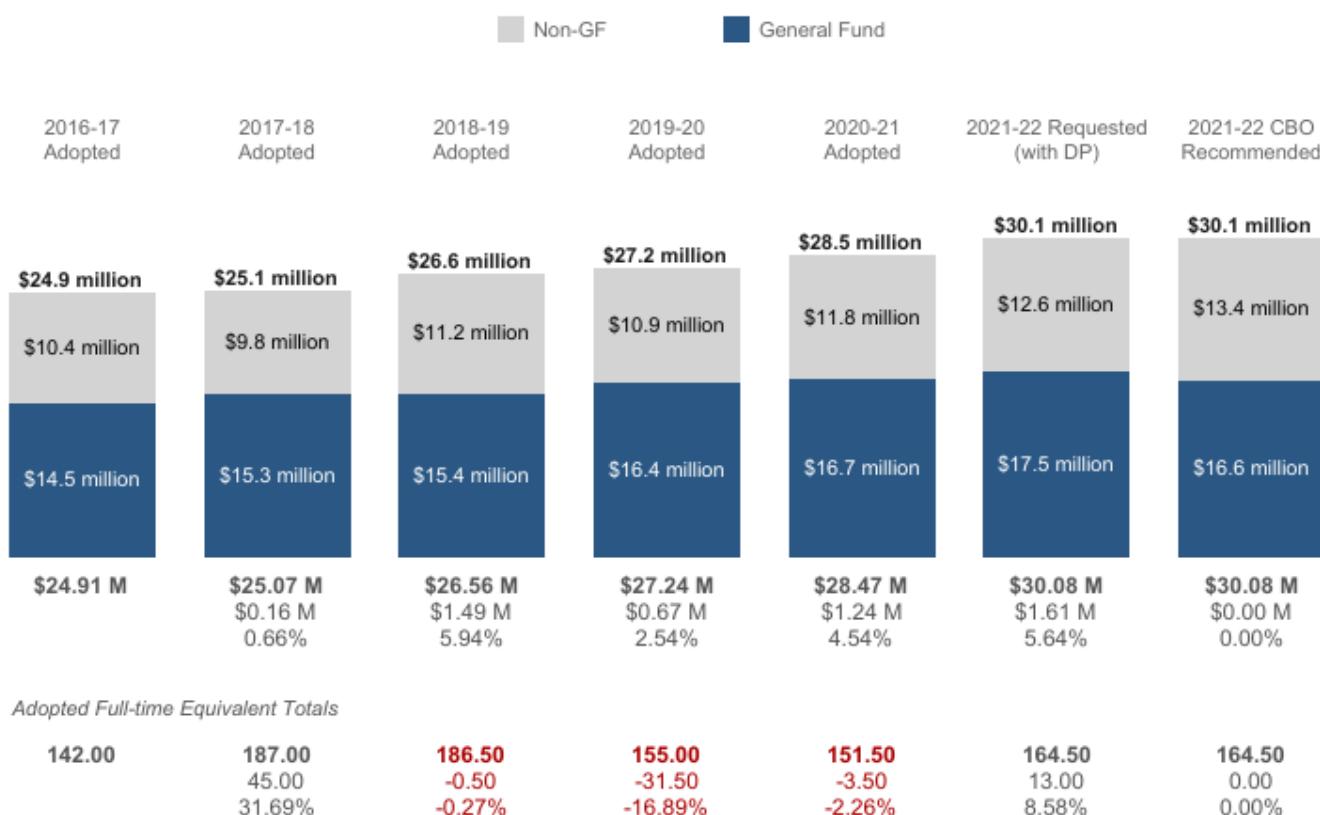



Analysis by Noah Myhrum

Adopted Budget Revenues | 5-Year Lookback



INTRODUCTION

The Bureau of Emergency Communications (BOEC) submitted a requested budget totaling \$30.0 million, a \$1.4 million (5.0% increase) over the FY 2020-21 Adopted Budget.

- BOEC's requested budget includes \$17.5 million of ongoing appropriation from the

General Fund which when combined with State of Oregon 911 tax revenue, funds 73.7% of BOEC's total operating budget. The 26.3% difference is paid by user agencies that are part of the Regional Emergency Communication System.

- The bureau has budgeted \$5,489,119 million in State 911 revenue, an increase of 35% or \$1.4 million over the prior year as a result of the state legislation that raised the 911 Emergency Communication Tax in 2019¹.
- In accordance with the Mayor's Guidance requiring bureaus submit a 5% ongoing reduction, the bureau submitted a package to reduce their ongoing General Fund transfer by \$875,569. BOEC did not request restoration of the 5% reduction in their General Fund discretionary transfer. In order to maintain current services levels, BOEC will balance this reduction by recognizing increased State 911 revenues to support staff and internally realign expenses from planned Capital Outlay.
- CBO Recommends the addition of 5.0 Full Time Employee (FTE) Senior Dispatch positions in support of Portland Street Response funded by an increase in state resources. All positions will be used for general 9-1-1 call answering, dispatch services, and in support of Portland Street Response. Three of the positions will specifically be used to establish a permanent Portland Street Response dispatch service.
- CBO Recommends the development of a hiring pipeline of 3.0 Limited Term Employee (LTE) dispatcher positions supported by increased resources from state resources. This will support bureau plans to begin a hiring pipeline through the use of limited term positions to match staffing levels for Senior Dispatchers and to stay ahead of attrition.

BASE BUDGET & KEY ISSUES

Staffing & Succession Planning

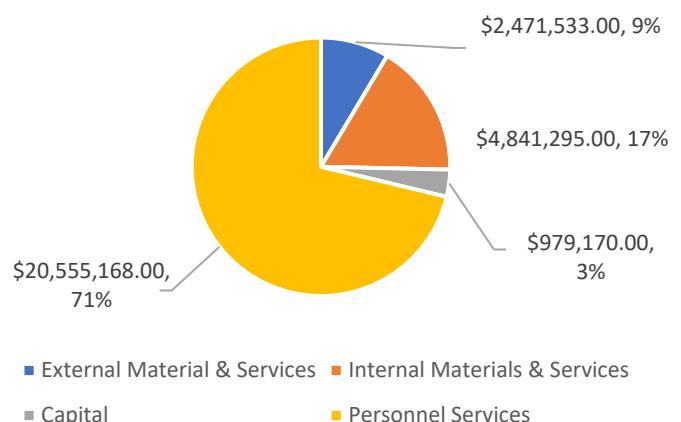
BOEC currently has 142.5 filled positions out of 156.50 authorized position at the bureau. More specifically, 123 of those FTE positions are filled with floor or operations positions. The FY 2021-22 Requested Budget includes adding FTE authority at BOEC by an additional 5.0 FTE Senior Dispatch positions and 3.0 LTE dispatcher positions. These new positions will be discussed in the decision package section of this review.

BOEC is responsible for the handling an average of roughly over 1 million Non-Emergency and Emergency calls per fiscal year or 2,740 calls per day on average and providing dispatch services as required. The bureau operates the 911 emergency call taking center, a 24/7/365 public safety service for Multnomah County. Funding for the bureau comes from three primary sources: transfers from the City of Portland's General Fund, intergovernmental agreement payments from user agencies within Multnomah County, and state revenues dedicated to support emergency call taking services. These resources support BOECs operational expenses as requested by the bureau in their FY 2021-22 Requested Budget.

¹ ORS 403.200: https://www.oregonlegislature.gov/bills_laws/ors/ors403.html

Personnel Services is the largest expense category, at 71% of BOECs total operating budget. Annual costs fluctuate dependent on the number of vacant positions and the amount of overtime worked to meet minimum staffing levels. The Requested Budget also includes the continuation of support for new capital improvement projects, specifically information technology upgrades supporting call taking and dispatch services.² Internal Materials and Services make up the final significant expenditure category, primarily consisting of support received from the Bureau of Technology for the bureau's information technology requirements.

BOEC FY 2021-22 Requested Budget



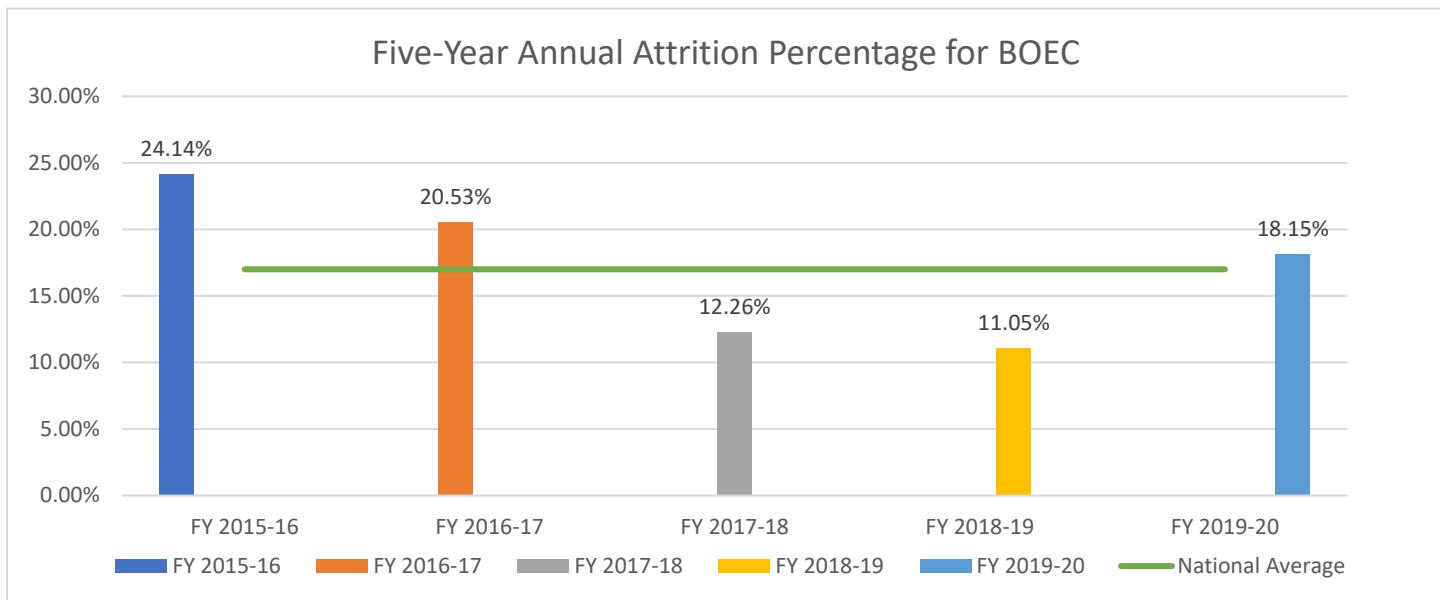
Due to the nature of the job, employees are often faced with a multiplicity of job stressors, notably the long work hours which frequently are tied to working either mandatory or regular overtime. BOEC will need to continue to mitigate and manage their overtime usage which includes training hours, shift coverage for annual in-service, and shift back-fill, all of which represent uses of overtime required to meet minimum staffing requirements. At present the overtime hours worked are tracked by BOEC in the aggregate as opposed to a more detailed or granular level, such as the number of annual hours tied to a primary reason for the overtime shifts. CBO acknowledges and expects there to be an annual amount of overtime usage at BOEC, it is inherent in the operations of a first responder system where shifts must be covered on a 24/7/365 model. However, in the absence of a discrete breakdown of the different types of baseline overtime hours worked it will be challenging to determine what reasons for overtime utilization are being addressed by the development of a hiring pipeline for dispatchers. BOEC anticipates the number of shift backfill hours will start to decline with the investments in resources such as ProQA. CBO recommends that BOEC look into mechanisms for tracking and reporting as this will help differentiate between the types of overtime used.

The FY 2021-22 Requested Budget includes requests to add 5.0 FTE Senior Dispatch positions as part of establishing the Portland Street Response program- a coordinated service for responding to medical and mental health calls for service - and 3.0 limited-term FTE for the creation of a training pipeline for BOEC's training academy. It is not anticipated these resources will have significant impact on overtime spending projections in FY 2021-22 due to hiring and onboarding timelines; however, it is anticipated that there will be positive impact on overtime spend rates in future years.

Organizationally, BOEC experiences separations from service throughout the year (retirements, resignations, trainee drop-out, or other voluntary leave) which adds to the complexity of

² CBO recommends the bureau's capital projects and planning adhere to City Financial Policy 2.03 for future financial planning purposes: [FIN-2.03 - Financial Planning | Comprehensive Financial Management Policies | The City of Portland, Oregon](#)

achieving full staffing without the utilization of overtime hours. The graph below illustrates turnover by fiscal year for the last five years at BOEC as it compares to the national average for call-takers. BOEC's turnover rate ranged from 11.05% to 24.14%, the last two full fiscal years with the five-year average being 17.2%. These attrition rates average is consistent with the national average of 17%. This chart highlights the continued challenge and complexities for BOEC as for three of the past five fiscal years it has been difficult to achieve desired staffing levels on straight time hours.

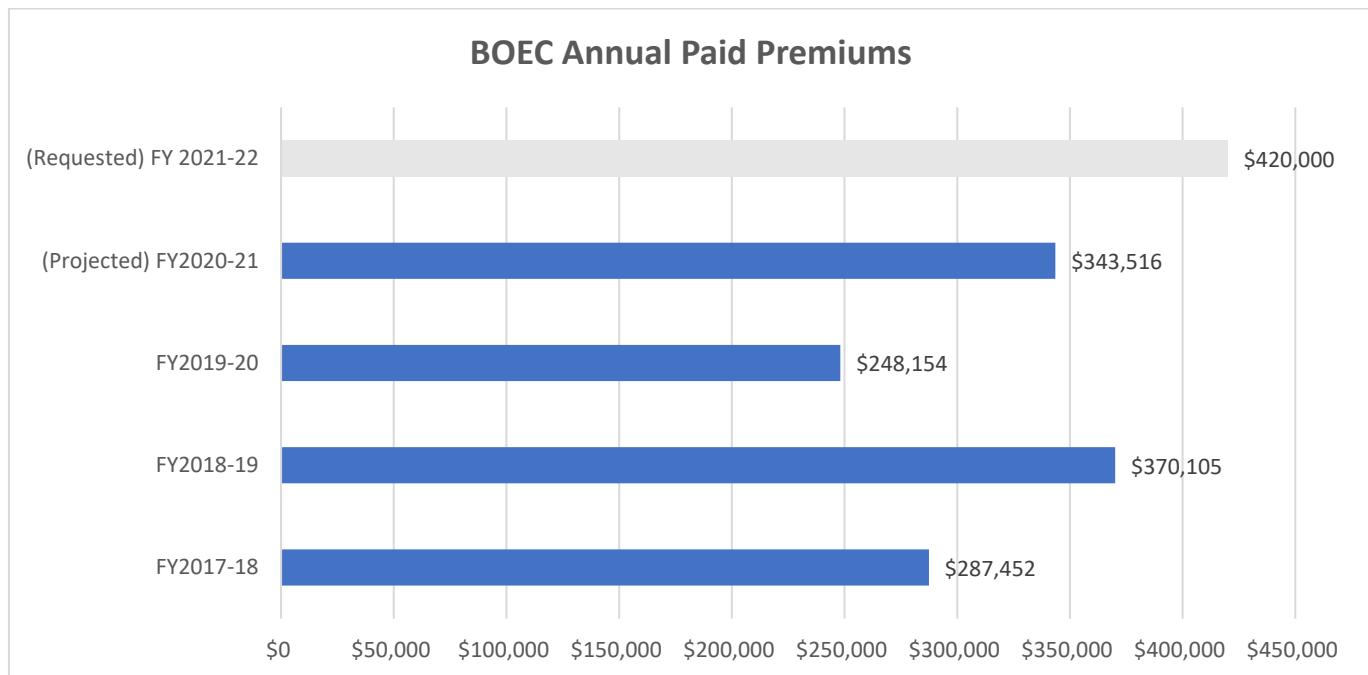


The FY 2016-17 Adopted Budget, and subsequent adjustments since this time, resulted in the addition of 13.0 Senior Dispatchers to address adequate staffing levels at BOEC in order to meet call load demands and performance goals, while aiming to mitigate the use of forced overtime. Specifically, these resources provide dedicated support for BOEC's bi-annual training academies in an effort to increase the number of qualified call-takers available to fill most shifts on straight-time hours. With the exception of new resources added for Portland Street Response, BOEC's position authority has remained relatively constant since FY 2016-17 while the number of calls has increased between 1-4% yearly. Similar to other Public Safety bureaus, call-takers and dispatchers at BOEC go through a lengthy recruitment, training, and onboarding process.

BOEC has taken internal actions to identify and support employees, however there will likely be certain levels of attrition, and associated costs of hiring new FTE to replace those who separate in the upcoming fiscal year. BOEC's operational challenge is to mitigate overtime costs associated with the consistent pattern of the bureau's pace of separation, eventually keeping better pace with the recruitment and training cycle. Financially and operationally speaking it is important to relieve these pressures on the bureau, and the bureau has over time laid the groundwork for a concerted effort to address stability in staffing in the near-term by creating a temporary academy pipeline with the addition of 3.0 Limited Term positions and in the far-term by planning a more comprehensive evaluation in tandem with BOEC's bargaining partners and the Bureau of Human

Resources on the creation of a more sustainable training pipeline.

The approximate costs associated with supporting a newly hired dispatcher through their first two years of service is roughly \$161,210, which includes 9.5% or 11% premium as coach's pay and overtime is incurred. BOEC currently has 23 coaches that are paid at the 11% premium rate and plans to add three more coaches in the coming year. The requested base budget for BOEC identifies \$420,000 to cover premium costs for FY 2021-22, this is a 22.3% increase from the budgeted amount for premiums in FY 2020-21. Premium costs will have to be monitored to ensure BOEC can absorb these expenses associated with training and onboarding in light of an ongoing reduction in the amount of General Fund resources being transferred into the bureau. The chart below details the costs associated with premiums paid in previous years as compared to the plan for FY 2021-22.



Public Safety Call Demand and Response Initiatives

There are three City initiatives under development or underway that have a direct effect on BOEC's workload and the effectiveness of the City's public safety response system: Portland Street Response, the Nurse Triage program, and 3-1-1. **In calendar year 2019-20, BOEC received 487,834 non-emergency calls which represents almost half of BOEC's entire call volume.** Each of these programs has implications for BOEC's budgeting and staffing structures, as described below.

Portland Street Response – BOEC Impacts

Portland Street Response is anticipated to increase workloads for BOEC in the near term. BOEC plans to address the needs of Portland Street Response (PSR) by adding five dedicated staff (three dispatchers and two call takers) to ensure the success of this program. As of the writing of this review the program has just started, and at least 18 calls have been dispatched in tandem with training that has begun through an individual self-study program. Training components

include call answering triage and dispatch protocol. BOEC plans on gathering call data and feedback from PSR on the accuracy and effectiveness of the program in order to adjust their staffing levels and training requirements to respond to the Fire Bureau's planned program expansion.

Nurse Triage Required Investments and Potential Outcomes

The Nurse Triage program allows for low-acuity medical 9-1-1 calls to be redirected to a medical professional who can provide the patient a phone consultation and if necessary, arrange for an appointment at a clinic. As such, the Nurse Triage program may assist in reducing workload demand for Portland Fire & Rescue who currently are dispatched to non-emergent, low-acuity calls related to patient illness and injury (an issue highlighted in prior³ Fire Bureau reviews).

In order for BOEC to assist bringing the Nurse Triage program to fruition they will need to have the ProQA program fully implemented, which should be May 4, 2021. BOEC's FY 2019-20 Budget Review⁴ estimated the Nurse Triage program to conservatively cost around \$182,727 to initiate, but the fully implemented yearly costs are unknown at this point. This program has potential to be a revenue generating program for BOEC, as insurance networks and hospitals will have the ability to be integrated in the ProQA program. The framework for the Nurse Triage program is expected to be finalized by April 1, 2022. Based upon this framework BOEC will have a better picture into whether they will be using partners or handling the rollout in-house. There have been initial conversations with hospitals and insurance networks regarding the revenue aspect of this project. At this point it is still unclear what the next steps are for the pursuit of outside resources to support this promising program.

311 and Diversion of Workload for BOEC Call Takers

The 3-1-1 program will direct non-emergency calls that currently get answered by BOEC to 3-1-1. Thus, this program should reduce BOEC call volume, reducing both BOEC and first responder workloads. Implementation of 3-1-1 is underway in the Office of Management and Finance; additional time and analytical data from the 3-1-1 program will be required in order to understand and realize the full impact this program has on BOEC's operations.

DECISION PACKAGES

Five Percent General Fund Reduction

11370, (\$875,569), 0.00 FTE

Request Summary

In order to meet the required reduction, BOEC requests to reduce their annual transfer from the General Fund on an ongoing basis by \$875,569. There is additional resource from the Oregon State Emergency Communication 9-1-1 tax that will off-set this reduction.

³ 2017-18 Portland Fire & Rescue Review: [631354 \(portlandoregon.gov\)](#)

CBO Analysis

As required by the Mayor's Budget Guidance, BOEC submitted a \$875,569 ongoing General Fund reduction. BOEC plans to back-fill the loss of the General Fund revenue with \$917,565 of increased revenue received from the Oregon State Emergency Communication 9-1-1 tax and User Agencies. There are no initial service level reductions associated with this resource swap; however, the growth in State 9-1-1 revenues presents the need to closely monitor available resources in coming years to ensure fiscal sustainability.

In order to balance this loss of resources without reducing positions, BOEC will reduce the amount of funds available for future capital outlay expenditures. While this proposal will allow BOEC to maintain current service levels, the issue of identifying and prioritizing future capital outlay expenditures will continue to be important in future discussions for support for 911 systems. BOEC, in partnership with the User Agencies is in the process of finalizing a new Inter-Governmental Agreement for services, which includes the creation of a sub-fund for capital reserves. This is a notable start for capital planning, and please see the [FY 2020-21 CBO Review](#) for additional discussion the importance of dedicating resources for future capital outlay expenditures in accordance with [City Financial Policy 2.03 Financial Planning](#). Any diversion away from BOEC's capital plan could result in large General Fund asks in future years and goes against Financial Policy 2.03⁵.

The initial implications and impacts of the reduction of General Fund resources are not likely to present financial challenges for BOEC in FY 2021-22. The bureau projects savings from vacancies, current and potential new vacant positions, to be timed with the hiring academies allowing BOEC to absorb this reduction with minimal disruption. Over the long term, BOEC may continue to become more reliant on the Oregon State Emergency Communication 9-1-1 tax and User Agency revenues should General Fund resources not be restored. The Oregon State Emergency Communication 9-1-1 tax is a relatively reliable source of income as it has held steady for the last 10 years but the pace of cost growth at the City for services may outstrip the rate of growth in state revenues.

Constraint Value: (\$875,569) ongoing

Add Five Senior Dispatchers

11370, \$615,795, 5.00 FTE

Request Summary

BOEC is proposing position authority to use \$615,795 of the revenue obtained from the Oregon State Emergency Communication 9-1-1 tax to support the hiring of 5.0 FTE Senior Dispatchers. The 5.0 FTE would be Senior Dispatchers would be utilized in support of Portland Street Response as well as for general 9-1-1 call answering and dispatch services. Three of the positions will specifically be used to establish a permanent Portland Street Response dispatch service.

CBO Analysis

⁵ City of Portland Financial Policy 2.03: [FIN-2.03 - Financial Planning | Comprehensive Financial Management Policies | The City of Portland, Oregon](#)

The implications for this proposal can be found in the support and evaluation of Portland Street Response to ensure a successful roll-out. There are currently planned program evaluation checkpoints to assess the outcomes of PSR through the practice of triaging calls to non-public safety responders. The proposal should provide BOEC with an opportunity to collect performance data on this proposal and ensure the proposal is a value-add regarding the use of these revenue streams for proposed personnel. This request is geared towards providing a better match of services for call type by sending mental health responders and by providing support towards the successful roll-out of Portland Street Response.

As outlined above this initiative is being proposed in order for BOEC to support the successful roll-out of Portland Street Response. BOEC is requesting to use \$615,795 in non-General Fund resources to support these positions. The need to closely monitor available resources in the coming years to ensure fiscal and project sustainability. It is imperative that BOEC collect meaningful performance measures such as overtime, call performance, and personnel to capture the true success of Portland Street Response. CBO recommends this request.

CBO Recommendation: \$615,795 Non-General Fund Ongoing | 5.00 FTE

Training Pipeline Limited Term Positions

11384, \$301,770, 3.00 LTE

Request Summary

BOEC is proposing to use \$301,770 of the revenue obtained from the Oregon State Emergency Communication 9-1-1 tax on a one-time basis to be used to develop a training pipeline for BOEC's academy.

CBO Analysis

The implications of this proposal would allow BOEC to develop a more robust hiring pipeline of Limited Term Employee positions as a transition for students of BOEC's Academy into a Senior Dispatch position. This effort should continue in concert with initiatives underway between BOEC their bargaining partners and Human Resources to continue to develop a more sustainable training pipeline and retention support as applicable. This request for limited term employees uses the available tools for achieving these goals and demonstrates efficiency of making progress to a more long-term solution for succession planning in the bureau. Conceptually, this request should lead to both cost and operational efficiencies and if Council approves this practice CBO recommends BOEC report on an annual basis the outcomes associated with this program in coordination with other partner public safety bureaus.

Currently, BOEC's proposal for adding 3.0 LTE positions to be used as a training pipeline is the most readily available option available to BOEC. CBO recommends that BOEC continue to work towards a more sustainable and responsible plan for creating a training pipeline with their bargaining partners and Human Resources when timing allows. CBO recommends this request to fund 3.0 LTE positions with new resources from the State Cell tax.

CBO Recommendation: \$301,700 one-time Non-General Fund| 3.00 LTE

SUMMARY OF REQUESTS & RECOMMENDATIONS (ALL FUNDS)

Bureau of Emergency Communications

		2020-21 Adopted Budget	2021-22 Requested Base (A)	Bureau Decision Packages (B)	CBO Recommended Adjustments (C)	Total Recommended Budget (A+B+C)
Revenue	Miscellaneous	\$40,000	\$45,000	\$0	\$0	\$45,000
	Intergovernmental	\$9,646,353	\$10,574,036	\$917,565	\$0	\$11,491,601
	Fund Transfers - Revenue	\$16,722,528	\$17,511,378	(\$875,569)	\$0	\$16,635,809
	Charges for Services	\$406,234	\$407,881	\$0	\$0	\$407,881
	Beginning Fund Balance	\$1,659,373	\$1,420,000	\$80,000	\$0	\$1,500,000
Revenue	Sum:	\$28,474,488	\$29,958,295	\$121,996	\$0	\$30,080,291
Expense	Personnel	\$19,520,541	\$20,513,172	\$41,996	\$0	\$20,555,168
	Internal Materials and Services	\$4,794,387	\$4,841,295	\$0	\$0	\$4,841,295
	Fund Transfers - Expense	\$1,002,597	\$922,088	\$0	\$0	\$922,088
	External Materials and Services	\$1,445,353	\$2,391,533	\$80,000	\$0	\$2,471,533
	Debt Service	\$299,045	\$311,037	\$0	\$0	\$311,037
	Capital Outlay	\$1,412,565	\$979,170	\$0	\$0	\$979,170
Expense	Sum:	\$28,474,488	\$29,958,295	\$121,996	\$0	\$30,080,291