

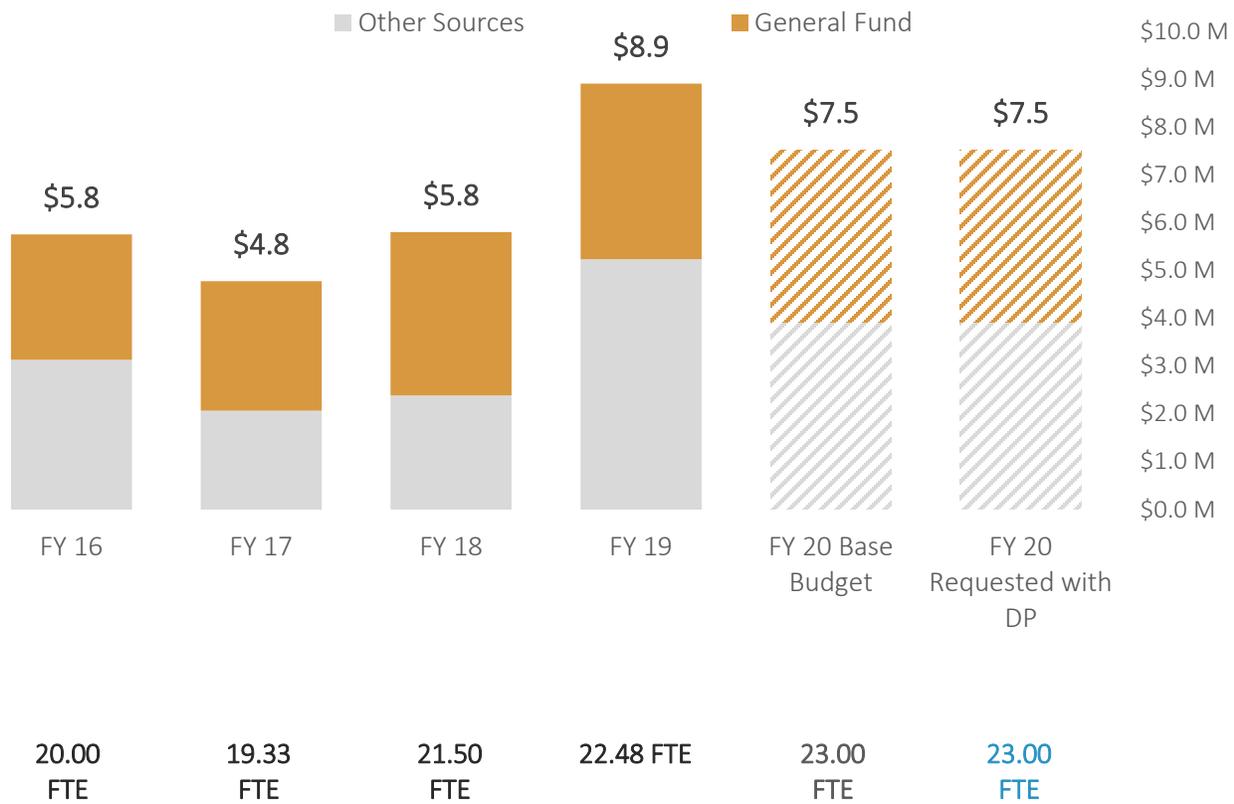


**City  
Budget  
Office**

# Portland Bureau of Emergency Management

*Analysis by Kea Cannon*

Adopted Budget Revenues - 5-Year Lookback



## INTRODUCTION

The Portland Bureau of Emergency Management’s (PBEM) FY 2019-20 Requested Budget reflects budget guidance of General Fund current appropriation level target less one percent (totaling \$3.6 million total resources). At the time of the requested budget, the bureau had not received a direction to develop and therefore no new General Fund resources were requested or evaluated in this review. PBEM has created one new program, Community Programs, and added six new performance measures to better communicate its programs and services to the Portland community and City Council.

# BASE BUDGET KEY ISSUES

## Five Year Plan: Increasing Maintenance and Personnel Costs

PBEM's five-year financial plan for its General Fund budget assumes increasing major maintenance costs for the Emergency Coordination Center (ECC) and increasing costs for personnel, which are balanced by proposed reductions to external materials and services and possibly the elimination of one or two FTE. The plan assumes an average growth rate for expenses of 3.2%, including personnel cost increases of 4% annually. This is consistent with the City Economist's forecast for inflation.<sup>1</sup> The expenses reflect an issue shared by other bureaus, which is that personnel costs are becoming a proportionally greater cost driver of bureau expenses.

The ECC is the City's primary location for coordination and support response to an emergency event, and leads recovery operations post event. This center is vital to the success of the City's ability to respond to an emergency event, from severe weather to a large-scale Cascadia Subduction Zone earthquake. Therefore, it is important the Center is appropriately maintained. In addition to PBEM's responsibility for the ECC (54%), the Water Bureau shares this facility and 46% of the maintenance costs. The City's Facilities division within the Office of Management and Finance requires the bureaus to contribute roughly two percent of the estimated \$13.7 million replacement costs in a maintenance reserve account annually. Together, the bureaus set aside an average of \$243,500 each year (\$121,750 per bureau), and the current reserve balance totals \$1.1 million. PBEM notes that industry best practices recommend 3% and that Facilities plans on conducting an asset management assessment of the building in the coming years. PBEM is estimating the results of the assessment will recommend an increase to the set aside to 2.5% of the building replacement value, currently a \$40,000 increase to PBEM's contribution, and would begin this increased level of contribution in FY 2021-22.

The bureau also forecasts a 3% decline in both the Emergency Management Preparedness Grant (EMPG), and a 20% decline in the Urban Areas Security Initiative (UASI) grant. The volatility is not a new risk for the bureau; these grants have seen prior fluctuations, and PBEM is simply accounting for this risk in its forecast. Should UASI end entirely, the bureau would reduce staff for the Regional Disaster Preparedness Organization (RDPO) program, and a loss of EMPG funds would require increased General Fund resources for EMS costs related to the bureau's Emergency Operations program or further programmatic reductions.

CBO recommends the bureau work closely with its Commissioner in Charge, to discuss these forecasted risks, and to identify opportunities to make realignments and seek efficiencies internally to balance this forecast in a manner that reflects Council's priorities and desired service level for the bureau.

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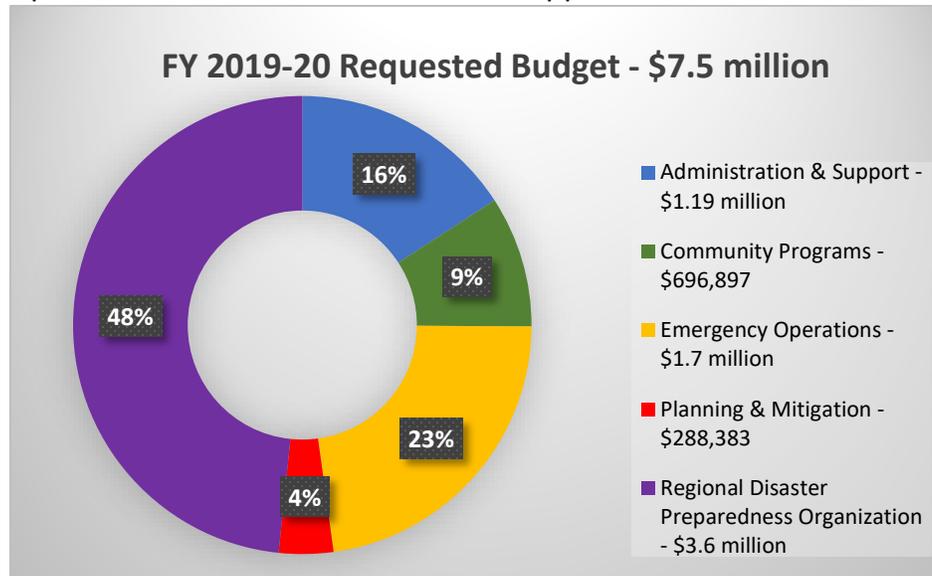
<sup>1</sup> City Budget Office. October 4, 2018's Inflation Factors. <https://www.portlandoregon.gov/cbo/article/698411>.

# PROGRAM OFFER REVIEW

## Program Overview

For the first time this year, City of Portland bureaus are presenting their budgets through Program Offers. This concept provides bureaus the opportunity to discuss in more detail the description, goals, performance, and budget of their programs (service areas) offered to Portlanders.

As a result, PBEM made two changes to their programmatic organization to more accurately reflect the services the bureau provides: merging Finance, Public Information, and Business Operations into Administration and Support to reflect the full activities and budget of bureau



administrative services; and creating a new program titled Community Programs, which includes the Neighborhood Emergency Teams (NETs), Basic Emergency Communication Nodes (BEECN), and the Community Resiliency Team. These activities were previously part of the Planning & Mitigation program (see *Program Offer FY 2019-20 Requested*

*Budget graph left).*

The bureau has also added six new performance measures to illustrate the success of each program. In FY 2019-20 the bureau plans to conduct a strategic planning process for its next strategic plan for 2021-2023.

## Planning & Mitigation

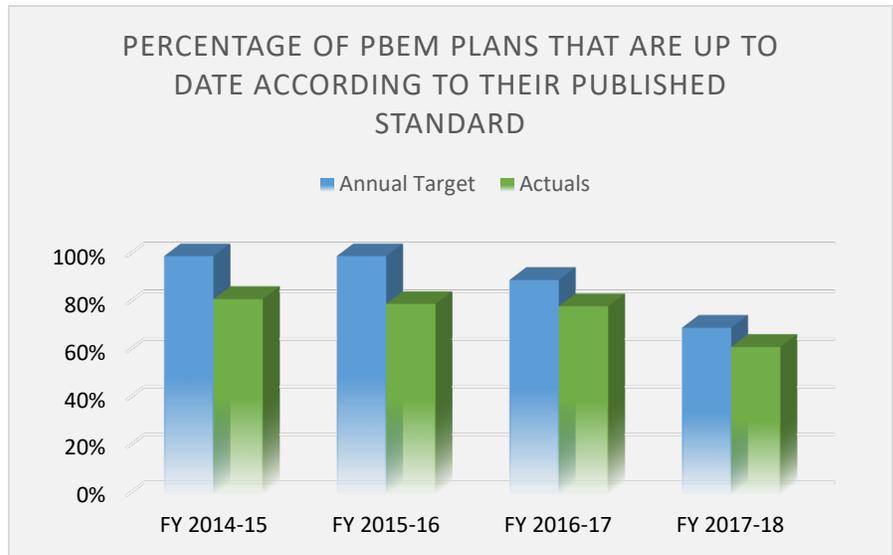
Over the past few years, the demand for PBEM planning and mitigation preparedness services increased, while available resources remained constant, resulting in a program that struggles to meet performance targets and hinders the ability of the bureau to achieve a core mandate of preparing Portland for emergency events.

The Planning & Mitigation Program leads the disaster planning process for the City, and convenes multi-jurisdictional stakeholders on the topic of emergency management. The program's goal is to maintain a complete set of high-quality disaster mitigation, response, and recovery plans. PBEM has developed a hazard mitigation plan, an operational continuity plan, a basic emergency operations plan, and specific plans that address floods, earthquakes, alert and warnings, communications, evacuation, damage assessments, and debris management. PBEM identifies the City's library of plans as two-thirds complete according to FEMA standards. The City still needs to develop plans for fuel and energy/utility restoration, private sector coordination, commodity

distribution, volunteer and donation management, and disaster recovery.

Each plan needs to be reviewed and updated every one to five years to reflect changes in technology, staff, City structures, and evolving emergency management trends. These updates can require nine to eighteen months to complete, and then must be approved by the City's Disaster Policy Council. PBEM has identified two performance measures that illustrate the success of this program. One

focuses on the success of City bureaus and their ability to develop and maintain active Continuity of Operations (COOP) plans. The other, *percentage of PBEM plans that are up to date according to their published standard*, is internal facing to the bureau. This measure has steadily declined since 2016 (see chart right). In the prior year, the bureau missed its annual target of 70% of plans updated, only completing 62%. Additionally, each



year since 2016 the annual target set by the bureau has decreased, as the bureau acknowledges a need to scale its reasonable level of performance each year to balance bureau workload priorities to that other competing priorities.

Locally there has been an increased awareness of natural hazard events, particularly the Cascadia Subduction Zone (CSZ) earthquake, which has increased demand for PBEM services. This demand occurred internal to the City and externally to interested volunteers and community groups. Internally, PBEM made a big push to assist bureaus in developing their COOP plans, and has been called upon to engage in citywide policy issues related to the City's capital asset management challenges through the convening of the Resilient Infrastructure Planning Exercise (RIPE), which lead to the Disaster Resilience and Recovery Action Group (DRRAG) formation. The bureau also convened a joint staff-resident committee to advocate for implementation of the citywide Mitigation Action Plan (MAP), and contributes to the assessment of vulnerabilities to the critical energy infrastructure hub. Additionally, for the past five years, PBEM has been collaborating with Prosper Portland and the Bureau of Development Services (BDS) to strengthen the City's resilience through reducing unreinforced masonry (URM) buildings as part of City Council's priorities.

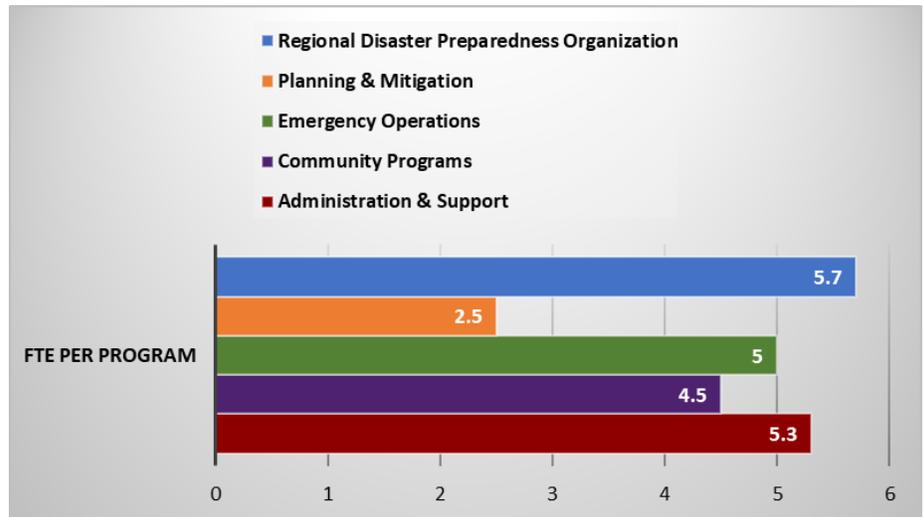
Recently, the City committed to requiring retrofits of public safety buildings, schools, and community centers, to placard all URM buildings, and to continue to develop strategies to both require and support the retrofit of private URM buildings in the City. The City is also developing a strategy to retrofit all City-owned URM buildings.

PBEM has been co-leading the URM building retrofit efforts, which are significant, ongoing, and at times contentious. The bureau leads in providing resources and in encouraging ongoing participation by partnering bureaus, but is not the implementing bureau for URM related code

changes (led, instead, by BDS). To date, PBEM has spent approximately \$248,512 on 2.5 allocated FTE and 0.75 FTE's worth of additional staff resources, and \$219,032 in EMS.<sup>2</sup> The dedication of already limited resources to the URM's initiative has resulted in the inability for the Planning & Mitigation program to fully meet expected timelines on other projects and make progress on the City's disaster planning process.

PBEM has 22.0 FTEs across the bureau, yet within the Planning & Mitigation section there are only 2.5 FTEs, of which only 1.5 FTE are Planners (*see chart above*). The bureau identifies this as the largest challenge for this program: lack of staff to complete this vital work for the City. PBEM notes that Multnomah County Emergency Management has 11.0 FTEs, of which four are dedicated planners. However, comparing city resources to that of a county is comparing apples to oranges for investment and jurisdictional responsibility.

A more relevant comparison is to compare Portland to that of similar cities. A quick analysis of; Eugene, Oregon, Denver, Colorado, and Seattle, Washington reflect key differences in how PBEM utilizes its larger (comparatively) budget and higher FTE count.<sup>3</sup>



<u>Jurisdiction</u>	<u>Total FTE*</u>	<u># of Planners</u>	<u>Total General Fund Budget</u>	<u>% of Planners to total FTE</u>
Portland, OR	17	1.5	\$3.7 million	9%
Eugene, OR	4	2	Did not respond.	50%
Denver, CO	12	1	\$1.7 million	8%
Seattle, WA	14	2	\$2.9 million	14%

\*FTE reflects only General Fund funded positions. Denver only has one dedicated planner yet has three staff members that assist with planning on a regular basis. The additional support is not reflective in the total FTE for Denver.

<sup>2</sup> Partner bureau spending: Prosper Portland estimates that a Project Manager has spent 20-25% of their time on URM's, or \$30,000, and that the Director of Social Equity has spent ten hours over the past several months on this, or \$3,000. The Bureau of Development Services has allocated one FTE - \$130,000 and has spent \$5,000 towards this work.

<sup>3</sup> Data was collected from each jurisdiction's website and through email communications on February 12<sup>th</sup> through 20<sup>th</sup>.

PBEM has more total FTE and a higher General Fund operating budget than the other cities, yet has allocated less FTE to planning and mitigation as compared to two of the three comparable cities. Despite the creation and separation of the Community Programs from Planning & Mitigation, the allocated FTE and number of planners is unchanged. Demonstrating that PBEM has prioritized other programs over that of Planning & Mitigation, both in budget and FTE.

This is in part because Administration & Support, and Emergency Operations programs are the most important programs to general operations, and there has been a prior decision to prioritize Community Programs (the NET program specifically) over Planning & Mitigation.

CBO recommends the bureau work with its Commissioner in Charge to identify the right service level between the Planning & Mitigation and Community Programs, and to prioritize planning efforts and appropriately calibrate expectations given available resources.

## **DIRECTIONS TO DEVELOP**

The Portland Bureau of Emergency Management did not receive a direction to develop before submission of the requested budget, therefore there are no directions and decision packages to analyze currently.