750	262,069	268,883	275,874	283,047	290,689
Intergovernmental	5,525,000	5,159,389	5,293,533	5,431,165	5,572,375	5,722,829
Interagency Revenue	63,616,374	69,842,040	71,657,933	73,521,039	75,432,586	77,469,266
Fund Transfers - Revenue	150,000	0	0	0	0	0
Bond & Note Proceeds	0	0	0	0	0	0
Miscellaneous	738,881	1,503,048	1,542,127	1,582,222	1,623,360	1,667,191
General Fund Discretionary & Overhead	0	0	0	0	0	0
Resource Total	\$106,650,308	\$97,398,161	\$96,800,644	\$93,760,651	\$94,212,551	\$96,762,092

Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	\$38,675,069	\$38,646,607	\$41,446,416	\$42,689,808	\$44,055,882	\$47,904,975
External Materials and Services	32,934,362	27,045,383	33,295,656	30,446,194	29,000,245	29,376,295
Internal Materials and Services	4,076,285	5,702,561	5,837,570	5,986,349	6,138,996	6,301,636
Capital Outlay	4,835,833	4,759,573	0	0	0	0
Debt Service	686,801	714,258	714,258	714,258	714,258	714,258
Fund Transfers - Expense	4,810,343	2,491,611	2,556,393	2,622,859	2,691,053	2,763,711
Contingency	20,631,615	18,038,168	12,950,351	11,301,183	11,612,117	9,701,217
Debt Service Reserves	0	0	0	0	0	0
Expense Total	\$106,650,308	\$97,398,161	\$96,800,644	\$93,760,651	\$94,212,551	\$96,762,092
Planned FTE Total	234.6300	240.63	240.63	240.63	240.63	240.63

OMF
Technology Services
Unfunded Operating/Major Maintenance Projects

Projects	FY 2020-21	Total Requested Budget	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	Plan		Plan	Plan	Plan	Plan
Utility Violation Remediation	\$0	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000
Server Technology Refresh	\$0	\$98,680	\$8,980	\$301,480	\$20,680	
Oracle Re-Platforming	\$0	\$58,500	\$0	\$0	\$0	\$0
Server Automation and Monitoring Tools	\$0	\$26,000	\$26,000	\$0	\$0	
E-Government Infrastructure Technology Refresh	\$0	\$5,200	\$123,500	\$39,000	\$0	
Desktop Virtualization Proof of Concept	\$0	\$117,000	\$0	\$0	\$0	
Cloud Architecture Proof of Concept	\$0	\$69,030	\$0	\$0	\$0	
Enterprise Printer Management Proof of Concept	\$0	\$71,500	\$52,000	\$0	\$0	
Customer Needs - Discovery/Design	\$0	\$104,500	\$109,250	\$114,000	\$118,750	
Police Cisco ISE Licensing and Deployment	\$0	\$125,000	\$0	\$0	\$0	
	\$0	\$775,410	\$369,730	\$504,480	\$189,430	

Does not include CIP projects

FY 2020-21 Requested Budget Five Year Plan

Fund & Bureau Name: Printing and Distribution, OMF Bureau of Technology Services

Plan Overview

Printing and Distribution, a division within BTS, is responsible for managing all City printing, mailing, and photocopying equipment. P&D works with bureaus to streamline communication budgets, enabling bureaus to focus on core missions. In collaboration with Procurement, P&D manages the City's sustainable paper policy to ensure proper paper purchasing. During the period of the Portland Building reconstruction, P&D has worked closely with other divisions within BTS to implement an Enterprise Print Management System (EPMS). P&D will continue working with bureaus to ensure they are able to meet their public outreach goals and stay within budget.

Technological Change

Technological changes will continue to be a major issue for the P&D fund over the next five years. P&D must keep current with new technologies, and have the ability to finance equipment in order to continue providing customers with a high level of service. The ongoing upgrade and replacement of production systems, which the financial plan assumes, will facilitate this effort.

Digital Color

Full digital color has become less expensive and more accessible to the bureaus through their copiers and printers. Color documents printed on these dry toner devices cost significantly less per page than prints produced on laser jets. We expect almost 100% of the copy/prints in the Portland Building to be produced on dry toner devices. To gain the long-term benefit of lower costs per print, P&D is continuing to work with bureaus to help find ways to invest in the initial purchase of color copiers and printers to replace current, aging, high-volume laser jets. At initial placement, the devices will reside in P&D's copier program. The copiers will be replaced and/or updated per the current program's guidelines.

Revenue Assumptions

About 90% of P&D revenues are from City IAs. The remaining balance are from local area governmental agencies, non-profits and the public. P&D expects an ongoing reduced revenue period due to the out-of-state contracting of utility bill processing and mailing for the Portland Water Bureau/Bureau of Environmental Services. There may be some additional efficiencies and service improvements for bureaus located in the Portland Building, as occupancy nears 100%.

Expenditure Assumptions

P&D's expenses ebbs and flows with the pass-through expenses of US postage and paper. With most postage rates tied to inflation, these total costs increase with additional mailed communications. P&D anticipates that the volume of target mailings will be relatively stable over this five-year period.

FY 2020-21 Requested Budget Five Year Plan

Expenditure Risks to the Forecast and Confidence Level

There has been a tightening in the paper supply market, which with many years of economic growth, has pushed prices higher. P&D expects that trend to continue.

BTS - Printing and Distribution

Resources	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Beginning Fund Balance	\$2,220,182	\$2,437,032	\$2,437,115	\$2,348,034	\$2,253,209	\$2,147,735
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Licenses & Permits	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental	\$1,255,398	\$1,655,409	\$1,698,450	\$1,742,610	\$1,787,918	\$1,836,192
Interagency Revenue	\$6,510,979	\$6,120,258	\$6,279,385	\$6,442,649	\$6,610,158	\$6,788,632
Fund Transfers - Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Bond & Note Proceeds	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$244,089	\$274,808	\$281,953	\$289,284	\$296,805	\$304,819
General Fund Discretionary & Overhead	\$0	\$0	\$0	\$0	\$0	\$0
Resource Total	\$10,230,648	\$10,487,507	\$10,696,903	\$10,822,577	\$10,948,090	\$11,077,378

Expenditures	CY Estimate	FY 2020-21 Plan	FY 2021-22 Plan	FY 2022-23 Plan	FY 2023-24 Plan	FY 2024-25 Plan
Personnel	\$2,067,458	\$2,033,795	\$2,181,136	\$2,246,570	\$2,318,460	\$2,521,020
External Materials and Services	\$3,615,307	\$4,138,299	\$4,245,895	\$4,356,288	\$4,469,551	\$4,585,759
Internal Materials and Services	\$918,307	\$1,059,729	\$1,087,282	\$1,115,551	\$1,144,555	\$1,175,458
Capital Outlay	\$717,786	\$325,000	\$333,450	\$342,120	\$351,015	\$360,141
Debt Service	\$195,826	\$203,654	\$203,654	\$203,654	\$203,654	\$203,654
Fund Transfers - Expense	\$278,932	\$289,915	\$297,452	\$305,185	\$313,120	\$321,575
Contingency	\$2,437,032	\$2,437,115	\$2,348,034	\$2,253,209	\$2,147,735	\$1,909,771
Debt Service Reserves	\$0	\$0	\$0	\$0	\$0	\$0
Expense Total	\$10,230,648	\$10,487,507	\$10,696,903	\$10,822,577	\$10,948,090	\$11,077,378
Planned FTE Total	19.00	19.00	19.00	19.00	19.00	19.00

OMF

Bureau of Technology Services-P&D

P&D Equipment

Funded projects

Projects	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	Plan	Plan	Plan	Plan	Plan
Bureau Replacement Copiers	\$115,000	\$70,000	\$120,000	\$120,000	\$120,000
P&D Shop Equipment	\$210,000	\$260,000	\$200,000	\$200,000	\$200,000
	\$325,000	\$330,000	\$320,000	\$320,000	\$320,000